PEACE RIVER REGIONAL DISTRICT

Rural Budgets Administration Committee Meeting

A G E N D A

Thursday, October 20, 2016
at the Regional District Office Boardroom, 1981 Alaska Avenue,
Dawson Creek, BC following the EDAC Meeting

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1. CALL TO ORDER - Director Hiebert to Chair the Meeting

2. DIRECTORS NOTICE OF NEW BUSINESS:

3. ADOPTION OF AGENDA:

4. ADOPTION OF THE MINUTES:
   M-1 Rural Budgets Administration Committee Meeting of September 15, 2016

5. BUSINESS ARISING FROM THE MINUTES:

6. DELEGATIONS:
   None

7. CORRESPONDENCE:
   C-1 September 22, 2016 – Kalen Dorer – Thank you letter for Scholarship
   C-2 September 14, 2016 – City of Dawson Creek – Fire Training Facility

8. REPORTS:
   R-1 October 14, 2016 –Trish Morgan, GM of Community and Electoral Area Services – Report on the Value of NCLGA, UBCM and FCM Memberships
   R-2 Shannon Anderson, Deputy CAO – Verbal report on Feasibility, Design and Costs Study for Area B.
   R-3 October 13, 2016 – Trish Morgan, GM of Community and Electoral Area Services – Notice of Closed Meeting.

9. NEW BUSINESS:

10 COMMUNICATIONS:

11. ADJOURNMENT:

PEACE RIVER REGIONAL DISTRICT

RURAL BUDGETS ADMINISTRATION COMMITTEE MEETING MINUTES

DATE: September 15, 2016

PLACE: Regional District Office, Dawson Creek, BC

PRESENT: Directors
Director Sperling, Electoral Area C – Meeting Chair
Director Hiebert, Electoral Area D
Alternate Director Houley, Electoral Area E
Director Goodings, Electoral Area B

Staff
Chris Cvik, Chief Administrative Officer
Shannon Anderson, Deputy Chief Administrative Officer
Kim Frech, Chief Financial Officer
Trish Morgan, G.M. of Community and Electoral Area Services
Fran Haughian, Communications Manager/Commission Liaison
Ronda Wilkins, Executive Assistant

Absent
Director Dan Rose, Electoral Area E

Call to Order The Chair called the meeting to order at 1:00 p.m.

DIRECTORS NOTICE OF NEW BUSINESS:

NB-1 - Willow Valley Cemetery, NB-2 - Feasibility funds for Area B water, NB-3 Electrical Extension application – Luke Peifer, R-3,Handout #1 – Youth Travel Request - Toni Savard and R-4, Handout #2 – Buick Creek Area and

ADOPTION OF AGENDA:

RBAC 15/09/01
MOVED by Director Hiebert , SECONDED by Director Goodings,
"That the Rural Budgets Administration Committee agenda for the September 15, 2016 meeting with the addition of– Feasibility funds for Area B water, Electrical extension application –Luke Peifer, Willow Valley Cemetery, Handouts #1 – Youth Travel Request - Toni Savard and Handout #2 – Buick Creek Area be adopted."

1. CALL TO ORDER
2. DIRECTORS NOTICE OF NEW BUSINESS:
3. ADOPTION OF AGENDA:
4. ADOPTION OF THE MINUTES:
   M-1 Rural Budgets Administration Committee Meeting of July 21, 2016
5. BUSINESS ARISING FROM THE MINUTES:

ADOPTION OF AGENDA CONTINUED:

6. DELEGATIONS:
   None
7. CORRESPONDENCE:
   C-1 August 8, 2016 – Rachel Kalkman – Express of appreciation for a Scholarship
8. REPORTS:
   R-1 September 8, 2016 report from Jennifer Rudyk, Finance Clerk – Finance Report, July 2016 – Revised copy handed out at meeting
   R-2 August 31, 2016 – Chris Cvik, Chief Administrative Officer – Notice of Closed Meeting
   R-3 September 14, 2016 – Handout #1 report from Jill Rickert, CSC, Youth Travel Request – Toni Savard
   R-4 September 12, 2016 – Handout #2 report from Bryna Casey, Parks and Rural Recreation Coordinator – Buick Creek Area – Heat loss
9. NEW BUSINESS:
   NB-1 Willow Valley Cemetery – Kim Frech, CFO to report
   NB-2 Feasibility funds for Area B Water – Director Goodings
   NB-3 Electrical Extension Grant for Luke Peifer
10 COMMUNICATIONS:
11. ADJOURNMENT:

ADOPTION OF MINUTES:

M-1
RBAC Minutes,
August 18, 2016

RBAC 15/09/02
MOVED by Director Goodings, SECONDED by Director Hiebert,
"That the Rural Budgets Administration Committee Meeting Minutes of August 18, 2016 be adopted."

CARRIED

DELEGATIONS: None

BUSINESS ARISING FROM THE MINUTES: None

CORRESPONDENCE:

C-1
August 8, 2016
Rachel Kalkman –
Scholarship

Received for information

REPORTS:

R-1
September 8, 2016 –
Jennifer Rudyk,
Finance Clerk –
Financial Report –
July 2016

RBAC 15/09/03
MOVED by Director Goodings, SECONDED by Director Hiebert,
"That the Rural Budgets Administration Committee approve that the Grant-in-Aid for the Wonowon Horse Club of $1,500 be returned back into the Grant-in-Aid budget to reduce next year's requisition."

CARRIED

R-2- Chris Cvik, Notice of Closed Meeting	The agenda was varied and R2 was dealt with at the end of the meeting.
R-3 September 14, 2016 Handout #1 – Jill Rickert, CSC – Youth Travel request	RBAC 15/09/04 MOVED by Director Hiebert, SECONDED by Alternate Director Houley, "That the Rural Budgets Administration Committee deny the request for travel assistance for Toni Savard to participate in the Hockey Training Institute (HTI) Stars Winter Training Program in Mulmur, Ontario from September 1, 2016 to March 15, 2016 as it does not meet the eligibility criteria for the Youth Travel Grant and all Sub-Regional Youth Travel funding has been expended for 2016." CARRIED
R-4 September 12, 2016 Handout#2 – Bryna Casey, PRRC – Buick Creek Area – Heat loss	RBAC 15/09/05 MOVED by Director Goodings, SECONDED by Director Hiebert, Recommendation #1 "That the Rural Budgets Administration Committee approve a grant to the Buick Creek Community Club for up to $35,000 from the Gas Tax to fund, the application of spray foam in the Buick Creek Arena to address issues around heating inefficiencies, user safety and comfort." Recommendation #2 "That the Rural Budgets Administration Committee approve the reallocation of $5,759 in Gas Tax funds to the Buick Creek Community Club from October 2013 to offset the cost of the spray foam installation." Recommendation #3 "That the Buick Creek Community Club uses the committed Gas Tax funds in accordance with the recommendations made by the Peace River Regional District Building Inspector." The Directors also asked if Staff would follow up with Buick Creek Arena in regards to the other frost problems in the arena and any other information of additional work that needs to be done.
NEW BUSINESS:	RBAC 15/09/06
NB-1 Willow Valley Cemetery	MOVED by Director Rose, SECONDED by Alternate Director Houley, "That the Rural Budgets Administration Committee approve that $200.00 from Area E, Cemetery funds go towards the shortfall of the Willow Valley Cemetery that is only budgeted at $1,000 for 2016."
NB-2 Feasibility Funds for Area B - Water	RBAC 15/09/07 MOVED by Director Goodings, SECONDED by Director Hiebert, "That the Rural Budgets Administration Committee approve from the Peace River Agreement Funds, Area B, Rural Utilities (C) $230,000 to determine the feasibility, design and cost of: 1) upgrading existing water tank loader sites in Area B to a potable water standard; and 2) developing potable water tank loader sites in Rose Prairie and Buick.

And that discussion on the water tank loader at Blackfoot Park by referred to a future meeting of the Rural Budgets Committee."

Deferred until the next RBAC meeting in order for Shannon Anderson, Deputy CAO to clarify the costs to do the study

NB-3 Electrical Extension Grant for Luke Peifer

RBAC 15/09/08
MOVED by Director Goodings, SECONDED by Director Hiebert,
"That the Rural Budgets Administration Committee approve the Fair Share Electrical Extension Grant Application from Luke Peifer in the amount of $4,000 from Area B, Fair Share Funds."

COMMUNICATIONS: None to post

R-2- Chris Cvik, Notice of Closed Meeting

The Committee dealt with R-2 – August 31, 2016 – Chris Cvik, CAO – Notice of Closed Meeting

RBAC 15/09/09
MOVED by Director Goodings, SECONDED by Director Hiebert,
"That permission be granted to resolve to a closed meeting, pursuant to Section 90(1) of the Community Charter which states that a part of a (Board) meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

"(c) labour relations or other employee relations;"

CARRIED

The Committee reconvened at 3:15 p.m.

ADJOURNMENT: RBAC 15/09/10

MOVED by Director Goodings, SECONDED by Director Hiebert,
"That the Rural Budgets Administration Committee be adjourned at 3:16 p.m."

CARRIED

Director Sperling, Meeting Chair

Ronda Wilkins, Executive Assistant

Dear Peace River Regional District,

Thank you for selecting me to receive the South Peace Sub Regional Rural Academic Scholarship. Included is a registration statement and list of the classes I am enrolled in at the College of New Caledonia in Prince George, including the Fall semester and Spring semester. Thank you for supporting me and my education.

Sincerely,

Kalen Dorer

Received DC Office September 21/16

C-2

City of Dawson Creek

Box 150, Dawson Creek, BC V1G 4G4

Office of the Mayor

Tel: (250) 784-3616
Fax: (250) 782-3203

September 14, 2016

File No.: 2016-35

Chair/CAO/Agenda

Don McPherson, Board Chair
Peace River Regional District
PO Box 810
Dawson Creek, BC V1G 4H8

Dear Chair McPherson:

Re: Fire Training Facility

At the Regular Meeting of Council held Monday September 12, 2016 Council awarded the tender for the Fire Training Centre to Red Weld Tec Ltd. for $277,675 plus applicable taxes. This facility will be available as a resource to the entire region and we would like to ask for financial support to help us complete the project. Thank you in advance for your consideration.

Yours truly,

Dale Bumstead
Mayor

/lb

c. S. Smith, Fire Chief

"Excellence in Service and Leadership"

www.dawsoncreek.ca

October 20, 2016
October 13, 2016

Peace River Regional District

REPORT

To: Rural Budgets Administration Committee Date: October 12, 2016

From: Trish Morgan, General Manager of Community & Electoral Area Services

Subject: Value of NCLGA, UBCM & FCM memberships

RECOMMENDATION(S):

1) That the costs of NCLGA, UBCM and FCM memberships be borne by the entire region through the Legislative Regional function rather than the Legislative Electoral Area function as it is the Peace River Regional District corporate body that holds these memberships and not the electoral area directors.
2) That all costs for travel, conferences and meals for the electoral area directors to attend conferences and meetings with NCLGA, UBCM and FCM be charged Legislative Electoral Area function.

BACKGROUND/RATIONALE:

At the August 18, 2016 Rural Budgets Administration Committee meeting the following motion was passed:

That the Rural Budgets Administration Committee ask staff to bring back a report on what the Committee's options are for being in or out of the Union of BC Municipalities, North Central Local Government Association and Federation of Canadian Municipalities and that the following information be included:

1) *What authority does the Committee have to make the decision?*
2) *What are the termination provisions?*
3) *What are the pros and cons?*

	NCLGA	UBCM	FCM
Membership cost	$21,755	$10,293	$3,570
Formula to determine membership cost	NCLGA is based on 50% population and 50% assessment (note that population is only the electoral area not the municipalities)	UBCM based on population (electoral area only) varying rates as population increases (first $5K @ $0.6768, Next $10K @ $0.4915, Next $15K @ $0.3093	FCM is base rate of $340 plus per capita fee (electoral area only) of $0.1425.
Number of Members	All 42 local governments within the north who are eligible to be a member of NCLGA are members of NCLGA	All 190 municipal and regional district members plus 7 first nations members.	All 190 municipalities and regional districts in BC; close to 2,000 members across Canada
Who is the member?	The Board of the Peace River Regional District	The Board of the Peace River Regional District	The Board of the Peace River Regional District

Staff Initials: Dept. Head: October 20, 2016 CAO:

1) What authority does the Committee have to make the decision?

Although currently the electoral areas pay for the cost of the memberships to NCLGA, UBCM, and FCM, it is actually the PRRD as a corporation that is the member of these organizations and as such RBAC does not have the authority to decide whether to be members of these organizations. The cost of the memberships have been allocated to the Legislative Electoral Area function because the cost of the membership is based on population of the electoral areas as the municipalities also pay a fee based on their own population. However, the Regional District is the "member" of each of these organizations and as a "member" it is provided with the benefits of being a member. For instance, a single electoral area director or the four electoral area directors as a group could not submit a resolution to UBCM or NCLGA on their own. As the Regional District is the member, the resolution must be submitted by the Board even if it is of an "electoral area" nature.

2) What are the termination provisions?

NCLGA: could chose not to pay the annual fee and then would no longer be a member
UBCM: could chose not to pay the annual fee and then would no longer be a member
FCM: could chose not to pay the annual fee and then would no longer be a member

3) Pros & Cons of Membership

PROS of Membership	CONS of Membership
Each organization provides a common voice of local governments to advocate for change to or development of provincial and federal policy, regulation and legislation through submission of resolutions. Examples: FCM advocated for the development of the Federal Gas Tax program; UBCM advocated to not download Fire Code inspections to regional districts; NCLGA advocated to prevent the use of agricultural land for carbon offsets & upgrading Hwy 97 from a class B highway to class A highway.	Total cost of memberships for NCLGA, UBCM, FCM = approximately $35,000
Directors from the PRRD show common support for changes to address issues within our region (e.g., dam safety, less restrictive requirements to establish water and sewer functions, stream clearing after the 2016 flood, protection of fossils)	Resolutions put forward by PRRD do not always gain support of NCLGA or UBCM resolutions committees or from members. The Province and Federal Government may also not support resolutions should they pass.
Conventions - opportunities to meet with Ministers and ministry staff to put forward issues or make requests for changes to policy, regulation or legislation – some being supported by resolutions that have been submitted.	
All conventions provides opportunities to network, learn about best practices and challenges commonly faced by local governments.	

OPTIONS:

1) Status quo with the electoral areas continuing to pay the membership fee and each year upon review of the agenda topics for each convention then make a determination on how many delegates should attend.

STRATEGIC PLAN RELEVANCE: none

FINANCIAL CONSIDERATION(S):

NCLGA =	$21,755
UBCM =	$10,293
FCM =	$ 3,570
TOTAL =	$35,618

Note that the cost to raise $35,618 in the Electoral Area function is $0.002 and to raise it through a Regional function is $0.001.

COMMUNICATIONS CONSIDERATION(S): none

OTHER CONSIDERATION(S):

If the electoral area directors are not satisfied with the services they receive through any one of these organizations, it is recommended that they first discuss their concerns with a member of these Boards/Executive and follow-up with a detailed letter. If these organizations are not aware of issues or concerns with their services, they cannot make changes or improve their services to the benefit of their members.

Attachments:

Examples of Accomplishments &/or Advocacy for Local Governments:

1) NCLGA 4 Year Strategic Plan
2) NCLGA Summary of recent advocacy issues and collaboration
3) UBCM 2016 Annual Report
   a. Resolutions Committee: see pages 30 to 45 to on how resolutions brought forward have affected change
   b. Emerging & Ongoing Policy Files: see pages 46 to 49
4) FCM Cities & Communities: Partners in Canada's Future (see page 41 for Rural Communities)
5) FCM's Cities & Communities: Rising to the Moment Federal Budget Submission 2016

North Central Local Government Association's

Four-Year Strategic Plan

2014 - 2018

Prince George, BC

September 2014

"To be the Elected Voice of North & Central British Columbia"

The NCLGA occupies a unique and valuable position. As the only democratically elected body representing North Central British Columbia, our Board serves as the voice for an area that encompasses 69% of British Columbia's landmass, 7% of its population base, and almost 60% of the Aboriginal population.

For the last sixty years, our association has built momentum and support from our member communities, recently reaching 100% membership among qualified local governments. Over the next four years, the NCLGA strives to fulfill this given role as the "Elected Voice of North & Central British Columbia."

We will give voice to our region's residents through closer relationships with government (provincial and federal), media, industry, and other organizations. This, specifically, means being present at the table when all key decisions affecting our region are being made, rather than left to deal with any possible consequences.

As a non-partisan association, we work specifically for the benefit of our member communities – smaller communities that are all too often left by the wayside because of their size or location. As residents ourselves, we are proud to represent our region, and we are equally as invested in our area's continued health and prosperity.

Through strengthened communication between member communities, the addition of newly-qualified, First-Nation local governments, and a bolstered network of like-minded, north-centric organizations, the NCLGA is situated to become a driving force for our region.

The NCLGA's 2014-2018 Strategic Plan outlines our plans to fulfill its role, and steps to monitor and measure success.

Goals

Become a Facilitator for Positive Change for Regional Issues

This goal centers on the NCLGA's ability to interface with other levels of government. This can be an information-sharing role (such as advising a regional district or municipality) or an advocacy role (such as meeting with cabinet ministers, MPs and MLAs to speak about regional issues). While we seek to instigate positive change, we do not strive to be the organization that becomes responsible for a local government when disaster happens.

Seek Out New Members

In an effort to form a board that is both representative and inclusive, new local governments within the NCLGA's borders should be pursued as members. As new First Nations become eligible, the NCLGA should seek them out. Membership eligibility requirements can be found in NCLGA policies. To truly be considered the 'Elected Voice of North Central British Columbia,' we must be as inclusive as our constitution and policies allow, and ensure that all voices and opinions within our region are heard.

Increase our Financial Capacity

Without the funds, the NCLGA's ability to complete our mandate lessens considerably. If the NCLGA is financially viable, we will have the means necessary to work with provincial government, inspire change, and truly connect with all of our members on a more regular basis.

Form a Robust Network of Committed Organizations

This goal is region-specific and focuses on partnerships between the NCLGA and organizations that have considerable strength throughout our region. At present, the NCLGA does not have the staffing capacity or mandate to complete research comparable to other northern organizations. Some organizations also do not have the capacity to complete the advocacy role that the NCLGA can. This is but one example of the many ways these partnerships can operate; by working in partnership, this will strengthen our region's capabilities as a whole, and will open up the information-sharing channels between organizations and the NCLGA.

Make Resolutions More Effective

Through extensive internal research over the past two years, the membership overwhelmingly noted that the current resolution process needs considerable improvement. The NCLGA has taken this feedback seriously, and is designing a long-term plan to remedy this issue.

Increase Communication from the NCLGA and Between Member Communities

Over the next four years, healthy, routine communication between the NCLGA and its member communities will be built. This means increased general information about the association, awareness of other communities' activities, and up-to-date knowledge regarding resolutions.

Strategies

Become a Facilitator for Positive Change for Regional Issues

a. ***Meetings with Federal and Provincial Governments***
These meetings can be utilized to decide on priorities and to find common issues between the three levels of government.

b. ***Share Successes, Best Practices and Stories from our Region***
- Face-to-face meetings with Councilors, Mayors, Directors, and other local government officials.

c. ***Lend Advocacy Support to Key Issues***
- Engage senior levels of government, industry and relevant organizations to influence the decision-making process.

Seek out New Membership

a. ***Meet with Eligible First Nations Governments***
- Face-to-face meetings to explain benefits of membership and how the NCLGA functions (resolutions, etc).
- Provide resources to further explain what membership with the NCLGA entails.

b. ***Explore Avenues to Include Currently Ineligible First Nation Governments***

Increase our Financial Capacity

a. ***Bolster the NCLGA Endowment Fund***
The NCLGA Endowment Fund's final goal is $5 million. This final goal may come in 5 or 10 years, however, a continued and concerted effort must be directed to growing the fund. $5 million will create enough interest revenue to sustain our organization in perpetuity.

b. ***Seek Out Other Assorted Sources for Funding***

Form a Robust Network of Committed Organizations

a. ***Form North-Centric Partnerships***
Mutually beneficial partnerships cultivated with organizations that have a specific interest in BC's North Central area.

b. ***Cultivate Collaboration and Information Sharing within Partnerships***
Relationship building, mutual advocacy, and regular communication between partners needs to be emphasized.

Make Resolutions More Effective

a. ***Increased Discussion and Debate Between Member Communities***
Get members more engaged with other local governments' resolutions, and spur discussion about what their community can do with them.

b. ***Better Communication between Resolution Sponsors and Staff***
Give feedback and advice regarding resolutions, such as specific reasons as to why resolutions were not recommended, or what could be done differently in future. Also, encourage the resolution's sponsor community to work with NCLGA regarding their resolution prior to submission. Finally, clearly outline the NCLGA's current area of focus so that resolutions can be mutually beneficial within both the broad scope of the organization and specific scope of the local government.

c. ***Find Commonalities and Opportunities for Collaboration***

d. ***Prioritize Resolutions***
Select a handful of resolutions that touch on regional, timely issues that affect all members, and then take substantial, impactful action on them.

e. ***Clarity on Ownership of Action Regarding Resolutions***
The ownership of a given resolution is held by the sponsoring local government, the NCLGA, and the UBCM. In order to create action and affect positive change, there must clear communication and coordination between each body.

Increase Communication from the NCLGA and Between Member Communities

a. ***Presentations to Regional Districts/ Communities***

c. ***Utilize Event Opportunities***
By participating in related local government events, more opportunities are created to further information as to the NCLGA's new strategic plan and objectives.

d. ***Creation of a Comprehensive Communications Plan***
A Communications Plan will ensure structure within the organization. It will outline best practices, strategies for success, and goals for our communication efforts. A full communications audit is expected.

R-1

Trish Morgan

From: Oliver Ray <oray@nclga.ca>
Sent: Wednesday, October 12, 2016 3:44 PM
To: Trish Morgan
Cc: Bonnie S
Subject: RE: NCLGA accomplishments

Hi Trish,

The NCLGA has a four year strategic plan and two of its most significant components are **advocacy** and **regional collaboration**:

1.) **ADVOCACY**: On the advocacy front, we have worked hard over the past three years to focus on "partnership" rather than "protest" when it comes to working with senior levels of government and other stakeholders. This has really opened doors for the NCLGA and allowed us to successfully push through several key issues and resolutions. From preventing the use of agricultural land for carbon offsets to upgrading HWY 97 from class B to class A status, and more broadly, garnering national attention around member driven resolutions on rape culture and human trafficking, the NCLGA is really focusing heavily on advocacy and its starting to show real results.

   Just this past week at UBCM, the NCLGA had 25 separate meetings on issues specific to northern BC. These meetings included industry executives, cabinet ministers, opposition MLAs and the Premier. A major theme of our efforts- which is unique to the NCLGA- is the lack of understanding (from other jurisdictions) around our local resource based economies and how impactful some decisions can be on northern communities (i.e. northern decision makers need to be at the table in a more substantive way). It isn't an easy road to hoe, but it is certainly worth the effort. So far, we have seen an increase in northern input that has led to things like, most recently, the northern post-secondary school marketing initiative and efforts to establish a beef processing facility in the region (two of many examples from the past few months, alone).

   Moving forward, we will be focusing on issues like waste management and emergency preparedness in northern BC.

   Unlike other local government organizations who emphasize policy and have to broadly apply their efforts to include Canada's largest municipal governments from an array of jurisdictions, the NCLGA focuses on advocacy, and is the only advocacy organization that works solely to promote the economic, social and environmental well-being of northern BC communities, (both rural and municipal).

2.) **REGIONAL COLLABORATION**: Our region accounts for 80% of BC's overall exports, 80% of its agricultural lands, most of Canada's current, large scale resource development projects and the largest tract of unsettled First Nation treaty lands in North America. It is also home to some of the world's most pristine and culturally rich and environmentally significant locations. It isn't an overstatement to say that Northern BC is one of the most strategically important places on the globe; the problem is that the residents of the region only account for 6.8% of BC's population. Our small and dispersed population, combined with the uniqueness of our region makes regional collaboration essential.

   The NCLGA is the only organization positioned to bring all communities in the region together and we're taking that responsibility very seriously. Not only has the invitation list and amount of delegates to our annual convention increased exponentially over the past three years, but we have signed seven MOUs with other region-centric organizations (from Northern Development to the Fraser Basin Council) which has allowed us to

October 20, 2016

better align northern priorities and perspectives and has significantly increased our ability to advocate for our members. Furthermore, just this year we organized and helped host the first ever Northern Mayors and RD Chairs Roundtable and are in the throes of organizing a Northern Rural Directors Roundtable.

Lastly on the regional collaboration front, the NCLGA create the Northern Voices Endowment Fund. It is currently only at $300,000, but the interest from this fund will go specifically toward regional collaboration and will be used to cover the venue, materials and catering costs of events like the Rural Directors Roundtable. It's worth pointing out that we established this endowment without increasing NCLGA membership dues in nearly a decade, and our conference fees have remained steady at an all-inclusive $375...the lowest of any related conferences attended by northern community leaders.

Lastly, the NCLGA is incredibly agile and responsive to its members. We aren't a large association, but we are very effective in our capacity as advocate and convener for our members. We have collaborated with other organizations who work extremely well on the policy and research aspect northern issues, which has left us in a position to act more effectively as advocate and convener for our members.

If you or any of your Board members has any questions at all, they can feel free to call me on my cell at any time: 250-612-9801

Oliver Ray
Executive Director

"The Elected Voice of Central & Northern BC"
North Central Local Government Association
206 - 155 George Street
Prince George, BC V2L 1P8
Office: (250) 564-6585

Twitter: @NCLGA
Website: http://www.nclga.ca

NCLGA
North Central Local Government Association

From: Trish Morgan [mailto:Trish.Morgan@prrd.bc.ca]
Sent: Wednesday, October 12, 2016 11:20 AM
To: NCLGA ADMIN <admin@nclga.ca>
Subject: NCLGA accomplishments
Importance: High

Hi Oliver,

Would you mind providing me 1 or 2 very brief examples of significant accomplishments of NCLGA such as something that was advocated for successfully?

thanks

Trish Morgan | General Manager of Community & Electoral Area Services
Direct: **250-784-3218** | Cell: **250-219-3000** | trish.morgan@prrd.bc.ca
PEACE RIVER REGIONAL DISTRICT | Box 810, 1981 Alaska Highway Avenue, Dawson Creek, BC V1G 4H8
Toll Free: (24 hrs): **1-800-670-7773** | Office: **250-784-3200** | Fax: **250-784-3201** | www.prrd.bc.ca

PRRD PEACE RIVER REGIONAL DISTRICT

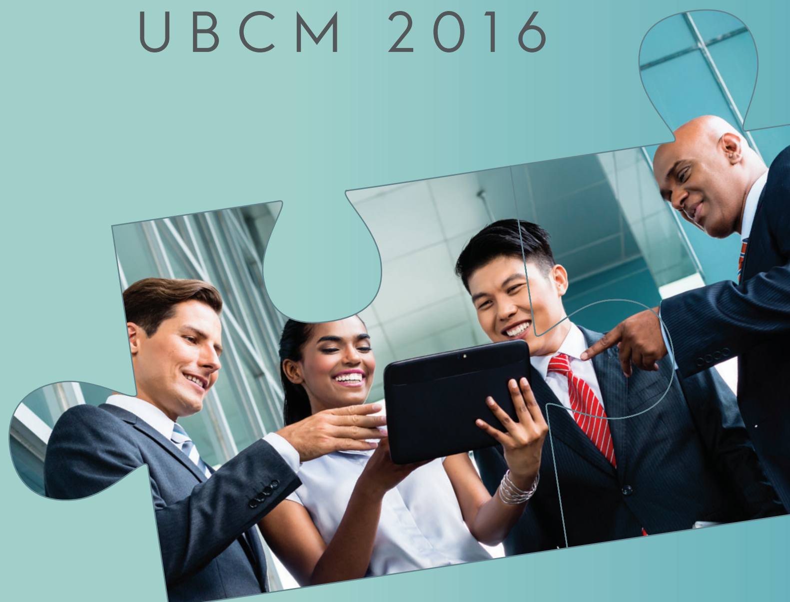
R-1

2016 UBCM
Annual Report & Resolutions

October 20, 2016

R-1

STRONGER TOGETHER
UBCM 2016



SEPTEMBER 26 - 30 | VICTORIA, BC

ANNUAL REPORT & RESOLUTIONS
TO BE CONSIDERED AT THE 2016 UBCM CONVENTION

DATES:	Pre-Convention:	Mon., Sept. 26 - Tues., Sept. 27
	Business Sessions:	Wed., Sept. 28 - Fri., Sept. 30
LOCATION:	Victoria Conference Centre, Victoria, BC	
FOR MORE DETAILS:	Prior to Convention:	ubcm.ca
	During Convention:	eventmobi.com/ubcm

October 20, 2016

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Letter of Transmittal

It is our pleasure to present the 2016 Union of B.C. Municipalities Annual Report to the membership.

The report demonstrates the multiple ways over the past year by which UBCM has fulfilled its mandate as the representative of local government in British Columbia. Some of the highlights from our efforts this year include:

- Advocating to maximize federal and provincial contributions to new infrastructure funding announced in the 2016 Federal Budget.
- Speaking out against the impacts of costs imposed on local government without consultation (like the download of new DNA analysis costs).
- Advocating for the Province to conduct a review of the arbitration process within essential services labour relations agreements.
- Identifying several changes with regard to the operations of the Auditor General for Local Government that were then implemented.
- Working with Reconciliation Canada and the BC Association of Aboriginal Friendship Centres struck a staff working committee to jointly plan the Reconciliation Dialogue Workshop Initiative.

As you will see by reviewing the full reports of our policy, advocacy, program administration and service delivery, UBCM is a lean organization with a high level of output. The work throughout all areas continues to reflect the hallmarks of our organization:

- A policy based approach to advocacy;
- An Executive, supported by a Secretariat, that reflects the diversity of the membership to provide year-round direction and respond to emerging needs;
- A voluntary membership that represents all of the local governments in British Columbia; and
- A commitment to non-partisan approach to communication and government relations.

The surest indication that we are providing value to our membership is your continuing support. We are pleased that once again this year that 100% of the local governments in B.C. and seven First Nations communities have renewed memberships. We thank you for your support and the opportunity to serve UBCM, local government and the Province of British Columbia.

Al Richmond

Al Richmond, President

Gary MacIsaac

Gary MacIsaac, Executive Director

October 20, 2016

Corporate Operations

UBCM

October 20, 2016

Corporate Operations

Executive Priorities

At the November 2015 Executive meeting, board members identified their priorities for the coming year. Over the course of the year, adjustments have been made to those priorities, in response to challenges and opportunities that have arisen. Specifically with infrastructure commitments coming forward from the new federal government, our Executive has continued to advocate for a dedicated portion of those dollars to local governments. The chart below provides a summary of the past year's priorities and their status at year-end.

As well the following page provides greater detail on the work undertaken to advance these priorities, and others, as well as update the membership on UBCM's internal operations.

Priorities	Progress to Date
Compensation	Extensive discussions at the senior staff and elected official level took place in 2015-16 on local government compensation, local government finance and cost drivers, and elements of *Strong Fiscal Futures*. Discussions centered on a potential Memorandum of Agreement's scope of review, outcomes, timelines and governance structure. The Province has sought to review local government compensation prior to contemplating work on UBCM's *Strong Fiscal Futures* priority of developing an Infrastructure Bank. In April 2016, the Executive gave direction that a meeting between President Al Richmond, Metro Vancouver, and Minister Peter Fassbender be held to further discuss compensation issues and local government cost drivers. A meeting has not taken place to date. While the previous Minister of Community, Sport and Cultural Development's mandate letter included compensation as a priority, Minister Fassbender's current mandate letter does not include it as a priority for action. However, UBCM continues to hear from the Province that local government compensation remains an issue. No activity on the compensation file since April 2016.

Priorities	Progress to Date
Reconciliation	UBCM, Reconciliation Canada and the BC Association of Aboriginal Friendship Centres struck a staff working committee to jointly plan the Reconciliation Dialogue Workshop Initiative. Seven communities have been targeted for dialogue workshops over the 2016/2017 period. UBCM's other reconciliation activities have included promoting a series of local government cohorts of the Provincial Health Services Authority's Indigenous Cultural Safety Training. Work is also underway on a reconciliation-focused section of UBCM.ca, with information and resources for local governments undertaking activities in response to the Truth and Reconciliation Commission's Calls to Action.
Auditor General for Local Government (AGLG)	UBCM report *Auditor General for Local Government (AGLG): Perspectives on Operations* released August 2015. Met with Interim AGLG and Audit Council to discuss the findings of UBCM's report and receive an update on steps taken to implement UBCM recommendations. Session held at the 2015 UBCM with the AGLG and a subsequent UBCM resolution was endorsed seeking the elimination of the AGLG office. Updated membership with regards to legislative amendments to the AGLG in October 2015. Met with AGLG Mr. Gordon Ruth in November 2016 for a further update on changes implemented to improve AGLG operations.
Local Government Expense Limits Formula	The all-party Special Committee on Local Elections Expense Limits reported out in June 2015. UBCM expressed support for 5/6 recommendations. The sixth, in regard to the expense limits period being set at January 1st for candidates was not acceptable since a 28-day period had been recommended for third parties. UBCM flagged this inconsistency to the Minister and Bill 43, *Local Elections Campaign Financing (Expense Limits) Amendment Act, 2015* was amended to reflect a 28-day period for both. Our request to implement contribution limits was also reiterated to the Minister but this matter was deemed out of scope for the Special Committee.

Ucluelet, BC

October 20, 2016

Corporate Operations

New Federal Government - Infrastructure Investment

Through Minister Sohi's office and through senior staff at Infrastructure Canada, UBCM advocated to maximize both federal and provincial contributions in new investments/programming. During Advocacy Days, as one of three priorities, UBCM advocated for the provincial government, at a minimum, to maintain a 33% share in future infrastructure investment. On June 16, 2016, the new Public Transit Infrastructure Fund was announced, valued at $920M with a 50% federal share ($460M) and a 33% provincial share ($308). As part of Phase 1 funding, UBCM is continuing to advocate for a similar cost-share formula with the Clean Water & Wastewater Fund – with an announcement expected in July 2016.

UBCM continues to consult with the federal government on aspects of Phase 2 funding, with consultation expected to finish in the fall of 2016, and federal announcements pertaining to Phase 2 funding to be part of the 2017 federal budget.

Mayors' Caucus

Over the past year UBCM has developed a Terms of Reference with the Mayors' Caucus, which in part, confirms that UBCM will provide administrative services to the Caucus through meeting support and registration services for the Fall and Spring meetings. The UBCM President and Executive Director attended the 2016 Spring meeting in Fort St. John and UBCM will play an organizational role in the fall Mayors' Caucus meeting during the 2016 UBCM Convention.

Fire Services Act

For a number of years UBCM has been part of a working group looking at policy changes to improve fire prevention and safety in BC. UBCM consistently expressed concerns that the approaches under consideration for achieving that goal, would result in downloading fire inspection services onto regional districts. At the 2015 Convention, members endorsed resolution A3 asking the Province "to provide the resources necessary to inspect and enforce provincial safety regulations, including the Fire Services Act and its regulations… rather than pursuing options to download the responsibility for inspections and enforcement of provincial regulations on local governments."

Following the Convention, UBCM was assured that regional districts would not be required to undertake inspection services. A new *Fire Safety Act* was introduced on February 4, 2016 and while we understood the intent was not to require regional districts to undertake fire inspections, the requirement for regional districts (and municipalities) to appoint fire safety personnel has created confusion. Why is there a requirement to appoint fire service personnel if they are not going to carry out the associated duties?

In order to achieve clarity around local government's obligations under the new Act, UBCM sought a legal opinion. That legal opinion confirmed our concerns noting that if appointed fire inspectors do not perform the expected duties they risk legal proceedings against them personally and against the local authority. On June 7th UBCM President Al Richmond wrote to Ministers Yamamoto and Fassbender sharing our legal opinion and seeking amendments to the new *Fire Safety Act* to address this situation. Our legal opinion has also been shared with the Office of the Fire Commissioner. We have not yet received a response from the Province.

October 20, 2016

Advocacy Days Priorities

The UBCM Executive raised awareness of key policy priorities with Members of the Legislative Assembly during its April 13-15th Executive meeting. Over two days, Executive members met with 32 MLAs from all parties including 14 ministers, the leader of the Official Opposition, and both caucus chairs. The meetings focused on strategic investments in infrastructure and addressing community safety cost drivers.

