

Canada 



Capacity Building and Integrated Community Sustainability Planning

*A guide to fulfilling local government commitment
to Capacity Building/ICS Planning projects under
the Canada – British Columbia – UBCM
Agreement on the Transfer of Federal Gas Tax
Revenue (Gas Tax Agreement)*

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The Agreement on the Transfer of Federal Gas Tax Revenue (GTA)

The Canada–British Columbia–UBCM Agreement on the Transfer of Federal Gas Tax Revenues (GTA) delivers federal funding to local governments and other eligible recipients for eligible capacity building projects, including integrated community sustainability planning (ICS Planning), as well as to public transit, community energy, water, wastewater or solid waste infrastructure projects that contribute to reduced greenhouse gas emissions, cleaner water or cleaner air.

The GTA segregates the province into three Tiers: Tier 3 is Greater Vancouver Regional District and its member municipalities; Tier 2 is Okanagan-Similkameen, Central Okanagan, North Okanagan, Capital, Cowichan Valley, Nanaimo, Fraser Valley and Squamish-Lillooet Regional Districts and their member municipalities; and Tier 1 is the remaining regional districts and their member municipalities.

Funding is delivered through five programs and, while the method of delivery in each of the programs is different, the range of project eligibility in each is the same (i.e., each program provides the opportunity to invest in capacity building, ICS Planning and public transit, community energy, water, wastewater and solid waste projects). This table shows overall parameters and status for each program, along with the expected distribution of Canada’s five-year funding commitment, totaling \$635.6 million.

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| <p>Community Works Fund (CWF) \$190.9 million</p> | <p>Funding flows automatically to all Tier 1 and 2 local governments under CWF Agreements. Recipients make local choices about which Eligible Projects to fund and report annually on projects funded and results achieved. Payments began in 2005 and continue to 2009.</p> |
| <p>Strategic Priorities Fund for Tier 3 \$307.0 million</p> | <p>In keeping with GVRD’s request, all Tier 3 funding is directed towards transit investments identified in GVTA’s strategic transportation plan. Funding commenced in January, 2006, under a GVTA–GVRD–UBCM agreement.</p> |
| <p>Tier 1 and 2 Strategic Priorities Fund (SPF) <ul style="list-style-type: none"> ○ Regionally Significant Projects in Tier 2 regions \$ 38.6 million ○ General Strategic Priorities Fund \$ 67.3 million </p> | <p>A portion of this SPF funding was reserved for Regionally Significant Projects within Tier 2 regions, and these regions began submitting RSP funding proposals in March, 2007.</p> <p>All Tier 1 and 2 local governments and Islands Trust (IT) entities are eligible to apply for General Strategic Priorities Fund (GSPF) funding under this application-based component. Funding decisions are based on the relative ranking of all applications received. About \$3.4 million of this funding has been reserved for capacity building/ICS Planning projects, and of that \$xx.x million has been committed.</p> |
| <p>Innovations Fund (IF) \$31.8 million</p> | <p>The IF is an application-based program and all local governments are eligible to apply. Funding decisions are based on the relative ranking of all applications received. About \$1.6 million of this funding was reserved for capacity building/ICS Planning projects, and of that \$xx.x million has been committed.</p> |

Capacity Building and Integrated Community Sustainability Planning

What is Integrated Community Sustainability Planning (ICS Planning)?

The purpose of ICS Planning is to advance the environmental, economic, social and cultural sustainability of British Columbia's communities. Essentially, ICS Planning is intended to help communities create a vision for a sustainable future for their community and to move toward that sustainable future.

The planning system in BC is well developed and robust and the legislative framework supporting that system provides for sustainability considerations in relation to a number of planning documents and processes. Consequently, local governments in BC are already well along the road towards ICS Planning. At the same time, however, local governments are being encouraged to build on this already strong foundation and advance the state of their sustainability planning and related activities.

How does the Gas Tax Agreement define capacity building projects and ICS Planning projects, how are they connected, and what significance do the definitions have?

The Gas Tax Agreement (GTA) sets out the parameters for use of Gas Tax funds contributed by the Government of Canada under the agreement. All Gas Tax funds must be spent on the eligible costs of eligible projects, and capacity building projects are an eligible project category for all local governments other than the GVRD and its member municipalities. Therefore, most local governments receiving Gas Tax funds may use those funds towards capacity building projects. The GTA defines both capacity building and ICS Planning, and both the definitions, and the concepts themselves, are interrelated.

ICS Planning is defined as “long-term planning, in consultation with community members, that provides direction for the community to realize sustainability objectives it has for the environmental, cultural, social and economic dimensions of its identity”. Schedule A of the GTA provides a number of examples of plans that are within ICS Planning parameters, but ICS Planning is broader than these plans. Essentially, ICS Planning is any plan or planning activity that is consistent with four elements: long term thinking, broad in scope, integration and collaboration (see the next section for a description of these concepts).

Capacity building projects are defined as “projects and activities that strengthen the ability of local governments to develop and implement integrated community sustainability planning”. ICS Planning activities are one type of activity that fits within this capacity building definition and are therefore one type of activity for which Gas Tax funds may be used. However, capacity building encompasses more than the planning activities themselves – it includes a range of pre-planning activities that can help to ready the community to undertake planning activities, as well as some activities that are needed in order to implement a plan. In addition, capacity building provides enough scope to accomplish some activities that may be less well connected to a particular plan or planning activity, so long as these activities support the communities' sustainability objectives and align with the ICS Planning sustainability elements.

