

Negotiations and Development of Federal/Provincial Cost-share Agreements

*A joint Provincial/UBCM negotiating approach in the renewal of the
Canada Community Building Fund (Gas Tax Fund) with the federal
government.*

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Recommendation #5

The Province to continue to advocate with the federal government in the continuation of fed/prov infrastructure cost-share agreements at the current or greater level and ensure:

- The renewal of the Canada Community Building Fund (CCBF) Agreement with the federal government in 2024; and*
- By working with the federal government, and input from TransLink and BC Transit communities, a fed/prov agreement in the federal Permanent Transit Fund is implemented by 2026.*

For CCBF, Ministry of Municipal Affairs and UBCM will develop a plan that maximizes the alignment of provincial and local government interests in upcoming negotiations with the federal government including communications, meeting schedule and reporting.

What is the CCBF?

- The Canada Community-Building Fund provides long-term predictable funding to local governments
- National transfer of \$2.2 billion to all local governments in Canada
- BC receives approximately \$300 million in CCBF funding annually



UBCM's Role

UBCM administers the CCBF through a tri-partied Agreement with the Government of Canada and the Province of British Columbia



Milestones

- 2005:** First Gas Tax Agreement signed in BC
- 2010:** Program extended and set at \$2 billion/year to 2014
- 2011:** Legislation enacted to make GTF permanent; set at \$2 billion
- 2013:** Legislation enacted to index the fund at 2% annually
- 2014:** Signing of a 10-year renewed Gas Tax Agreement
- 2019:** One-time doubling of the GTF
- 2020:** Accelerated GTF transfer
- 2021:** One-time doubling of the GTF*
- 2021:** Addition of Fire Hall Infrastructure
- 2021:** Renaming to Canada Community-Building Fund

CCBF Program Delivery



Community Works Fund

- Available to all local governments
- Per capita formula with a funding floor delivered to the local government directly, twice annually
- Local governments make local choices about which eligible projects to fund



Strategic Priorities Fund

- Available to all local governments outside the GVRD
- Application based program
- Supports infrastructure and capacity building projects that are large in scale, regional in impact or innovative, and align with the GTA's national program objectives



Greater Vancouver Regional Fund

- Projects are proposed by TransLink and approved by the Greater Vancouver Regional District Board
- Provides funding for regional transportation investments within the Greater Vancouver Regional District and its member municipalities



VALUE OF ONE UBCM
2022
POWER OF MANY

Capital Investment Categories

- Local Roads, Bridges, Active Transportation
- Sport and Recreation
- Culture and Tourism
- Water and Wastewater
- Public Transportation
- Solid Waste
- Local and Regional Airports
- Broadband Connectivity
- Short Sea Shipping/ Short Line Rail
- Fire Hall Infrastructure
- Brownfield Remediation
- Community Energy Systems
- Disaster Mitigation



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Eligible Capital Costs

Eligible costs include expenditures associated with acquiring, planning, designing, constructing or renovating a tangible capital asset, as defined by Generally Accepted Accounting Principles (GAAP), and any related debt financing charges specifically identified with that asset.

Infrastructure is defined as a municipal or regional, publicly or privately owned tangible capital asset that is primarily available for public use and provides substantial public benefit.

In addition, eligible costs also include expenditures directly related to the joint communication activities and with federal project signage for CCBF projects.



Ineligible Costs

Ineligible Categories

- Emergency Response Services – Police, SAR & EOCs
- Education/Childcare
- Social housing/social services/senior care facilities
- Municipal/RD halls/public works & other admin buildings
- Health infrastructure

Ineligible Activities

- Small equipment purchases
- Feasibility studies
- Fire equipment/emergency response supplies
- Art & exhibit manufacturing

Ineligible Costs

- Leasing costs
- Overhead costs, including salaries
- Operation & maintenance costs/ routine repair
- Purchase of land
- Legal fees

Negotiating a New CCBF Agreement

Consistent with Recommendation #5, UBCM and Municipal Affairs are developing a joint negotiating approach to enhance both funding levels and administrative processes.