Vice-Chair Jim Abram, Councillor Phil Brienesse, Councillor Murry Krause, Minister Suzanne Anton, Minister John Rustad, Chair Alison Sayers, Councillor Barbara Price

On infrastructure, the Executive sought a provincial commitment to maintain at a minimum its traditional 33% funding for those local government infrastructure projects eligible for 50% federal cost sharing. For community safety costs, the Executive called for a reversal of the provincial decision on transferring the costs of DNA analysis services to local governments, as well as a commitment to enhance communication and collaboration between the Province and local governments on all future policing decisions. Members of the Executive also called on the Province to conduct a review of the arbitration process within essential services labour relations agreements, and to collaborate in proposing changes that would mitigate the cost pressures of arbitrated settlements.

Chair Art Kaehn, Councillor Barbara Price, Councillor Corisa Bell, Minister Shirley Bond, Councillor Bruce Hayne, Councillor Brian Frenkel

UBCM INTERNAL OPERATIONS

Information Management/Information Technology Plan

All four(4) streams of the IM/IT Technology Plan are moving forward as planned, on budget and on time.

Business Software Application Stream involves unique and/or program specific software required to meet operational requirements. Current work in this stream includes the development of the Gas Tax Information System Project. This project is a large project involving development of a system by a third-party vendor. UBCM staff have dedicated significant time in the development of the Business Requirement Document and Functional Design Document. Both are on schedule and will be signed off on July 8, 2016. The next phase is system development, followed by testing and implementation scheduled for February 2017. In addition, analysis is being done to determine next steps on improving UBCM membership data management and UBCM corporate financial management.

Office Productivity Software Stream - involved establishing policy, procedure and standards with respect to both desktop software and hardware for all UBCM staff. The majority of this work was completed in Spring 2016.

October 20, 2016

Operations and Technology Infrastructure Stream – involves improving efficiency and effectiveness of server architecture and Network access. Work continues within this stream until practical, cost-effective solutions are found. Current work includes a pilot project designed to sync the Richmond and Victoria servers in real time.

Policy and Procedure Stream – involves developing policy and procedures designed to support decision making, support enhanced security and improve productivity. Policies on Document Back-up Procedure and Schedule, Remote Access of Network and Servers, Standards for Server Security, User Authentication and Password Management have been completed in draft, winter 2015. Work to be completed in 2016/17 includes policies on; Electronic Document Filing Structure, Personal Use, Use of External Web-based Tools, IM/IT User Policy and Employee Agreement, Contractor/Service Provider IM/IT Policy and Archiving/Destruction of Electronic Files Policy.

Local Government House - Asset Management

Staff at Local Government House continue to move forward and implement asset management for the facility. Replacement value for building structure(s) and contents has been completed. Next is to complete a replacement costs assessment for mechanical infrastructure. 2016/2017 activities will include staff training and development of an asset management plan and policy, which will support financial decision making in the future (example – appropriate contribution towards reserve funds). Additional work in 2016/17 involves condition assessment and development of an integrated building operations and maintenance plan.

Staff Policies/Benefits Update

UBCM made improvements to staff benefits in 2016 to ensure that the UBCM plan was aligned with our membership. Costs to implement the improvements were negligible.

UBCM is continuing work on a review and updates to staff policies and has hired a HR group to provide guidance and facilitate changes to ensure that they comply with the BC Employment Standards Act and are fair and equitable to staff.

Corporate Investment Plan

Staff will continue to move forward and develop and investment strategy and policy for the management of UBCM held reserves. Staff will contact three fund management firms to provide a presentation on managing UBCM investments.

Mission Statement

The **values** we want associated with UBCM as an organization are:

- Credibility and accuracy in what we do
- Timely and effective in how we respond
- Valuing teamwork and respecting diversity in everything we do
- Being non-partisan and objective in how we present ourselves

Our **vision** is to most effectively represent and serve all local governments in BC.

Guided by our values and to achieve our vision the purpose of UBCM is:

To **represent and serve** all local governments in BC by:

- Being the recognized advocate for their common interests
- Meeting the members' common needs

We will be the recognized **advocate** for local government in BC in:

- Policy development and implementation
- Government relations
- Communications externally
- Liaison with other groups

Our priorities for meeting the members' common needs are through:

- Communication to members
- Advice and training for local government officials
- Convention
- Information sharing

We strive for **continuous improvement** in all that we do.

North Vancouver, BC

Corporate Operations

UBCM Executive

Chair Al Richmond
Cariboo Regional District

President
Healthy Communities Committee, Chair
Presidents Committee, Chair

Councillor Murry Krause
City of Prince George

First Vice-President
First Nations Relations Committee, Chair
Presidents Committee

Director Wendy Booth
East Kootenay RD

Second Vice-President
Resolutions Committee, Chair
Presidents Committee

Councillor Arjun Singh
City of Kamloops

Third Vice-President
Environment Committee, Chair
Presidents Committee

Councillor Sav Dhaliwal
City of Burnaby

Past President
Convention Committee, Chair
Presidents Committee

Councillor Kerry Jang
City of Vancouver

Vancouver Representative
Convention Committee
Healthy Communities Committee, Vice Chair

Mayor Wayne Baldwin
City of White Rock

Metro/GVRD Representative
Community Safety Committee, Chair
Presidents Committee

Mayor Galina Durant
District of Stewart

Small Community Representative
Convention Committee
Community Safety Committee

Chair Art Kaehn
Fraser-Fort George RD

Electoral Area Representative
Community Economic
Development Committee, Chair
Resolutions Committee, Vice-Chair

Councillor Bruce Hayne
City of Surrey

Vancouver Metro Area Representative
Community Economic
Development Committee
Community Safety Committee

Councillor Alison Morse
Bowen Island Municipality

Vancouver Metro Area Representative
Community Safety Committee,
Vice-Chair
Healthy Communities Committee

Mayor Debra Kozak
City of Nelson

AKBLG Representative
Community Safety Committee
Healthy Communities Committee

Councillor Corisa Bell
City of Maple Ridge

LMLGA Representative
Environment Committee
Community Economic
Development Committee

Councillor Brian Frenkel
District of Vanderhoof

NCLGA Representative
Community Economic
Development Committee,
Vice-Chair
Environment Committee

Councillor Chad Eliason
City of Salmon Arm

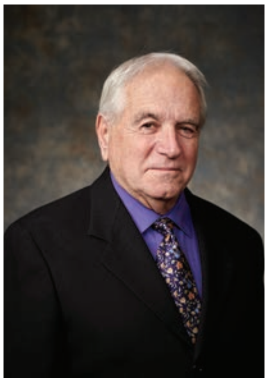
SILGA Representative
Convention Committee
Environment Committee

Councillor Barbara Price
Town of Comox

AVICC Representative
First Nations Relations Committee,
Vice-Chair
Community Economic
Development Committee

October 20, 2016

Corporate Operations



Vice-Chair Jim Abram
Strathcona Regional District

Director at Large
Resolutions Committee
First Nations Relations Committee

Councillor Phil Brienesse
Town of Smithers

Director at Large
Environment Committee
First Nations Relations Committee

Chair Alison Sayers
Central Coast Regional District

Director at Large
Resolutions Committee
First Nations Relations Committee

Councillor Cheryl Shuman
City of Dawson Creek

Director at Large
Convention Committee,
Vice-Chair
Healthy Communities Committee

Mayor Gerry Taft
District of Invermere

Director at Large
Environment Committee, Vice-Chair
Resolutions Committee

Left to Right, back row: Councillor Bruce Hayne, Mayor Gerry Taft, Councillor Kerry Jang

Left to Right, third row: Vice-Chair Jim Abram, Mayor Wayne Baldwin, Chair Art Kaehn, Councillor Alison Morse, Councillor Chad Eliason

Left to Right, second row: Councillor Phil Brienesse, Councillor Arjun Singh, Councillor Corisa Bell, Councillor Brian Frenkel, Councillor Barbara Price, Chair Alison Sayers

Left to Right, front row: Councillor Cheryl Shuman, Councillor Murry Krause, Chair Al Richmond, Councillor Sav Dhaliwal, Mayor Galina Durant, Director Wendy Booth

October 20, 2016

UBCM Staff

Left to Right, back row: Raelene Adamson, Administrative Assistant; Reiko Tagami, Information & Resolutions Coordinator

Left to Right, middle row: Marylyn Chiang, Senior Policy Analyst (on mat. leave); Joslyn Young, Executive & Association Services Coordinator; Bhar Sihota, Policy Analyst; Jamee Justason, Office Administrator

Left to Right, front row: Gary MacIsaac, Executive Director; Marie Crawford, Associate Executive Director; Anna-Maria Wijesinghe, Manager, Member & Association Services; Susie Koivu, Financial Services Officer

Not shown: Kathleen Spalek, Manager, Finance & Corporate Operations; Angela Turner, Policy Analyst

Left to Right, back row: Christina Ross, Gas Tax Program Analyst; Brant Felker, Gas Tax Policy & Program Manager; Rebecca Williams, Program Assistant, Gas Tax Program Services; Gary MacIsaac, Executive Director; Peter Ronald, Programs Officer

Left to Right, front row: Danyta Welch, Policy & Programs Officer; Paul Taylor, Director of Communications; Liz Cookson, Executive Coordinator AVICC

Not shown: Glen Brown, General Manager, Victoria Operations; Sasha Prynn, Victoria Office Coordinator; Jared Wright, Director of Advocacy & Government Relations

Invermere, BC

Ucluelet, BC

R-1

Policy and Advocacy

UBCM

October 20, 2016

Policy and Advocacy

A top priority for UBCM is to advocate on behalf of BC local governments and member First Nations for the development and implementation of legislation, regulation, policies and programs that support the membership's needs. Our goal is to effect change that will benefit our members. In order to effect change, UBCM participates in policy development and implementation processes in a number of ways:

- proactively – presenting our own independent initiatives to other governments (i.e. calling for the Province to maintain, at minimum, its traditional 33% commitment under the new federal infrastructure funding)
- reactively – responding to proposed provincial or federal policy changes (i.e. downloading DNA analysis costs)
- ongoing involvement – participating in Ministry-UBCM or multi-party policy development processes which are many and varied with some requiring sustained involvement while others may only require limited intervention (i.e. RCMP Contract Management Committee).

Much of UBCM's policy work is done through the Executive and its Committees. The following pages provide an overview of the extensive policy work undertaken and outlines progress to date on various issues identified through annual Committee work plans.

In addition to the Executive and Committees, many policy topics are covered off through ongoing working groups, committees and meetings that UBCM appointments and staff attend. These policy matters are summarized in the section that follows the Committee overviews.

Salmon Arm, BC

Presidents Committee

Secretariat / Financial Management • Intergovernmental Relations • Best Practices • Member Services

Priorities	Progress to Date
Provide support to the UBCM Secretariat on member priorities, financial and human resource issues.	• Provides strategic direction to the Secretariat between Executive meetings • Reports quarterly on UBCM finances to the Executive; oversees the annual financial audit; developing corporate investment policy • Serves as the contact point on staffing matters and HR initiatives • Reviewed director terms on Executive, FCM travel fund policy, UBCM Life Member Policy and resolutions referral process to FCM • Acting on feedback coming forward from the 2016 Member Satisfaction Survey
Serve as the lead on intergovernmental relations	• Directs UBCM advocacy work on compensation, affordable housing and Auditor General for Local Government • Led the Advocacy Days program in April 2016; 25 meetings with provincial elected officials, including 14 ministers and 18 MLAs • Serves as the contact point for emerging local government issues with the Minister of Community, Sport and Cultural Development • Serves as spokespersons for the UBCM with media and governments
Promote Best Practices to UBCM Membership	• Oversees the UBCM Excellence Awards program, issued call for applications, developed new Best Practices category profiling communities supporting local agriculture production; will review submissions in July and profile winners at 2016 UBCM Convention
Provide direction on UBCM Member Services and Group Benefits Programs	• Review recommendations coming forward from review of UBCM's group benefits program; and serve as contact point for Plan Partner briefings on the Municipal Pension Plan

Committee Members

Chair Al Richmond, President
Councillor Murry Krause, First Vice-President
Director Wendy Booth, Second Vice-President
Councillor Arjun Singh, Third Vice-President
Mayor Wayne Baldwin, GVRD/Metro Representative
Councillor Sav Dhaliwal, Past President

October 20, 2016

Policy and Advocacy

Convention Committee

The 2015 Convention was held in Vancouver from September 21-25, and had a theme of Excellence in Action. A total of 2,028 delegates attended the Convention, an increase of 129 from 2014's Convention. The overall convention rating was 4.3 out of 5, tying 2013 and 2014 for highest overall convention since UBCM started tracking results electronically in 1997.

A variety of tours and sessions were held this year on topics ranging from agriculture, healthy communities and marijuana legalization.

Programming also included a diverse range of clinics and workshops, including Sparking Action for FireSmart Communities, Public Engagement – When to Lead and When to Follow, and Tools for Coasts that Work. As always, delegates had the opportunity to set policy through Resolutions sessions, and participate in a number of Provincial Policy sessions, Cabinet Panels and government meetings.

Committee Members

Councillor Sav Dhaliwal, Chair
Councillor Cheryl Shuman, Vice Chair
Mayor Galina Durant
Councillor Chad Eliason
Councillor Kerry Jang

2015 Convention in Vancouver, BC

October 20, 2016

Environment Committee

Spill Preparedness • Recycling • Climate Action • Water • Urban and Rural Deer

Priorities	Progress to Date
Respond to environment policy matters falling within the scope of the Committee	• Provided feedback on the proposed amendments to the Environmental Management Act (now passed) and regulations for BC's Land Based Spill Preparedness and Response plan • Participated in a 2-day workshop on the BC Government's third Land Based Spill Preparedness in BC intentions paper, and provided feedback on this paper • Provided feedback to the federal government on spill preparedness and planning for hazardous and noxious substances • Participated in Area Response Planning Initiative consultations • Monitored and raised concerns around the implementation of the packaging and printed paper stewardship plan • Worked with the Province on the development of the interim urban deer funding program and provincial advisory committee • Advised on local government issues during the development of the BC Climate Leadership Plan • Worked with the Province on compliance with the Riparian Areas Regulation • Monitored the implementation of the Water Sustainability Act • Participated in consultations on amendments to the Controlled Alien Species regulation
Participate in working groups and committees to ensure local government interests are represented	• Three representatives on Multi-Materials BC's Advisory Committee • Two local government representatives on the Land Based Spill Preparedness and Response Advisory Committee • Participated on the Species at Risk Advisory Committee • On Metro Vancouver's National Zero Waste Council • Joint UBCM-Province Green Communities Committee
Work with the Province, Societies and other associations to seek out greater opportunities for environmental protection and improvement in BC	• Presented on a semi-regular basis to the Municipal Environmental Managers Committee

Committee Members

Councillor Arjun Singh, Chair
Mayor Gerry Taft, Vice Chair
Councillor Brian Frenkel
Councillor Phil Brienesse
Councillor Corisa Bell
Councillor Chad Eliason

October 20, 2016

Policy and Advocacy

First Nations Relations Committee

Treaty/Non-treaty Agreements • Aboriginal Policy and Initiatives • Relationship-building

Priorities	Progress to Date
Monitor and respond to policy matters falling within the scope of the Committee	• Communicated with Indigenous and Northern Development Canada (INAC) regarding implementation of *The Safe Drinking Water for First Nations Act* • Monitored the federal draft Additions to Reserve Policy, in follow-up to UBCM's 2013 consolidated submission on proposed revisions to the ATR policy • Continued to monitor the revised federal Comprehensive Land Claims Policy in response to UBCM's October 2014 submission • Ongoing discussions underway with the Ministry of Aboriginal Relations and Reconciliation (MARR) regarding a potential Strategic Engagement Agreement (SEA) pilot project
Advocate for local government interests through working groups and intergovernmental communication	• Co-Chaired Joint Working Group on Aboriginal Issues with MARR • Committee Chair participated as member of the Off-Reserve Aboriginal Action Plan Provincial Coordination Team • Renewed the UBCM/MARR *MOU on Local Government Participation in the New Relationship with First Nations* • Met with Minister of Aboriginal Relations and Reconciliation (MARR) John Rustad to discuss MOU renewal, reconciliation, BC's treaty process and other issues of mutual concern • Attended Metro Vancouver Aboriginal Relations Committee and Municipal Technical Advisory Committee meetings

Priorities	Progress to Date
Relationship-building between local governments and First Nations through best practices and initiatives	• Continued joint work with Reconciliation Canada and the BC Association of Aboriginal Friendship Centres on the Reconciliation Dialogue Workshop initiative • Continued joint work with Reconciliation Canada and the BC Association of Aboriginal Friendship Centres on the Reconciliation Dialogue Workshop initiative • Organized the "Moving Forward with First Nations" workshop at the 2015 UBCM Convention • Initiated relationship-strengthening activities with BC First Nations organizations and representatives, including a meeting with BC Assembly of First Nations Regional Chief Shane Gottfriedson • In partnership with the First Nations Summit, continued planning for a province-wide Community to Community Forum, to take place October 18 2016 • With First Nations Summit, administered a spring intake for the Regional Community to Community Forum program • In partnership with the Provincial Health Services Authority, offered a local government intake of Core Indigenous Cultural Safety Training • Approved the development of a Reconciliation section of ubcm.ca, providing information and resources for local governments pursuing work related the the Truth and Reconciliation Commission's Calls to Action

Committee Members

Councillor Murry Krause, Chair
Councillor Barbara Price, Vice Chair
Chair Alison Sayers
Vice-Chair Jim Abram
Councillor Phil Brienesse
Councillor Barbara Steele, GVRD/Metro Vancouver Representative

Silverton, BC

October 20, 2016

Policy and Advocacy

Community Safety Committee

Policing • Crime Prevention • Emergency Management • Flood Protection • Road Safety • Liquor Licensing

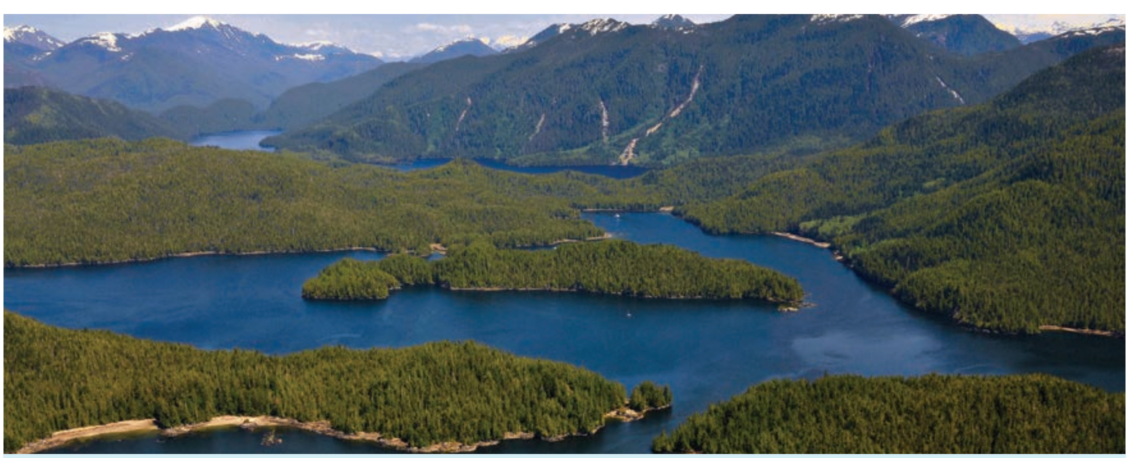
Priorities	Progress to Date
Respond to community safety issues falling within the scope of the Committee	• Coordinated local government feedback regarding the RCMP Contract Five Year Review, prepared submission to the Province and continue to monitor the review process • Continue to monitor implementation of the RCMP contract and provide feedback on community impacts • Respond to policing issues outside the RCMP contract (e.g. DNA analysis services costs and Bill C-7 (amend *Public Service Labour Relations Act))* and provide feedback • Monitor federal medical marijuana regulatory developments (e.g. legalization), legal proceedings and BC local government dispensary regulations • Monitor impacts of liquor policy changes and provide feedback • Monitor developments pertaining to the *BC Policing and Community Safety Plan* • Monitor local government bylaw adjudication system, and impacts on local governments • Continue to monitor Province's proposal for a province-wide cellular call answer levy • Continue to monitor the impact of mental health issues on communities (e.g. policing resources) • Provided feedback on proposed amendments to the *Prevention of Cruelty to Animals Act* • Coordinated local government feedback regarding the Emergency Program Act Review and continue to monitor the review process • Work with the Province to address the level of compensation provided to local governments through proceeds of crime seizures

October 20, 2016

Priorities	Progress to Date
Participate in working groups and committees to ensure local government interests are represented	• Coordinated RCMP Local Government Contract Management Committee • Coordinated and participated in RCMP Municipal Companion Document Working Group • Participated and analyzed local government feedback from Lower Mainland CAOs Consultative Forum and British Columbia Association of Chiefs of Police Special Purpose Committee on Police Performance Indicators • Coordinated and participated in Local Government Working Group on Liquor Policy • Participated in Lower Mainland Flood Management Strategy (Joint Program Committee) • UBCM appointments to BC Road Safety Strategy, PRIME and Police Standards Committee
Work with the Province and other associations on community safety	• Working with the Province to establish and convene the RCMP Municipal Companion Document Working Group • Working with Emergency Management BC to establish a committee, working group or forum as a means to conduct further review of the *Emergency Program Act* • Met with Minister of Public Safety and Solicitor General Mike Morris to discuss community safety issues

Committee Members

Mayor Wayne Baldwin, Chair
Councillor Alison Morse, Vice Chair
Councillor Bruce Hayne
Mayor Galina Durant
Mayor Debra Kozak
BC Association of Police Boards



Central Coast, BC

October 20, 2016

Policy and Advocacy

Community Economic Development Committee

Forestry • Fishing • Energy • Mining • Agriculture • Tourism • Economic Diversification • Arts, Culture, Heritage • Jobs, Skills (Re)Training • Telecomunications (connectivity)

Priorities	Progress to Date
Respond to policy matters falling within the scope of the Committee	• Conducted forestry survey and prepared report entitled ***Forest Policy Decision-Making: The Case for Greater Community Consultation and Engagement***, shared findings with affected groups; coordinating 2016 pre-conference session on forestry • Expanded terms of reference to include arts, culture and heritage; economic drivers for tourism • Contributed to FCM submission to CRTC's public consultation on basic telecommunications services • Monitoring new Rural Dividend program • Provided feedback to Province on international investment/ marketing strategy (BritishColumbia.ca) and the natural resource permitting project • Continue monitoring BC Ferries fares and service levels
Participate in working groups and committees to ensure local government interests are represented	• Chair Kaehn serves as a member of Off Road Vehicle (ORV) Joint Advisory Group and chairs the UBCM ORV working group. • Vice Chair Frenkel serves as the UBCM appointment to the Forest and Range Practices Advisory Council (PAC) • Local government reps appointed to DFO's aquaculture management advisory committees • Staff represented on Community Energy Association

Priorities	Progress to Date
Work with the Province, Trusts and other associations to seek out greater economic development opportunities	• Jointly undertook economic development survey with Ministry of Jobs, Tourism and Skills Training and Economic Development Association of BC • Met with Minister of Forests, Lands and Natural Resource Operations; Minister of Jobs, Tourism and Skills Training; and Minister of Technology, Innovation and Citizens' Services in April 2016 • Met with industry associations on forestry survey report and presented survey results to Provincial Forestry Forum and PAC. • Liaise with UNBC's Community Development Institute on local economic initiatives

Committee Members

Chair Art Kaehn, Chair
Councillor Brian Frenkel, Vice Chair
Councilor Barbara Price
Councillor Corisa Bell
Councillor Bruce Hayne

Hazelton, BC

October 20, 2016

Policy and Advocacy

Healthy Communities Committee

Healthy Communities • Rural and Remote Health • Age-Friendly • Healthy Built Environments

Priorities	Progress to Date
Respond to health policy matters falling within the scope of the Committee	• Completed the Community Poverty Reduction Strategy pilot project with the Ministry of Children and Family Development • Provided feedback on the proposed regulatory framework for the *Tobacco Control Amendment Act* • Provided feedback for the Ministry of Health's policy paper on Rural Health Services in BC • Provided feedback on the Ministry of Community, Sport and Cultural Development's 2015 report, Planning for the Future: *Age-Friendly and Disability-Friendly Community Plans*
Participate in working groups and committees to ensure local government interests are represented	• Member of the BC Healthy Living Alliance, an alliance of province-wide health related organizations addressing the impacts of chronic disease • Chaired the Emergency Medical Assistants Education Fund to distribute funding for paramedic training, particularly for remote and rural communities • On the Management and Evaluation Teams for the Ministry of Health's Healthy Families BC - Communities program, which encourages health authorities and local governments to work together to create healthy communities • Member of the Healthy Built Environment Alliance, an alliance of public health, design and land use professionals • Member of the Community Paramedicine Advisory Committee, which will use paramedics in an expanded role in rural communities • Participating in the Ministry of Health's Strategy to Address Wandering Seniors initiative

Priorities	Progress to Date
Work with the Province, Societies and other associations to seek out greater opportunities for improved health in BC	• Attended meetings with the Divisions of Family Practice on Physician Recruitment and Retention • Presented at the Board Voice Conference to discuss Social Policy Frameworks in BC

Committee Members

Chair Al Richmond, Chair
Councillor Kerry Jang, Vice Chair
Councillor Alison Morse
Mayor Deb Kozak
Councillor Cheryl Shuman

Masset, BC

Policy and Advocacy

Resolutions Committee

The resolutions process is the foundation of UBCM's advocacy on behalf of BC local governments.

Members often ask UBCM about the status or progress of the policy development process arising from a particular resolution endorsed by the UBCM membership at Convention. Through resolutions, UBCM members speak with one voice to express the needs and concerns of BC communities. Issues raised and solutions proposed in resolutions often result in positive change for the membership.

UBCM achieves significant dialogue and success through the resolutions process. The following developments have been noted in 2015-2016. Each of the issues was the topic of a resolution from a UBCM member local government.

Area	Related Resolutions	Action
Affordable housing	2015-B47, 2012-B143	Provincial budget 2016 investments in housing: • $355 million for construction of affordable housing; and • Homeowner Grant threshold increased from $1.1 to $1.2 million for 2016 tax year.
Affordable housing	2015-B47, 2012-B143	Province called for Expressions of Interest to partner with local governments, non-profit housing providers, community groups and the private sector to facilitate the creation of affordable rental housing for low-to moderate-income households in communities across BC. The program, Provincial Investment in Affordable Housing (PIAH), aims to create safe, affordable homes for those in greatest need.
Affordable housing	2015-B48, 2015-B109, 2014-B43, 2014-B45, 2014-B46, 2013-B54, 2012-B44, 2012-B143, 2009-A5, 2009-C28, 2008-A3	Federal budget 2016 investments in affordable housing: • $1.41 billion for capital repair and new construction; seniors' affordable housing; and energy and water efficiency retrofits of existing social housing; • $111.8 million for Homelessness Partnering Strategy; • $89.9 million for construction, renovation of shelters and transition houses for victims of family violence; and • $208 million in rental incentives through new Affordable Rental Housing Innovation Fund.

October 20, 2016

Area	Related Resolutions	Action
Animal welfare	2011-B144, 2011-B145	Province announced a new regulation to recognize a Code of Practice for kennel and cattery operations in BC. Ministry of Agriculture also undertook consultations regarding a potential licensing or registration system, and monitoring and enforcement process, for commercial cat and dog breeding operations.
Animal welfare	2011-B144, 2011-B145	Province sought local government feedback regarding a Livestock Consultation Paper, as part of review of livestock policy and legislation. Review focused on: • welfare of farm animals at critical points along the transport continuum; • livestock security provisions (bonding and liens); • livestock at large; and • dogs attacking livestock.
Animal welfare	2014-LR9	Province, through the Ministry of Agriculture, committed to reviewing and discussing the issue of dogs in overheated vehicles. Stakeholder consultation included a survey of local governments, regarding best approaches to: prevent an animal from being left in a hot vehicle; and effectively rescue an animal in distress in a vehicle.
Climate action	2008-B72	Provincial consultation on Solid Fuel Burning Domestic Appliance Regulation (SFBDAR), targeted at reducing air pollution from domestic wood heating.
Climate action	2013-B42, 2010-B101	Provincial budget 2016 provided $13 million for Innovative Clean Energy Fund and Clean Energy Vehicle Program.
Climate action	2014-B27, 2008-B89	UBCM invited to represent local governments on a provincial working group on energy efficiency requirements for large and complex buildings (‘Part 3’ buildings in the BC Building Code). Explores energy efficiency performance beyond the requirements of the BC Building Code and within the boundaries of the regulatory environment established in the Building Act.

Policy and Advocacy

Area	Related Resolutions	Action
Climate action	2014-B65	Provincial exchange program for wood stoves was offered in 2015. Program provides funding to promote replacement of old high polluting wood stoves with cleaner heating options.
Conflict of interest: local elected officials	2013-A4	New provincial regulations allow local government elected officials to be appointed by their local government to serve on certain society or corporate boards, without risk of disqualification based on financial conflict of interest. The regulations respond to the 2013 BC Court of Appeal Schlenker vs Torgrimson decision and its impact on local government decision making; as well as addressing UBCM's resolution asking for a remedy.
Economic development	2011-B104	Provincial budget 2016 committed $5 million to market BC wood to India.
Economic development	2012-B139	Provincial budget 2016 provided property tax relief for tourist accommodation providers in rural areas, effective for 2017 tax year: max reduction in assessed value increased to $500,000 from $150,000; assessed phase-out begins at $4 million, increased from $2 million.
Economic development	2012-B64, 2009-B162	Province accepted funding applications for the BC Air Access Program (BCAAP), for the 2016/17 provincial fiscal year. BCAAP provides infrastructure funding for BC airports to airport operators, including local governments and local airport operating authorities.

Area	Related Resolutions	Action
Economic development	2013-B38, 2013-B115	Province sought local government feedback on a proposed Minister's Bylaw Standard for agri-tourism in the Agricultural Land Reserve (ALR). Intent would be to assist local government bylaw development regulating agri-tourism, agri-tourism accommodation and farm retail sales in the ALR. Once approved, Province would incorporate the definitions and bylaw standard criteria into the Guide for Bylaw Development in Farming Areas, pursuant to Section 916 of the Local Government Act.
Economic development	2013-B42, 2010-B101	Federal budget 2016 committed to several investments in economic development: • $1 billion to develop clean technology in resource, energy, fishing, and agriculture sectors; • $130 million for clean technology research, development and demonstration; • $800 million for innovation networks and clusters, including Industrial Research Assistance Program.
Economic development	2013-B61, 2012-B149, 2011-B72, 2009-B57	Provincial budget 2016 committed to investment in Rural Connectivity Initiative.
Economic development	2013-B61, 2012-B149, 2011-B72, 2009-B57	Federal budget 2016 provided $500 million to grow high-speed broadband in rural and small communities.
Economic development	2014-A3, 2011-B48	Provincial budget 2016 allocated an additional $3 million for the Agricultural Land Commission.
Economic development	2014-B31, 2013-B41, 2012-B96, 2010-B101	Provincial budget 2016 committed $8 million for youth trades training under the Skills for Jobs Blueprint.

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Policy and Advocacy

Area	Related Resolutions	Action
Emergency preparedness	2015-A4, 2015-B81, 2014-B48, 2014-LR3, 2013-A3, 2013-B4, 2013-B44, 2013-B64, 2013-B65, 2012-B122, 2011-B10, 2011-B149, 2010-B87	Province sought local government input into the Emergency Program Act (EPA) and comments on a related discussion paper. EPA outlines key responsibilities of local and provincial authorities in emergency and disaster preparation, response and recovery. The discussion paper outlined provincially-identified challenges and proposals for change regarding the present legislation, largely unchanged since 1993.
Environment	2010-B28, 2009-B38, 2008-B29, 2008-B81, 2008-B82	Province amended regulations governing the sale and cosmetic use of pesticides, effective July 1, 2016. Amendments support: greater knowledge and training in pesticide use and application; use as part of Integrated Pest Management (IPM) process; and increased public interaction with pesticide vendors at point of sale.
Environment	2010-B86	Local governments invited to provide feedback on provincial draft Manual of Composting Toilet and Greywater Practice; aimed at those who wish to consider cost-effective, ecofriendly alternatives to conventional onsite sewerage systems within the scope of the Sewerage System Regulation.
Environment	2010-B86	Local governments invited to comment on the provincial draft Guide to Solid Waste Management Planning (Guide), which incorporates stakeholder feedback on a fall 2015 intentions paper, and includes updates to: • acknowledge changes to the municipal solid waste sector and the roles played by private sector and industry product stewards; • provide templates and appendices to assist local government planning; • incorporate the service plan target for waste disposal; and • emphasize best practices in consultation.

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Area	Related Resolutions	Action
Environment	2010-B86	Consultation with local government as part of process to update the provincial Guide for the Preparation of Regional Solid Waste Management plans.
Environment	2012-B75, 2011-B10	Funding remaining from the Government of Japan, following the 2011 Great East Japan earthquake and tsunami, was made available to local governments for tsunami debris cleanup projects taking place in 2016/2017.
Environment	2014-B97, 2013-B77, 2012-B81, 2011-B149, 2008-B30	Federal government sought local government feedback on proposed amendments to the definition of hazardous waste and recyclable material, in federal Export and Import of Hazardous Waste and Hazardous Recyclable Material Regulations. Amendments would expand definitions of hazardous waste and hazardous recyclable material, and add new conditions for return of waste or recyclable materials refused by an importing or transit country.
Environment	2015-B59, 2008-B79	Province shared information about a scientific review underway that may lead to regulatory changes concerning the use of biosolids (sludge from wastewater operations that has been treated to reduce odour and contaminants).
Health	2012-B12, 2012-B41, 2011-A4, 2011-B108	PlanH delivered two streams of Healthy Communities Capacity Building Fund Grants for local governments, in partnership with regional health authorities and key community stakeholders, to create conditions that enable healthy people and healthy places.
Health	2014-B130	Province expanded the community paramedicine program to offer residents of 73 rural and remote communities enhanced health services, and paramedics more opportunities to provide patient care, in collaboration with the referring health care professional or community care team.

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Policy and Advocacy

Area	Related Resolutions	Action
Health	2015-A2, 2014-B71, 2013-B83, 2013-B120, 2012-B37, 2011-B61, 2010-B42, 2008-A1, 2008-B51	The provincial Child and Youth Mental Health and Substance Use Collaborative invited local governments to participate in local action teams (LATs) on Child and Youth Mental Health and Substance Use. LATs bring together health, policing, and local government stakeholders to foster system change in their community. Aim is to increase the number of children, youth, and their families receiving timely access to mental health services and supports.
Health	2015-B44, 2014-B40, 2014-B41, 2013-B130, 2010-B51, 2009-SR2	Provincial budget 2016 provided that effective 2017, children exempt from Medical Services Plan premiums; 335,000 people pay reduced premiums; and an additional 45,000 people no longer pay MSP premiums.
Health	2015-B68, 2014-B132, 2013-B47, 2012-B91, 2012-B103, 2011-B60, 2010-B43, 2009-B148	Online Recruitment and Retention Toolkit launched for recruitment and retention of family doctors, as well as secure practice coverage.
Human-wildlife interaction	2015-B25, 2015-B26, 2013-B27, 2013-B74, 2012-B21, 2012-B72, 2012-B105, 2010-B25	Local government representatives invited to sit on new multi-stakeholder Provincial Urban Deer Advisory Committee. Committee supports local governments managing and addressing urban deer issues within BC, providing advice and information on issues that relate to urban deer management.
Human-wildlife interaction	2015-B25, 2015-B26, 2013-B27, 2013-B74, 2012-B21, 2012-B72, 2012-B105, 2010-B25	Province established a Provincial Urban Deer Advisory Committee along with up to $100,000 annually for urban deer management operations.