What is the local government commitment to undertake ICS Planning and how can it be fulfilled?

Under the GTA, all local governments that receive Gas Tax funding have committed to undertake ICS Planning, either individually or as part of a regional strategy. To fulfill

the requirement, a local government must demonstrate over the term of the GTA that plan updates or new plans undertaken under the *Community Charter* or *Local Government Act*, consider the following key sustainability elements:

- Long term thinking (e.g., local governments consider extending the planning horizon beyond the normal 3-5 year planning timeframe).
- Broad in scope (local governments consider the communities' environmental, economic, social and/or cultural sustainability).
- Integration (local governments better co-ordinate their approach to community sustainability through linkages between different types of plans).
- Collaboration (local governments engage the public and other partners in planning processes to support community sustainability).

These elements could be seen as forming a “sustainability lens” through which the local government can view all of its plans and planning activities. So, for instance, when undertaking a review of a land use plan, the local government would consider whether that plan could be better integrated with other planning documents (e.g., transportation plan, capital investment plan) and it might realign the revision process to ensure these linkages can be made. Similarly, the local government would consider whether the plan's time frame and scope are appropriate or whether the plan should look further into the future or take a broader perspective. The revision process itself would also be considered to ensure an appropriate degree of collaboration and public engagement.

Alternatively, a local government may choose to develop a single overarching sustainability plan from which all other plans and all activities of the local government would flow. This more comprehensive approach may be suitable for some local governments but it is not mandated.

What do the ICS Planning key elements really mean, and why are they important?

Long term thinking means taking a long-term view in planning, including considering how circumstances might change over this time frame, how these changes might affect the community, and planning for alternative future scenarios. In essence, long term thinking may help to build community resiliency in the face of change. **Broad in scope** means thinking about, planning for, and moving towards sustainability in a broad range of areas, including economic, social, cultural and environmental. **Integration** refers to integrating various plans, to integrating sustainability into other activities (e.g., operations and decision-making processes), and to aligning sustainability actions across agencies or governments. **Collaboration** refers to engaging a wide variety of internal and external interests in the planning and implementation processes (e.g., a wide cross-section of local government departments and external interests such as the public, First Nations, neighbouring local governments, other governments and the for profit and not for profit sectors). Taken together, these elements will help to ensure the success of the sustainability planning process. In addition, providing a realistic **implementation** program and appropriate **monitoring and evaluation** activities will help to ensure plans become useful and remain relevant over time.

What kinds of capacity building and ICS Planning activities can be funded with the GTA's Community Works Fund (CWF) money?

Local governments should consult the GTA for details on eligible costs. The following is provided as general guidance only and to provide context for some of the GTA provisions.

It is important to be satisfied that the project is eligible because the activity and its costs must be included in the annual report to UBCM. Subject to the restrictions noted below,

local governments may use CWF funds towards **direct** costs related to all of the following activities:

- any plan or planning activity that considers the key sustainability elements of long term thinking, broad in scope, integration and collaboration;
- any pre-planning or other activities that take place prior to undertaking ICS Planning activities if they are needed in order to ready the local government to undertake the planning activity (e.g., community assessments, staff training on sustainable planning processes; detailed work program for the planning activity);
- collaboration processes to building participation, partnerships and strategic alliances and consultation and outreach activities if such activities are related to a proposed or ongoing planning activity or if they relate to the implementation of a plan or planning activity;
- knowledge gaining activities related to planning (e.g., learning about the use of new technology; research; monitoring and evaluation activities);
- activities aimed at integrating planning, policy development and implementation activities (e.g., environmental management systems, life cycle assessment);
- staff education and training related to the sustainable management, operation and maintenance of infrastructure;
- any other internal or external education and training needed to implement a plan if this activity is intended to work towards reduced GHG emissions, clean water or clean air objectives (e.g., public education on water conservation).

CWF can only be used to pay for the **direct** costs of these activities, which means that indirect costs such as overhead cannot be funded. Schedule B of the GTA sets out a number of specific costs that are ineligible, including: feasibility and planning studies for individual projects, which cannot be funded; and administrative costs, which cannot be funded except for funding from the interest earned on CWF funds.

CWF funding can pay for up to 100% of the net eligible cost for eligible projects (i.e., net of other grants and other contributions from governments, non-governmental organizations and the private sector). However, if funding is also provided under another federal infrastructure program (e.g. Municipal Rural Infrastructure Fund), the maximum federal contribution under the other infrastructure program continues to apply and CWF cannot be used to increase the total federal contribution to the project beyond the maximum federal contribution under the other infrastructure program.

What other GTA funding is available for capacity building and ICS Planning activities?

Capacity building and ICS Planning projects are eligible for funding under two application based GTA programs, the General Strategic Priorities Fund (GSPF) and the Innovations Fund (IF). Five percent of the total funding available under the GSPF and IF has been set aside for funding of capacity building and ICS Planning projects. Information about the programs and how to apply for capacity building/ICS Planning projects is available in the program guide located on UBCM's website at www.civicnet.bc.ca (from the main page, click on "Programs and Services" and then "Gas Tax/Public Transit Management").