



The Corporation of the District of Central Saanich

SPECIAL (OPEN) COUNCIL REPORT

For the Special (Open) Council meeting on Monday, October 6, 2025

Re: UBCM Grant Funding Application - Fire Station 2

RECOMMENDATION(S):

That the District approves submission of a Capital Infrastructure Stream Grant application for the Redevelopment of Fire Station 2, for a total project cost of \$11,279,400.

PURPOSE:

The purpose of this report is to provide the required UBCM resolution for the Canada Community Building Fund (CCBF)

BACKGROUND:

The Strategic Priorities Fund (SPF) is one of three funding streams delivered through the Canada Community Building Fund (CCBF) in British Columbia, formerly known as the Gas Tax Fund.

The current CCBF Agreement provides a ten-year commitment of federal funding for investments in local government infrastructure and capacity building projects. The SPF is an application-based funding program, which pools a portion of the annual CCBF for strategic investments that are considered large in scale, regional impact, or innovative and support the CCBF national objectives of productivity and economic growth, a clean environment, and strong cities and communities.

This fourth intake of the SPF program will see an investment of up to \$125 million to support infrastructure and capacity building projects in communities across the province. The SPF is delivered through two program streams:

1. Capital Infrastructure Stream
The SPF-Capital Infrastructure stream provides grant funding specifically targeted for the capital costs of local government infrastructure projects that are large in scale, regional in impact, or innovative and support the national objectives of productivity and economic growth, a clean environment and strong cities and communities. For the current intake, up to \$119 million of Capital Infrastructure Stream funding is available.
2. Capacity Building Stream
The SPF-Capacity Building stream provides grant funding for local government capacity building projects, including asset management, long term infrastructure planning and integrated community sustainability planning that support the national objectives and are large, regional in impact or innovative. For the current intake, up to \$6 million of Capacity Building Stream funding is available. *Staff have also applied through this stream which will be presented to Council at the next regular meeting.*

Each Municipality may submit one application under the Capital Infrastructure Stream and one application under the Capacity Building Stream for a total of two applications.

The SPF program can contribute a maximum of 100% of the cost of eligible activities – to a maximum of \$7 million. The SPF program accepted applications until September 12, 2025.

DISCUSSION:

Staff have identified the Redevelopment of Central Saanich's Fire Station 2 project for the Capital Infrastructure Stream. Only the Fire Station 2 portion of the municipal facility redevelopment is eligible for this grant, hence the grant application covers that section exclusively.

A building assessment conducted on the entire civic facility at 1903 Mount Newton in May 2025 indicated that Fire Station 2 is nearing the end of its service life. It was built in 1965 to serve a population of 5,000; today, Central Saanich serves a population of 18,000 and is growing. The facility is critical to the safety and security of the community, but it no longer meets modern health & safety, accessibility, seismic and post-disaster requirements, or the District's operational and capacity needs. Station 2's hose tower has been condemned and will eventually be hazardous to the public if not removed. Additionally, the new Station 2 will remove equipment gear out of the way from vehicles so to ensure it is not exposed to exhaust. As such, the building assessment recommends that Fire Station 2 is to be replaced.

The Class D cost estimate for the proposed replacement for Fire Station 2 is \$11,279,400, including contingency, project management, design and engineering. The architectural consultants provided this specific cost estimate only for Fire Station 2 to help improve the application's viability. This project is approved in the Districts 2025 Financial Plan, with funding from reserves and debt; however, grant funding support will help protect from potential financial risks, and ensure the delivery of a more resilient, inclusive, and future-ready civic facility.

Staff applied for the Fire Station 2 project prior to receiving Council approval, in accordance with UBCM guidelines which permit municipalities additional time to submit a Council-adopted resolution in support of the grant application. While the resolution is not mandatory at the time of the initial application, it must be provided within an appropriate period thereafter.

IMPLICATIONS:

Financial/ Resource

The total project cost is estimated to be \$11,279,400. This project is approved in the Districts 2025 Financial Plan, with funding from reserves and debt; however, grant funding support will help protect from potential financial risks by reallocating reserves for any cost overruns. If costs exceed the amount in the grant application the District would be responsible for overruns.

Option 1 (recommended):

That the District approves submission of a Capital Infrastructure Stream Grant application for the Redevelopment of Fire Station 2, for a total project cost of \$11,279,400.

Option 2:

Rescind the application.

CONCLUSION:

The Federal Government, through their Canada Community-Building Fund, has invited local governments to submit projects for grant funding. Staff recommend the District approve the Capital Infrastructure Stream Grant application for the Redevelopment of Fire Station 2, for a total project cost of \$11,279,400. It is a requirement of the grant application that Council provides a resolution

indicating support for the proposed activities and willingness to provide overall grant management.

Respectfully written and submitted by:	Fernando Pimentel, Deputy Director, Finance Strategic Capital Planning
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