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Area	Related Resolutions	Action
Infrastructure funding	2012-B16, 2011-B107, 2008-B50, 2008-B163	Province announced $500,000 funding for the BC Water and Waste Association to help communities address small water systems issues. Additional provincial commitments respond to UBCM recommendations: • reducing the regulatory burden for water supply systems with less than five conditions; • guidance for Ministry of Transportation Approving Officers to prevent unsustainable small water systems; • guidance for local governments re: subdivision approvals; • investigating the feasibility of loans for upgrades to existing systems to meet potable water standards; • exploring the requirements for registration of non-potable water conditions on land title; and • technical and financial best practices and resources.
Infrastructure funding	2015-A1, 2014-B19, 2014-B61, 2013-B19, 2013-B42, 2012-A1, 2012-B13, 2012-B16, 2012-B19, 2012-B69, 2012-B70, 2011-B31, 2011-B34	Federal budget 2016 investments in green infrastructure: • $2 billion Clean Water and Wastewater Fund for improvements to water distribution and treatment, with federal share of up to 50 per cent eligible costs; • $125 million for FCM Green Municipal Fund; • $75 million to FCM for climate change mitigation and adaptation programming for local governments; and • $212 million for Metro Vancouver's Lions Gate wastewater upgrade.
Infrastructure funding	2015-A1, 2014-B19, 2014-B61, 2013-B19, 2013-B42, 2012-A1, 2012-B13, 2012-B16, 2012-B19, 2012-B69, 2012-B70, 2011-B31, 2011-B34	Federal budget 2016 provided $11.9 billion for housing, transit, and green infrastructure in Phase 1 of federal 10-year long term infrastructure plan.
Derelict and abandoned vessels	2014-B23, 2014-B62, 2013-B30, 2012-B23, 2010-B30, 2005-B112	The provincial government published two key resources on problem vessels and structures, both available online from the Ministry of Forests, Lands and Natural Resource Operations: • *Dealing with Problem Vessels and Structures* • *Technical Staff Guide on Problem Vessels and Structures*

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Area	Related Resolutions	Action
Land use	2015-B34, 2014-B32, 2014-B116, 2011-B96, 2009-B43	Provincial budget 2016 provided $19 million to improve resource permitting and work with First Nations to improve consultation.
Land use	2015-B34, 2014-B32, 2014-B116, 2011-B96, 2009-B43	Province introduced a new Natural Resource Permitting Project (NRPP). Goal is streamlining, better online information, and improved decision making in the natural resource sector. Through the Natural Resource Sector Online Services (NRSOS) website, the project integrates data, legislation, people and processes across the six natural resource ministries and various agencies, boards and commissions.
Liquor policy	2012-B157	Province sought local government feedback on a little-used provision in the Liquor Control and Licensing Act that allows local governments, by bylaw, to designate an area or public place within their jurisdiction where alcohol could be consumed. The Province asked whether local governments are disinterested in regulating public spaces for alcohol consumption, or are unaware that they have the authority to do so.
Liquor policy	2012-B157	In September 2015, the Local Government Working Group on Liquor Policy, co-chaired by UBCM and the Province, considered recent changes in provincial liquor policy regarding Special Occasion Licences (SOL), such as new whole-site licensing policy for public SOLs, in most cases replacing the requirement to have a beverage garden; and allowing spirits at public events.

Area	Related Resolutions	Action
Liquor policy	2013-B115, 2012-B157, 2010-B152	Province sought local government feedback on three liquor policy issues: changes to manufacturer's endorsements; parallel process for liquor primary and similar applications; and policy related to liquor primary clubs. Consultations are based on recommendations from 2014 Liquor Policy Review Final Report.
Local government elections	2015-B94, 2013-B95	Province introduced Bill 17, Local Elections Campaign Financing (Election Expenses) Amendment Act, enabling establishment of expense limits for candidates, elector organizations and third parties, with the actual limits being set out in regulation. Expense limits are expected to be in place for local government elections in October 2018. Of interest: • expense limits period for candidates and elector organizations will be 28 days prior to the close of Election Day, similar to provincial elections; • flat rate proposed for third party advertisers in election areas under 15,000 population; • changes to penalties and offences, to clarify and strengthen expense limits enforcement; and • proposed amendment to Local Government Act to confirm that a person disqualified from voting in an election in British Columbia is also disqualified from being nominated for, elected to, or holding office.
Local government elections	2015-B94, 2013-B95	Report on campaign spending limits for local government elections, released by all-party Special Committee on Local Elections Expense Limits. Special Committee's recommendations align with the positions put forward by UBCM, including higher expense limits for mayoral candidates than other candidates, scaled to population; per-candidate and cumulative expense limits for third party advertisers; and indexing of expense limits.

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Policy and Advocacy

Area	Related Resolutions	Action
Local government-First Nations relations	2015-B106, 2012-SR1	Regional Workshop under the FCM Community Infrastructure Partnership Program (CIPP) took place in Nanaimo, October 2015. Funded by the federal government and implemented by FCM, CIPP supports capacity building and provides tools to strengthen partnerships and develop lasting service agreements.
Local government-First Nations relations	2015-B106, 2013-UBCM Reconciliation Proclamation	UBCM and BC Provincial Health Services Authority (PHSA) offer San'yas Indigenous Cultural Safety Training (ICS) in 2016/2017 to local government elected officials and staff, to increase Indigenous cultural safety in local government settings. Participation in ICS is a concrete step toward Call to Action #57 from the Truth and Reconciliation Commission of Canada, which urges all orders of government to provide skills-based intercultural competency training to public servants.
Local government-First Nations relations	2015-B106, 2013-UBCM Reconciliation Proclamation	Pilot cohort of local government elected officials and staff began taking Indigenous Cultural Competency (ICC) Training module, offered through collaboration between UBCM and Provincial Health Services Authority.
Local government-First Nations relations	2015-B106, 2013-UBCM Reconciliation Proclamation, 2012-SR1	Province renewed funding for Community to Community Forum Program (C2C) for 2015-2016 and 2016-2017.
Planning	2011-A4, 2010-B114, 2009-B145, 2009-B167, 2008-B158, 2007-B152	Province confirmed $0.5 million in funding for the Age-friendly Community Planning & Projects program. Program assists local governments to support aging populations and facilitate the creation of age-friendly communities.

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Area	Related Resolutions	Action
Planning	2014-B45, 2012-B52, 2011-A4, 2010-B114, 2009-B145, 2009-B167, 2008-B158, 2007-B152	Provincial government and partners released guide on age-friendly and disability-friendly official community plans. Aim is to support communities working towards goals set out in Accessibility 2024 provincial action plan.
Planning	2015-B42, 2011-B111	Federal government announced the reinstatement of the mandatory long-form census in time for the 2016 census. UBCM members had endorsed resolutions calling for the return of the long-form census.
Public safety	2003-B47, 2000-B5, 1999-A13	Province sought local government feedback on the Auxiliary Constable Program (ACP), in light of RCMP policy changes to the program. By RCMP directive, Auxiliary Constables working in uniform must be supervised directly by a Regular Member equipped with all intervention tools. RCMP approved further recommendations in January 2016: • discontinued ride-alongs and firearms familiarization training; • created a National Activity Matrix; • update the National Policy; and • review uniform options.
Public safety	2012-A3	In budget 2016, the federal government committed to re-opening the Kitsilano Coast Guard facility.
Public safety	2012-B59, 2009-A4, 2006-B71	Provincial budget 2016 provided $5 million for Guns and Gangs Strategy.
Public safety	2015-B10, 2014-B53, 2014-B81, 2013-B14, 2012-B63, 2011-B84	Launch of British Columbia Road Safety Strategy in 2015, by stakeholder groups including multiple orders of government, insurance sector, crown entities, enforcement, researchers, health sector. Goals: zero deaths or serious injuries from road traffic; promote road safety; increase road safety efficiencies; improve safety information and tools.

Policy and Advocacy

Area	Related Resolutions	Action
Public safety	2015-B111	UBCM met with the Province to discuss the National Inquiry into Missing and Murdered Indigenous Women and Girls, and provide local government perspectives to inform the Province's submission to the federal government on pre-inquiry design. Discussion focused on National Inquiry leadership and participation, key issues, and how best to ensure concrete and practical recommendations. UBCM provided written feedback that expressed support and solidarity with those who deserve justice and healing; emphasized policy directions set by UBCM members; and confirmed the role of local governments in ensuring safety and wellbeing in BC communities.
Public safety	2015-B111	Federal government committed $40 million over two years for National Inquiry into Missing and Murdered Indigenous Women and Girls.
Public safety	2015-B13, 2014-B55, 2011-B82	Federal budget 2016 provided for strengthened oversight and enforcement of railway safety, and enhanced prevention and response related to rail transportation of dangerous goods.
Public safety	2015-B2, 2013-B5	Provincial budget 2016 provided $10 million for training, administrative support and equipment renewals for volunteer ground search and rescue organizations.
Public safety	2015-B2, 2013-B5, 2012-A7	Federal budget 2016 provided funding for heavy urban search and rescue.
Public safety	2015-B77, 2015-B81, 2014-B48, 2013-A1, 2013-A3, 2013-B4, 2013-B64, 2013-B65, 2012-B122, 2011-B10, 2010-B87	Provincial budget 2016 provided $55 million for emergency preparedness and prevention initiatives.

Area	Related Resolutions	Action
Public transit	2015-B9, 2015-B55, 2013-B15, 2012-B115, 2010-B21	Provincial budget 2016 provided $7 million to expand BC Transit service outside of Metro Vancouver.
Recreation and culture	2009-B24	Federal budget 2016 investments in recreation and culture: • $168.2 million Canada Cultural Spaces Fund for renovation and construction of arts and heritage facilities; and • $150 million to Regional Development Agencies, cost-shared with local governments, community organizations, and non-profits to improve existing community and cultural infrastructure.
Rural communities	2013-B39, 2011-B29	Province established a new BC Rural Dividend funding program for local governments, First Nations and non-profit organizations in rural BC. Funding supports community capacity building; workforce development; community and economic development; and business sector development projects.
Social development	2012-B43	Provincial budget 2016 provided $36 million for Community Living BC services for individuals with developmental disabilities and their families, and to address caseload growth.
Social development	2013-B58, 2012-B95	Provincial budget 2016 provided $250 million to address caseload pressure for temporary income assistance, disability assistance and related supplementary benefits.
Social development	2014-B39, 2012-B50, 2011-B65	Province opened a third round of the Child Care Major Capital Funding Program, which assists local governments with costs of creating new licensed child care spaces.
Spill preparedness and response	2014-LR3	Transport Canada invited affected local governments to participate in an Area Response Planning Initiative pilot project in Southern BC to identify ways of strengthening existing preparedness and response regime for ship-source oil spills. Goal is to adapt to changing demands and practices, and allow flexibility for regional differences and risk levels.

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Policy and Advocacy

Area	Related Resolutions	Action
Spill preparedness and response	2015-A4, 2015-B13, 2012-B122	Province enacted amendments to the Environmental Management Act (EMA) to strengthen spill preparedness and response requirements in the event of an environmental emergency. Regulations to follow in 2017. • new requirements for spill preparedness, response, recovery; • new offences and penalties; • certification for preparedness and response organizations; and • increased transparency, participation, accountability
Spill preparedness and response	2015-A4, 2015-B13, 2012-B122	Province enacted amendments to the Environmental Management Act, establishing a new land-based spill preparedness and response regime.
Spill preparedness and response	2015-A4, 2015-B13, 2012-B122	Province sought local government input on its third intentions paper (IP3) on proposed regulatory changes relating to a land-based spill preparedness and response regime. Local governments also invited to participate in technical working groups to provide feedback on regulatory development.
Wildfire prevention	2010-B59	Provincial Fuel Management Working Group, with Partners in Protection, convened a series of Local FireSmart Representative workshops across BC in 2014-2015. More than 200 individuals received training in FireSmart principles and strategies, and will now assist First Nations and local governments to participate in the FireSmart Community Recognition Program.

Area	Related Resolutions	Action
Wildfire prevention	2010-B59	FireSmart Grant program introduced as new funding stream within Strategic Wildfire Prevention Initiative, supports local planning to mitigate wildfire risk on private lands in the wildland urban interface. Funding supports self-organized groups of residents to undertake FireSmart planning, under the FireSmart Communities Program provided by Partners in Protection. Encourages residents to take the lead in implementing solutions for wildfire safety on their own properties.
Wildfire prevention	2015-B5, 2013-B116, 2011-B80, 2010-B91	Province began developing a Forest Enhancement Program "to undertake salvage harvesting of dead timber, wildfire risk reduction and fuel management operations, and to enhance reforestation efforts and wildlife habitat restoration in stands severely impacted by wildfires and mountain pine beetle". Proposed to be operational for 2016-17.
Wildfire prevention	2015-B5, 2014-A1, 2013-B116, 2012-B109, 2012-B113, 2012-B114, 2012-B112, 2011-B80, 2010-B68, 2010-B91	Provincial budget 2016 allocated $10 million to Strategic Wildfire Prevention Initiative.

These are some recent success stories. Not all resolutions achieve immediate results, but they bring important local government issues to the attention of the provincial and federal governments.

Committee Members

Director Wendy Booth, Chair
Chair Art Kaehn, Vice-Chair
Vice-Chair Jim Abram
Mayor Gerry Taft
Chair Alison Sayers

2015 Convention in Vancouver, BC

October 20, 2016

Policy and Advocacy

Emerging and Ongoing Policy Files

Building Act

Participating in an advisory group established by the Province to look at the implementation of the new Building Act; and participating in a fire/sprinkler working group established by the Province to look at the development and implementation of a new bylaw to deal with the issue on a province-wide basis. Similarly, participation in an energy efficiency working group and identification of implementation issues associated with building official qualifications.

Fire Services Act amendments

At the 2015 Convention, members endorsed resolution A3 asking the Province not to download fire inspection services onto regional districts. The same message has been conveyed through the fire services working group, of which UBCM is a member. A new Fire Safety Act was introduced into the Legislature on February 4, 2016 and the old Fire Services Act repealed. While UBCM was assured that no new requirements for inspection services would be required by regional districts, a recent legal opinion by UBCM appears to indicate that since local governments are required to appoint fire inspector under the new Act, there is an obligation on the part of local governments, including regional districts, to perform that function. UBCM is awaiting a response from the provincial government.

Medical Marijuana

Continuing to monitor federal regulatory developments, legal proceedings, and local government dispensary regulations in British Columbia (i.e. City of Vancouver).

Off Road Vehicle Management Framework

Continued to participate in the development of regulations that will accompany the new Off Road Vehicle (ORV) Act such as registration and licensing. UBCM supports the project by participating in the ORV Joint Advisory Group and seeks direction from its own Local Government working group on pending regulations in order to fully implement the Act.

Natural Resource Roads Act

Advocated to the Province that local government concerns regarding future access to crown land and the consultation process be addressed while developing a new Natural Resources Roads Act. UBCM continues to participate in the Strategic Advisory Committee and work on the development of a Natural Resource Roads Act addressing policies related to permits, construction, deactivation, maintenance standards and cost sharing, notification, road use and environmental standards. Legislation is expected to come forward in the spring of 2017.

Problem Vessels

Established the Problem Vessel Working Group in June 2013. Participated in the drafting of a "Practical Manual for Addressing Problem Vessels and Structures", and sought input from UBCM members on the manual through a session at the 2013 Convention. Provided advice and feedback into the report, Dealing with Problem Vessels and Structures, which was released in September 2014. This report is brief overview of the definitions and responsibilities, with information on the Receiver of Wreck, impediments to navigation, and what to do in cases of pollution. UBCM continues to participate on the Problem Vessels Working Group with local, provincial and federal government representatives.

Community/Rail Proximity Initiative

UBCM continues have representation through FCM's Rail Proximity Committee. This Committee works with the Railway Association of Canada to address specific concerns around whistle blowing, crossings, and development along rail corridors. FCM is looking to enhance the work of the Proximity Initiative to include the identification of opportunities and resources for promoting the adoption of guidelines for new development in proximity to rail operations.

Assessment Appeals: Special Use Properties

Discussed the potential risk and proposed legislative solution with BC Assessment and the Ministry of Community, Sport and Cultural Development staff regarding a reduction in assessment rates on special use properties.

Federal Additions to Reserve Policy

Prepared a submission on the revised Federal Additions to Reserve Policy in October 2013 based on member feedback, UBCM policy, and internal analysis. On December 3, UBCM was invited to present on behalf of FCM to the House of Commons Standing Committee on Aboriginal Affairs and Northern Development in Ottawa regarding the revised Policy on Additions to Reserve/Reserve creation. The testimony allowed UBCM to convey member concerns contained within UBCM's submission. Indigenous and Northern Affairs Canada has indicated that it continues to address comments received prior to finalizing the policy and seeking approvals. UBCM continues to monitor the development of the final policy.

Federal Comprehensive Lands Claims Policy

Presented UBCM's submission to Ministerial Representative Douglas Eyford in September 2014 on the draft interim Comprehensive Land Claims Policy. Indigenous and Northern Affairs Canada staff has suggested that following the Tsilqhot'in decision, a fundamental reframing of the land claims process is being considered. The Prime Minister has referred to a National Reconciliation Framework, which may shape the land claims process going forward. UBCM continues to monitor and will respond as necessary throughout the renewal process.

Farm Assessment – Medical Marijuana Grow Operations

Approached the Province to discuss the issue that local government could lose property tax revenues if medical marijuana grow operations could qualify for farm classification, and confirmed that federally licensed medical marijuana grow operations will be excluded from the list of agricultural uses which qualify for farm classification for assessment and property tax purposes.

Care Home Sprinkler Safety

Convened with the Ministry of Health, BC Care Providers Association, BC Fire Chief's Association and other related agencies to identify safety risks of care homes in British Columbia and review a final report on the issue.

Municipal and Regional District Tax (MRDT) [formerly known as Additional Hotel Room Tax]

Met with the Tourism Branch of the Ministry of Jobs, Tourism & Skills Training but were not given an opportunity to provide feedback or recommendations on the changes to the MRDT program. After the changes came into effect in September, met with the Branch again in order to better understand how the changes would impact members. Continuing to the monitor member feedback on the MRDT, including the new annual reporting requirements and the recently created Tourism Events Program.

Agricultural Land Commission Review

Provided feedback to the Province on the proposed changes to the Agricultural Land Commission (ALC) and the protection of farm land, met with the new Chair of the ALC.

The Safe Drinking Water for First Nations Act

Presented with Metro Vancouver to the House of Commons' Standing Committee on Aboriginal Affairs and Northern Development Canada in May 2013 to convey concerns regarding The Safe Drinking Water for First Nations Act. Ongoing communication with AANDC as regulatory development has begun on a region-by-region basis. Minister Carolyn Bennett's mandate letter directs her to undertake a review of laws, policies and operational practices in partnership with First Nations, which may impact regulation development. UBCM continues to monitor.

911 Emergency Calls – Wireless Levy

Participated in discussions with the Province on challenges to the current 911 system, the funding of the next generation of emergency services, and ways that future emergency services might be funded.

Flood Hazard Management

Worked with the Fraser Basin Council, the Province and other organizations in the development of a strategy to manage flood hazard issues in the Lower Mainland.

CRTC – Review of Basic Telecommunications Services

Contributed to FCM's April 15, 2016 presentation to the public hearing on the CRTC's review of basic telecommunications services in Canada, including affordability, level of service and whether areas are underserved or without service.

Elections Education and Advice Technical Advisory Committee

Provide direction and advice on the development of information and resources to assist participants involved in local elections in response to new elections legislation enacted in 2014. The Technical Advisory Committee will be formally constituted in fall 2016 to meet the requirements set out in the new Local Elections Campaigning Financing Act.

Trade issues

Monitor impact of implementation of Comprehensive Economic and Trade Agreement between Canada and European Union on local governments; continue to monitor trade discussions related to Trans-Pacific Partnership.

DNA Analysis Services Costs

Advocated on behalf of local governments for the reversal of a provincial decision to download DNA analysis services costs to local governments. Work included prioritizing this issue as part of the Advocacy Days campaign, multiple meetings with relevant Ministers, and consultation with other relevant police committees and local governments.

RCMP Five Year Review

Worked with the Province to coordinate local government feedback for the RCMP Contract Five Year Review. Prepared a submission to the Province outlining all issues, and highlighting most important/mentioned issues for consideration by national review committee. Continue to monitor the review process, and provide feedback as needed.

Involvement in FCM International Programs

Over the course of the past year UBCM has participated in missions involving two FCM International Programs with a view to considering a future role in one of those programs. The two programs were the Sustainable and Inclusive Communities in Latin America (CISAL) and the Partnerships for Municipal Innovation in Local Economic Development (PMI-LED).

UBCM has also participated in workshops dealing with design elements for the PMI-LED program and has scheduled a Convention clinic on FCM International Programs. The clinic is intended to provide an update to the membership on UBCM involvement with FCM International programs and to enable FCM to conduct outreach to potential volunteer local governments in BC.

Montrose, BC

Pemberton, BC

Hudsons Hope , BC

October 20, 2016

Programs and Services

UBCM

October 20, 2016

Programs and Services

Hope, BC

Highlights

Asset Management Planning: To date, 111 applications have been approved

Regional C2C Forums: 36 forum events across all regions of the province

Seniors' Housing & Support Initiative: 28 Age-friendly grants were awarded under the 2015 program, accounting for $498,934.00 in approved funding

Strategic Wildfire Prevention Initiative (as of March 31, 2016):

- 288 Community Wildfire Prevention Plans have been prepared with 55 more in progress.
- More than 8,800 hectares of land have been treated, with an additional 2,296 ha in progress
- 51 applications received for FireSmart planning and 44 projects approved

Local Government Program Services

UBCM has delivered numerous provincially funded programs since 2004. Multiple funding programs were available to local governments and First Nations in 2016.

Asset Management Planning Program

Administered for the Ministry of Community, Sport & Cultural Development ($1.75 million since 2014), the program provides assistance to local governments to deliver sustainable services by extending and deepening asset management practices within their organizations.

Community Structural Protection Units

Administered for the Office of the Fire Commissioner and the Ministry of Forests, Lands & Natural Resource Operations ($1 million in 2004, with annual cost recovery), structural protection units are available for deployment in the event of a fire in the wildland urban interface.

Regional Community to Community (C2C) Forum Program

Administered for the Ministry of Community, Sport & Cultural Development and Aboriginal Affairs & Northern Development Canada ($1.4 million since 1999). The Regional C2C program provides opportunities for local governments and First Nations to come together in dialogue on topics of mutual interest or concern.

Seniors' Housing & Support Initiative

Administered for the Ministry of Community, Sport & Cultural Development and Ministry of Health ($4.75 million since 2004), the program assists local governments to prepare for an aging population by supporting the ability of BC's older adults to age in place.

Strategic Wildfire Prevention Initiative

Administered for the Ministry of Forests, Lands & Natural Resource Operations ($78.5 million since 2004), the Strategic Wildfire Prevention program has five funding streams:

- Community wildfire protection plans (CWPP) and updates
- Fuel management prescriptions
- Fuel management demonstration projects
- Operational fuel treatments and maintenance
- FireSmart planning

Gas Tax Agreement

In May 2014, UBCM entered into a ten-year Gas Tax Agreement (GTA) with Canada and British Columbia which will see over $1.3 billion in federal funding over the first five years transferred for investments in local government infrastructure and capacity building projects. The GTA provides the administrative frameworks for the delivery of federal Gas Tax funding to British Columbia local governments and other recipients.

UBCM continues to administer the Gas Tax Fund on behalf of the three parties through three distinct funding programs: the Community Works Fund; the Strategic Priorities Fund; and the Greater Vancouver Regional Fund.

In 2016, British Columbia will receive an additional $12 million in Federal Gas Tax Funds transferred from Canada due to indexation.

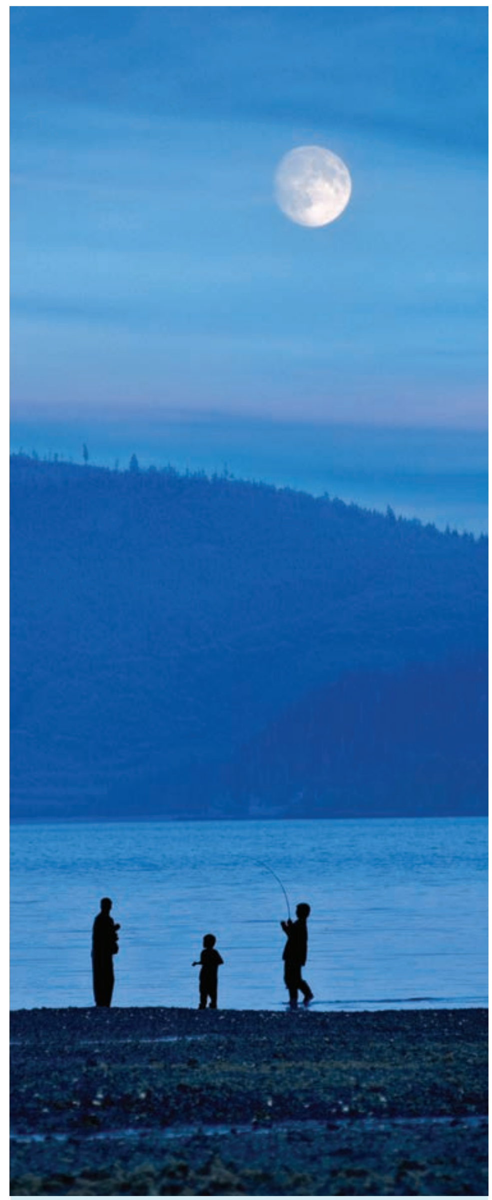
Community Works Fund

- UBCM will deliver over $104 million to all local governments in 2016 through the Community Works Fund program
- Eligible investment categories for local government capital infrastructure include: local roads and bridges; highways; short-sea shipping; short-line rail; regional and local airports; broadband connectivity; public transit; drinking water; wastewater; solid waste; community energy systems; brownfield redevelopment; sport infrastructure; recreational infrastructure; cultural infrastructure; tourism infrastructure; and disaster mitigation.
- Local Governments can also invest CWF towards certain capacity building projects such as Integrated Community Sustainability Planning, Long-Term Infrastructure Planning and Asset Management Planning.
- Local Governments CWF allocation is based on a funding floor of $50,000 and a per capita amount.
- All Local Governments in British Columbia participate in the Community Works Fund program.

Strategic Priorities Fund

- The SPF is an application based Gas Tax program which is available for local governments outside of the Greater Vancouver region.
- SPF pools approximately $28 million each year for eligible projects that are large in scale, regional in impact or innovative and align with the national objectives of productivity and economic growth, a clean environment, and strong cities and communities.
- The first intake for the Strategic Priorities Fund program was launched in December 2014 and UBCM accepted applications until April 2015.
- UBCM received 222 applications totaling over $650 million in funding requests under the first SPF intake.
- In total, 66 projects were awarded SPF grants under the 2015 SPF intake, valued at $120, 389,256.98
- The next intake under SPF has not been determined.

Kelowna, BC



Queen Charlotte, BC

Programs and Services

Greater Vancouver Regional Fund

- UBCM continues to deliver pooled funding in the Greater Vancouver region for regional transportation projects.
- The Greater Vancouver Regional Fund replaces the Strategic Priorities Fund for Greater Vancouver.

Asset Management

- The GTA states that all local governments must work to strengthen Asset Management in accordance with the Asset Management framework developed by the Partnership Committee.
- The Partnership Committee approved the Asset Management for Sustainable Service Delivery: A BC Framework and local government commitments pursuant to the Framework in 2015.
- UBCM staff delivered 8 regional workshops in Spring 2016 providing information on the GTA, and specifically, meeting asset management commitments under the GTA.
- An on-line Asset Management Assessment was launched in June 2016 whereby all local governments will provide baseline information on the 'state of asset management' in their respective organization. Submissions are due July 15, 2016.
- This information will be used as the basis of measuring progress made by local governments in the implementation of asset management practices.
- Included in the 2017 GTA reporting requirements will be developing an individual local government asset management implementation plan, covering the remaining 7 years of the GTA.
- Asset management, and showing progress made, will be part of the GTA Outcomes Reports, required for 2018 and 2023.

Gas Tax Information System

- UBCM GTA program staff had historically relied on a federal database system for gas tax information management. Infrastructure Canada informed UBCM in August 2014 that this system was to 'sunset' in October 2014, leaving UBCM to develop an alternative solution for information management.
- UBCM developed an interim solution for 2014/15, with the desire to make this a permanent solution. Challenges with the interim solution forced UBCM to abandon it.
- Through Partnership Committee, UBCM sought and was given approval to develop a long-term solution.
- An RFP went out in late 2015 and a vendor was selected in winter 2016.
- Business Requirement Documents and Functional Design Documents are currently being developed, with sign-off scheduled for July 8, 2016.
- Development will begin after July 8, 2016, with system testing scheduled for December 2016 and system launch scheduled for February 2017, in time for the 2017 GTA reporting cycle.
- UBCM GTA program staff have committed significant time to the development of this system, with two staff dedicating up to 2 days per week on the system.

October 20, 2016

Member Services

Group Benefits Program

UBCM in partnership with Pacific Blue Cross/BC Life offer a variety of health benefits including:

- Extended Health
- Dental
- Group Life, Dependent Life and Optional Life
- Accidental Death & Dismemberment (AD&D) and Optional AD&D
- Short Term Disability and Long Term Disability
- Administrative Services Only (ASO)
- Critical Illness Benefits
- Employee and Family Assistance Plan
- Health Spending Accounts
- Individual Travel Insurance
- Benefits for Elected Officials

With 136 local governments and affiliated organizations participate in the UBCM Group Benefits Plan, which accounts for more than 3,200 individuals.

Highlights from the year:

- Hosted very successful 2-day Group Benefits Conference on March 10-11, 2016 with 80 attendees, 10 sessions, and 15 presenters.
- New Plan members include: District of North Cowichan, Sun Peaks Mountain Resort Municipality, and Village of Harrison Hot Springs. Due to these new groups volume increased by 8%. Village of Kaslo terminated the Plan in August 2015.
- Issued RFP for consulting services and finalized contract with new actuarial consultant, Johnstone's Benefits effective June 1, 2016.
- In efforts to improve retention in the Plan, 38 Plan members were visited.
- Produced 12 issues of Group Benefits Newsletter with a 45% average opening rate.

Petro-Canada SuperPass Rebate Program

UBCM in partnership with Petro-Canada offers UBCM members significant savings, convenience, control and security when using the Petro-Canada SuperPass Credit Card.

Designed to provide innovative security and control features, it can increase the overall efficiency by enabling better management of fleet expenditures. The SuperPass Card can be customized at the individual card level to provide the features (or control) best suited to your particular business needs.

A discount of 2.0 cents/litre on all grades of gasoline and diesel purchased at Petro-Canada retail service stations. There is a minimum of 400 litres/month that must be purchased to qualify for this discount.

October 20, 2016

Programs and Services

Commercial Vehicle Licensing

UBCM is the trustee of the Municipal Commercial Vehicle Licensing Program as directed under Part 16 of the Local Government Act. UBCM coordinates distribution of licence decals to program members, who must make them available for sale to owners and operators of commercial vehicles using municipal roads in a participating municipality. Members submit revenue collected, net of their commissions, to UBCM who, in turn, pays out program expenses and then redistributes net proceeds to participating members on a per capita basis.

In 2015, 100 participating local government members sold nearly 40,000 licences, resulting in over $920,000 shared by the program members this year. UBCM developed a web-based sales reporting system for member use in the 2015 licensing year.

Dog/Cat Tags

UBCM provides a discounted rate on dog and cat tags which local governments sell to their residents. Over 75 members participated in this program purchasing 61,000 tags.

Publications

UBCM provides a variety of publications for our members, affiliated organizations and the public.

NET•WORK•BOOK

The NET•WORK•BOOK is a comprehensive local government directory. In 2013, this publication became fully electronic on ubcm.ca. In 2016, over 440 books were distributed.

Local Government in BC

Local Government in British Columbia explains how government works and examines its role in our society. UBCM sold 2 books this year.

Community Effort Book

The Community Effort Book provides an excellent overview of local government in BC in an easy to read, colourfully illustrated format. UBCM sold 50 books this year.

Planners and Wall Calendars

Every year, UBCM produces a very useful Local Government Planner and Wall Calendar, noting dates of importance to local governments. Over 1,100 Planners and Calendars were purchased this year.

October 20, 2016

R-1

Financial Statements of the

Union of British Columbia Municipalities

12 month period ended May 31, 2016

UBCM

October 20, 2016

R-1

Financial Statements

Independent Auditors' Report

To the Members of the Union of British Columbia Municipalities

We have audited the accompanying financial statements of the Union of British Columbia Municipalities, which comprise the statement of financial position as at May 31, 2016, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Union of British Columbia Municipalities as at May 31, 2016 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Accountants
Date
Vancouver, Canada

October 20, 2016

Union of British Columbia Municipalities

Statement of Financial Position

May 31, 2016, with comparative information for 2015

	2016	2015
Assets		
Current assets:		
Cash	$ 15,826,716	$ 13,623,079
Investments (note 3)	410,568,798	418,538,613
Accounts receivable	145,327	62,366
Prepaid expenses	92,967	105,004
	426,633,808	432,329,062
Capital assets (note 4)	2,666,083	2,781,091
	$ 429,299,891	$ 435,110,153
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 5)	$ 70,378	$ 2,895,530
Convention deposits	245,198	323,396
Deferred revenue and contributions (note 6)	417,087,963	420,153,395
	417,403,539	423,372,321
Other liabilities	96,924	126,835
	417,500,463	423,499,156
Net assets:		
Invested in capital assets (note 7)	2,666,083	2,781,091
Internally restricted (note 8)	6,886,976	6,778,484
Unrestricted	2,246,369	2,051,422
	11,799,428	11,610,997
Commitment (note 11)		
	$ 429,299,891	$ 435,110,153

See accompanying notes to financial statements.

Approved on behalf of the Executive Committee:

Director

Director

October 20, 2016

Financial Statements

Union of British Columbia Municipalities

Statement of Operations

Year ended May 31, 2016, with comparative information for 2015

		2016		2015
Revenue:				
Annual member dues (note 6)	$	1,162,526	$	1,143,476
Convention		1,592,998		1,253,035
Members' services		628,204		700,452
Administrative fees (note 9)		153,870		143,462
Investment income		235,151		316,272
Local Government Program Services (note 6)		7,103,464		6,271,141
Gas Tax (note 6)		263,383,574		152,415,248
		274,259,787		162,243,086
Expenses:				
Salaries and benefits		1,596,590		1,500,060
Executive		227,226		196,627
Members' services		145,505		75,777
Office services and supplies		271,719		309,133
Staff travel		46,942		64,505
Professional fees		45,648		49,563
Convention		1,250,688		1,049,789
Local Government Program Services		7,103,464		6,271,141
Gas Tax		263,383,574		152,415,248
		274,071,356		161,931,843
Excess of revenue over expenses	$	188,431	$	311,243

See accompanying notes to financial statements.

October 20, 2016

Union of British Columbia Municipalities

Statement of Changes in Net Assets

Year ended May 31, 2016, with comparative information for 2015

	Invested in capital assets (note 7)	Internally restricted (note 8)	Unrestricted	Total
Balance, May 31, 2014	$ 2,924,564	$ 6,592,040	$ 1,783,150	$ 11,299,754
Excess (deficiency) of revenue over expenses	(143,473)	-	454,716	311,243
Interfund transfers	-	186,444	(186,444)	-
Balance, May 31, 2015	2,781,091	6,778,484	2,051,422	11,610,997
Excess (deficiency) of revenue over expenses	(136,083)	-	324,514	188,431
Invested in capital assets	21,075	(21,075)	-	-
Interfund transfers	-	129,567	(129,567)	-
Balance, May 31, 2015	$ 2,666,083	$ 6,886,976	$ 2,246,369	$ 11,799,428

See accompanying notes to financial statements.

October 20, 2016

Financial Statements

Union of British Columbia Municipalities

Statement of Cash Flows

Year ended May 31, 2016, with comparative information for 2015

	2016	2015
Cash provided by (used in):		
Operating:		
Excess of revenue over expenses	$ 188,431	$ 311,243
Items not involving cash:		
Amortization	136,083	143,473
Other liabilities	(29,911)	(4,640)
Changes in non-cash operating working capital:		
Accounts receivable	(82,961)	29,408
Prepaid expenses	12,037	51,103
Accounts payable and accrued liabilities	(2,825,152)	(2,802,616)
Convention deposits	(78,198)	117,046
Deferred revenue and contributions	(3,065,432)	105,107,728
	(5,745,103)	102,952,745
Investments:		
Purchase of capital assets	(21,075)	-
Net change in investments	7,969,815	(95,815,500)
	7,948,740	(95,815,500)
Increase in cash	2,203,637	7,137,245
Cash, beginning of period	13,623,079	6,485,834
Cash, end of period	$ 15,826,716	$ 13,623,079

See accompanying notes to financial statements.