High-level goals and objectives include;

- UBCM to continue as the administrator of the CCBF, as the current partnership exists between the Ministry and UBCM,
- Advocate for a long-term CCBF Agreement that includes a dedicated and predictable funding model,
- Provision of Effective Funding and Programming

Negotiating a New CCBF Agreement

Additional goals and objectives include;

- Advocate that the federal government double the annual funding allocation to the CCBF,
- Remove all stacking rules associated with the CCBF to support the effective use of CCBF funding that supports projects that may be funded by other federal/provincial funding programs,
- Increase and improve the indexing formula currently used under CCBF to better reflect inflation, population adjustments and predictable funding, and
- Continue to enhance and improve local governments capacity to implement asset management best practices.

Negotiating a New CCBF Agreement

- It is anticipated that the federal government will receive their mandate to negotiate in early fall 2022.
- UBCM and Municipal Affairs continue to communicate with the federal government, focused on BC local government interests.
- As part of the negotiation process, UBCM will be soliciting formal feedback from UBCM membership, likely in Fall 2022/early 2023.
- In the meantime, we would like you to consider the following questions, and provide your feedback via the SLIDO app.

Question 1 - Test

- Who has NOT been knighted by Queen Elizabeth II?
 - Rudy Giuliani
 - Bono
 - Pele
 - Michael Caine
 - Terry Fox

Question 2

The current CCBF contains 17 eligible capital categories. Would you be in favour of having **NO** category limits in the next CCBF Agreement? *(Provided the infrastructure being funded supports the delivery of what is considered a local government service, it would be eligible)*

- Yes
- No

Question 3

In consideration of the current 17 eligible capital categories, which additional categories would most benefit your community if eligible?
(select your top 3)

- Municipal/RD Halls
- Public works and other municipal admin facilities
- Irrigation systems (non-potable water systems)
- Small equipment (for example: portable generators, fire equipment)
- Rolling stock (for example: street sweeper)
- Housing
- Education/childcare
- Social housing/social services/ senior care facilities
- Health related infrastructure
- Emergency Response Services – Police, SAR, EOCs

Question 4

Of the 17 Eligible Project Categories, which categories, if any, are not considered a priority for your local government/community?

- Local roads, bridges
- Short-sea shipping
- Regional/local airports
- Public Transit
- Solid waste
- Brownfield redevelopment
- Recreational infrastructure
- Tourism infrastructure
- Capacity building – *(asset management, long-term infrastructure planning and integrated community sustainability planning)*
- Highways
- Short-line rail
- Broadband connectivity
- Drinking water
- Community energy systems
- Sport infrastructure
- Cultural infrastructure
- Disaster mitigation

Question 5

To your knowledge, are there current project categories that are defined too narrowly, not allowing a desired project to go forward? If yes, which project category(s)?

- | | |
|--|---------------------------|
| -Local roads, bridges | -Highways |
| -Short-sea shipping | -Short-line rail |
| -Regional/local airports | -Broadband connectivity |
| -Public Transit | -Drinking water |
| -Solid waste | -Community energy systems |
| -Brownfield redevelopment | -Sport infrastructure |
| -Recreational infrastructure | -Cultural infrastructure |
| Tourism infrastructure | -Disaster mitigation |
| -Capacity building <i>(asset management, long-term infrastructure planning and integrated community sustainability planning)</i> | |

Question 6

Eligible/ineligible costs have been a challenge for some local governments. What additional planning/non-capital eligible costs would benefit your community if eligible? (*select top 3*)

- Detailed design
- Feasibility studies
- Own force labour and equipment
- Ongoing maintenance costs
- Ongoing operational costs
- Routine repair
- Administrative costs associated with delivering CWF

Question 7

Have you noted improvement or changes to asset management practices within your local government over the life of the agreement?

- Yes
- No
- I don't know