



Date: March 6, 2024
To: CAO's
From: Union of BC Municipalities
RE: Update on the Canada Community-Building Fund Renewal

Dear Leon Gous,

The current 10-year Canada Community-Building Fund program is set to expire on March 31, 2024. Over the past year, UBCM, the Province and the Government of Canada have been actively engaged in discussions on a long-term renewal of the CCBF. UBCM's goal has been to ensure that local governments in BC continue to receive the funds in a dedicated, flexible and predictable manner and that there be no disruption to the timing of future payments.

Status of negotiation:

In 2023, UBCM conducted a member survey on elements of the current agreement as the basis of our advocacy position for the renewed agreement. The results of that survey indicated broad support for the current model which included the direct allocation Community Works Fund program with a funding floor, the application-based Strategic Priorities Fund, and a pooled public transit fund for Metro Vancouver.

In September 2023, UBCM and the Province formalized a joint advocacy approach to renewal discussions with the Government of Canada noting several key areas of alignment. This advocacy position included:

- A long-term predictable source of funding for local governments
- A flexible and effective funding and programming
- A doubling of the fund
- Removal of the current stacking provision
- A review and increase of the indexing model
- Continue to enhance and improve local government capacity to implement asset management best practices

In the winter, the Government of Canada distributed a CCBF position paper identifying three key areas of focus for a renewed agreement. These include: new reporting conditions for both signatories and recipients; new housing requirements for communities over 30,000; and reporting on housing outputs on a project level.

UBCM and the Province have identified concerns with these proposed reporting and housing conditions. We have communicated these concerns to the Government of Canada both formally and informally throughout the renegotiation process. The continuing discussions remain positive and we anticipate reaching effective and workable solutions.

Next Community Works Fund payment:

Although we do not expect the federal government will commit to doubling the CCBF at this time, we do anticipate that the program will continue at current funding levels with indexing. The expected Community Works Fund payment for the City of Burnaby in the 2024/25 reporting year is: \$857,555.03

Please note that any change to this payment amount from last year is the result of incorporating the most current Canada census populations for British Columbia (2021) in the program's allocation formula.

2023 Annual Expenditure Reporting

On April 15, UBCM will be opening the CCBF reporting for the 2023 calendar year. This will be the final report under the 2014-2024 agreement and will include additional reporting to identify and provide timelines for the use of remaining unspent Community Works Funds. The report will also highlight local communications activities and use of signage for active projects. This report will be due June 1, 2024 and will be a pre-condition of future CCBF funding.

Instructions on how to submit your 2023 AER will be provided in advance of April 15.

Next steps:

UBCM, the Province and the Government of Canada continue to have positive discussions on the terms of a renewed long-term agreement. We will continue to raise the above-mentioned concerns and aim to be in a position to have a 10-year Agreement signed in advance of the first expected Community Works Fund payment in July. Until that Agreement is signed, the program will continue to operate under the terms and conditions of the existing CCBF Agreement.

We will continue to provide updates on the progress of CCBF discussions through our online Compass.

Sincerely,



Brant Felker
Manager, Gas Tax Program Services, UBCM

CC: Noreen Kassam