October 20, 2016

Union of British Columbia Municipalities

Notes to Financial Statements

Year ended May 31, 2016

1. Operations:

The Union of British Columbia Municipalities ("UBCM") is incorporated under the Union of British Columbia Municipalities Act and its principal activity is to represent the interests of its members in dealing with other orders of government. The UBCM is a not-for-profit organization and is exempt from income and capital taxes.

The UBCM's operations include the following significant activities:

(i) Operating - Reflects the general operating activities and administration functions of the UBCM.

(ii) Convention - Activities directly related to the annual convention.

(iii) Local Government Program Services ("LGPS") - The Province of British Columbia has provided funding to the UBCM for shared provincial-local government interests in a variety of fields. The service that the UBCM provides is to control and deliver those funds to members for the purposes of the various programs.

(iv) Gas Tax – The Government of Canada ("Canada"), the Province of British Columbia ("BC"), and the UBCM had entered into the Administrative Agreement on the Federal Gas Tax Fund in British Columbia (the "Gas Tax Agreement") to transfer funding to the UBCM to control and deliver the funding to local government organizations in British Columbia. The purpose of the funding is focused on achieving environmental sustainability and the improvement of public transit and infrastructure. The Gas Tax Agreement is effective from April 1, 2014 until March 31, 2024.

2. Significant accounting policies:

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook - Accounting. Significant accounting policies include:

(a) Revenue recognition:

The UBCM follows the deferral method of accounting for contributions which include government grants. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are recorded as deferred revenue and contributions in the year received, and recognized as revenue in the year in which the related expenses are recognized.

Unrestricted investment income is recognized as revenue when earned. Restricted investment income is recorded as deferred revenue and contributions in the year received, and recognized as revenue in the year in which the related expenses are recognized.

Revenue from annual dues, special levies, fees and contracts is recognized when the services are provided. Amounts collected relating to subsequent periods are recorded as deferred revenue and contributions.

Union of British Columbia Municipalities

Notes to Financial Statements (continued)

Year ended May 31, 2016

2. Significant accounting policies (continued):

(a) Revenue recognition (continued):

Contributed capital assets are measured at the fair value at the date of contribution. Contributed capital assets not subject to amortization, such as land, are recorded as direct increases in net assets in the period the assets are received. Contributed capital assets subject to amortization and contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight line basis, at a rate corresponding with the amortization rate for the related capital assets.

(b) Capital assets:

Capital assets are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis over the assets' estimated useful lives as follows:

Asset	Years
Building	25
Office equipment	4

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The UBCM has elected to carry its investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Union of British Columbia Municipalities

Notes to Financial Statements (continued)

Year ended May 31, 2016

2. Significant accounting policies (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the UBCM determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the UBCM expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(d) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

3. Investments:

Investments are comprised of pooled investments held with the Municipal Finance Authority in money market funds. For the year ended May 31, 2016, the average annualized yield was 0.75% (2015 - 1.06%).

4. Capital assets:

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Land	$252,000	-	$252,000	$252,000
Building	$3,347,623	$953,913	$2,393,710	$2,527,615
Office equipment	$83,439	$63,066	$20,373	$1,476
	$3,683,062	$1,016,979	$2,666,083	$2,781,091

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities as at May 31, 2016 are government remittances payable of $7,714 (2015 – $10,586) for GST and payroll-related taxes.

October 20, 2016

Financial Statements

Union of British Columbia Municipalities

Notes to Financial Statements (continued)

Year ended May 31, 2016

6. Deferred revenue and contributions:

	Members' dues	LGPS	Gas Tax (a)	Other	Total
Balance, May 31, 2014	$ 662,381	$ 22,781,629	$289,615,809	$1,985,848	$ 315,045,667
Amounts received	1,154,646	6,435,000	253,276,892	17,183	260,883,721
Investment income earned	-	-	4,201,917	19,017	4,220,934
Recognized as revenue	(1,143,476)	(6,271,141)	(152,415,248)	(167,062)	(159,996,927)
Balance, May 31, 2015	673,551	22,945,488	394,679,370	1,854,986	420,153,395
Amounts received	1,173,563	11,174,500	253,276,892	27,593	265,652,548
Investment income earned	-	-	2,937,474	13,914	2,951,388
Recognized as revenue	(1,162,526)	(7,103,464)	(263,383,574)	(19,804)	(271,669,368)
Balance, May 31, 2016	$684,588	$ 27,016,524	$387,510,162	$1,876,689	$417,087,963

(a) The UBCM is required to annually report in accordance with the Renewed Gas Tax Agreement to Canada and BC by September 30.

7. Net assests invested in capital assests:

Net assets invested in capital assets are calculated as follows:

	2016	2015
Net assets invested in capital assets, beginning of year	$2,781,091	$2,924,564
Amortization of capital assets	(136,083)	(143,473)
Purchase of capital assets	21,075	-
Net assets invested in capital assets, end of year	$2,666,083	$2,781,091

October 20, 2016

Union of British Columbia Municipalities

Notes to Financial Statements (continued)

Year ended May 31, 2016

8. Internally restricted net assets:

Internally restricted net assets are comprised of funds allocated by the Executive Committee of the UBCM for future expenditures related to the general operating and special project funds. During the year, unrestricted funds were transferred to internally restricted net assets to increase certain reserves as approved by the Executive Committee as part of the annual budget approval and Executive Policies.

9. Administrative fees:

The UBCM charges administrative fees to third parties to recover its estimated costs incurred. Administrative fees are as follows:

	2016	2015
Commercial vehicle license program fund	$16,000	$16,000
UBCM professional counsel	95,145	88,112
Rental fee	42,725	39,350
	$153,870	$143,462

10. Trust funds:

The UBCM administers the following trust funds where activities and balances are not reflected in the UBCM's financial statements:

(a) Jeff McKelvey scholarship fund:

The Jeff McKelvey scholarship fund was established through contributions from members, the Province of British Columbia and other individuals. Scholarship applications and awards are made within the Union executive's general guidelines by the Board of Examiners.

(b) UBCM / Federation of Canadian Municipalities ("FCM") travel fund:

The UBCM administers the UBCM / FCM travel fund. The purpose of the fund is to assist FCM board members with their travel costs to FCM meetings through per capita levies.

(c) Commercial vehicle license program fund:

Participating municipalities remit license fees collected for commercial vehicles to the UBCM in trust. Surplus funds are distributed to the participating municipalities on December 31 annually.

(d) Local Government Leadership Academy ("LGLA"):

The UBCM holds investments in trust for the LGLA. The LGLA provides local government and First Nations elected officials and senior administrators with leadership development opportunities in the interest of improving governance at the local level.

Union of British Columbia Municipalities

Notes to Financial Statements (continued)

Year ended May 31, 2016

10. Trust funds (continued):

The funds held by the UBCM on behalf of the trust funds are as follows:

	2016	2015
Jeff McKelvey scholarship fund	$76,930	$79,914
UBCM / FCM travel fund	335,920	288,995
Commercial vehicle license program fund	797,538	699,457
Local Government Leadership Academy	1,411,250	1,387,062
	$ 2,621,638	$ 2,455,428

11. Commitment:

The UBCM has an operating lease for its office space in Richmond, British Columbia, which expires on June 30, 2017. The annual basic lease payment plus the estimated proportionate share of taxes and operating expenses is $109,206.

12. Contingent pension liability:

The UBCM and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trusteed pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including the investment of the assets and administration of benefits. The Plan is a defined benefit multi-employer contributory pension plan. The Plan has about 185,000 active members and approximately 80,000 retired members. Active members include approximately 37,000 contributors from local governments, of which 23 (2015 – 21) are the UBCM's employees.

The most recent valuation as at December 31, 2012 indicated a $1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in fall 2016.

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

During the year ended May 31, 2016, the UBCM paid $189,764 (2015 - $160,255) for employer contributions to the Plan.

Union of British Columbia Municipalities

Notes to Financial Statements (continued)

Year ended May 31, 2016

13. Financial risks:

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. For cash and accounts receivable, the UBCM's credit risk is limited to the carrying value on the statement of financial position. Management does not believe that the UBCM is subject to any significant concentration of credit risk.

(b) Liquidity risk:

Liquidity risk is the risk that the UBCM will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The UBCM manages liquidity risk by maintaining adequate cash. The UBCM monitors the cash flow to ensure a sufficient continuity of funding.

(c) Interest rate risk:

The UBCM is not exposed to significant interest risk as it does not have amounts payable that are charged interest.

14. Comparative information:

Certain comparative information have been reclassified to conform with the financial statement presentation in the current year.

FCM FEDERATION OF CANADIAN MUNICIPALITIES FÉDÉRATION CANADIENNE DES MUNICIPALITÉS

CITIES AND COMMUNITIES: PARTNERS IN CANADA'S FUTURE

THE FIRST 100 DAYS OF GOVERNMENT

HOMETOWN PROUD CAMPAIGN SUBMISSION,
B. GAUTHIER, LADYSMITH, QC

October 20, 2016

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Federation of Canadian Municipalities
24 Clarence Street
Ottawa, ON K1N 5P3
www.fcm.ca

Ce document est aussi disponible sous le titre *Les villes et les collectivités, partenaires dans l'avenir du Canada*

October 20, 2016

CITIES AND COMMUNITIES: PARTNERS IN CANADA'S FUTURE

Mayors and municipal leaders, through the Federation of Canadian Municipalities (FCM), are offering the new federal government a plan for how we can partner to strengthen Canada's future. We have an opportunity and the responsibility to get it right from the beginning. The first 100 days of government are crucial to setting a course for success.

Cities and communities are home to innovative solutions to our shared national challenges and we are your partners in building the future that Canadians voted for on October 19. Together, we have an opportunity to create jobs and grow our economy. We can help Canadians spend less time commuting and more time with their families. We can make good on our obligation to keep our lakes, rivers and oceans clean. Together, we can work to keep roofs over the heads of the most vulnerable Canadians, while making housing more affordable for all. And we can be smarter, more efficient and forward-thinking about our responsibility to keep our communities safe.

FCM has been preparing our plan to work with the new government to create jobs and growth and improve the quality of life for Canadians . Every step of the way we have taken our lead from the people we collectively serve. In the lead-up to the federal election we invited Canadians to share what made them proud of their communities and their ideas for what would make them better. We turned those ideas into strong policy options which we presented during the election campaign through our *Roadmap for Strong Cities and Communities*. And now, we are following through on this proposed plan of action with concrete steps for how we can partner — starting with the first 100 days of Parliament's mandate — to build Canada's future.

Our plan includes proposals to ensure that infrastructure investments create local jobs and growth, through partnership and smart, cost-efficient decisions informed by local realities; to build environmentally sustainable communities through working together to keep our water clean and reduce harmful emissions; to foster livable communities where Canadians can afford to live; and to keep our communities safe through supporting front-line services and better collaborating as we face more frequent climate change-related disasters. Our plan is informed by the rich diversity that makes us great as a country. It includes solutions to keep our world-class, innovative cities competitive; to ensure our rural communities are thriving; and to address the unique realities of our northern communities.

This is what municipal governments do best: engage Canadians, find solutions, and deliver meaningful action. Together, we will improve the quality of life for all Canadians and strengthen our economy. We hope this introduction to FCM, a refresher on the role of local government, and briefs on the issues we must collectively tackle will prove useful in your first 100 days and serve as the basis for our important and ongoing discussions. We look forward to working with you, we are ready to do our part, and we are excited about our united potential.

WHO WE ARE

The Federation of Canadian Municipalities is the national voice of local government.

Mayors and municipal leaders work with FCM to voice their vision for moving the county forward and their solutions to grow the economy, create local jobs, and improve the quality of life for all Canadians.

With nearly 2,000 members representing 90 per cent of Canada's population, FCM speaks on behalf of a strong and united municipal sector. That gives us unparalleled reach and the ability to connect with and convene Canada's local order of government — from municipal leaders to stakeholders and policy experts.

FCM regularly engages federal partners including the Prime Minister's Office, cabinet ministers, party leaders and all members of Parliament to advance national solutions grounded in local realities. FCM brings the municipal perspective to the Minister of Finance's annual pre-budget consultations, as well as to Parliamentary committees examining federal-municipal issues like infrastructure, housing and environmental policy.

FCM also delivers meaningful programs designed to advance shared priorities including partnership with First Nations communities, green initiatives and climate protection, women in government, and international cooperation and trade.

LEADERSHIP

FCM's **Board of Directors** is comprised of more than 70 mayors and councillors from every region of Canada.

FCM's President is **Raymond Louie**, Acting Mayor for the City of Vancouver.

Under FCM's governance structure, the Board of Directors meets quarterly to set policy and priorities based on the concerns of local governments. The Board's decisions are informed by:

- Standing committees with a mandate to study and recommend policy and advocacy directions on particular topics, e.g. infrastructure, housing, environmental policy.
- FCM's Rural Forum and Northern and Remote Forum, comprised of Board and committee members from these regions.
- FCM's Big City Mayors' Caucus.
- Five regional caucuses.

This broad, inclusive governance model ensures that FCM maintains strong relationships with the Government of Canada and with other partners.

October 20, 2016

MEMBERS

OF THE CANADIAN POPULATION

FCM membership represents close to 2,000 municipalities, representing more than 90 per cent of the Canadian population who live in cities, and in rural and remote communities.

Through initiatives such as our Annual Conference, Board of Directors' meetings, policy forums and program offerings, members work side by side to identify challenges, explore options and develop effective ways to propose action plans to meet the ever-evolving realities of Canada's diverse and growing communities.

With its diverse and united membership base, FCM can effectively participate in designing and implementing responsive municipal-federal programs, and achieve outcomes. Together, we can create jobs and growth in livable, sustainable and safe cities and communities from coast to coast to coast.

R-1

LOCAL GOVERNMENT

THE FRONT LINE OF ESSENTIAL SERVICES AND PROGRAMS

The municipal order of government is renowned for being open, transparent, and responsive to the needs of its citizens. In fact, local governments are on the frontline of many essential services and programs that drive economic prosperity, promote citizenship engagement, and deliver the necessities that define successful, sustainable, safe and livable communities.

As a result, local governments are uniquely positioned to deliver on a range of initiatives that directly impact the quality of life of Canadians. Here's why:

- High level of citizen engagement in all facets of local government activities.
- Effective local governance, with more than 20,000 elected officials.
- Highly regarded and consistently seen as the most trusted order of government.
- Accessible order of government with town halls or city halls situated in communities.
- Budget deliberations are typically conducted in open and public forums in hometowns across the country.

Canadians who live and work in urban, rural or remote communities benefit every day from the many services managed by local government. These include:

- Infrastructure, with local governments responsible for about 60 per cent of infrastructure in the country.
- Protective services to ensure the safety of communities and their residents.
- Local transportation, including road maintenance, public transit, etc.
- Public health services, including school outreach programs, community vaccinations, etc.
- Parks, recreation, libraries and culture.
- Local social services and housing.
- Water and wastewater services.
- Waste collection and management, and recycling programs.
- Sustainability programs and initiatives.

Shared municipal-federal priorities include:

- Job creation
- Economic development
- Infrastructure renewal
- Immigrant and refugee settlement
- Housing affordability
- Environmental stewardship including climate change
- Improving relations with Aboriginal peoples
- Emergency management
- Community safety
- Crime prevention
- Disaster mitigation

Municipalities are central to this country's economic success. Whether they are large urban areas that serve as hubs for business, innovation and tourism, or smaller communities that serve our resource, agricultural and manufacturing sectors, vibrant and sustainable municipalities are directly tied to Canada's long-term prosperity.

Strong municipalities are the foundation of a healthy economy and a better quality of life for Canadians. Overcoming Canada's biggest challenges requires close collaboration between all three orders of government.

October 20, 2016

WHAT WE DO

FCM HELPS SOLVE NATIONAL CHALLENGES THAT ARE PLAYING OUT IN COMMUNITIES ACROSS THE COUNTRY.

POLICY AND DECISION MAKERS LOOK TO OUR MUNICIPALITIES TO FIND EFFECTIVE SOLUTIONS TO THE ECONOMIC AND SOCIAL CHALLENGES FACING ALL CANADIANS.

FCM has unparalleled reach and the proven ability to:

COLLABORATE
DELIVER
CONVENE

COLLABORATE

FCM works with the federal government to find solutions to shared policy challenges. In addition to the major ongoing policy priorities of FCM's Board of Directors we frequently engage federal ministers and senior officials to advance shared agendas and respond to issues as they arise.

THE SYRIAN REFUGEE CRISIS

FCM recently launched its Task Force on Syrian Refugee Resettlement to coordinate the efforts of cities and communities and to amplify the effectiveness of local initiatives. The Task Force will enable municipalities to share information and best practices, while also complementing and coordinating with provincial, territorial and federal efforts to meet immediate and urgent resettlement targets.

RAIL SAFETY

Following the tragedy in Lac-Mégantic, Quebec, FCM's National Municipal Working Group on Rail Safety has provided input directly to Transport Canada on necessary regulatory and legislative reforms, bringing knowledge and know-how to the national efforts to improve the safety of Canada's rail system and the movement of dangerous goods by rail through our cities and communities.

INTERNATIONAL TRADE

FCM and the federal government are partners on the Joint Working Group on International Trade, supporting municipalities across the country to attract job-creating investment in Canada and prepare local governments for new obligations under agreements like the Canada-Europe Comprehensive and Economic Trade Agreement.

October 20, 2016

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DELIVER

FCM drives positive change in communities across Canada and abroad, helping achieve federal-municipal goals. We seed and scale innovation and achieve results, strengthening communities and Canada.

FIRST NATIONS–MUNICIPAL COMMUNITY ECONOMIC DEVELOPMENT INITIATIVE

The First Nations–Municipal Community Economic Development Initiative improves the economic prosperity of participating municipalities and adjacent First Nations through joint community economic development planning.

THE GREEN MUNICIPAL FUND

Established with a Government of Canada endowment of $550 million, the Green Municipal Fund has delivered over $576 million in GDP and created 7,200 jobs. Completed projects to date are expected to generate over $650 million in environmental benefits over a 20-year period.

THE PARTNERS FOR CLIMATE PROTECTION PROGRAM

The Partners for Climate Protection Program is a network of Canadian municipal governments taking local action on climate change and reducing greenhouse gas emissions.

INTERNATIONAL COOPERATION

For nearly 30 years, FCM and Canadian municipalities have partnered with the federal government to play a leadership role around the world, helping to solve practical problems facing communities in over 55 developing and emerging countries worldwide. In February 2015, FCM signed a five-year strategic partnership agreement with Global Affairs Canada to jointly pursue a strategic dialogue on issues of common interest and explore ways in which Canadian municipalities can collaborate with the Government of Canada to achieve common objectives in international development.

October 20, 2016

CONVENE

FCM brings together municipal leaders from cities, rural and remote communities, and northern Canada, with stakeholders and experts to identify and share ideas and solutions.

BIG CITY MAYORS' CAUCUS

Eighty-six per cent of Canada's big city population live in our country's largest metropolitan areas which generate the largest share of Canada's GDP. FCM's Big City Mayors' Caucus brings together 21 of Canada's biggest cities, offering a forum for policy development on a range of issues affecting our largest centres.

MUNICIPAL INFRASTRUCTURE FORUM

Building Canada's roads, bridges, water and transportation systems will require the combined attention of all governments, as well as the private sector. Founded by FCM, the Municipal Infrastructure Forum is a hub for leaders from municipalities, business and professional associations to discuss and solve issues related to developing infrastructure plans.

SUSTAINABLE COMMUNITIES CONFERENCE

FCM's Sustainable Communities Conference is widely recognized as Canada's premier municipal sustainability conference; attracting hundreds of elected officials, municipal staff, and sustainability experts who are turning vision into sustainable reality, while realizing environmental, economic and social benefits for their communities.

R-1

HOUSING AFFORDABILITY AND SOCIAL HOUSING

HOUSING THAT IS AFFORDABLE FOR NEWCOMERS, YOUNG PEOPLE, THE MIDDLE CLASS AND SENIORS ALIKE IS ESSENTIAL FOR A BRIGHT FUTURE FOR PEOPLE AND COMMUNITIES.

October 20, 2016

QUICK FACTS

It is also the key to labour mobility. A range of affordable housing options is essential to attracting and retaining workers. Housing is part of what makes our cities and communities welcoming places where people want to live, work, start businesses and build connections.

Canadians also prioritize supporting our must vulnerable citizens. Protecting federal investments in social housing and creating incentives to increase rental housing will help keep vulnerable seniors in their homes and out of the health care system, ease the serious strain on our social housing system, and make housing more affordable for the one-third of Canadians who rent. These incentives will also take the pressure off the housing market and household debt.

Canada's municipalities are ready to work together to create healthier, more livable communities, and realize the social and economic benefits of making meaningful progress to tackle the housing crisis.

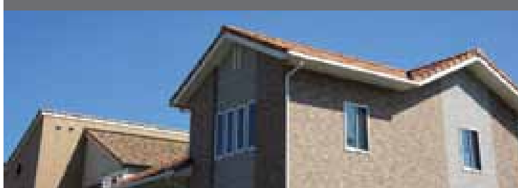
RECORD HIGH HOUSEHOLD DEBT IS ONE OF THE GREATEST THREATS TO CANADA'S ECONOMY ACCORDING TO THE BANK OF CANADA. MORTGAGES MAKE UP

68%

OF HOUSEHOLD DEBT.

IN **TWO DECADES** OUR SENIORS' POPULATION WILL DOUBLE. AT THE SAME TIME, FEDERAL SUPPORT FOR SOCIAL HOUSING, **ONE-THIRD** OF WHICH HOUSES SENIORS, WILL DECLINE TO

ZERO.



1 in 5

RENTERS SPEND OVER **50%** OF THEIR INCOME ON RENT.

CANADA'S SOCIAL HOUSING IS STRAINING UNDER ITS CAPITAL REPAIR DEFICIT. INFLATING OPERATING COSTS AND INVESTMENT IN CAPITAL RENEWAL RESULTED IN ANNUAL AGGREGATE COSTS OF ALMOST **$3 BILLION IN 2012–2013**; COSTS THAT ARE EXPECTED TO RISE TO

$3.7 BILLION

BY 2023.

PUBLIC INVESTMENTS IN HOUSING ARE ONE OF THE BEST MEANS TO GROW CANADA'S ECONOMY. FOR **EVERY DOLLAR INVESTED** IN HOUSING, CANADA EARNS

$1.40

IN GDP.

October 20, 2016

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THE MUNICIPAL ROLE

Local governments across Canada are working to tackle Canada's housing crisis. From supporting not-for-profits by leasing municipal land in Calgary, to Saskatoon's rental incentive grants and Vancouver's density bonus transfer programs, municipalities are implementing innovative solutions to increase social and market housing in our cities and communities.

While only Ontario municipalities are directly responsible for housing, cities and communities across the country are delivering housing support, managing social housing and homelessness programs, and maintaining waitlists and other services for seniors, low-income families and vulnerable populations.

Canadians expect all governments to contribute to a healthy housing sector and create livable communities. With better, coordinated and more strategic investments by all orders of government, we will make housing more affordable, attract newcomers, keep our rural communities vibrant, protect our most vulnerable citizens, create jobs for the construction sector, and lay the foundation for communities that can meet the needs of our aging population and the next generation of families and neighbours.

October 20, 2016

THE FEDERAL OPPORTUNITY

Our proposed solutions will improve housing affordability for Canadians, protect those most vulnerable and drive economic growth. To do this, in the first 100 days, the federal government must:

Work with FCM as a **key partner in developing and implementing the proposed National Housing Strategy** and changes to the mandate of the Canada Mortgage and Housing Corporation.

Create a **dedicated affordable housing carve-out within the proposed Social Infrastructure Fund** with the objectives of:

- Reinvesting in and supporting Canada's existing social housing stock of 600,000 units for households in need.
- Tackling the critical repair deficits threatening social housing across the country through a capital repair and rejuvenation fund developed in consultation with municipal experts.
- Continuing and expanding investments in successful programs, including Housing First, that provide housing support and reduce homelessness.

Take action to **stimulate market and affordable rental construction**, starting with the proposed elimination of GST on new capital investments in rental housing, and examine other incentive programs such as an Eco-energy Tax Credit for small apartment buildings.

Commit to partnering with municipalities to ensure that the proposed **inventory of federal lands and buildings for repurposing as affordable** housing meets the needs and strategic plans of those communities.

Begin to address the **unique challenges and opportunities in the North** by consulting local and provincial/territorial governments on a supplementary long-term Northern Affordable Housing Program focused on communities affected by resource development.

Begin collaborating with municipal governments and local settlement organizations to develop a plan to **expand newcomer services in urban and rural regions across Canada**, including support for accessing adequate and affordable housing.

"Housing affordability is a top priority for Canadians. Working together we can sustain existing social housing and improve affordability to make our communities grow and thrive, to attract young families, and to keep life affordable for our seniors."

- Claire Detheridge,
President, Union of Nova Scotia Municipalities and Councillor, Cape Breton Regional Municipality, NS

October 20, 2016

R-1

INFRASTRUCTURE

INVESTING IN LOCAL INFRASTRUCTURE PROVIDES A CLEAR AND MEASURABLE RETURN ON INVESTMENT AND IS A PROVEN STRATEGY FOR ADDRESSING LAGGING PRODUCTIVITY, ONE OF THE BIGGEST THREATS FACING CANADA'S LONG-TERM ECONOMIC COMPETITIVENESS.

October 20, 2016

QUICK FACTS

Municipal infrastructure provides the foundations on which our economy rests. Businesses need good roads and safe bridges to deliver goods and services. Commuters need fast, efficient transportation networks to get to work. And growing companies count on high-quality community services to attract skilled employees.

Canadians know that a good quality of life relies on local infrastructure, and expect a partnership between all orders of government to improve their communities. This starts with making predictable, sustainable and long-term investments in local infrastructure — essential roads, bridges and water services, as well as highly valued municipal cultural and recreational facilities.

Canada's municipalities have consistently demonstrated their ability to get shovels in the ground quickly on major infrastructure renewal. With a renewed federal partnership, we can address the urgent need for reinvestment in existing road and water networks, while building the new transportation links and community infrastructure so essential to a prosperous and sustainable future.

CANADA'S LOCAL GOVERNMENTS OWN APPROXIMATELY

60%

OF OUR PUBLIC INFRASTRUCTURE.

EVERY **$1 BILLION INVESTED** IN INFRASTRUCTURE GENERATES BETWEEN

$1.20 BILLION AND $1.64 BILLION

IN REAL GDP GROWTH; A PROVEN MULTIPLIER EFFECT GUARANTEED TO BOOST THE ECONOMY.

INFRASTRUCTURE INVESTMENTS

ARE PROVEN TO STIMULATE THE ECONOMY BY CREATING JOBS, SUSTAINED ECONOMIC GROWTH AND IMPROVED PRODUCTIVITY.

UP TO HALF

OF ALL PRODUCTIVITY GROWTH IN CANADA BETWEEN 1962 AND 2006 CAN BE ATTRIBUTED TO INVESTMENTS IN CANADA'S PUBLIC INFRASTRUCTURE.

EVERY **$1 BILLION INVESTED** IN INFRASTRUCTURE CREATES APPROXIMATELY

16,000 JOBS

WHICH ARE SUPPORTED FOR ONE YEAR ACROSS MULTIPLE SECTORS.

FEDERAL AND PROVINCIAL-TERRITORIAL GOVERNMENTS RECOVER BETWEEN **30–35%** OF EVERY DOLLAR SPENT ON PUBLIC INFRASTRUCTURE THROUGH HIGHER PERSONAL, CORPORATE AND INDIRECT TAXES. LOCAL GOVERNMENTS RECEIVE ALMOST NO DIRECT BENEFIT FROM INFRASTRUCTURE SPENDING DESPITE OWNING A MAJORITY OF OUR PUBLIC INFRASTRUCTURE ASSETS.

October 20, 2016

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THE MUNICIPAL ROLE

Municipal infrastructure projects are planned, developed and financed over decades and municipalities have historically funded the largest share of capital costs for these projects.

Municipalities own 56.8 per cent of Canada's core public infrastructure — roads, bridges, transit, water, wastewater, culture, and sports and recreation — valued at approximately $217 billion as of 2013. The federal government owns less than two per cent of core public infrastructure, valued at approximately $7 billion.

Long-term, predictable and dedicated infrastructure funding mechanisms, like the permanent and indexed federal Gas Tax Fund, are essential to renewing and expanding the core municipal infrastructure that is necessary to support the competitiveness and prosperity of our communities.

October 20, 2016

THE FEDERAL OPPORTUNITY

Our proposed solutions for investing in and renewing Canada's municipal infrastructure will create jobs, help get goods to market and support continued prosperity during a time of slower economic growth and stagnant labour productivity. To make this a reality, in the first 100 days, the federal government must:

Partner with FCM on the design and implementation of proposals to:

- Create new Gas Tax Fund-style agreements for **transit, social and green infrastructure**, ensuring the agreements include dedicated commitments to local priorities reflecting municipalities' 60 per cent ownership share of our public infrastructure.
- Reform the **New Building Canada Fund**, improving transparency and making clear commitments to the level of funding available for local projects while increasing the cost-sharing limit for P3 projects and applying federal contributions towards the full capital cost of infrastructure projects including initial design, legal and land acquisition costs.
- Create a **Canada Infrastructure Bank**, ensuring that this new financing mechanism best responds to local needs in communities of all sizes.
- Transfer uncommitted funding at the end of each fiscal year through a **temporary top-up of the Gas Tax Fund**, providing clarity to municipalities on the process.

Work with the municipal sector to develop more **streamlined and faster approval processes**, and greater coordination and consistency between federal and provincial infrastructure funding programs.

Remove the existing restriction on stacking multiple sources of federal funding for municipal infrastructure projects, allowing municipalities to apply federal Gas Tax Fund transfers towards critical local projects funded through the New Building Canada Fund or other program.

"The infrastructure needs of Canada's communities are increasingly complex and urgent. Now is the time to invest in the critical infrastructure, such as roads, bridges and pipes, that Canadians depend on every day."

- Sav Dhaliwal,
Chair, FCM's Standing Committee on Municipal Finance and Intergovernmental Arrangements and Councillor, City of Burnaby, BC

October 20, 2016

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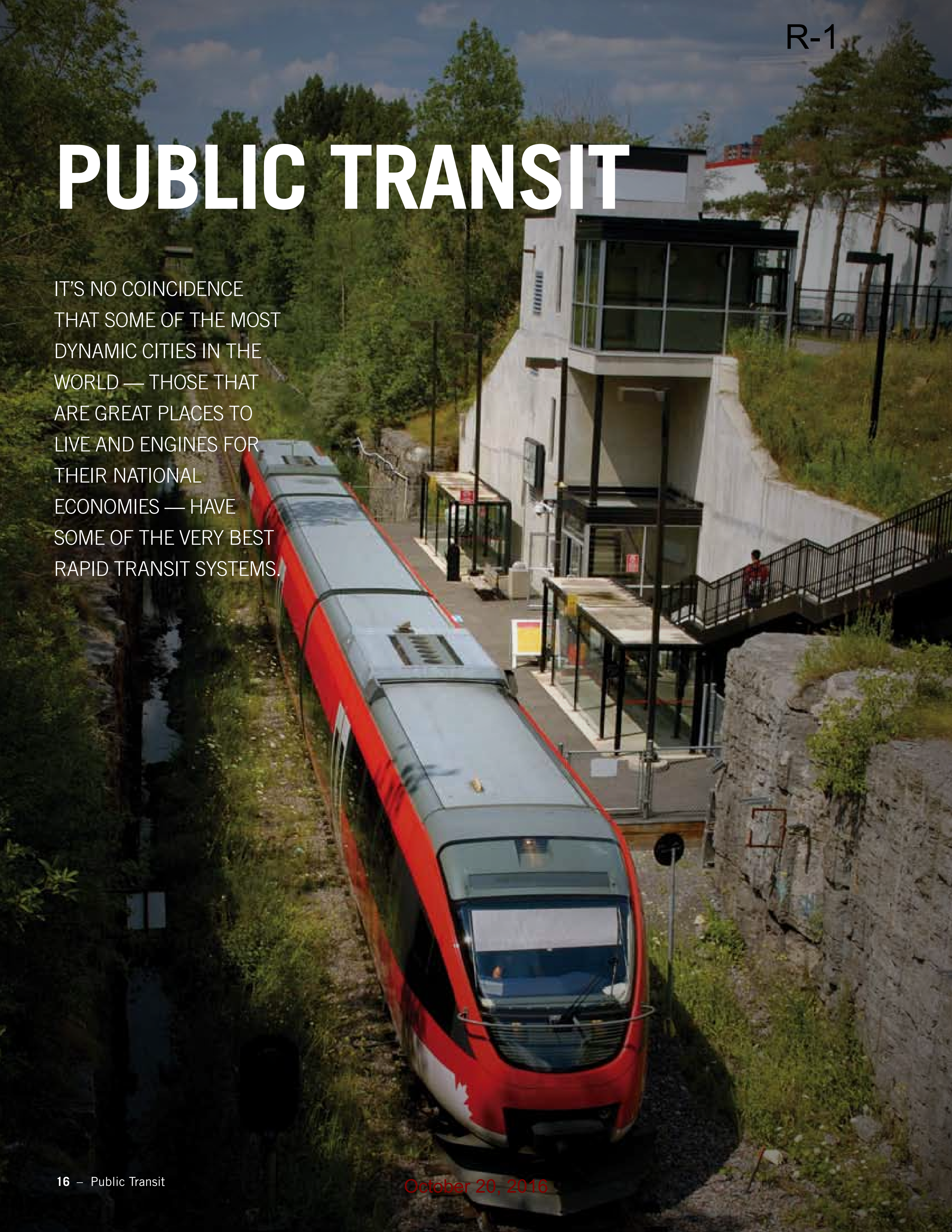
PUBLIC TRANSIT

IT'S NO COINCIDENCE THAT SOME OF THE MOST DYNAMIC CITIES IN THE WORLD — THOSE THAT ARE GREAT PLACES TO LIVE AND ENGINES FOR THEIR NATIONAL ECONOMIES — HAVE SOME OF THE VERY BEST RAPID TRANSIT SYSTEMS.



October 20, 2016

QUICK FACTS

Canada's local governments are committed to reducing congestion and increasing transit options — a real triple win for the economy, for Canadians' quality of life and for the environment.

With a strong federal partner and predictable funding, cities of all sizes — from small-to-medium centres to our largest urban regions — will make major investments in new transit connections and in renewing existing transit networks.

ROI: FOR **EVERY DOLLAR** SPENT ON TRANSIT, **$3** IS GENERATED BACK INTO THE ECONOMY

GROWTH IN PUBLIC TRANSIT RIDERSHIP FROM 2006 TO 2012: **21%**

COST OF TRAFFIC CONGESTION: AT LEAST **$10 BILLION** ANNUALLY IN LOST PRODUCTIVITY

ANNUAL GHG EMISSIONS REDUCED BY PUBLIC TRANSIT USE: **2.4 MILLION TONNES**, VALUED AT **$110 MILLION.**

ONE BUSLOAD OF PASSENGERS MEANS **40 FEWER VEHICLES ON THE ROAD** DURING RUSH HOURS, SAVES 70,000 LITRES OF FUEL, AND AVOIDS **175 TONNES** OF EMISSIONS A YEAR. TAKING THE BUS INSTEAD OF YOUR CAR REDUCES GHGs BY ALMOST **2/3.**

October 20, 2016

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THE MUNICIPAL ROLE

Canada's cities own, operate, and maintain most of Canada's public transit systems, and are partners with provincial governments in building effective regional transit systems.

Municipalities have historically provided the largest share of government funding for the capital costs of expanding and renewing local transit systems.

Cities subsidize transit operating costs not covered by fare box revenue through property taxes and other local revenues.

A strong federal-municipal partnership is crucial to expanding and reinvesting in transit services to address congestion and rapid population growth, and improve mobility in communities of all sizes.

October 20, 2016

THE FEDERAL OPPORTUNITY

Our proposed solutions will reduce crippling gridlock through improved public transit and return tens of billions of dollars in lost productivity to the national economy as well as improve our environment. To do that, in the first 100 days, the federal government must:

Work with FCM to build a long-term funding plan for public transit that meets the needs of Canada's cities, supporting municipal priorities for both major transit expansions and investments in a state of good repair in communities of all sizes. This plan should:

- Ensure that the funding model for federal contributions provides **long-term predictability** and respects local governments' fiscal capacity and ability to borrow.
- Apply federal contributions towards the **full capital cost of transit projects**, including initial design, legal and land acquisition costs, and long-term capital-related financing costs included in availability payments to P3 partners.
- Kickstart much needed transit investment by **signing preliminary contribution agreements** with funding recipients to allow initial design work for new capital projects to go ahead without delay.
- Provide **flexibility in the level of private sector involvement**, allowing cities to determine the most appropriate procurement model locally.

