



## COUNCIL REPORT

To: Mayor and Council

Date: July 23, 2024

From: Ron Mattiussi, Interim CAO

Subject: **2024 to 2034 CANADA COMMUNITY-BUILDING FUND AGREEMENT**

Report Prepared by: Jason Luciw, Senior Advisor - Communications and Engagement

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**RECOMMENDATION** to Consider and Resolve:

**THAT** Council authorize the Mayor and Corporate Officer to sign the 2024-2034 Canada Community-Building Fund agreement on behalf of the City of West Kelowna.

### **STRATEGIC AREA(S) OF FOCUS**

**Invest in Infrastructure** – We will invest in building, improving and maintaining infrastructure to meet the needs of, and to provide a high quality of life for, current and future generations.

**Pursue Economic Growth and Prosperity** – We will work with stakeholders throughout the region to advocate for and support efforts aimed at helping West Kelowna businesses prosper. With a focus on the future, we will advance opportunities to expand our economy, increase employment, and develop the community in ways that contribute towards prosperity for all.

**Strengthen Our Community** – We will provide opportunities for the residents of West Kelowna to build connections, celebrate successes, embrace the community's strengths and diversity, address shared needs, and contribute to shaping the community's future.

**Foster Safety and Well-Being** – We will pursue through direct action, advocacy, and collaboration with local and regional service providers, investments in community health, needs-based housing, emergency preparedness, policing, and other services that foster safety and well-being in West Kelowna.

### **BACKGROUND**

The Government of Canada, Province of British Columbia and Union of British Columbia Municipalities (UBCM) have signed the new 2024 to 2034 Administrative Agreement on the Canada Community-Building Fund. The new agreement replaces the 2014-2024

framework and outlines the administrative and delivery requirements of the program, formerly known as the Federal Gas Tax Fund, effective April 1, 2024, to March 31, 2034.

The fund provides predictable, long-term and stable funding to local governments for investments in infrastructure and capacity-building projects. Over the next 10-years, the Government of Canada is expected to transfer \$1.6 billion to British Columbia in support of the goals and objectives of the Canada Community-Building Fund.

## **DISCUSSION**

On June 21, the UBCM wrote local governments advising of the renewed funding program and requiring a Council resolution authorizing the Mayor and the Corporate Officer to sign the agreement to begin receiving scheduled payments.

Funding under the allocation-based Community Works Fund will be provided to the City of West Kelowna in semi-annual installments, with half provided on or about July and the remainder deposited on or about December each year going forward. Municipalities can allocate the funding within several eligible categories, which have been expanded to include the purchase of fire trucks and the addition of a Resilience Category to replace Disaster Mitigation. Other categories include: local roads, bridges, active transportation and public transit; drinking and wastewater treatment; community energy systems; sport, recreation, culture and tourism infrastructure; and fire halls.

Funding will also be provided under an application-based Strategic Priorities Fund, with more details to be provided in future. In the past, this fund has typically re-opened every few years, and the City of West Kelowna has received asset management planning and plan implementation contributions through this fund's Capacity Building Stream.

It must also be noted that, in addition to the regular annual program, financial and communications reporting, the Canada Community-Building Fund comes with new, added reporting requirements with respect to asset management and housing, which are outlined in Schedules F and G of the agreement. Schedule F – Asset Management notes that all Ultimate Recipients are required to meet the Asset Management Commitments, which will focus on strengthening capacity over the next 10 years. Schedule G – Housing Report states that by March 31, 2025, municipalities such as West Kelowna, with a 2021 Census population of 30,000 or more, must complete and make available to the Government of Canada a Housing Needs Assessment (HNA). HNAs must be made publicly available on the municipality's website and municipalities are to provide links to the page where the HNAs are posted to Canada. The City must also post approved signage on projects for which they use Canada Community-Building Fund contributions.

Local governments that have housing pressures, such as West Kelowna, must also provide project-level data on housing requirements to the Province of British Columbia and UBCM, for inclusion in an annual Housing Report that will be submitted to the Government of Canada.

## **FINANCIAL IMPLICATIONS**

Community Works Fund payments are predetermined based on 2021 Census population data. Payment amounts are scheduled to be updated after the 2026 Census.

The first five years of scheduled contributions to the City of West Kelowna are provided in the attached allocation table, which indicates payments of \$1,706,182 in each of 2024, 2025 and 2026 and \$1,774,430 in each of 2027 and 2028.

The City of West Kelowna places these contributions in its Gas Tax Reserve Fund and deliberates how these funds are to be invested in the community as part of annual budget deliberations. Most funding has been allocated to the annual Road Rehabilitation Program over the past 10 years.

## **CONCLUSION**

As a signatory of the 2024 to 2034 Administrative Agreement on the Canada Community-Building Fund, the City of West Kelowna would be scheduled to receive no less than \$17.4 million in dedicated funding for investments in community infrastructure and capacity building projects over the next decade, based on current population figures and future projections.

## **REVIEWED BY**

Lisa Siavashi, Financial Services Manager / Deputy CFO

## **APPROVED FOR THE AGENDA BY**

Ron Mattiussi, Interim CAO

Powerpoint: Yes ☐ No ☒

### **Attachments:**

- West\_Kelowna-CWF-2024-2034\_Agreement.pdf
- CWF\_Allocation\_Table-First\_Five\_Years.pdf