
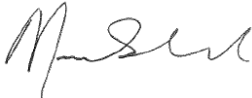




COMMUNICATION UPDATE

TO:	Mayor and Members City Council
DATE:	December 16, 2024
SUBJECT:	Hamilton Region Decarbonization Hub (City Wide)
WARD(S) AFFECTED:	City Wide
SUBMITTED BY:	Lynda Lukasik Director, Office of Climate Change Initiatives Planning and Economic Development Department
SIGNATURE:	
SUBMITTED BY:	Norm Schleeahn Director, Economic Development Planning and Economic Development Department
SIGNATURE:	

The purpose of this Communication Update is to inform Council of the status of the Hamilton Region Decarbonization Hub.

On August 8, 2022, Council conditionally approved a total four-year funding contribution for the Hamilton Region Decarbonization Hub (the “Hub”) to a maximum of \$240,000 (\$60,000/per year) to be funded from existing funding, allocated equally between the Economic Development Investment Reserve, Climate Change Reserve Account and Smart City Capital Project Account. The funding commitment was conditionally approved pending efforts to secure the total operating budget to support the Hub for four years.

In April 2023, staff provided an update via Information Report CM22013(a)/ PED22176(a) regarding progress with securing funding to enable the launch of the Hub. The Report indicated that all sources of funding were confirmed, except for \$1.6M in support (50% of the proposed budget to operate the Hub over four years) requested via

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

a grant application submitted to the Federal Economic Development Agency for Southern Ontario, at which time a decision was still pending. The application was prepared and submitted on behalf of all collaborators by the not-for-profit Transition Accelerator.

An informal notification was received by the Transition Accelerator in late October of 2023 that the grant request to the Federal Economic Development Agency of Southern Ontario would not be supported in its current form. Agency staff provided constructive feedback on how to strengthen the application and recommended that it be resubmitted in a future round. This feedback included providing additional documentation of potential business and industry Hub participants; an extensive list of associations, industries, businesses, and agencies provided letters of support and, in some instances, a commitment of funding for the initiative (see list attached as Appendix "A"). It also included reducing the funding request to the Agency from \$1.6M to \$1.025M. Changes were made by the Transition Accelerator based on the Agency's feedback and with input from City staff. The application was resubmitted to the June 2024 application intake deadline.

In November 2024, the Federal Economic Development Agency advised that the application was being declined because the funding round was oversubscribed by 10 times. No other details were provided regarding the decision to deny the funding request. The Agency indicated that there will be future funding opportunities to apply for to support this initiative.

Other avenues of support have also been pursued by project collaborators since May of 2023, including direct requests made by the City for Hub support to several provincial government ministers including the Honourable Stephen Lecce, Minister of Energy and Electrification and the Honourable Kinga Surma, Minister of Infrastructure, as part of the City of Hamilton's participation in the Association of Municipalities of Ontario's 2024 Delegation to the Ministries in late July 2024. To date, no offers of financial support have been received from the Province to fund the Hamilton Region Decarbonization Hub.

As a result of the decision of the Federal Economic Development Agency for Southern Ontario regarding the grant application prepared by Transition Accelerator to help to fund the Hub, staff are reviewing and assessing alternative pathways forward, including the feasibility of proceeding with the creation of a Hamilton Region Decarbonization Hub with a smaller amount of funding than proposed in the original project budget. Staff will report back to Council in Q1 2025 with a recommendation on a revised pathway forward.

If you require any further information on the above matter, please contact Lynda Lukasik, Director – Office of Climate Change Initiatives by e-mail at Lynda.Lukasik@hamilton.ca or at (905) 546-2424 Ext. 3169, or Norm Schleeahn,

Director – Economic Development by email at Norm.Schleehahn@hamilton.ca or at (289) 260-0849.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” – Hamilton Region Decarbonization Hub Funders and Collaborators

Hamilton Region Decarbonization Hub Funders and Collaborators

Transition Accelerator - Funding Contributor (*\$950K), Collaborator and Applicant
City of Hamilton – Funding Contributor (*\$240K) and Collaborator
Hamilton Community Enterprises – Funding Contributor (*\$40K) and Collaborator
Hamilton Industrial Environmental Association (HIEA) – Funding Contributor (\$40K) and Collaborator
Hamilton Chamber of Commerce – Funding Contributor (*\$10K) and Collaborator

Alectra Utilities – Collaborator
ArcelorMittal Dofasco – Collaborator
Canadian Steel Producers Association (CSPA) – Collaborator
City Housing Hamilton – Collaborator
Enedym – Collaborator
Flamborough Chamber of Commerce – Collaborator
Fluke Transportation Group – Collaborator
GH Power – Collaborator
Hamilton International Airport – Collaborator
Hamilton Oshawa Port Authority – Collaborator
Innovation Factory Regional Innovation Centre
Labourers’ International Union of North America (LiUNA)
McMaster University – Collaborator
McMaster Institute for Transportation & Logistics
Mohawk College – Collaborator
Nerva Energy – Collaborator
St. Joseph’s Healthcare – Collaborator
Stelco - Collaborator
STERN – Collaborator
Stoney Creek Chamber of Commerce – Collaborator

Note: *Where a funding amount is indicated, this represents the total funding amount from that funder over the four-year project budget.