Work with local governments to ensure a **streamlined and faster approval process** and coordination between federal and provincial programs for transit and other major infrastructure investments.

Remove the existing restriction on stacking multiple sources of federal funding for transit and other infrastructure projects.

"Transit and traffic congestion are the single biggest issues confronting Canada's largest cities. Building rapid transit connects people to jobs and jobs to people and brings opportunity to all corners of our cities. Canada's big city mayors look forward to a positive, productive and collabora-tive working relationship with our new Parliament to address congestion through investments in public transit."

- John Tory,
Mayor, City of Toronto, ON

October 20, 2016

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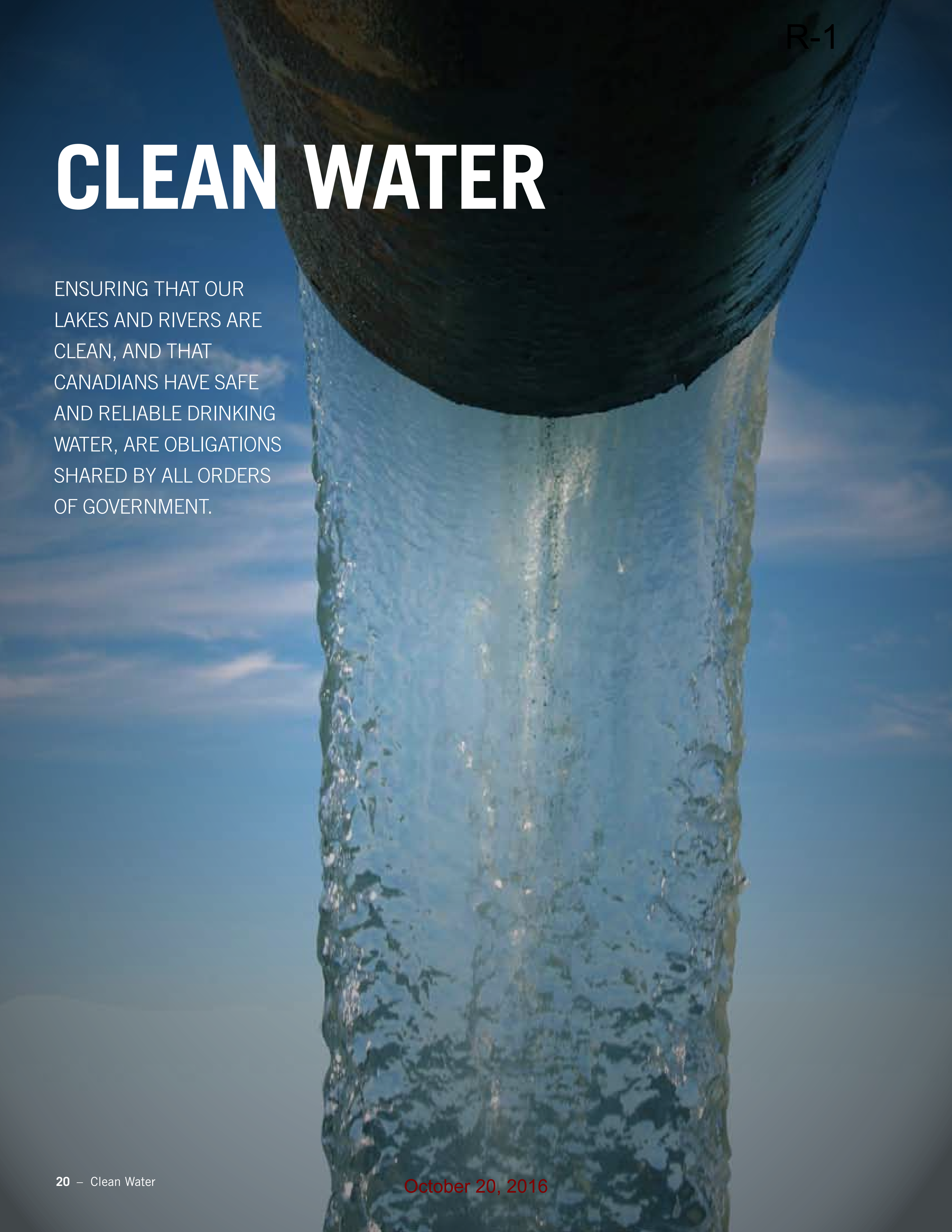
CLEAN WATER

ENSURING THAT OUR LAKES AND RIVERS ARE CLEAN, AND THAT CANADIANS HAVE SAFE AND RELIABLE DRINKING WATER, ARE OBLIGATIONS SHARED BY ALL ORDERS OF GOVERNMENT.



October 20, 2016

QUICK FACTS

Canada's municipalities support the federal government's objective of improving national wastewater treatment standards, and worked with the government in the development of new federal wastewater regulations that came into effect in January 2015.

This shared priority requires a strong partnership to ensure that together we can meet these new regulations without straining the economy and Canadian families.

Based on conservative estimates developed through Environment Canada and an FCM survey of impacted municipalities, capital expenditures required to meet the new regulations will exceed $18 billion, of which $3.5 billion will be incurred by 2020.

621 MUNICIPAL WASTEWATER TREATMENT FACILITIES ARE AFFECTED BY THE NEW FEDERAL WASTEWATER SYSTEMS EFFLUENT REGULATIONS (WSER).

METRO VANCOUVER WILL REQUIRE

$1.9 BILLION

TO UPGRADE THEIR SYSTEMS, MONTREAL FACES **$1.07 BILLION** IN COSTS AND IN HALIFAX THAT NUMBER IS **$595 MILLION**.

106 HIGH-RISK MUNICIPAL SYSTEMS MUST BE UPGRADED BY 2020 TO COMPLY WITH THE REGULATIONS AT AN ESTIMATED COST OF

$3.5 BILLION.

THE MAJORITY OF THE HIGH-RISK SYSTEMS ARE IN NEWFOUNDLAND, QUEBEC AND BRITISH COLUMBIA (see Table 1 next page).

October 20, 2016

SMALLER MUNICIPALITIES ARE PARTICULARLY IMPACTED BY THE REGULATIONS. THE FOLLOWING PER CAPITA COSTS OF MEETING THE REGULATIONS ARE ILLUSTRATIVE OF THE FINANCIAL IMPACT FOR SMALLER COMMUNITIES:

Burgeo, NL: ***$24,000-27,000***
Prince Rupert, BC: ***$10,000-12,000***
Glace Bay, NS: ***$4,456***
Rocky Harbour, NL: ***$3,064***
Corner Brook, NL: ***$3,017***
Port Clements, BC: ***$2,273***
Powell River, BC: ***$1,975***
Ville de Granby, QC: ***$1,576***

TABLE 1 – NATIONAL RANKING OF WASTEWATER FACILITIES IN CANADA

Jurisdiction	Number of facilities requiring upgrades			
	Low risk 2040	Medium risk 2030	High risk 2020	Total
Alberta	3	30	2	35
British Columbia	0	4	8	12
Manitoba	0	81	0	81
New Brunswick	13	38	0	51
Newfoundland and Labrador	0	1	45	46
Nova Scotia	8	36	16	60
Ontario	99	4	3	106
Prince Edward Island	17	7	0	24
Quebec	0	144	30	174
Saskatchewan	0	29	1	30
Yukon	0	1	1	2
Federal	162	36	30	228
Total	302	411	136	849

Source: Environment Canada

THE MUNICIPAL ROLE

Municipalities own, operate, and maintain most of the 3,500 wastewater treatment systems in Canada; safeguarding public health and keeping our rivers, lakes and coastlines clean.

Canadian municipalities are employing world-class wastewater technologies at the local level. FCM's Green Municipal Fund (GMF) has supported innovative projects such as the City of Cranbrook's Wastewater Treatment Facility. Wastewater upgrades funded by GMF have returned economic and environmental benefits that are several times the cost of the project — Kapuskasing, ON experienced environmental benefits valued at twice the project costs and six times GMF's contribution.

"All Newfoundlanders and Labradorians want to keep our water clean. We are ready to work in partnership with the new government to address the challenge of wastewater treatment."

- Karen Oldford,
President, Municipalities Newfoundland and Labrador and Mayor, Town of Labrador City, NL

THE FEDERAL OPPORTUNITY

Our proposed solutions will help keep our lakes, rivers and coastlines clean. To be able to the do this in the first 100 days, the federal government must:

- **Work with Canada's municipalities** to develop an achievable funding plan to upgrade wastewater treatment infrastructure to meet federal regulations.
- **Create a dedicated carve-out for clean water projects** within the proposed Green Infrastructure Fund to cover a one-third federal share of upgrades required under federal wastewater regulations.
- Within a dedicated clean water carve-out, **prioritize upgrades to facilities deemed high-risk** by Environment Canada, and make clear commitments to partner with municipalities on these projects in the next federal budget.
- **Provide timely information** regarding compliance and enforcement as municipalities work to make the necessary upgrades within the deadlines established under the new regulations.
- Work with FCM to develop a plan to provide **assistance to rural residents for critical upgrades to defective septic systems** in rural areas not serviced by municipal wastewater treatment facilities.

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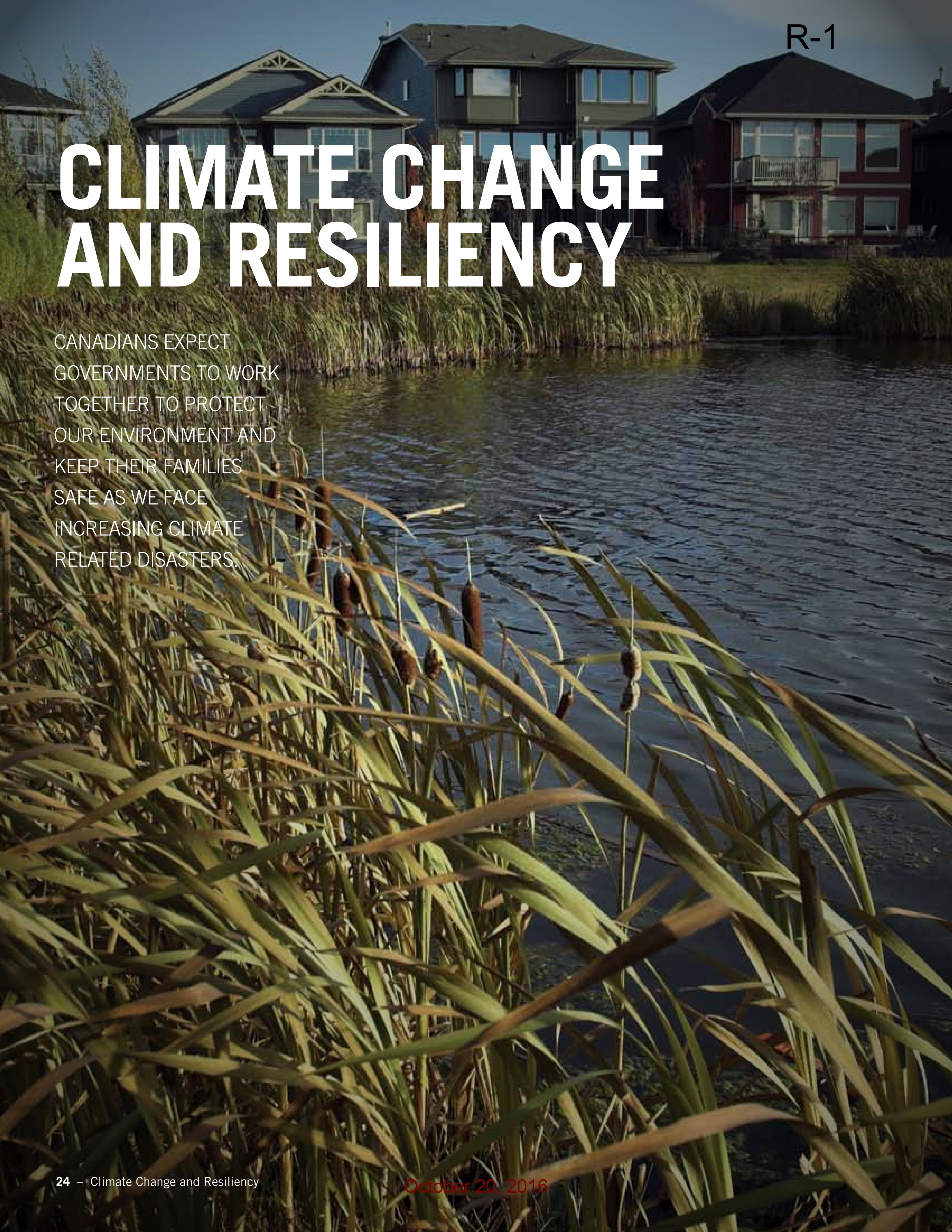

CLIMATE CHANGE AND RESILIENCY

CANADIANS EXPECT GOVERNMENTS TO WORK TOGETHER TO PROTECT OUR ENVIRONMENT AND KEEP THEIR FAMILIES SAFE AS WE FACE INCREASING CLIMATE RELATED DISASTERS.

October 20, 2016

R-1

QUICK FACTS

Collectively, we need to assess the risks in our cities and communities, harden our infrastructure to a future of increasing climate change, and build the capacity of our communities to prepare for and respond to emergencies.

Municipalities used to plan for once-in-a-century weather events, but now face large-scale weather emergencies with increasing regularity. The dramatic rise in weather-related emergencies across Canada, from flooding in southern Alberta and ice storms in the Toronto region, to drought in Vancouver and widespread forest fires have displaced families, damaged property and caused significant economic disruption.

Local governments have been innovating to reduce greenhouse gas emissions for decades and are prepared to accelerate actions to meet global and national targets. Investments in local renewable energy and energy-efficient buildings, as well as public transit and other green transportation infrastructure, will contribute significantly to achieving greenhouse gas reduction targets.

CITIES AND COMMUNITIES HAVE THE POTENTIAL TO SUPPLY BETWEEN

20 AND **55**
MEGATONNES
OF GHG

REDUCTIONS. A NUMBER OF UNTAPPED MUNICIPAL EMISSION REDUCTION OPPORTUNITIES ARE READY TO BE IMPLEMENTED USING PROVEN TECHNOLOGIES, PUSHING CANADA TOWARD ACHIEVING OUR NATIONAL COMMITMENTS.

THE PRICE TAG FOR THE 2013 TORONTO FLOOD DAMAGE IS LIKELY TO BE MORE THAN

$1.2 BILLION

WITH INSURED LOSSES OF **$850 MILLION**, MAKING IT THE MOST EXPENSIVE DISASTER IN ONTARIO'S HISTORY.

EXTREME WEATHER EVENTS ALONE WILL COST CANADIANS AN AVERAGE

$5 BILLION

ANNUALLY BY 2020 AND UPWARDS OF **$43 BILLION PER YEAR** BY 2050, ESTIMATES THE TD BANK GROUP.

EVERY DOLLAR INVESTED IN ADAPTATION TODAY WILL YIELD ANYWHERE FROM

$9-$38

IN AVOIDED DAMAGES IN THE FUTURE. FOR EXAMPLE, WITH PROPER FUNDING AVAILABLE, A STRATEGICALLY PLACED **$100,000** STORMWATER STRUCTURE COULD MITIGATE **MILLIONS OF DOLLARS** IN FLOOD DAMAGE.

THE ALBERTA FLOODS IN JUNE 2013 CAUSED FOUR DEATHS AND DISPLACED TENS OF THOUSANDS OF PEOPLE. CALGARY'S CLEAN-UP AND REPAIR BILLS ARE NOW ESTIMATED AT APPROXIMATELY **$6 BILLION**, MAKING IT THE MOST EXPENSIVE DISASTER IN CANADIAN HISTORY.

October 20, 2016

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THE MUNICIPAL ROLE

Municipal governments are taking the lead to implement mitigation and adaptation strategies, protecting residents and addressing the major climate-related challenges ahead.

Canadian cities and communities influence about 50 per cent of our national GHG emissions and are driving Canada's most systemic low-carbon practices including: building high-efficiency buildings, undertaking extensive building retrofits and developing district heating; building active transit, electric vehicle infrastructure and electrified public transit; implementing near-zero GHG waste plans and delivering high-efficiency water and wastewater services.

Also, through FCM's Green Municipal Fund, municipalities have constructed energy-efficient and resilient buildings, diverted waste from landfills, built better transportation assets, made previously unusable land available for development, and treated wastewater to the highest standard. These initiatives can often generate community-level economic benefits that can be worth twice as much as the initial investment.

All of Canada's major cities and many smaller communities are also preparing for more extreme weather by assessing risks and developing plans to tackle climate change vulnerabilities. Implementing mitigation measures will require a strong partnership with the federal government as major infrastructure adaptation efforts require unique expertise, capacities and resources.

October 20, 2016

THE FEDERAL OPPORTUNITY

Our proposed solutions will address the challenge of climate change head on through proven municipal emission reduction strategies that generate significant community-level economic benefits, and make our communities more resilient to extreme weather. To make this a reality, in the first 100 days, the federal government must:

- **Partner with FCM on the design of the proposed Green Infrastructure Fund** to ensure it meets the shared goal of delivering clean water and wastewater, building climate-resilient infrastructure and supplying clean energy in our cities and communities.
- Begin working with municipal experts to develop a comprehensive action plan that provides cities and communities across Canada with the tools to **better predict, prepare for, and respond to weather-related emergencies**.
- **Target proposed green financing instruments towards local priorities** including stimulating community-scale renewable energy projects, electric vehicle infrastructure, building retrofits and clean energy storage.
- Engage local governments on **expanding federal national disaster mitigation strategies** to cover the full spectrum of predicted climate change impacts, going beyond flooding to include drought, forest fire, and other potential impacts.
- Launch a **review of changes to the Disaster Financial Assistance Arrangements** to prevent an unfair burden being placed on municipal resources during the recovery from extreme weather events.

Canadians are looking to all orders of government to take collective action on climate change. Municipalities have been innovating to reduce greenhouse gas emissions for over two decades and we are ready to do more to address climate change and make our communities more resilient.

- Pauline Quinlan, Chair, FCM's Standing Committee on Environmental Issues and Sustainable Development and Mayor, Ville de Bromont, QC

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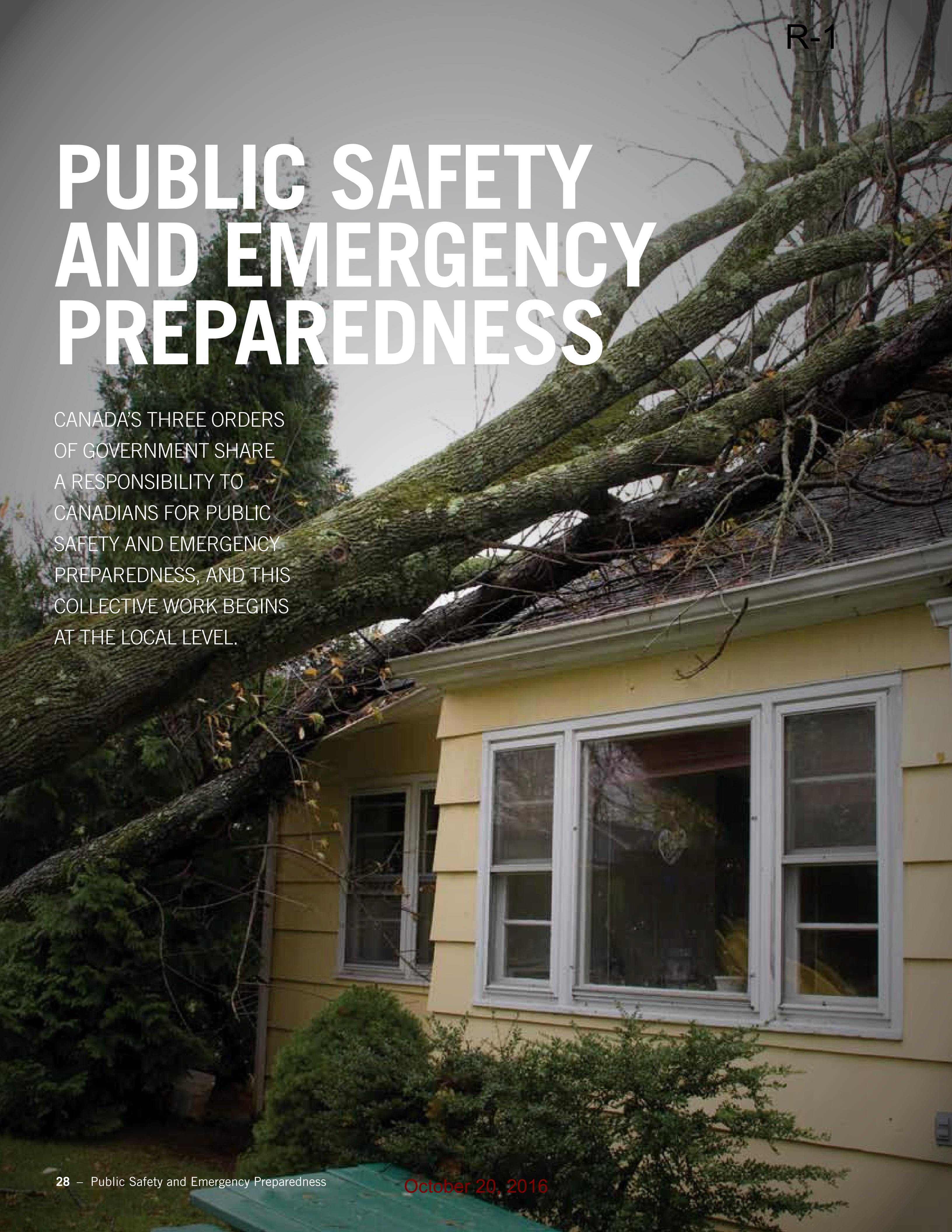

PUBLIC SAFETY AND EMERGENCY PREPAREDNESS

CANADA'S THREE ORDERS OF GOVERNMENT SHARE A RESPONSIBILITY TO CANADIANS FOR PUBLIC SAFETY AND EMERGENCY PREPAREDNESS, AND THIS COLLECTIVE WORK BEGINS AT THE LOCAL LEVEL.

October 20, 2016

QUICK FACTS

When disaster strikes, our municipal first responders are on the front lines and need an active federal partner to prepare for and respond to large-scale incidents such as the tragic 2013 derailment in Lac-Mégantic, the 2014 floods in Calgary, and the 2015 British Columbia wildfires.

This also rings true for policing, as local services are more and more often called upon to respond to emerging threats such as terrorism and cybercrime, combat drug-related and organized crime, enforce border security, and respond to the growing mental health crisis in our communities. Without a corresponding increase in available funding many municipalities are unable to invest further in proven early intervention and crime prevention programs.

88%

OF CANADIANS CONSIDER BEING ABLE TO LIVE IN A SAFE AND SECURE ENVIRONMENT ONE OF THE MOST IMPORTANT ASPECTS OF THEIR LIVES.

FROM 1980 TO 2013, NOW-DISCONTINUED EMERGENCY PREPAREDNESS AND URBAN SEARCH AND RESCUE PROGRAMS CONTRIBUTED UP TO

50%

OF THE COST OF LOCAL EMERGENCY PREPAREDNESS PROJECTS AND INITIATIVES IN CANADA'S CITIES AND COMMUNITIES.

THE MUNICIPAL SHARE OF TOTAL POLICING EXPENDITURES INCREASED IN REAL TERMS BY

$2.5 BILLION

FROM 2003 TO 2013 (WHEN CONTROLLING FOR INFLATION).

October 20, 2016

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THE MUNICIPAL ROLE

The elimination of federal emergency preparedness programs has left many Canadian municipalities vulnerable, and weakened communication channels between orders of government.

A comprehensive approach to policing and emergency management involving all orders of government will allow Canadians to benefit from the best possible level of service, while reducing pressures on municipal budgets.

Investing in early intervention policing and proven crime prevention approaches — like the Prince Albert HUB model which mobilizes resources across multiple sectors to assist at-risk individuals — leads to safer cities and communities, and better outcomes.

October 20, 2016

THE FEDERAL OPPORTUNITY

Our proposed solutions will make our communities safer, improve emergency preparedness in communities of all sizes and generate a proactive and collective effort to mitigate disaster risks. To make this a reality, in the first 100 days, the federal government must:

Engage local and provincial-territorial governments in implementing new public safety programs, including funding for guns and gangs police task forces.

Reinvest in local emergency preparedness, starting with Heavy Urban Search and Rescue teams and enhanced search and rescue capacity, to ensure municipalities have access to highly trained and well equipped emergency responders.

Work with municipalities to begin developing a plan to adequately invest in local policing to reflect the changing and more complex nature of crime in Canada.

Increase cooperation and collaboration between all orders of government on:

- **proven crime prevention and early intervention policing models**; and
- **mental health services**, including a plan to implement proven approaches like Housing First to assist vulnerable populations.

Consider the perspective and needs of all regions — both rural and urban — in the design, governance and implementation of Canada's new **Public Safety Broadband Network**.

Engage local governments on **expanding federal national disaster mitigation strategies** to cover the full spectrum of disaster risks, going beyond flooding to include drought, forest fires and other extreme weather events.

Launch a **review of changes to the Disaster Financial Assistance Arrangements** to prevent an unfair burden being placed on municipal resources during the recovery from disasters.

Canada's cities and communities are at the forefront of planning for, and responding to, natural and man-made disasters. Renewed cooperation and collaboration between Canada's three orders of government will help strengthen emergency management capacity at the local level and improve public safety.

- Randy Goulden, Chair, FCM's Standing Committee on Community Safety and Crime Prevention and Councillor, City of Yorkton, SK

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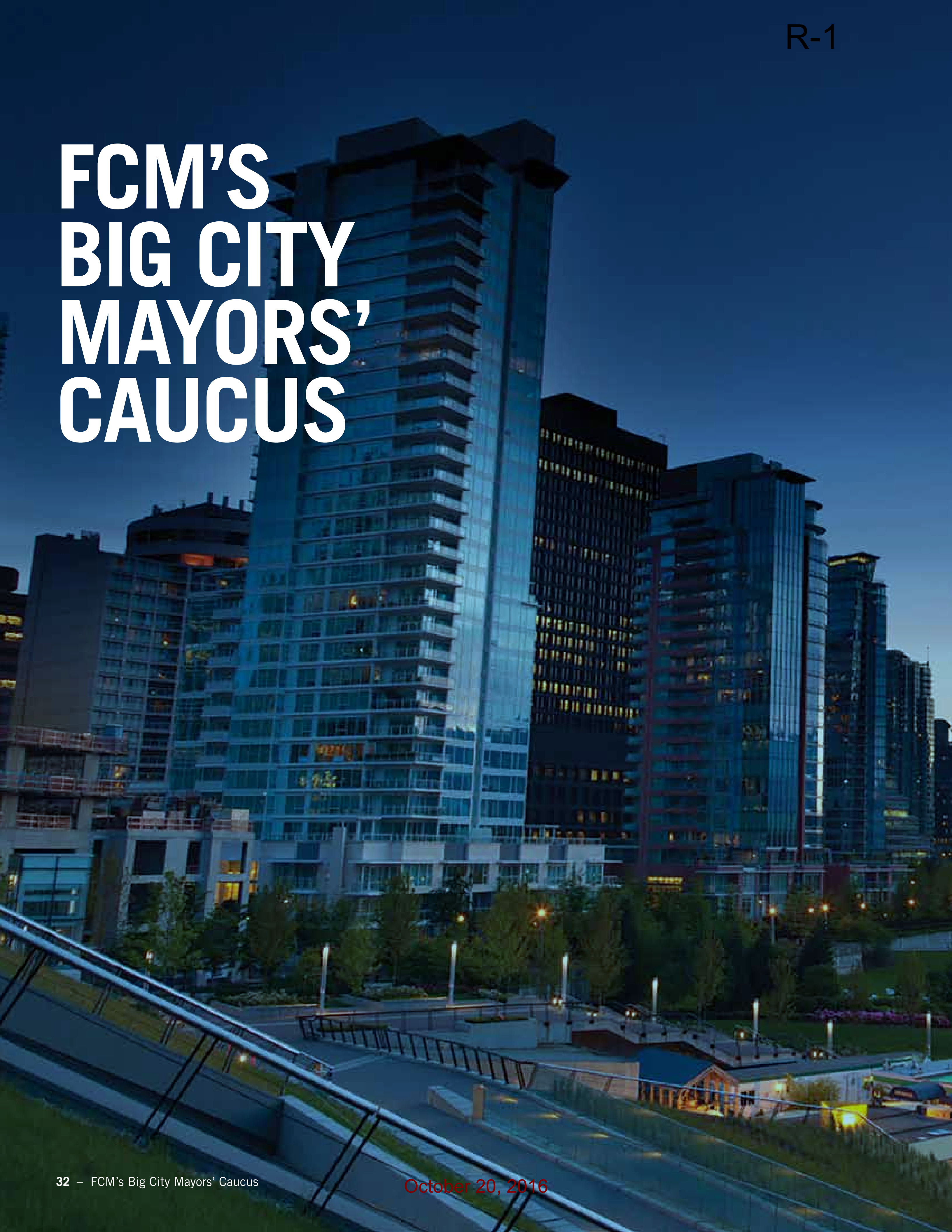
FCM'S BIG CITY MAYORS' CAUCUS



October 20, 2016

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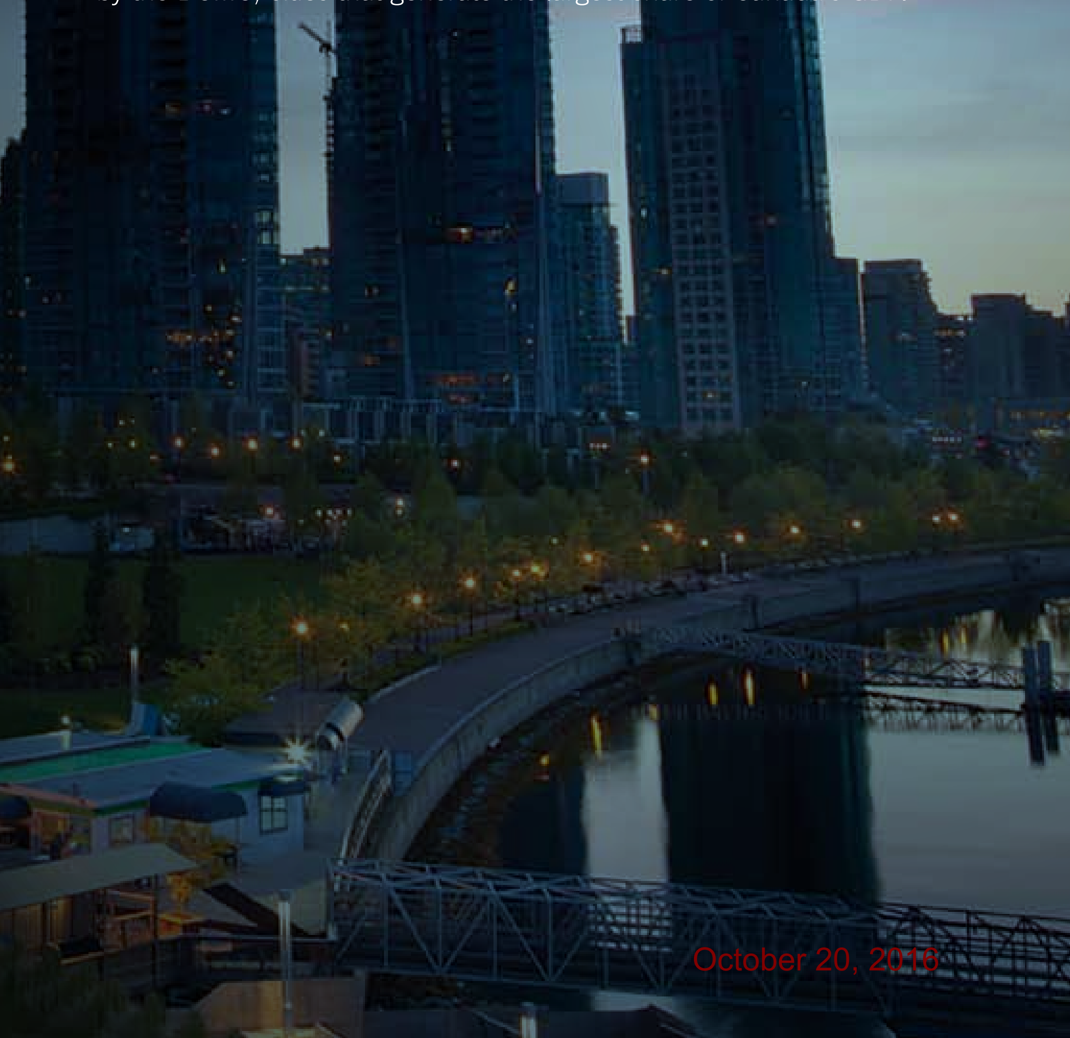
WHO WE ARE

The Federation of Canadian Municipalities' Big City Mayors' Caucus (BCMC) is the voice of Canada's biggest cities.

Cities are engines that drive our country forward, creating local jobs and local growth. Canada's cities are also hubs for innovation, where solutions are found, tested and shared to meet national challenges playing out in communities across the country.

FCM's caucus of big city mayors brings together representatives from 21 of Canada's biggest cities, offering a forum for policy development on a range of issues affecting our largest centres. Through FCM, the mayors' caucus partners with the federal government in nation building through city building.

Eighty-six per cent of Canada's big city population lives in cities represented by the BCMC; cities that generate the largest share of Canada's GDP.



October 20, 2016

BCMC MEMBERS

Brampton, Mayor Linda Jeffrey
Calgary, Mayor Naheed Nenshi
Edmonton, Mayor Don Iveson
Gatineau, Mayor Maxime Pedneaud-Jobin
Halifax, Mayor Mike Savage
Hamilton, Mayor Fred Eisenberger
Kitchener, Mayor Berry Vrbanovic
Laval, Mayor Marc Demers
London, Mayor Matt Brown
Mississauga, Mayor Bonnie Crombie
Montréal, Mayor Denis Coderre
Ottawa, Mayor Jim Watson
Quebec, Mayor Régis Labeaume
Regina, Mayor Michael Fougere
Saskatoon, Mayor Don Atchison
St. John's, Mayor Dennis O'Keefe
Surrey, Mayor Linda Hepner
Toronto, Mayor John Tory
Vancouver, Mayor Gregor Robertson (Chair)
Windsor, Mayor Drew Dilkens
Winnipeg, Mayor Brian Bowman

The BCMC is focused on improving housing, transit and infrastructure in our cities and has developed solutions for shared action on these priorities.

Canada's mayors are also leading local efforts to tackle national challenges in partnership with the federal government.

REDUCE GREENHOUSE GAS EMISSIONS

Canada's big cities were some of the first governments in the world to formally acknowledge human-caused climate change. They have taken an active leadership role by encouraging coordinated global efforts to cut climate-changing GHG emissions with binding reductions targets at the international, national and city level; identifying the risks posed by climate change, and developing and implementing municipal climate action plans. Canada's big cities remain committed to long-term action that will ensure economic strength, social sustainability and an improved quality of life.

WELCOME MORE SYRIAN REFUGEES TO CANADA

Canada's mayors demonstrated prompt leadership in their respective communities, organizing and facilitating responses to the crisis. FCM's Task Force on Syrian Refugee Resettlement, co-chaired by President Raymond Louie and Halifax Mayor Mike Savage, is hard at work, coordinating the efforts of cities and communities and identifying effective local initiatives.

IMPLEMENT THE TRUTH AND RECONCILIATION COMMISSION OF CANADA'S CALLS TO ACTION

Mayors of Canada's largest cities have recognized the important role municipalities must play in the reconciliation process. A BCMC Working Group has been established to implement the recommendations of the Truth and Reconciliation Commission that are directed at municipal governments, to share best practices related to reconciliation and enhancing the relationship between Aboriginal and non-Aboriginal Canadians living in urban centres, and to identify areas of federal and municipal collaboration.

"Strong commitments to invest in expanding and renewing public transit demonstrate that the federal government is ready to partner with municipalities to meet our shared goals of reducing commute times and improving the flow of goods and people."

- Berry Vrbanovic,
Mayor, City of Kitchener, ON

"Reconciliation must inspire Aboriginal and non-Aboriginal peoples to transform Canadian society so that our children and grandchildren can live together in dignity, peace, and prosperity on these lands we now share."

- Truth and Reconciliation
Commission Final Report

October 20, 2016

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BIG CITY PRIORITIES

FCM's Big City Mayors' Caucus is the national table for Canada's largest cities, where issues and ideas are shared and unified actions taken to help bring about positive change for Canadians.

Throughout the federal election campaign, the mayors of Canada's largest cities undertook a series of coordinated actions to champion the well-being of Canadians who live in cities. Mayors emphasized the importance of infrastructure, transit, and housing, recognizing that cities are truly the engine of a strong Canadian economy, and contribute to the quality of life of seniors, youth, and families.

As we look to the days ahead, mayors of Canada's largest cities remain committed to partnering with the federal government to realize the vision that was so strongly endorsed by Canadians on Election Day.

Mayors are committed to partnering with the federal government to implement local solutions to the key challenges facing our biggest cities:

REDUCE GRIDLOCK AND CUT COMMUTE TIMES

Our proposed solutions will reduce crippling gridlock through improved public transit and return tens of billions of dollars in lost productivity to the national economy as well as improve our environment. To do this, in the first 100 days, the federal government must:

Work with FCM to build a long-term funding plan for public transit that meets the needs of Canada's cities, supporting both major transit expansions and investments in state of good repair. This plan should:

- Provide cities with long-term predictability in terms of the level of funding available for local projects.
- Support the full capital cost of transit projects, including costs traditionally borne fully by local taxpayers.
- Kick-start much needed transit investment by signing preliminary contribution agreements that allow projects to go ahead without delay.
- Allow for flexibility in the level of private sector involvement.

Learn more about FCM's plan to improve public transit in Canada's cities.

QUICK FACTS

THE AVERAGE CANADIAN COMMUTER SPENDS THE EQUIVALENT OF

32 WORKING DAYS

A YEAR TRAVELLING TO AND FROM WORK.

THE AVERAGE DAILY COMMUTE IN THE GREATER TORONTO AREA, METRO MONTRÉAL, CALGARY AND VANCOUVER IS OVER

ONE HOUR A DAY

THE TRAFFIC CONGESTION IN THE GREATER TORONTO AREA AND HAMILTON AREA ALONE COSTS THE ECONOMY

$11 BILLION ANNUALLY

October 20, 2016

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IMPROVING HOUSING AFFORDABILITY AND SUPPORTING SOCIAL HOUSING

Our proposed solutions will improve housing affordability for Canadians, protect those most vulnerable and drive economic growth. To do this, in the first 100 days, the federal government must:

Work with Canada's cities as **key partners in developing and implementing the proposed National Housing Strategy** and changes to the mandate of the Canada Mortgage and Housing Corporation.

Create a **dedicated affordable housing carve-out within the proposed Social Infrastructure Fund** that aims to:

- Reinvest in and support Canada's existing stock of social housing.
- Tackle the critical repair deficits threatening social housing across the country.
- Continue and expand investments in successful programs, including Housing First, that provide housing support and reduce homelessness.

Take action to **stimulate market and affordable rental construction**.

Commit to partnering with municipalities on the proposed **inventory of federal lands and buildings for repurposing as affordable housing**.

Learn more about FCM's plan to improve housing affordability and support social housing.

QUICK FACTS

THE HOUSING SECTOR REPRESENTS

20%

OF CANADA'S GDP

FOR **EVERY DOLLAR INVESTED** IN HOUSING, CANADA EARNS BACK

$1.40 IN GDP.

THE COST OF HOMELESSNESS TO CANADIANS IS ESTIMATED AT

$7 BILLION ANNUALLY

October 20, 2016

KEEPING PEOPLE AND GOODS SAFE AND MOVING

Our proposed solutions for investing in and renewing Canada's municipal infrastructure will create jobs, help get goods to market and support continued prosperity during a time of slower economic growth and stagnant labour productivity. To make this a reality, in the first 100 days, the federal government must:

Partner with Canada's cities on the design and implementation of proposals to:

- Create new Gas Tax Fund-style agreements **for transit, social and green infrastructure**, ensuring the agreements include dedicated commitments to local priorities.
- Reform the **New Building Canada Fund**, improving transparency and making clear commitments to the level of funding available for local projects.
- Create a **Canada Infrastructure Bank**, ensuring that this new financing mechanism best responds to local needs.
- Transfer uncommitted funding at the end of each fiscal year through a **temporary top-up of the Gas Tax Fund**, providing clarity to cities on the process.

Learn more about FCM's plan for an infrastructure partnership that will deliver results for Canadians.

"Canada's big cities are ready to partner with the federal government to improve housing affordability and sustain our existing stock of social housing. Quality and affordable housing makes our communities thriving, sustainable and welcoming places for Canadians."

- Don Iveson,
Mayor, City of Edmonton, AB

"Improving local roads and transportation networks are priorities for most Canadians. Supported by new dedicated and predict-able federal infrastructure funding, our cities are poised to expand and renew infrastructure that ignites local economic development, and attracts job-creating investments."

- Maxime Pednaud-Jobin,
Mayor, Ville de Gatineau, QC

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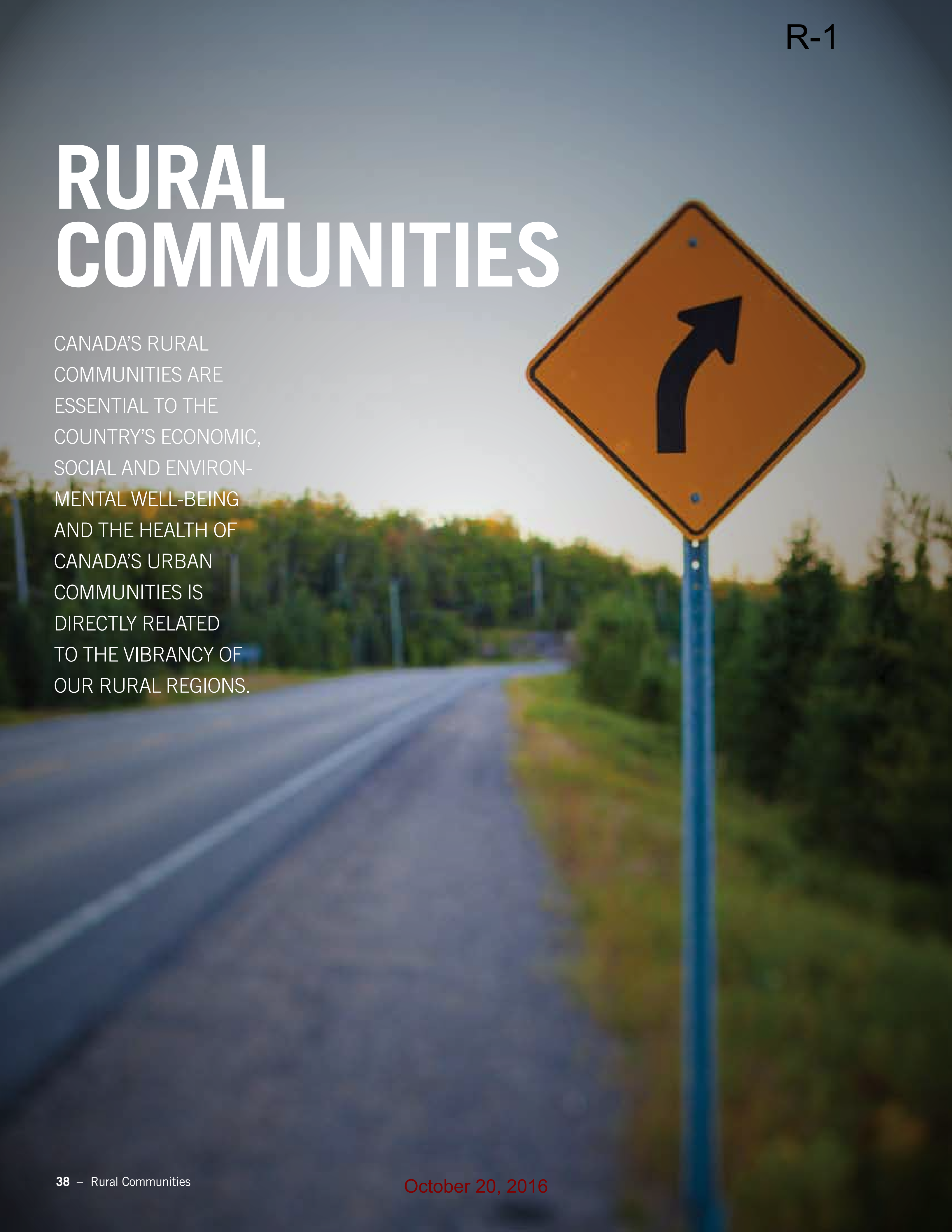

RURAL COMMUNITIES

CANADA'S RURAL COMMUNITIES ARE ESSENTIAL TO THE COUNTRY'S ECONOMIC, SOCIAL AND ENVIRONMENTAL WELL-BEING AND THE HEALTH OF CANADA'S URBAN COMMUNITIES IS DIRECTLY RELATED TO THE VIBRANCY OF OUR RURAL REGIONS.

October 20, 2016

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FCM'S RURAL FORUM

Despite this important role, many local governments in rural Canada face formidable challenges, including providing adequate public infrastructure — such as roads, bridges, drinking water and public amenities — with limited revenues and financial capacity. The federal government can play a key role in supporting strategies to reverse this trend by avoiding a one-size-fits-all approach and recognizing rural communities' unique challenges and opportunities.

Local governments in rural Canada recognize that strategies to eliminate barriers to economic development must be accompanied by new and innovative approaches to attract people to rural communities. To attract the talent and skills necessary to sustain vibrant local economies, these communities must become attractive to young people and newcomers through investments in affordable housing, broadband networks, and newcomer services.

In FCM's *Action Plan for a Strong Rural Canada*, rural municipalities from across Canada identified a roadmap for building vibrant and sustainable communities to move our country forward. It's now time to turn that vision into action.

FCM's Rural Forum was established in 2001 with a mandate to advocate for rural communities and provide municipal governments in rural areas with greater access to FCM. The Rural Forum comprises FCM member municipalities that are located in rural areas and urban communities with rural areas or a significant rural interest. Forum members deliberate on municipal issues of national significance related to infrastructure sustainability, rural economic development, diversification of resource-based communities, and interdependencies between urban and rural communities.

October 20, 2016

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QUICK FACTS

IN 2011,

10.4 MILLION

CANADIANS, **31%** OF THE POPULATION, LIVED IN RURAL COMMUNITIES.

RURAL CANADA EMPLOYS

4.9 MILLION

CANADIANS AND GENERATES **30%** OF NATIONAL GDP IN VARIOUS SECTORS INCLUDING MANUFACTURING, AGRICULTURE AND TRANSPORTATION.

YOUTH OUT-MIGRATION REMAINS A SERIOUS CHALLENGE, WITH

39 RURAL AREAS

LOSING MORE THAN **20%** OF THEIR YOUTH BETWEEN 2007 AND 2012.

THE DIGITAL DIVIDE REMAINS A MAJOR CHALLENGE, WITH ONLY

29% OF RURAL RESIDENTS

HAVING ACCESS TO INTERNET DOWNLOAD SPEEDS OF BETWEEN 16 AND 25 MBPS IN 2014, COMPARED TO NEAR UNIVERSAL ACCESS IN MEDIUM AND LARGE URBAN CENTRES.

THE FEDERAL OPPORTUNITY

Our proposed solutions will help support the local services that are critical to sustaining economic growth, improving quality of life, protecting the environment and preparing our rural communities for more extreme weather.

Infrastructure

Canada's national economy needs all regions functioning well to operate efficiently and maximize economic growth and improved quality of life. Predictable funding for core municipal infrastructure in rural regions, like local roads and bridges, is a key component to helping smaller communities create jobs and get goods to market.

In the first 100 days, the federal government must partner with FCM to:

- Develop a plan for implementing new investments in municipal infrastructure that **increase the predictability of federal funding for communities of all sizes**.

October 20, 2016

- Consider the perspective of rural and small towns, including regional differences, in efforts to **streamline and speed up the intake and approval processes** for the New Building Canada Fund and other federal programs.

Affordable Housing

To attract and retain the talent and skills necessary to sustain vibrant rural communities, housing must remain affordable for newcomers, young people, the middle class and seniors.

In the first 100 days, the federal government must:

- Protect **federal investments in affordable housing solutions** in rural Canada, including sustaining existing social housing units and introducing incentives to increase the availability of rental housing.
- Begin to work with municipal governments and local settlement organizations to **expand newcomer services in urban and rural regions across Canada**, including support for accessing adequate and affordable housing.

Clean Water

Upgrading local wastewater infrastructure will allow communities to keep water clean, maintaining quality of life and bolstering tourism. A federal-municipal partnership can help achieve these objectives while supporting rural municipalities that face significant cost pressures to upgrade their treatment systems as required by new federal regulations.

For example, wastewater system upgrades are estimated at $60 million in Corner Brook, NL; while the Town of Virden, MB, must spend over $5,000 per resident to meet the new regulations.

A federal-municipal partnership can also improve water quality and protect the environment in rural areas not serviced by municipal wastewater treatment by providing support for upgrades to defective septic systems.

In the first 100 days, the federal government must:

- Work with Canada's municipalities to **develop an achievable funding plan** to upgrade wastewater treatment infrastructure to meet federal regulations.
- **Create a dedicated carve-out for clean water projects** within the proposed Green Infrastructure Fund to cover a one-third federal share of upgrades required under federal wastewater regulations.
- Within a dedicated clean water carve-out, **prioritize upgrades to facilities deemed high-risk** by Environment Canada, and make clear commitments to partner with municipalities on these projects in the next federal budget.
- Work with FCM to develop a plan to provide **assistance to rural residents for critical upgrades to defective septic systems** in rural areas not serviced by municipal wastewater treatment facilities.

"Our natural heritage is one of rural Canada's greatest assets. Partnering with local governments to invest in clean water projects will protect our lakes and rivers for future generations of Canadians to enjoy."

- Scott Pearce,
Vice-Chair, FCM's Rural Forum
and Mayor, Canton de Gore, QC

October 20, 2016

Disaster Mitigation and Climate Change

Recent trends in climate patterns mean that we must prepare for a future of more extreme weather events; from floods and forest fires to droughts and storms. The federal government can play a key role in helping to build the capacity of small towns and rural communities to respond to extreme weather and adapt to a changing climate.

In the first 100 days, the federal government must:

- **Partner with FCM on the design of the proposed Green Infrastructure Fund** to ensure it meets the shared goal of improving the resiliency of our core municipal infrastructure in communities of all sizes.
- Begin working with municipal experts to provide rural communities with the **tools to better predict, prepare for, and respond to weather-related emergencies**.
- Engage local governments on **expanding federal national disaster mitigation strategies** to cover the full spectrum of predicted climate change impacts, going beyond flooding to include drought, forest fire, and extreme and other potential impacts.
- Launch a **review of changes to the Disaster Financial Assistance Arrangements** to prevent an unfair burden being placed on municipal resources during the recovery from extreme weather events.

"Rural communities in the Prairies have experienced first-hand the devastating impacts of climate change and extreme weather. Canadians are looking to all orders of government to work together to better prepare for natural disasters and respond in times of need."

- Al Kemmere, Vice-Chair, FCM's Rural Forum and President, Alberta Association of Municipal Districts and Counties, AB

Emergency Management and Community Safety

In Canada's small towns and rural communities, local police and emergency responders are on the front line of keeping Canadians safe. A supportive federal partner is crucial to building the capacity of local governments in rural Canada to respond to emergencies.

FCM's *Action Plan for a Strong Rural Canada* includes effective strategies for making our rural communities safer. In the first 100 days, the federal government must:

- Implement the commitment to **reinvest in emergency preparedness and search and rescue** starting with increased Coast Guard service and support for heavy urban search and rescue teams.
- Work with FCM to ensure that new investments in emergency preparedness are targeted towards overcoming the **capacity challenges of smaller and rural municipalities**, similar to the kinds of support provided through the former Joint Emergency Preparedness Program.
- Consider the perspective and needs of rural communities in the design, governance and implementation of Canada's new **Public Safety Broadband Network**.

Rural Economic Development

A strong federal-municipal partnership can ensure that Canada's rural communities remain vibrant and sustainable. This means a focus on providing the broadband and transportation infrastructure that is essential for supporting long-term economic development in rural Canada.

In the first 100 days, the federal government must:

- Develop a plan to work with FCM to **ensure continued investments in broadband infrastructure** while the CRTC completes its review of the basic telecommunications services that should be available to all Canadians.
- Consider the perspectives of rural communities in developing a response to the Canada Transportation Act Review scheduled to be completed in December 2015, including whether **Canada's rail transportation system has adequate capacity** to meet the demands of economic growth in rural communities.

"Local governments in rural Canada know that to attract and retain the next generation of rural leaders, there is no better solution than expanding access to broadband internet. The federal government has a key role to play in helping to make sure this essential service is available to all Canadians."

- Ray Orb,
Chair, FCM's Rural Forum and
President, Saskatchewan
Association of Rural
Municipalities, SK

Public Transit and Mobility

Similar to their urban counterparts, rural communities must often provide public transportation services to residents with diverse mobility needs. Moving forward, the new government can help improve quality of life in rural areas by ensuring that federal investments in public transit reflect both the diversity of proposed transit projects and the mobility needs of small communities.

In the first 100 days, the federal government must:

- Work with FCM to **build a long-term funding plan for public transit** that supports increased mobility in communities of all sizes and **provides long-term predictability** to local governments.

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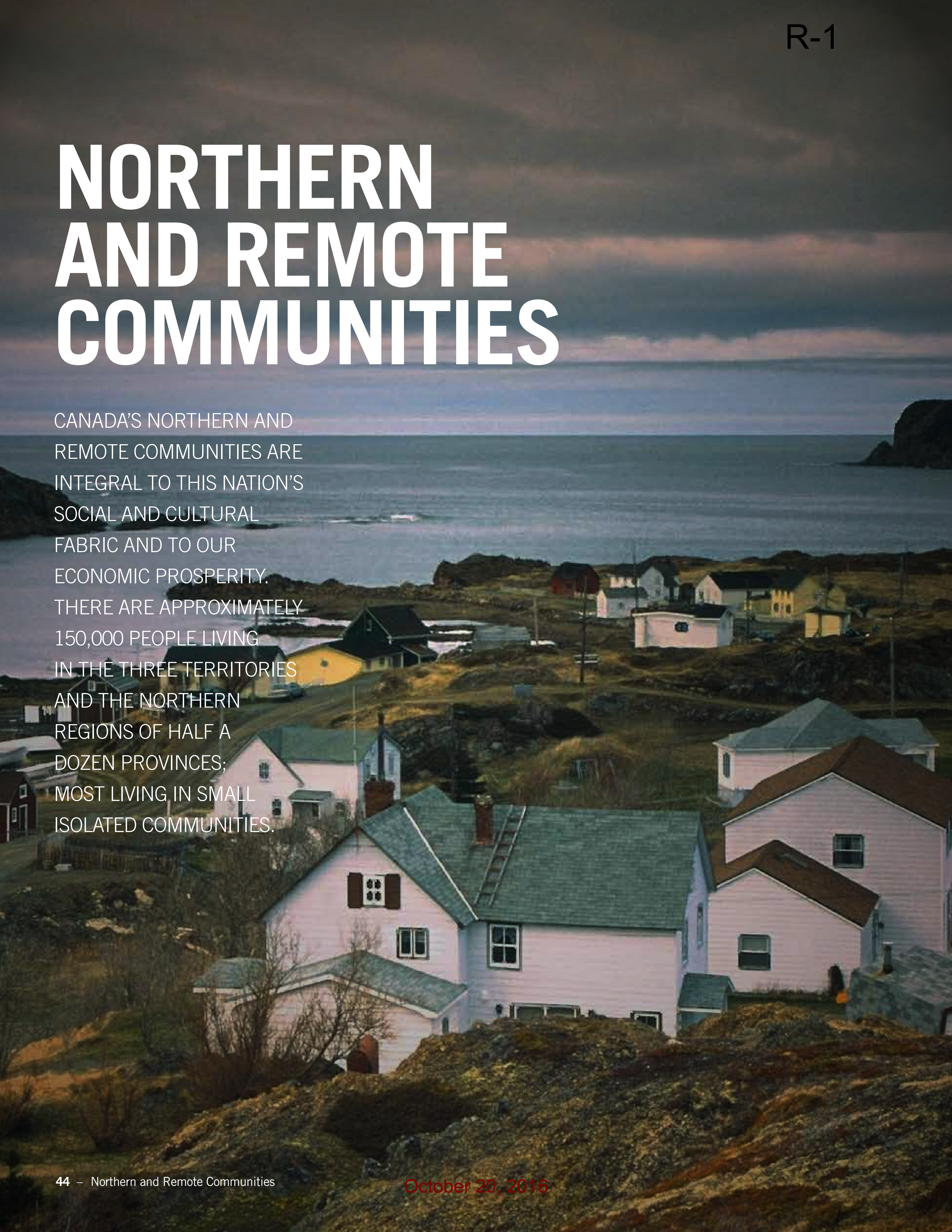

NORTHERN AND REMOTE COMMUNITIES

CANADA'S NORTHERN AND REMOTE COMMUNITIES ARE INTEGRAL TO THIS NATION'S SOCIAL AND CULTURAL FABRIC AND TO OUR ECONOMIC PROSPERITY. THERE ARE APPROXIMATELY 150,000 PEOPLE LIVING IN THE THREE TERRITORIES AND THE NORTHERN REGIONS OF HALF A DOZEN PROVINCES; MOST LIVING IN SMALL ISOLATED COMMUNITIES.

October 20, 2016

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QUICK FACTS

The northern economy is expected to outperform most other Canadian regions in the coming years. But this projected growth depends on having the people and infrastructure needed to achieve it. Resource-driven development based on fly-in/fly-out work camps will not create and support sustainable communities without a strategy to see the benefits flow to northerners themselves.Canada's North and its communities need sustainable development strategies to support economic diversification. These communities also need infrastructure that connects them to the rest of Canada and to each other.

Smart, planned, targeted federal assistance, developed and delivered in close collaboration with territorial and local governments will assist northern and remote communities in tackling their many challenges, including distance, harsh climate, isolation, and rugged terrain. In particular, federal-municipal partnership is crucial to the issues of infrastructure and economic development, housing and cost of living, clean water, disaster mitigation and climate change resiliency, and community safety.

TEMPERATURES ARE

RISING

IN THE NORTH DUE TO CLIMATE CHANGE AT **DOUBLE THE RATE** AS IN SOUTHERN REGIONS WITH DRAMATIC IMPACTS ON INFRASTRUCTURE, CULTURE AND ECOSYSTEMS.

MOST NORTHERN COMMUNITIES ARE OVER

100 YEARS OLD,

BUT PEOPLE HAVE LIVED IN CANADA'S NORTH FOR ABOUT 20,000 YEARS.

NORTHERN CANADA CONTRIBUTES MORE THAN

$7 BILLION

TO OUR ECONOMY.

October 20, 2016

THE FEDERAL OPPORTUNITY

Our proposed solutions will improve connections between communities, help address the high cost of living and expand housing options while sustaining existing social housing, and make infrastructure more resilient to a changing climate.

Infrastructure and Economic Development

Building communities in Canada's northern and remote areas is not only important for local social and economic sustainability, but is fundamental to nation building.

In the first 100 days, the federal government must:

- Partner with FCM to ensure that new federal infrastructure investments **address the unique infrastructure needs of northern and remote communities**, including: isolation, a shorter and highly variable construction season, limited access to capital, growing demands on aging and existing infrastructure, early stages of corporate development, and unique project needs.
- Consider the unique perspectives of northern and remote communities in efforts to **streamline and speed up the intake and approval processes** for the New Building Canada Fund and other federal programs.
- Develop a plan to work with FCM to **ensure continued investments in broadband infrastructure** while the CRTC completes its review of the basic telecommunications services that should be available to all Canadians.

"The high cost of living is a major challenge for maintaining sustainable northern communities and local economies. Taking action to increase and index the Northern Residents Tax Deduction will provide direct benefits to the families and skilled workers who live and work in our communities."

- Wayne Potoroka, Vice-Chair, FCM's Northern and Remote Forum and President, Association of Yukon Communities, YK

Housing and Cost of Living

Canada's North has unique challenges in housing its workers, families, and growing population.

In the first 100 days, the federal government must:

- Protect **federal investments in affordable housing solutions, including sustaining existing social housing in the North**, that help to address housing needs and to attract and retain young people, immigrants and seniors in northern and remote communities.
- Begin to address the **unique challenges and opportunities in the North** by consulting local and provincial/territorial governments on a supplementary long-term Northern Affordable Housing Program focused on communities affected by resource development.
- Take action to address the high cost of living in the North by implementing the proposed **increase to the residency component of the Northern Residents Tax Deduction**, including indexing the deduction to retain its value in the future.

October 20, 2016

- Address food insecurity by developing a plan to work directly with northern and remote communities to implement **proposed reforms to the Nutrition North program**.

"The housing crisis in Canada's North requires urgent action including renewed and predictable federal investments in social housing. In Nunavut, 49% of homes are below housing standards, 35% are classified as crowded, and nearly 1 in 5 people aged 15 and over are on the waiting list for public housing."

- Jeannie Ehaloak,
Vice-Chair, FCM's Northern and Remote Forum and President, Nunavut Association of Municipalities, NU

Climate Change and Resiliency

Recent trends in climate change patterns threaten to compound the challenges that northern and remote communities face in providing basic services and facilities needed to attract and retain residents. The costs of adapting roads, bridges, and public buildings to rising temperatures could more than double the North's current infrastructure deficit.

In the first 100 days, the federal government must:

- Partner with FCM to develop a **comprehensive plan for building the capacity of northern and remote communities to respond and adapt to climate change**, including targeted funding for climate resilient infrastructure.
- Engage northern and remote communities on **expanding federal national disaster mitigation strategies** to ensure that these strategies meet the unique challenges of the North.
- Launch a **review of changes to the Disaster Financial Assistance Arrangements** to prevent an unfair burden on northern and remote communities during the recovery from disasters.

"The climate in Canada's North is changing at twice the rate as in the South and so are the impacts. Permafrost that supports building foundations is melting and snow loads on roofs are changing. A strong partnership between all orders of government is needed to upgrade at-risk northern infrastructure and make our communities more resilient."

- Charles Furlong,
Chair, FCM's Northern and Remote Forum and President,
Northwest Territories Associations of Communities, NT

Public safety and emergency preparedness

Preparing for and responding to emergencies in the North starts with investments in community level preparedness. The federal government has a crucial role to play in reinvesting in search and rescue capacity and supporting local preparedness efforts.

In the first 100 days, the federal government must:

- Work directly with northern communities to develop a comprehensive plan for **reinvesting in local emergency preparedness and enhanced search and rescue capacity in the North**.
- **Increase cooperation and collaboration between all orders of government on mental health services**, including implementing proven approaches like Housing First to assist vulnerable populations in northern and remote areas.

October 20, 2016

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October 20, 2016

FEDERATION OF CANADIAN MUNICIPALITIES
FÉDÉRATION CANADIENNE DES MUNICIPALITÉS

CITIES AND COMMUNITIES: PARTNERS IN CANADA'S FUTURE

THE FIRST 100 DAYS OF GOVERNMENT

HOMETOWN PROUD CAMPAIGN SUBMISSION,
B. GAUTHIER, LADYSMITH, QC

October 20, 2016

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Ce document est aussi disponible sous le titre *Les villes et les collectivités, partenaires dans l'avenir du Canada*

October 20, 2016

CITIES AND COMMUNITIES: PARTNERS IN CANADA'S FUTURE

Mayors and municipal leaders, through the Federation of Canadian Municipalities (FCM), are offering the new federal government a plan for how we can partner to strengthen Canada's future. We have an opportunity and the responsibility to get it right from the beginning. The first 100 days of government are crucial to setting a course for success.

Cities and communities are home to innovative solutions to our shared national challenges and we are your partners in building the future that Canadians voted for on October 19. Together, we have an opportunity to create jobs and grow our economy. We can help Canadians spend less time commuting and more time with their families. We can make good on our obligation to keep our lakes, rivers and oceans clean. Together, we can work to keep roofs over the heads of the most vulnerable Canadians, while making housing more affordable for all. And we can be smarter, more efficient and forward-thinking about our responsibility to keep our communities safe.

FCM has been preparing our plan to work with the new government to create jobs and growth and improve the quality of life for Canadians . Every step of the way we have taken our lead from the people we collectively serve. In the lead-up to the federal election we invited Canadians to share what made them proud of their communities and their ideas for what would make them better. We turned those ideas into strong policy options which we presented during the election campaign through our *Roadmap for Strong Cities and Communities*. And now, we are following through on this proposed plan of action with concrete steps for how we can partner — starting with the first 100 days of Parliament's mandate — to build Canada's future.

Our plan includes proposals to ensure that infrastructure investments create local jobs and growth, through partnership and smart, cost-efficient decisions informed by local realities; to build environmentally sustainable communities through working together to keep our water clean and reduce harmful emissions; to foster livable communities where Canadians can afford to live; and to keep our communities safe through supporting front-line services and better collaborating as we face more frequent climate change-related disasters. Our plan is informed by the rich diversity that makes us great as a country. It includes solutions to keep our world-class, innovative cities competitive; to ensure our rural communities are thriving; and to address the unique realities of our northern communities.

This is what municipal governments do best: engage Canadians, find solutions, and deliver meaningful action. Together, we will improve the quality of life for all Canadians and strengthen our economy. We hope this introduction to FCM, a refresher on the role of local government, and briefs on the issues we must collectively tackle will prove useful in your first 100 days and serve as the basis for our important and ongoing discussions. We look forward to working with you, we are ready to do our part, and we are excited about our united potential.

WHO WE ARE

The Federation of Canadian Municipalities is the national voice of local government.

Mayors and municipal leaders work with FCM to voice their vision for moving the county forward and their solutions to grow the economy, create local jobs, and improve the quality of life for all Canadians.

With nearly 2,000 members representing 90 per cent of Canada's population, FCM speaks on behalf of a strong and united municipal sector. That gives us unparalleled reach and the ability to connect with and convene Canada's local order of government — from municipal leaders to stakeholders and policy experts.

FCM regularly engages federal partners including the Prime Minister's Office, cabinet ministers, party leaders and all members of Parliament to advance national solutions grounded in local realities. FCM brings the municipal perspective to the Minister of Finance's annual pre-budget consultations, as well as to Parliamentary committees examining federal-municipal issues like infrastructure, housing and environmental policy.

FCM also delivers meaningful programs designed to advance shared priorities including partnership with First Nations communities, green initiatives and climate protection, women in government, and international cooperation and trade.

LEADERSHIP

FCM's **Board of Directors** is comprised of more than 70 mayors and councillors from every region of Canada.

FCM's President is **Raymond Louie**, Acting Mayor for the City of Vancouver.

Under FCM's governance structure, the Board of Directors meets quarterly to set policy and priorities based on the concerns of local governments. The Board's decisions are informed by:

- Standing committees with a mandate to study and recommend policy and advocacy directions on particular topics, e.g. infrastructure, housing, environmental policy.
- FCM's Rural Forum and Northern and Remote Forum, comprised of Board and committee members from these regions.
- FCM's Big City Mayors' Caucus.
- Five regional caucuses.

This broad, inclusive governance model ensures that FCM maintains strong relationships with the Government of Canada and with other partners.

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MEMBERS

90%

OF THE CANADIAN POPULATION

FCM membership represents close to 2,000 municipalities, representing more than 90 per cent of the Canadian population who live in cities, and in rural and remote communities.

Through initiatives such as our Annual Conference, Board of Directors' meetings, policy forums and program offerings, members work side by side to identify challenges, explore options and develop effective ways to propose action plans to meet the ever-evolving realities of Canada's diverse and growing communities.

With its diverse and united membership base, FCM can effectively participate in designing and implementing responsive municipal-federal programs, and achieve outcomes. Together, we can create jobs and growth in livable, sustainable and safe cities and communities from coast to coast to coast.

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LOCAL GOVERNMENT

THE FRONT LINE OF ESSENTIAL SERVICES AND PROGRAMS

The municipal order of government is renowned for being open, transparent, and responsive to the needs of its citizens. In fact, local governments are on the frontline of many essential services and programs that drive economic prosperity, promote citizenship engagement, and deliver the necessities that define successful, sustainable, safe and livable communities.

As a result, local governments are uniquely positioned to deliver on a range of initiatives that directly impact the quality of life of Canadians. Here's why:

- High level of citizen engagement in all facets of local government activities.
- Effective local governance, with more than 20,000 elected officials.
- Highly regarded and consistently seen as the most trusted order of government.
- Accessible order of government with town halls or city halls situated in communities.
- Budget deliberations are typically conducted in open and public forums in hometowns across the country.

Canadians who live and work in urban, rural or remote communities benefit every day from the many services managed by local government. These include:

- Infrastructure, with local governments responsible for about 60 per cent of infrastructure in the country.
- Protective services to ensure the safety of communities and their residents.
- Local transportation, including road maintenance, public transit, etc.
- Public health services, including school outreach programs, community vaccinations, etc.
- Parks, recreation, libraries and culture.
- Local social services and housing.
- Water and wastewater services.
- Waste collection and management, and recycling programs.
- Sustainability programs and initiatives.

Shared municipal-federal priorities include:

- Job creation
- Economic development
- Infrastructure renewal
- Immigrant and refugee settlement
- Housing affordability
- Environmental stewardship including climate change
- Improving relations with Aboriginal peoples
- Emergency management
- Community safety
- Crime prevention
- Disaster mitigation

Municipalities are central to this country's economic success. Whether they are large urban areas that serve as hubs for business, innovation and tourism, or smaller communities that serve our resource, agricultural and manufacturing sectors, vibrant and sustainable municipalities are directly tied to Canada's long-term prosperity.

Strong municipalities are the foundation of a healthy economy and a better quality of life for Canadians. Overcoming Canada's biggest challenges requires close collaboration between all three orders of government.

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WHAT WE DO

FCM HELPS SOLVE NATIONAL CHALLENGES THAT ARE PLAYING OUT IN COMMUNITIES ACROSS THE COUNTRY.

POLICY AND DECISION MAKERS LOOK TO OUR MUNICIPALITIES TO FIND EFFECTIVE SOLUTIONS TO THE ECONOMIC AND SOCIAL CHALLENGES FACING ALL CANADIANS.

FCM has unparalleled reach and the proven ability to:

COLLABORATE
DELIVER
CONVENE

COLLABORATE

FCM works with the federal government to find solutions to shared policy challenges. In addition to the major ongoing policy priorities of FCM's Board of Directors we frequently engage federal ministers and senior officials to advance shared agendas and respond to issues as they arise.

THE SYRIAN REFUGEE CRISIS

FCM recently launched its Task Force on Syrian Refugee Resettlement to coordinate the efforts of cities and communities and to amplify the effectiveness of local initiatives. The Task Force will enable municipalities to share information and best practices, while also complementing and coordinating with provincial, territorial and federal efforts to meet immediate and urgent resettlement targets.

RAIL SAFETY

Following the tragedy in Lac-Mégantic, Quebec, FCM's National Municipal Working Group on Rail Safety has provided input directly to Transport Canada on necessary regulatory and legislative reforms, bringing knowledge and know-how to the national efforts to improve the safety of Canada's rail system and the movement of dangerous goods by rail through our cities and communities.

INTERNATIONAL TRADE

FCM and the federal government are partners on the Joint Working Group on International Trade, supporting municipalities across the country to attract job-creating investment in Canada and prepare local governments for new obligations under agreements like the Canada-Europe Comprehensive and Economic Trade Agreement.

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DELIVER

FCM drives positive change in communities across Canada and abroad, helping achieve federal-municipal goals. We seed and scale innovation and achieve results, strengthening communities and Canada.

FIRST NATIONS–MUNICIPAL COMMUNITY ECONOMIC DEVELOPMENT INITIATIVE

The First Nations–Municipal Community Economic Development Initiative improves the economic prosperity of participating municipalities and adjacent First Nations through joint community economic development planning.

THE GREEN MUNICIPAL FUND

Established with a Government of Canada endowment of $550 million, the Green Municipal Fund has delivered over $576 million in GDP and created 7,200 jobs. Completed projects to date are expected to generate over $650 million in environmental benefits over a 20-year period.

THE PARTNERS FOR CLIMATE PROTECTION PROGRAM

The Partners for Climate Protection Program is a network of Canadian municipal governments taking local action on climate change and reducing greenhouse gas emissions.

INTERNATIONAL COOPERATION

For nearly 30 years, FCM and Canadian municipalities have partnered with the federal government to play a leadership role around the world, helping to solve practical problems facing communities in over 55 developing and emerging countries worldwide. In February 2015, FCM signed a five-year strategic partnership agreement with Global Affairs Canada to jointly pursue a strategic dialogue on issues of common interest and explore ways in which Canadian municipalities can collaborate with the Government of Canada to achieve common objectives in international development.

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CONVENE

FCM brings together municipal leaders from cities, rural and remote communities, and northern Canada, with stakeholders and experts to identify and share ideas and solutions.

BIG CITY MAYORS' CAUCUS

Eighty-six per cent of Canada's big city population live in our country's largest metropolitan areas which generate the largest share of Canada's GDP. FCM's Big City Mayors' Caucus brings together 21 of Canada's biggest cities, offering a forum for policy development on a range of issues affecting our largest centres.

MUNICIPAL INFRASTRUCTURE FORUM

Building Canada's roads, bridges, water and transportation systems will require the combined attention of all governments, as well as the private sector. Founded by FCM, the Municipal Infrastructure Forum is a hub for leaders from municipalities, business and professional associations to discuss and solve issues related to developing infrastructure plans.

SUSTAINABLE COMMUNITIES CONFERENCE

FCM's Sustainable Communities Conference is widely recognized as Canada's premier municipal sustainability conference; attracting hundreds of elected officials, municipal staff, and sustainability experts who are turning vision into sustainable reality, while realizing environmental, economic and social benefits for their communities.

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HOUSING AFFORDABILITY AND SOCIAL HOUSING

HOUSING THAT IS AFFORDABLE FOR NEWCOMERS, YOUNG PEOPLE, THE MIDDLE CLASS AND SENIORS ALIKE IS ESSENTIAL FOR A BRIGHT FUTURE FOR PEOPLE AND COMMUNITIES.

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QUICK FACTS

It is also the key to labour mobility. A range of affordable housing options is essential to attracting and retaining workers. Housing is part of what makes our cities and communities welcoming places where people want to live, work, start businesses and build connections.

Canadians also prioritize supporting our must vulnerable citizens. Protecting federal investments in social housing and creating incentives to increase rental housing will help keep vulnerable seniors in their homes and out of the health care system, ease the serious strain on our social housing system, and make housing more affordable for the one-third of Canadians who rent. These incentives will also take the pressure off the housing market and household debt.

Canada's municipalities are ready to work together to create healthier, more livable communities, and realize the social and economic benefits of making meaningful progress to tackle the housing crisis.

RECORD HIGH HOUSEHOLD DEBT IS ONE OF THE GREATEST THREATS TO CANADA'S ECONOMY ACCORDING TO THE BANK OF CANADA. MORTGAGES MAKE UP

68%

OF HOUSEHOLD DEBT.

IN **TWO DECADES** OUR SENIORS' POPULATION WILL DOUBLE. AT THE SAME TIME, FEDERAL SUPPORT FOR SOCIAL HOUSING, **ONE-THIRD** OF WHICH HOUSES SENIORS, WILL DECLINE TO

ZERO.

1 in 5

RENTERS SPEND OVER **50%** OF THEIR INCOME ON RENT.

CANADA'S SOCIAL HOUSING IS STRAINING UNDER ITS CAPITAL REPAIR DEFICIT. INFLATING OPERATING COSTS AND INVESTMENT IN CAPITAL RENEWAL RESULTED IN ANNUAL AGGREGATE COSTS OF ALMOST **$3 BILLION IN 2012–2013**; COSTS THAT ARE EXPECTED TO RISE TO

$3.7 BILLION

BY 2023.

PUBLIC INVESTMENTS IN HOUSING ARE ONE OF THE BEST MEANS TO GROW CANADA'S ECONOMY. FOR **EVERY DOLLAR INVESTED** IN HOUSING, CANADA EARNS

$1.40

IN GDP.

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THE MUNICIPAL ROLE

Local governments across Canada are working to tackle Canada's housing crisis. From supporting not-for-profits by leasing municipal land in Calgary, to Saskatoon's rental incentive grants and Vancouver's density bonus transfer programs, municipalities are implementing innovative solutions to increase social and market housing in our cities and communities.

While only Ontario municipalities are directly responsible for housing, cities and communities across the country are delivering housing support, managing social housing and homelessness programs, and maintaining waitlists and other services for seniors, low-income families and vulnerable populations.

Canadians expect all governments to contribute to a healthy housing sector and create livable communities. With better, coordinated and more strategic investments by all orders of government, we will make housing more affordable, attract newcomers, keep our rural communities vibrant, protect our most vulnerable citizens, create jobs for the construction sector, and lay the foundation for communities that can meet the needs of our aging population and the next generation of families and neighbours.

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THE FEDERAL OPPORTUNITY

Our proposed solutions will improve housing affordability for Canadians, protect those most vulnerable and drive economic growth. To do this, in the first 100 days, the federal government must:

Work with FCM as a **key partner in developing and implementing the proposed National Housing Strategy** and changes to the mandate of the Canada Mortgage and Housing Corporation.

Create a **dedicated affordable housing carve-out within the proposed Social Infrastructure Fund** with the objectives of:

- Reinvesting in and supporting Canada's existing social housing stock of 600,000 units for households in need.
- Tackling the critical repair deficits threatening social housing across the country through a capital repair and rejuvenation fund developed in consultation with municipal experts.
- Continuing and expanding investments in successful programs, including Housing First, that provide housing support and reduce homelessness.

Take action to **stimulate market and affordable rental construction**, starting with the proposed elimination of GST on new capital investments in rental housing, and examine other incentive programs such as an Eco-energy Tax Credit for small apartment buildings.

Commit to partnering with municipalities to ensure that the proposed **inventory of federal lands and buildings for repurposing as affordable** housing meets the needs and strategic plans of those communities.

Begin to address the **unique challenges and opportunities in the North** by consulting local and provincial/territorial governments on a supplementary long-term Northern Affordable Housing Program focused on communities affected by resource development.

Begin collaborating with municipal governments and local settlement organizations to develop a plan to **expand newcomer services in urban and rural regions across Canada**, including support for accessing adequate and affordable housing.

"Housing affordability is a top priority for Canadians. Working together we can sustain existing social housing and improve affordability to make our communities grow and thrive, to attract young families, and to keep life affordable for our seniors."

- Claire Detheridge, President, Union of Nova Scotia Municipalities and Councillor, Cape Breton Regional Municipality, NS

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INFRASTRUCTURE

INVESTING IN LOCAL INFRASTRUCTURE PROVIDES A CLEAR AND MEASURABLE RETURN ON INVESTMENT AND IS A PROVEN STRATEGY FOR ADDRESSING LAGGING PRODUCTIVITY, ONE OF THE BIGGEST THREATS FACING CANADA'S LONG-TERM ECONOMIC COMPETITIVENESS.

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QUICK FACTS

Municipal infrastructure provides the foundations on which our economy rests. Businesses need good roads and safe bridges to deliver goods and services. Commuters need fast, efficient transportation networks to get to work. And growing companies count on high-quality community services to attract skilled employees.

Canadians know that a good quality of life relies on local infrastructure, and expect a partnership between all orders of government to improve their communities. This starts with making predictable, sustainable and long-term investments in local infrastructure — essential roads, bridges and water services, as well as highly valued municipal cultural and recreational facilities.

Canada's municipalities have consistently demonstrated their ability to get shovels in the ground quickly on major infrastructure renewal. With a renewed federal partnership, we can address the urgent need for reinvestment in existing road and water networks, while building the new transportation links and community infrastructure so essential to a prosperous and sustainable future.

CANADA'S LOCAL GOVERNMENTS OWN APPROXIMATELY

60%

OF OUR PUBLIC INFRASTRUCTURE.

EVERY **$1 BILLION INVESTED** IN INFRASTRUCTURE GENERATES BETWEEN

$1.20 BILLION AND $1.64 BILLION

IN REAL GDP GROWTH; A PROVEN MULTIPLIER EFFECT GUARANTEED TO BOOST THE ECONOMY.

INFRASTRUCTURE INVESTMENTS

ARE PROVEN TO STIMULATE THE ECONOMY BY CREATING JOBS, SUSTAINED ECONOMIC GROWTH AND IMPROVED PRODUCTIVITY.

UP TO HALF

OF ALL PRODUCTIVITY GROWTH IN CANADA BETWEEN 1962 AND 2006 CAN BE ATTRIBUTED TO INVESTMENTS IN CANADA'S PUBLIC INFRASTRUCTURE.

EVERY **$1 BILLION INVESTED** IN INFRASTRUCTURE CREATES APPROXIMATELY

16,000 JOBS

WHICH ARE SUPPORTED FOR ONE YEAR ACROSS MULTIPLE SECTORS.

FEDERAL AND PROVINCIAL-TERRITORIAL GOVERNMENTS RECOVER BETWEEN **30–35%** OF EVERY DOLLAR SPENT ON PUBLIC INFRASTRUCTURE THROUGH HIGHER PERSONAL, CORPORATE AND INDIRECT TAXES. LOCAL GOVERNMENTS RECEIVE ALMOST NO DIRECT BENEFIT FROM INFRASTRUCTURE SPENDING DESPITE OWNING A MAJORITY OF OUR PUBLIC INFRASTRUCTURE ASSETS.

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THE MUNICIPAL ROLE

Municipal infrastructure projects are planned, developed and financed over decades and municipalities have historically funded the largest share of capital costs for these projects.

Municipalities own 56.8 per cent of Canada's core public infrastructure — roads, bridges, transit, water, wastewater, culture, and sports and recreation — valued at approximately $217 billion as of 2013. The federal government owns less than two per cent of core public infrastructure, valued at approximately $7 billion.

Long-term, predictable and dedicated infrastructure funding mechanisms, like the permanent and indexed federal Gas Tax Fund, are essential to renewing and expanding the core municipal infrastructure that is necessary to support the competitiveness and prosperity of our communities.

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THE FEDERAL OPPORTUNITY

Our proposed solutions for investing in and renewing Canada's municipal infrastructure will create jobs, help get goods to market and support continued prosperity during a time of slower economic growth and stagnant labour productivity. To make this a reality, in the first 100 days, the federal government must:

Partner with FCM on the design and implementation of proposals to:

- Create new Gas Tax Fund-style agreements for **transit, social and green infrastructure**, ensuring the agreements include dedicated commitments to local priorities reflecting municipalities' 60 per cent ownership share of our public infrastructure.
- Reform the **New Building Canada Fund**, improving transparency and making clear commitments to the level of funding available for local projects while increasing the cost-sharing limit for P3 projects and applying federal contributions towards the full capital cost of infrastructure projects including initial design, legal and land acquisition costs.
- Create a **Canada Infrastructure Bank**, ensuring that this new financing mechanism best responds to local needs in communities of all sizes.
- Transfer uncommitted funding at the end of each fiscal year through a **temporary top-up of the Gas Tax Fund**, providing clarity to municipalities on the process.

Work with the municipal sector to develop more **streamlined and faster approval processes**, and greater coordination and consistency between federal and provincial infrastructure funding programs.

Remove the existing restriction on stacking multiple sources of federal funding for municipal infrastructure projects, allowing municipalities to apply federal Gas Tax Fund transfers towards critical local projects funded through the New Building Canada Fund or other program.

"The infrastructure needs of Canada's communities are increasingly complex and urgent. Now is the time to invest in the critical infrastructure, such as roads, bridges and pipes, that Canadians depend on every day."

- Sav Dhaliwal,
Chair, FCM's Standing
Committee on Municipal
Finance and Intergovernmental
Arrangements and Councillor,
City of Burnaby, BC

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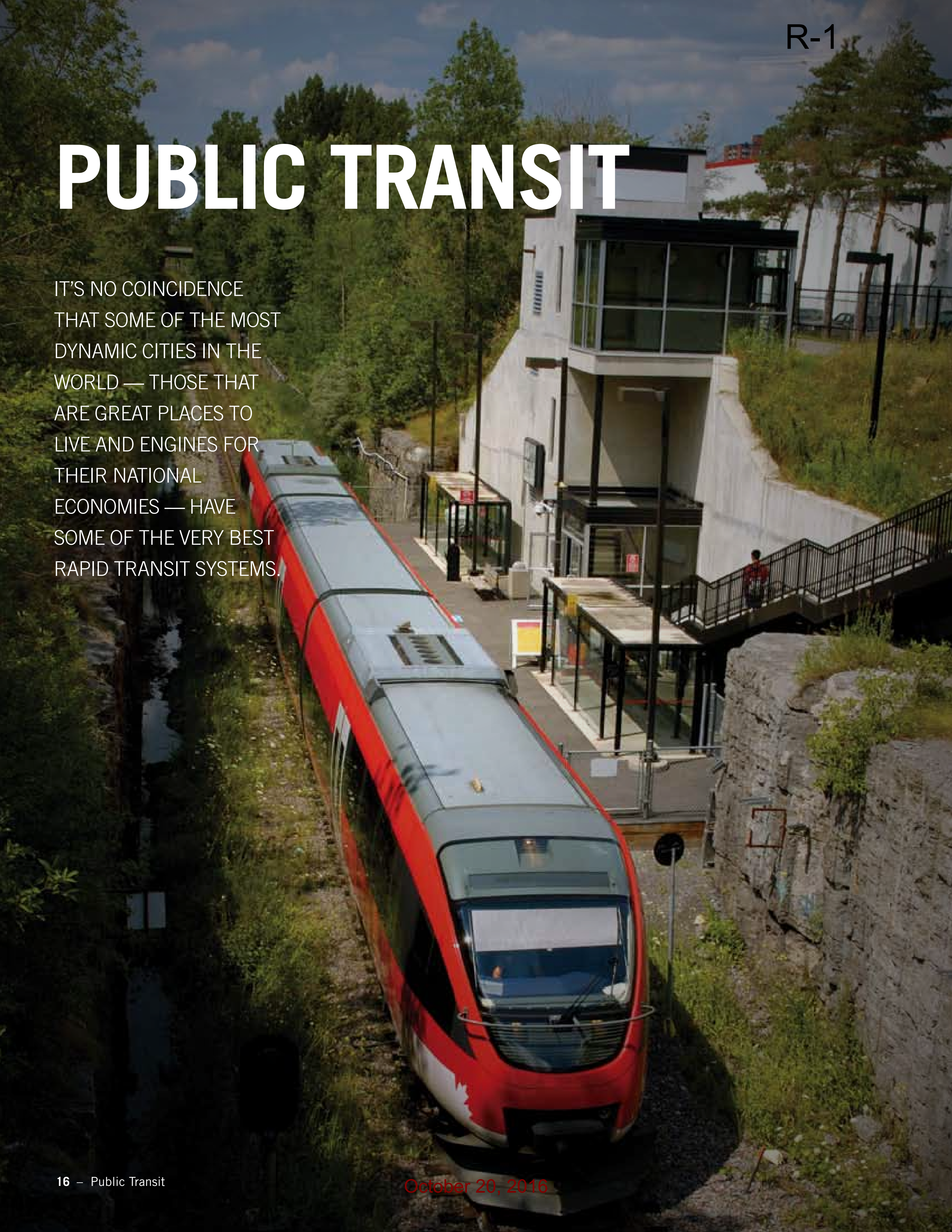
PUBLIC TRANSIT

IT'S NO COINCIDENCE THAT SOME OF THE MOST DYNAMIC CITIES IN THE WORLD — THOSE THAT ARE GREAT PLACES TO LIVE AND ENGINES FOR THEIR NATIONAL ECONOMIES — HAVE SOME OF THE VERY BEST RAPID TRANSIT SYSTEMS.



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QUICK FACTS

Canada's local governments are committed to reducing congestion and increasing transit options — a real triple win for the economy, for Canadians' quality of life and for the environment.

With a strong federal partner and predictable funding, cities of all sizes — from small-to-medium centres to our largest urban regions — will make major investments in new transit connections and in renewing existing transit networks.

ROI: FOR **EVERY DOLLAR** SPENT ON TRANSIT, **$3** IS GENERATED BACK INTO THE ECONOMY

GROWTH IN PUBLIC TRANSIT RIDERSHIP FROM 2006 TO 2012: **21%**

COST OF TRAFFIC CONGESTION: AT LEAST **$10 BILLION** ANNUALLY IN LOST PRODUCTIVITY

ONE BUSLOAD OF PASSENGERS MEANS **40 FEWER VEHICLES ON THE ROAD** DURING RUSH HOURS, SAVES 70,000 LITRES OF FUEL, AND AVOIDS **175 TONNES** OF EMISSIONS A YEAR. TAKING THE BUS INSTEAD OF YOUR CAR REDUCES GHGs BY ALMOST **2/3.**

ANNUAL GHG EMISSIONS REDUCED BY PUBLIC TRANSIT USE: **2.4 MILLION TONNES**, VALUED AT **$110 MILLION.**

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THE MUNICIPAL ROLE

Canada's cities own, operate, and maintain most of Canada's public transit systems, and are partners with provincial governments in building effective regional transit systems.

Municipalities have historically provided the largest share of government funding for the capital costs of expanding and renewing local transit systems.

Cities subsidize transit operating costs not covered by fare box revenue through property taxes and other local revenues.

A strong federal-municipal partnership is crucial to expanding and reinvesting in transit services to address congestion and rapid population growth, and improve mobility in communities of all sizes.

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THE FEDERAL OPPORTUNITY

Our proposed solutions will reduce crippling gridlock through improved public transit and return tens of billions of dollars in lost productivity to the national economy as well as improve our environment. To do that, in the first 100 days, the federal government must:

Work with FCM to build a long-term funding plan for public transit that meets the needs of Canada's cities, supporting municipal priorities for both major transit expansions and investments in a state of good repair in communities of all sizes. This plan should:

- Ensure that the funding model for federal contributions provides **long-term predictability** and respects local governments' fiscal capacity and ability to borrow.
- Apply federal contributions towards the **full capital cost of transit projects**, including initial design, legal and land acquisition costs, and long-term capital-related financing costs included in availability payments to P3 partners.
- Kickstart much needed transit investment by **signing preliminary contribution agreements** with funding recipients to allow initial design work for new capital projects to go ahead without delay.
- Provide **flexibility in the level of private sector involvement**, allowing cities to determine the most appropriate procurement model locally.

Work with local governments to ensure a **streamlined and faster approval process** and coordination between federal and provincial programs for transit and other major infrastructure investments.

Remove the existing restriction on stacking multiple sources of federal funding for transit and other infrastructure projects.

"Transit and traffic congestion are the single biggest issues confronting Canada's largest cities. Building rapid transit connects people to jobs and jobs to people and brings opportunity to all corners of our cities. Canada's big city mayors look forward to a positive, productive and collabora-tive working relationship with our new Parliament to address congestion through investments in public transit."

- John Tory,
Mayor, City of Toronto, ON

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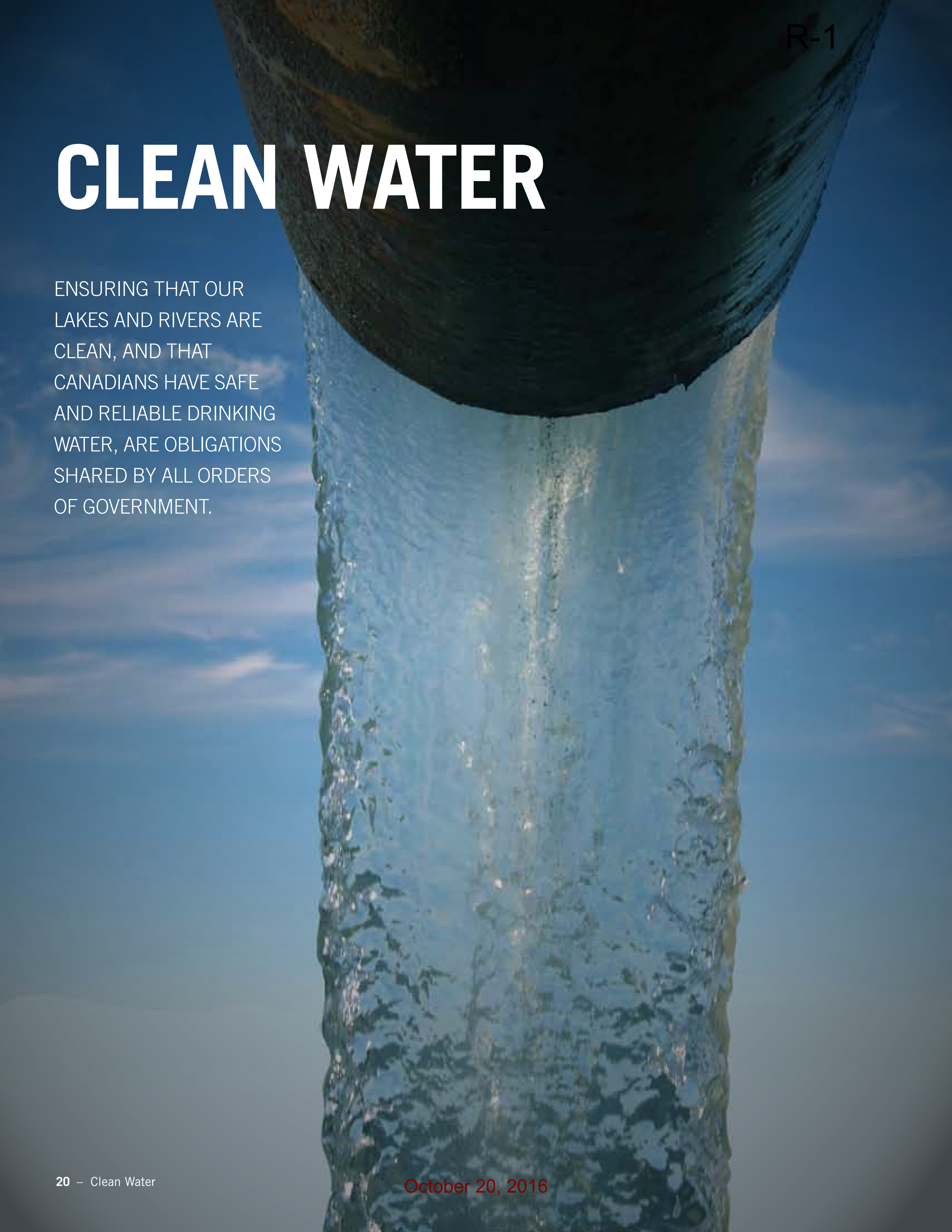
CLEAN WATER

ENSURING THAT OUR LAKES AND RIVERS ARE CLEAN, AND THAT CANADIANS HAVE SAFE AND RELIABLE DRINKING WATER, ARE OBLIGATIONS SHARED BY ALL ORDERS OF GOVERNMENT.



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QUICK FACTS

Canada's municipalities support the federal government's objective of improving national wastewater treatment standards, and worked with the government in the development of new federal wastewater regulations that came into effect in January 2015.

This shared priority requires a strong partnership to ensure that together we can meet these new regulations without straining the economy and Canadian families.

Based on conservative estimates developed through Environment Canada and an FCM survey of impacted municipalities, capital expenditures required to meet the new regulations will exceed $18 billion, of which $3.5 billion will be incurred by 2020.

621 MUNICIPAL WASTEWATER TREATMENT FACILITIES ARE AFFECTED BY THE NEW FEDERAL WASTEWATER SYSTEMS EFFLUENT REGULATIONS (WSER).

METRO VANCOUVER WILL REQUIRE

$1.9 BILLION

TO UPGRADE THEIR SYSTEMS, MONTREAL FACES **$1.07 BILLION** IN COSTS AND IN HALIFAX THAT NUMBER IS **$595 MILLION**.

106 HIGH-RISK MUNICIPAL SYSTEMS MUST BE UPGRADED BY 2020 TO COMPLY WITH THE REGULATIONS AT AN ESTIMATED COST OF

$3.5 BILLION.

THE MAJORITY OF THE HIGH-RISK SYSTEMS ARE IN NEWFOUNDLAND, QUEBEC AND BRITISH COLUMBIA (see Table 1 next page).

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SMALLER MUNICIPALITIES ARE PARTICULARLY IMPACTED BY THE REGULATIONS. THE FOLLOWING PER CAPITA COSTS OF MEETING THE REGULATIONS ARE ILLUSTRATIVE OF THE FINANCIAL IMPACT FOR SMALLER COMMUNITIES:

Burgeo, NL: ***$24,000-27,000***
Prince Rupert, BC: ***$10,000-12,000***
Glace Bay, NS: ***$4,456***
Rocky Harbour, NL: ***$3,064***
Corner Brook, NL: ***$3,017***
Port Clements, BC: ***$2,273***
Powell River, BC: ***$1,975***
Ville de Granby, QC: ***$1,576***

TABLE 1 – NATIONAL RANKING OF WASTEWATER FACILITIES IN CANADA

Jurisdiction	Number of facilities requiring upgrades			
	Low risk 2040	Medium risk 2030	High risk 2020	Total
Alberta	3	30	2	35
British Columbia	0	4	8	12
Manitoba	0	81	0	81
New Brunswick	13	38	0	51
Newfoundland and Labrador	0	1	45	46
Nova Scotia	8	36	16	60
Ontario	99	4	3	106
Prince Edward Island	17	7	0	24
Quebec	0	144	30	174
Saskatchewan	0	29	1	30
Yukon	0	1	1	2
Federal	162	36	30	228
Total	302	411	136	849

Source: Environment Canada

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THE MUNICIPAL ROLE

Municipalities own, operate, and maintain most of the 3,500 wastewater treatment systems in Canada; safeguarding public health and keeping our rivers, lakes and coastlines clean.

Canadian municipalities are employing world-class wastewater technologies at the local level. FCM's Green Municipal Fund (GMF) has supported innovative projects such as the City of Cranbrook's Wastewater Treatment Facility. Wastewater upgrades funded by GMF have returned economic and environmental benefits that are several times the cost of the project — Kapuskasing, ON experienced environmental benefits valued at twice the project costs and six times GMF's contribution.

"All Newfoundlanders and Labradorians want to keep our water clean. We are ready to work in partnership with the new government to address the challenge of wastewater treatment."

- Karen Oldford,
President, Municipalities Newfoundland and Labrador and Mayor, Town of Labrador City, NL

THE FEDERAL OPPORTUNITY

Our proposed solutions will help keep our lakes, rivers and coastlines clean. To be able to the do this in the first 100 days, the federal government must:

- **Work with Canada's municipalities** to develop an achievable funding plan to upgrade wastewater treatment infrastructure to meet federal regulations.
- **Create a dedicated carve-out for clean water projects** within the proposed Green Infrastructure Fund to cover a one-third federal share of upgrades required under federal wastewater regulations.
- Within a dedicated clean water carve-out, **prioritize upgrades to facilities deemed high-risk** by Environment Canada, and make clear commitments to partner with municipalities on these projects in the next federal budget.
- **Provide timely information** regarding compliance and enforcement as municipalities work to make the necessary upgrades within the deadlines established under the new regulations.
- Work with FCM to develop a plan to provide **assistance to rural residents for critical upgrades to defective septic systems** in rural areas not serviced by municipal wastewater treatment facilities.

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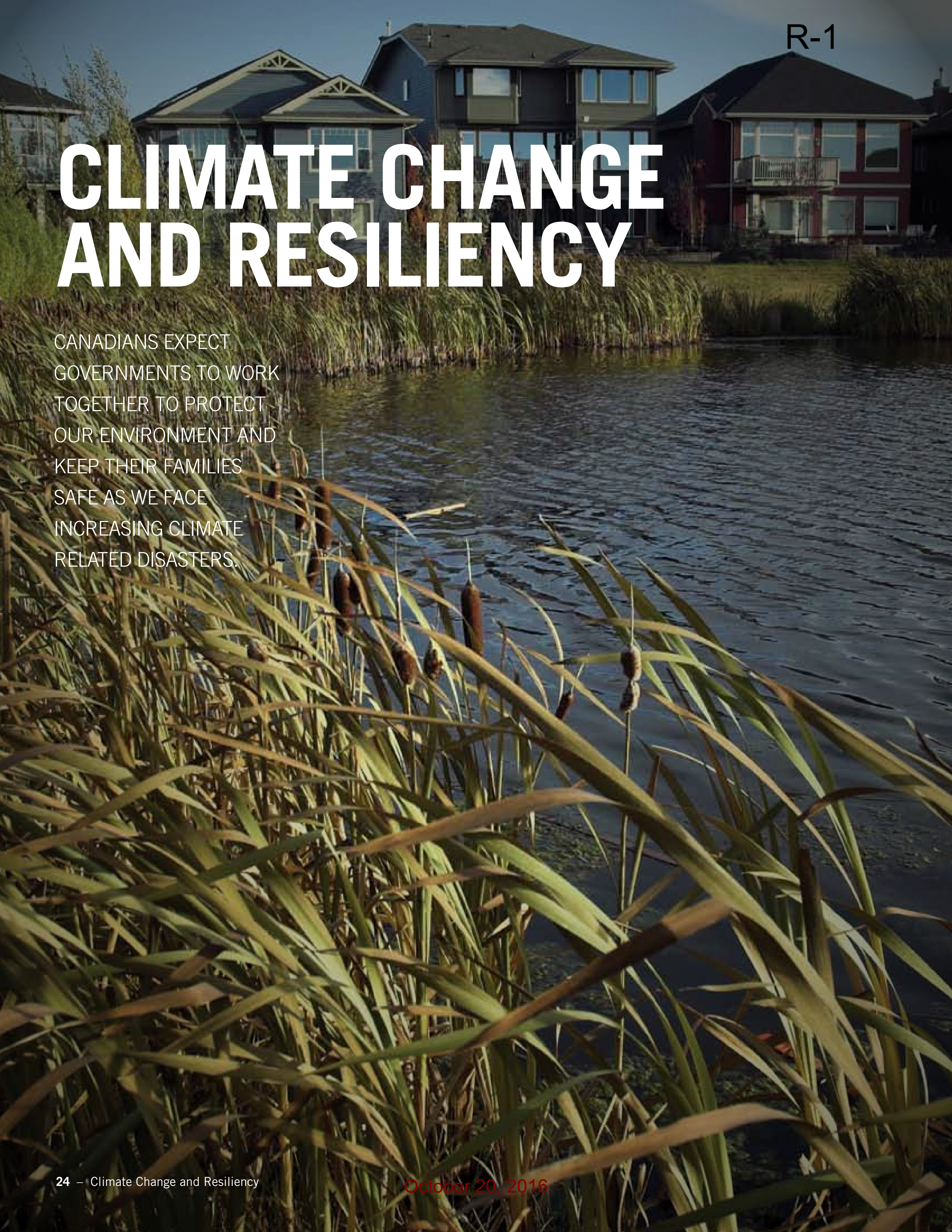
CLIMATE CHANGE AND RESILIENCY



CANADIANS EXPECT GOVERNMENTS TO WORK TOGETHER TO PROTECT OUR ENVIRONMENT AND KEEP THEIR FAMILIES SAFE AS WE FACE INCREASING CLIMATE RELATED DISASTERS.

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QUICK FACTS

Collectively, we need to assess the risks in our cities and communities, harden our infrastructure to a future of increasing climate change, and build the capacity of our communities to prepare for and respond to emergencies.

Municipalities used to plan for once-in-a-century weather events, but now face large-scale weather emergencies with increasing regularity. The dramatic rise in weather-related emergencies across Canada, from flooding in southern Alberta and ice storms in the Toronto region, to drought in Vancouver and widespread forest fires have displaced families, damaged property and caused significant economic disruption.

Local governments have been innovating to reduce greenhouse gas emissions for decades and are prepared to accelerate actions to meet global and national targets. Investments in local renewable energy and energy-efficient buildings, as well as public transit and other green transportation infrastructure, will contribute significantly to achieving greenhouse gas reduction targets.

CITIES AND COMMUNITIES HAVE THE POTENTIAL TO SUPPLY BETWEEN

20 AND **55**
MEGATONNES
OF GHG

REDUCTIONS. A NUMBER OF UNTAPPED MUNICIPAL EMISSION REDUCTION OPPORTUNITIES ARE READY TO BE IMPLEMENTED USING PROVEN TECHNOLOGIES, PUSHING CANADA TOWARD ACHIEVING OUR NATIONAL COMMITMENTS.

THE PRICE TAG FOR THE 2013 TORONTO FLOOD DAMAGE IS LIKELY TO BE MORE THAN

$1.2 BILLION

WITH INSURED LOSSES OF **$850 MILLION**, MAKING IT THE MOST EXPENSIVE DISASTER IN ONTARIO'S HISTORY.

EXTREME WEATHER EVENTS ALONE WILL COST CANADIANS AN AVERAGE

$5 BILLION

ANNUALLY BY 2020 AND UPWARDS OF **$43 BILLION PER YEAR** BY 2050, ESTIMATES THE TD BANK GROUP.

EVERY DOLLAR INVESTED IN ADAPTATION TODAY WILL YIELD ANYWHERE FROM

$9-$38

IN AVOIDED DAMAGES IN THE FUTURE. FOR EXAMPLE, WITH PROPER FUNDING AVAILABLE, A STRATEGICALLY PLACED **$100,000** STORMWATER STRUCTURE COULD MITIGATE **MILLIONS OF DOLLARS** IN FLOOD DAMAGE.

THE ALBERTA FLOODS IN JUNE 2013 CAUSED FOUR DEATHS AND DISPLACED TENS OF THOUSANDS OF PEOPLE. CALGARY'S CLEAN-UP AND REPAIR BILLS ARE NOW ESTIMATED AT APPROXIMATELY **$6 BILLION**, MAKING IT THE MOST EXPENSIVE DISASTER IN CANADIAN HISTORY.

October 20, 2016

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THE MUNICIPAL ROLE

Municipal governments are taking the lead to implement mitigation and adaptation strategies, protecting residents and addressing the major climate-related challenges ahead.

Canadian cities and communities influence about 50 per cent of our national GHG emissions and are driving Canada's most systemic low-carbon practices including: building high-efficiency buildings, undertaking extensive building retrofits and developing district heating; building active transit, electric vehicle infrastructure and electrified public transit; implementing near-zero GHG waste plans and delivering high-efficiency water and wastewater services.

Also, through FCM's Green Municipal Fund, municipalities have constructed energy-efficient and resilient buildings, diverted waste from landfills, built better transportation assets, made previously unusable land available for development, and treated wastewater to the highest standard. These initiatives can often generate community-level economic benefits that can be worth twice as much as the initial investment.

All of Canada's major cities and many smaller communities are also preparing for more extreme weather by assessing risks and developing plans to tackle climate change vulnerabilities. Implementing mitigation measures will require a strong partnership with the federal government as major infrastructure adaptation efforts require unique expertise, capacities and resources.

October 20, 2016

THE FEDERAL OPPORTUNITY

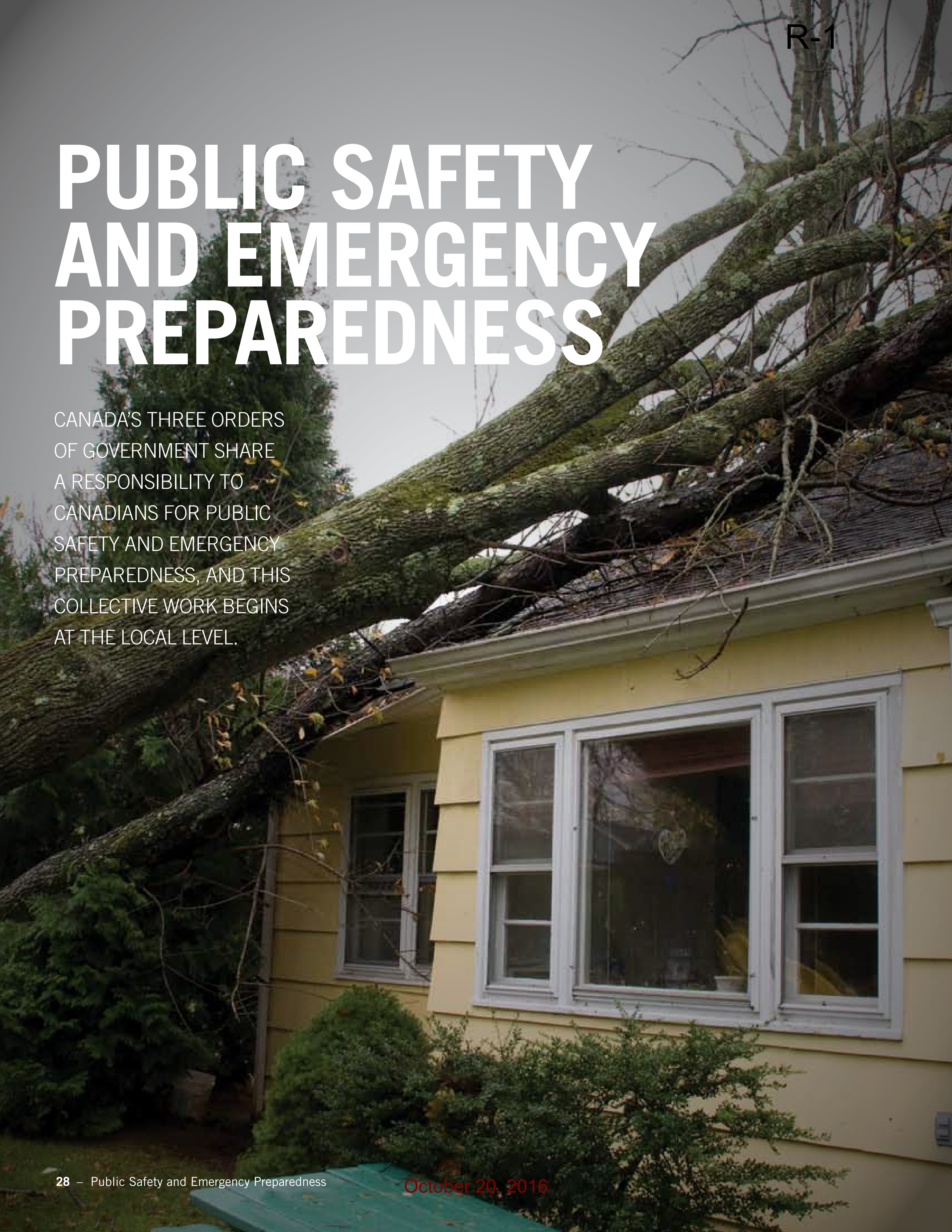
Our proposed solutions will address the challenge of climate change head on through proven municipal emission reduction strategies that generate significant community-level economic benefits, and make our communities more resilient to extreme weather. To make this a reality, in the first 100 days, the federal government must:

- **Partner with FCM on the design of the proposed Green Infrastructure Fund** to ensure it meets the shared goal of delivering clean water and wastewater, building climate-resilient infrastructure and supplying clean energy in our cities and communities.
- Begin working with municipal experts to develop a comprehensive action plan that provides cities and communities across Canada with the tools to **better predict, prepare for, and respond to weather-related emergencies**.
- **Target proposed green financing instruments towards local priorities** including stimulating community-scale renewable energy projects, electric vehicle infrastructure, building retrofits and clean energy storage.
- Engage local governments on **expanding federal national disaster mitigation strategies** to cover the full spectrum of predicted climate change impacts, going beyond flooding to include drought, forest fire, and other potential impacts.
- Launch a **review of changes to the Disaster Financial Assistance Arrangements** to prevent an unfair burden being placed on municipal resources during the recovery from extreme weather events.

Canadians are looking to all orders of government to take collective action on climate change. Municipalities have been innovating to reduce greenhouse gas emissions for over two decades and we are ready to do more to address climate change and make our communities more resilient.

- Pauline Quinlan,
Chair, FCM's Standing
Committee on Environmental
Issues and Sustainable
Development and Mayor,
Ville de Bromont, QC

R-1



PUBLIC SAFETY AND EMERGENCY PREPAREDNESS

CANADA'S THREE ORDERS OF GOVERNMENT SHARE A RESPONSIBILITY TO CANADIANS FOR PUBLIC SAFETY AND EMERGENCY PREPAREDNESS, AND THIS COLLECTIVE WORK BEGINS AT THE LOCAL LEVEL.

October 20, 2016

QUICK FACTS

When disaster strikes, our municipal first responders are on the front lines and need an active federal partner to prepare for and respond to large-scale incidents such as the tragic 2013 derailment in Lac-Mégantic, the 2014 floods in Calgary, and the 2015 British Columbia wildfires.

This also rings true for policing, as local services are more and more often called upon to respond to emerging threats such as terrorism and cyber-crime, combat drug-related and organized crime, enforce border security, and respond to the growing mental health crisis in our communities. Without a corresponding increase in available funding many municipalities are unable to invest further in proven early intervention and crime prevention programs.

88%

OF CANADIANS CONSIDER BEING ABLE TO LIVE IN A SAFE AND SECURE ENVIRONMENT ONE OF THE MOST IMPORTANT ASPECTS OF THEIR LIVES.

FROM 1980 TO 2013, NOW-DISCONTINUED EMERGENCY PREPAREDNESS AND URBAN SEARCH AND RESCUE PROGRAMS CONTRIBUTED UP TO

50%

OF THE COST OF LOCAL EMERGENCY PREPAREDNESS PROJECTS AND INITIATIVES IN CANADA'S CITIES AND COMMUNITIES.

THE MUNICIPAL SHARE OF TOTAL POLICING EXPENDITURES INCREASED IN REAL TERMS BY

$2.5 BILLION

FROM 2003 TO 2013 (WHEN CONTROLLING FOR INFLATION).

October 20, 2016

THE MUNICIPAL ROLE

The elimination of federal emergency preparedness programs has left many Canadian municipalities vulnerable, and weakened communication channels between orders of government.

A comprehensive approach to policing and emergency management involving all orders of government will allow Canadians to benefit from the best possible level of service, while reducing pressures on municipal budgets.

Investing in early intervention policing and proven crime prevention approaches — like the Prince Albert HUB model which mobilizes resources across multiple sectors to assist at-risk individuals — leads to safer cities and communities, and better outcomes.

THE FEDERAL OPPORTUNITY

Our proposed solutions will make our communities safer, improve emergency preparedness in communities of all sizes and generate a proactive and collective effort to mitigate disaster risks. To make this a reality, in the first 100 days, the federal government must:

Engage local and provincial-territorial governments in implementing new public safety programs, including funding for guns and gangs police task forces.

Reinvest in local emergency preparedness, starting with Heavy Urban Search and Rescue teams and enhanced search and rescue capacity, to ensure municipalities have access to highly trained and well equipped emergency responders.

Work with municipalities to begin developing a plan to adequately invest in local policing to reflect the changing and more complex nature of crime in Canada.

Increase cooperation and collaboration between all orders of government on:

- **proven crime prevention and early intervention policing models**; and
- **mental health services**, including a plan to implement proven approaches like Housing First to assist vulnerable populations.

Consider the perspective and needs of all regions — both rural and urban — in the design, governance and implementation of Canada's new **Public Safety Broadband Network**.

Engage local governments on **expanding federal national disaster mitigation strategies** to cover the full spectrum of disaster risks, going beyond flooding to include drought, forest fires and other extreme weather events.

Launch a **review of changes to the Disaster Financial Assistance Arrangements** to prevent an unfair burden being placed on municipal resources during the recovery from disasters.

Canada's cities and communities are at the forefront of planning for, and responding to, natural and man-made disasters. Renewed cooperation and collaboration between Canada's three orders of government will help strengthen emergency management capacity at the local level and improve public safety.

- Randy Goulden,
Chair, FCM's Standing
Committee on Community
Safety and Crime Prevention
and Councillor, City of
Yorkton, SK

October 20, 2016

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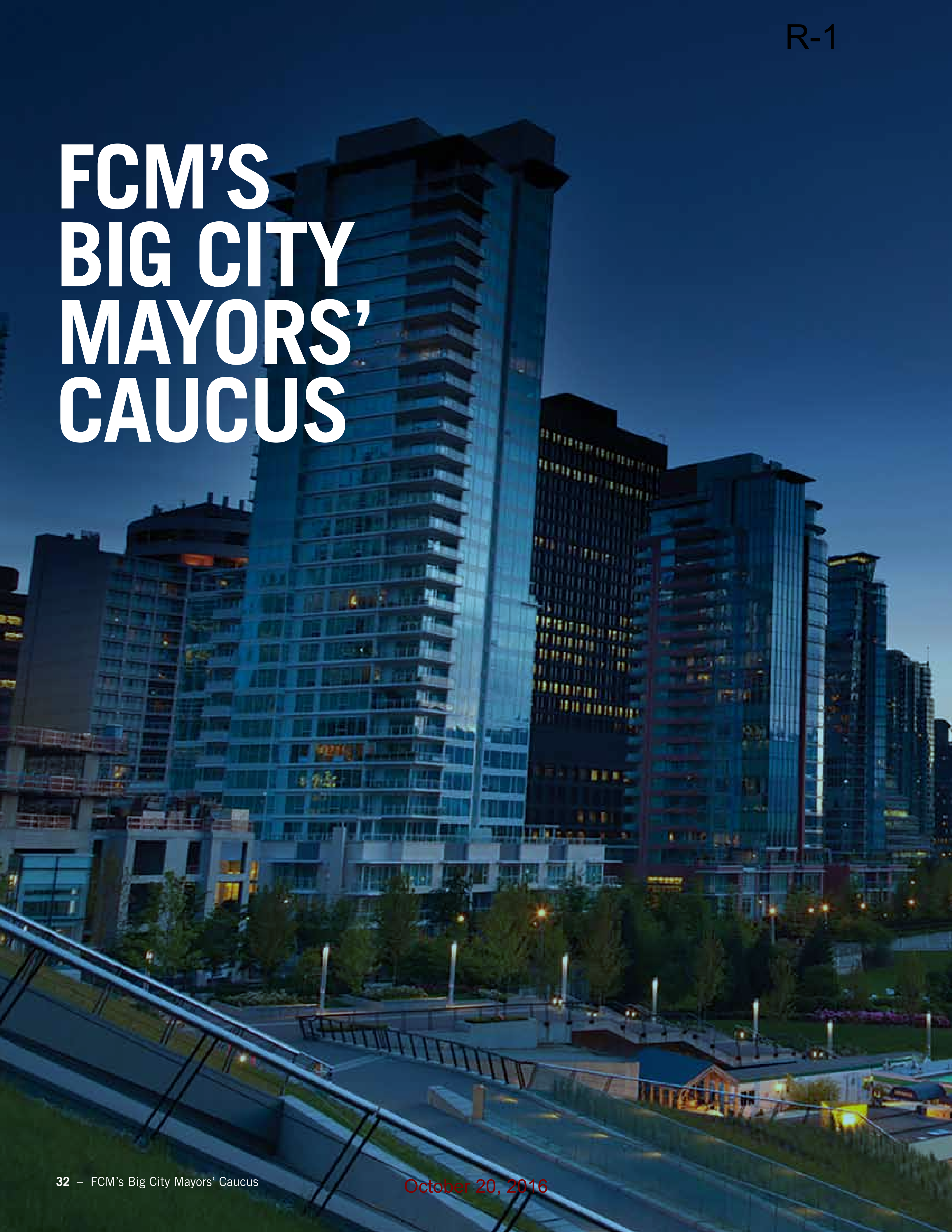
FCM'S BIG CITY MAYORS' CAUCUS



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R-1

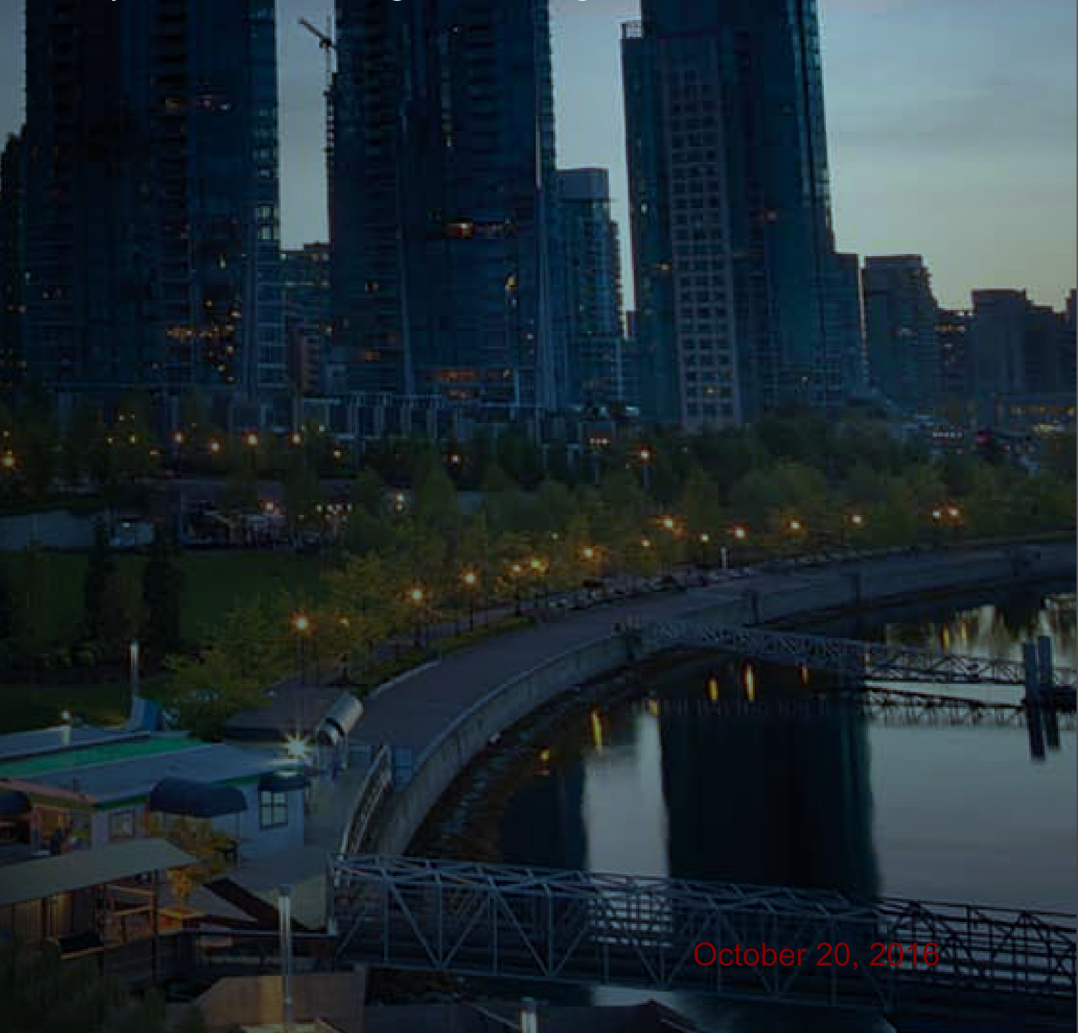
WHO WE ARE

The Federation of Canadian Municipalities' Big City Mayors' Caucus (BCMC) is the voice of Canada's biggest cities.

Cities are engines that drive our country forward, creating local jobs and local growth. Canada's cities are also hubs for innovation, where solutions are found, tested and shared to meet national challenges playing out in communities across the country.

FCM's caucus of big city mayors brings together representatives from 21 of Canada's biggest cities, offering a forum for policy development on a range of issues affecting our largest centres. Through FCM, the mayors' caucus partners with the federal government in nation building through city building.

Eighty-six per cent of Canada's big city population lives in cities represented by the BCMC; cities that generate the largest share of Canada's GDP.



BCMC MEMBERS

Brampton, Mayor Linda Jeffrey
Calgary, Mayor Naheed Nenshi
Edmonton, Mayor Don Iveson
Gatineau, Mayor Maxime Pedneaud-Jobin
Halifax, Mayor Mike Savage
Hamilton, Mayor Fred Eisenberger
Kitchener, Mayor Berry Vrbanovic
Laval, Mayor Marc Demers
London, Mayor Matt Brown
Mississauga, Mayor Bonnie Crombie
Montréal, Mayor Denis Coderre
Ottawa, Mayor Jim Watson
Quebec, Mayor Régis Labeaume
Regina, Mayor Michael Fougere
Saskatoon, Mayor Don Atchison
St. John's, Mayor Dennis O'Keefe
Surrey, Mayor Linda Hepner
Toronto, Mayor John Tory
Vancouver, Mayor Gregor Robertson (Chair)
Windsor, Mayor Drew Dilkens
Winnipeg, Mayor Brian Bowman

The BCMC is focused on improving housing, transit and infrastructure in our cities and has developed solutions for shared action on these priorities.

Canada's mayors are also leading local efforts to tackle national challenges in partnership with the federal government.

October 20, 2016

REDUCE GREENHOUSE GAS EMISSIONS

Canada's big cities were some of the first governments in the world to formally acknowledge human-caused climate change. They have taken an active leadership role by encouraging coordinated global efforts to cut climate-changing GHG emissions with binding reductions targets at the international, national and city level; identifying the risks posed by climate change, and developing and implementing municipal climate action plans. Canada's big cities remain committed to long-term action that will ensure economic strength, social sustainability and an improved quality of life.

WELCOME MORE SYRIAN REFUGEES TO CANADA

Canada's mayors demonstrated prompt leadership in their respective communities, organizing and facilitating responses to the crisis. FCM's Task Force on Syrian Refugee Resettlement, co-chaired by President Raymond Louie and Halifax Mayor Mike Savage, is hard at work, coordinating the efforts of cities and communities and identifying effective local initiatives.

IMPLEMENT THE TRUTH AND RECONCILIATION COMMISSION OF CANADA'S CALLS TO ACTION

Mayors of Canada's largest cities have recognized the important role municipalities must play in the reconciliation process. A BCMC Working Group has been established to implement the recommendations of the Truth and Reconciliation Commission that are directed at municipal governments, to share best practices related to reconciliation and enhancing the relationship between Aboriginal and non-Aboriginal Canadians living in urban centres, and to identify areas of federal and municipal collaboration.

"Strong commitments to invest in expanding and renewing public transit demonstrate that the federal government is ready to partner with municipalities to meet our shared goals of reducing commute times and improving the flow of goods and people."

- Berry Vrbanovic,
Mayor, City of Kitchener, ON

"Reconciliation must inspire Aboriginal and non-Aboriginal peoples to transform Canadian society so that our children and grandchildren can live together in dignity, peace, and prosperity on these lands we now share."

- Truth and Reconciliation
Commission Final Report

BIG CITY PRIORITIES

FCM's Big City Mayors' Caucus is the national table for Canada's largest cities, where issues and ideas are shared and unified actions taken to help bring about positive change for Canadians.

Throughout the federal election campaign, the mayors of Canada's largest cities undertook a series of coordinated actions to champion the well-being of Canadians who live in cities. Mayors emphasized the importance of infrastructure, transit, and housing, recognizing that cities are truly the engine of a strong Canadian economy, and contribute to the quality of life of seniors, youth, and families.

As we look to the days ahead, mayors of Canada's largest cities remain committed to partnering with the federal government to realize the vision that was so strongly endorsed by Canadians on Election Day.

Mayors are committed to partnering with the federal government to implement local solutions to the key challenges facing our biggest cities:

REDUCE GRIDLOCK AND CUT COMMUTE TIMES

Our proposed solutions will reduce crippling gridlock through improved public transit and return tens of billions of dollars in lost productivity to the national economy as well as improve our environment. To do this, in the first 100 days, the federal government must:

Work with FCM to build a long-term funding plan for public transit that meets the needs of Canada's cities, supporting both major transit expansions and investments in state of good repair. This plan should:

- Provide cities with long-term predictability in terms of the level of funding available for local projects.
- Support the full capital cost of transit projects, including costs traditionally borne fully by local taxpayers.
- Kick-start much needed transit investment by signing preliminary contribution agreements that allow projects to go ahead without delay.
- Allow for flexibility in the level of private sector involvement.

Learn more about FCM's plan to improve public transit in Canada's cities.

QUICK FACTS

THE AVERAGE CANADIAN COMMUTER SPENDS THE EQUIVALENT OF
32 WORKING DAYS
A YEAR TRAVELLING TO AND FROM WORK.

THE AVERAGE DAILY COMMUTE IN THE GREATER TORONTO AREA, METRO MONTRÉAL, CALGARY AND VANCOUVER IS OVER
ONE HOUR A DAY

THE TRAFFIC CONGESTION IN THE GREATER TORONTO AREA AND HAMILTON AREA ALONE COSTS THE ECONOMY
$11 BILLION ANNUALLY

October 20, 2016

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IMPROVING HOUSING AFFORDABILITY AND SUPPORTING SOCIAL HOUSING

Our proposed solutions will improve housing affordability for Canadians, protect those most vulnerable and drive economic growth. To do this, in the first 100 days, the federal government must:

Work with Canada's cities as **key partners in developing and implementing the proposed National Housing Strategy** and changes to the mandate of the Canada Mortgage and Housing Corporation.

Create a **dedicated affordable housing carve-out within the proposed Social Infrastructure Fund** that aims to:

- Reinvest in and support Canada's existing stock of social housing.
- Tackle the critical repair deficits threatening social housing across the country.
- Continue and expand investments in successful programs, including Housing First, that provide housing support and reduce homelessness.

Take action to **stimulate market and affordable rental construction**.

Commit to partnering with municipalities on the proposed **inventory of federal lands and buildings for repurposing as affordable housing**.

Learn more about FCM's plan to improve housing affordability and support social housing.

QUICK FACTS

THE HOUSING SECTOR REPRESENTS **20%** OF CANADA'S GDP

FOR **EVERY DOLLAR INVESTED** IN HOUSING, CANADA EARNS BACK **$1.40 IN GDP.**

THE COST OF HOMELESSNESS TO CANADIANS IS ESTIMATED AT **$7 BILLION ANNUALLY**

October 20, 2016

R-1

KEEPING PEOPLE AND GOODS SAFE AND MOVING

Our proposed solutions for investing in and renewing Canada's municipal infrastructure will create jobs, help get goods to market and support continued prosperity during a time of slower economic growth and stagnant labour productivity. To make this a reality, in the first 100 days, the federal government must:

Partner with Canada's cities on the design and implementation of proposals to:

- Create new Gas Tax Fund-style agreements **for transit, social and green infrastructure**, ensuring the agreements include dedicated commitments to local priorities.
- Reform the **New Building Canada Fund**, improving transparency and making clear commitments to the level of funding available for local projects.
- Create a **Canada Infrastructure Bank**, ensuring that this new financing mechanism best responds to local needs.
- Transfer uncommitted funding at the end of each fiscal year through a **temporary top-up of the Gas Tax Fund**, providing clarity to cities on the process.

Learn more about FCM's plan for an infrastructure partnership that will deliver results for Canadians.

"Canada's big cities are ready to partner with the federal government to improve housing affordability and sustain our existing stock of social housing. Quality and affordable housing makes our communities thriving, sustainable and welcoming places for Canadians."

- Don Iveson,
Mayor, City of Edmonton, AB

"Improving local roads and transportation networks are priorities for most Canadians. Supported by new dedicated and predictable federal infrastructure funding, our cities are poised to expand and renew infrastructure that ignites local economic development, and attracts job-creating investments."

- Maxime Pednaud-Jobin,
Mayor, Ville de Gatineau, QC

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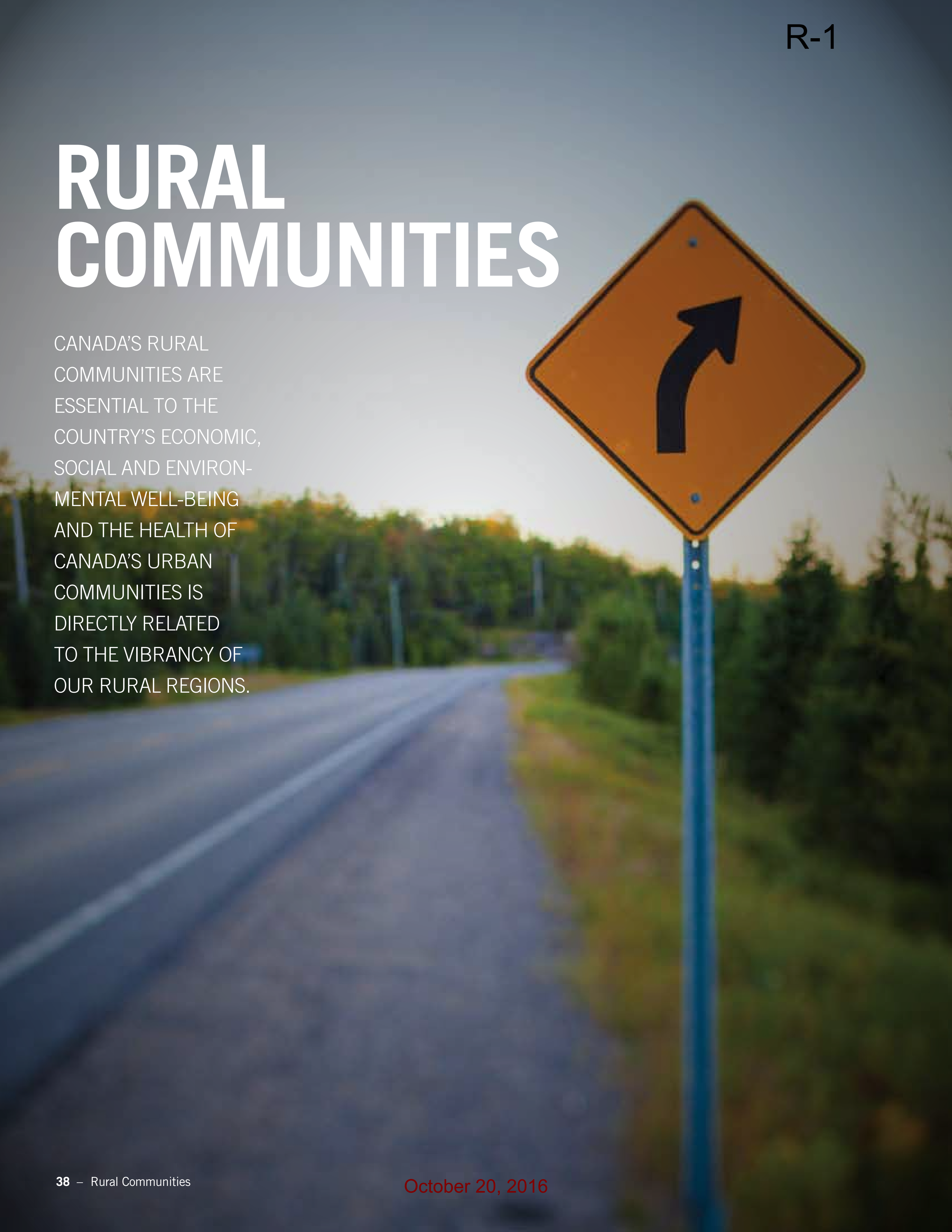
RURAL COMMUNITIES

CANADA'S RURAL COMMUNITIES ARE ESSENTIAL TO THE COUNTRY'S ECONOMIC, SOCIAL AND ENVIRONMENTAL WELL-BEING AND THE HEALTH OF CANADA'S URBAN COMMUNITIES IS DIRECTLY RELATED TO THE VIBRANCY OF OUR RURAL REGIONS.



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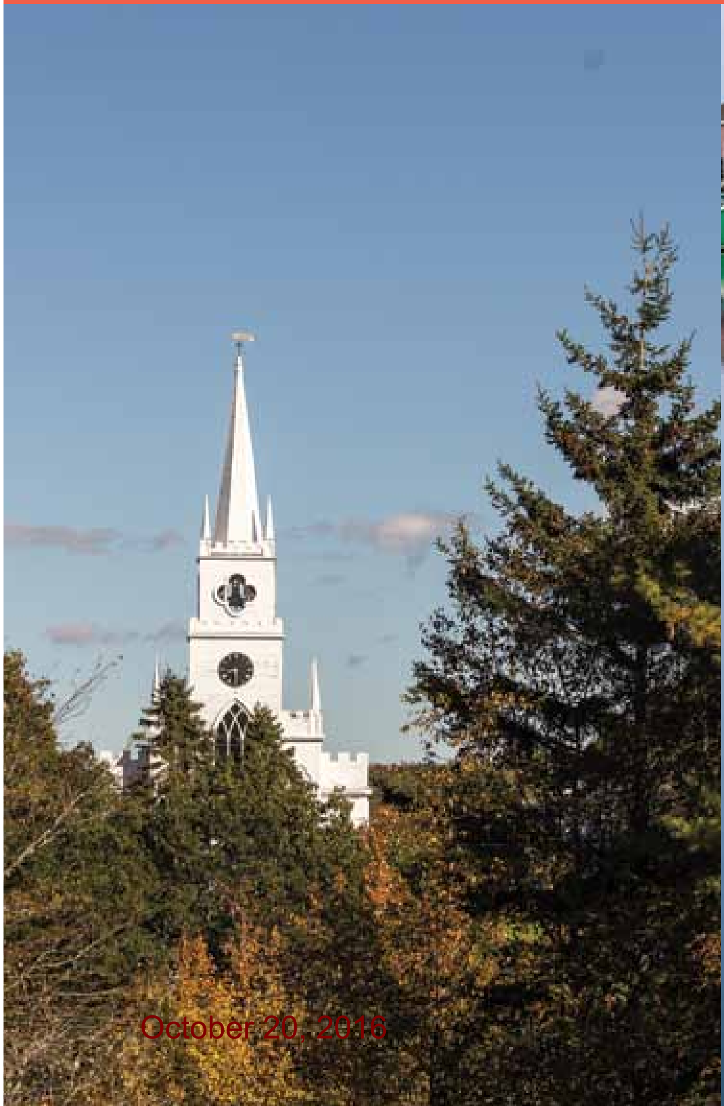
FCM'S RURAL FORUM

Despite this important role, many local governments in rural Canada face formidable challenges, including providing adequate public infrastructure — such as roads, bridges, drinking water and public amenities — with limited revenues and financial capacity. The federal government can play a key role in supporting strategies to reverse this trend by avoiding a one-size-fits-all approach and recognizing rural communities' unique challenges and opportunities.

Local governments in rural Canada recognize that strategies to eliminate barriers to economic development must be accompanied by new and innovative approaches to attract people to rural communities. To attract the talent and skills necessary to sustain vibrant local economies, these communities must become attractive to young people and newcomers through investments in affordable housing, broadband networks, and newcomer services.

In FCM's *Action Plan for a Strong Rural Canada*, rural municipalities from across Canada identified a roadmap for building vibrant and sustainable communities to move our country forward. It's now time to turn that vision into action.

FCM's Rural Forum was established in 2001 with a mandate to advocate for rural communities and provide municipal governments in rural areas with greater access to FCM. The Rural Forum comprises FCM member municipalities that are located in rural areas and urban communities with rural areas or a significant rural interest. Forum members deliberate on municipal issues of national significance related to infrastructure sustainability, rural economic development, diversification of resource-based communities, and interdependencies between urban and rural communities.



October 20, 2016

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QUICK FACTS

IN 2011,

10.4 MILLION

CANADIANS, **31%** OF THE POPULATION, LIVED IN RURAL COMMUNITIES.

RURAL CANADA EMPLOYS

4.9 MILLION

CANADIANS AND GENERATES **30%** OF NATIONAL GDP IN VARIOUS SECTORS INCLUDING MANUFACTURING, AGRICULTURE AND TRANSPORTATION.

YOUTH OUT-MIGRATION REMAINS A SERIOUS CHALLENGE, WITH

39 RURAL AREAS

LOSING MORE THAN **20%** OF THEIR YOUTH BETWEEN 2007 AND 2012.

THE DIGITAL DIVIDE REMAINS A MAJOR CHALLENGE, WITH ONLY

29% OF RURAL RESIDENTS

HAVING ACCESS TO INTERNET DOWNLOAD SPEEDS OF BETWEEN 16 AND 25 MBPS IN 2014, COMPARED TO NEAR UNIVERSAL ACCESS IN MEDIUM AND LARGE URBAN CENTRES.

THE FEDERAL OPPORTUNITY

Our proposed solutions will help support the local services that are critical to sustaining economic growth, improving quality of life, protecting the environment and preparing our rural communities for more extreme weather.

Infrastructure

Canada's national economy needs all regions functioning well to operate efficiently and maximize economic growth and improved quality of life. Predictable funding for core municipal infrastructure in rural regions, like local roads and bridges, is a key component to helping smaller communities create jobs and get goods to market.

In the first 100 days, the federal government must partner with FCM to:

- Develop a plan for implementing new investments in municipal infrastructure that **increase the predictability of federal funding for communities of all sizes**.

October 20, 2016

- Consider the perspective of rural and small towns, including regional differences, in efforts to **streamline and speed up the intake and approval processes** for the New Building Canada Fund and other federal programs.

Affordable Housing

To attract and retain the talent and skills necessary to sustain vibrant rural communities, housing must remain affordable for newcomers, young people, the middle class and seniors.

In the first 100 days, the federal government must:

- Protect **federal investments in affordable housing solutions** in rural Canada, including sustaining existing social housing units and introducing incentives to increase the availability of rental housing.
- Begin to work with municipal governments and local settlement organizations to **expand newcomer services in urban and rural regions across Canada**, including support for accessing adequate and affordable housing.

Clean Water

Upgrading local wastewater infrastructure will allow communities to keep water clean, maintaining quality of life and bolstering tourism. A federal-municipal partnership can help achieve these objectives while supporting rural municipalities that face significant cost pressures to upgrade their treatment systems as required by new federal regulations.

For example, wastewater system upgrades are estimated at $60 million in Corner Brook, NL; while the Town of Virden, MB, must spend over $5,000 per resident to meet the new regulations.

A federal-municipal partnership can also improve water quality and protect the environment in rural areas not serviced by municipal wastewater treatment by providing support for upgrades to defective septic systems.

In the first 100 days, the federal government must:

- Work with Canada's municipalities to **develop an achievable funding plan** to upgrade wastewater treatment infrastructure to meet federal regulations.
- **Create a dedicated carve-out for clean water projects** within the proposed Green Infrastructure Fund to cover a one-third federal share of upgrades required under federal wastewater regulations.
- Within a dedicated clean water carve-out, **prioritize upgrades to facilities deemed high-risk** by Environment Canada, and make clear commitments to partner with municipalities on these projects in the next federal budget.
- Work with FCM to develop a plan to provide **assistance to rural residents for critical upgrades to defective septic systems** in rural areas not serviced by municipal wastewater treatment facilities.

"Our natural heritage is one of rural Canada's greatest assets. Partnering with local governments to invest in clean water projects will protect our lakes and rivers for future generations of Canadians to enjoy."

- Scott Pearce,
Vice-Chair, FCM's Rural Forum
and Mayor, Canton de Gore, QC

Disaster Mitigation and Climate Change

Recent trends in climate patterns mean that we must prepare for a future of more extreme weather events; from floods and forest fires to droughts and storms. The federal government can play a key role in helping to build the capacity of small towns and rural communities to respond to extreme weather and adapt to a changing climate.

In the first 100 days, the federal government must:

- **Partner with FCM on the design of the proposed Green Infrastructure Fund** to ensure it meets the shared goal of improving the resiliency of our core municipal infrastructure in communities of all sizes.
- Begin working with municipal experts to provide rural communities with the **tools to better predict, prepare for, and respond to weather-related emergencies**.
- Engage local governments on **expanding federal national disaster mitigation strategies** to cover the full spectrum of predicted climate change impacts, going beyond flooding to include drought, forest fire, and extreme and other potential impacts.
- Launch a **review of changes to the Disaster Financial Assistance Arrangements** to prevent an unfair burden being placed on municipal resources during the recovery from extreme weather events.

"Rural communities in the Prairies have experienced first-hand the devastating impacts of climate change and extreme weather. Canadians are looking to all orders of government to work together to better prepare for natural disasters and respond in times of need."

- Al Kemmere, Vice-Chair, FCM's Rural Forum and President, Alberta Association of Municipal Districts and Counties, AB

Emergency Management and Community Safety

In Canada's small towns and rural communities, local police and emergency responders are on the front line of keeping Canadians safe. A supportive federal partner is crucial to building the capacity of local governments in rural Canada to respond to emergencies.

FCM's *Action Plan for a Strong Rural Canada* includes effective strategies for making our rural communities safer. In the first 100 days, the federal government must:

- Implement the commitment to **reinvest in emergency preparedness and search and rescue** starting with increased Coast Guard service and support for heavy urban search and rescue teams.
- Work with FCM to ensure that new investments in emergency preparedness are targeted towards overcoming the **capacity challenges of smaller and rural municipalities**, similar to the kinds of support provided through the former Joint Emergency Preparedness Program.
- Consider the perspective and needs of rural communities in the design, governance and implementation of Canada's new **Public Safety Broadband Network**.

R-1

Rural Economic Development

A strong federal-municipal partnership can ensure that Canada's rural communities remain vibrant and sustainable. This means a focus on providing the broadband and transportation infrastructure that is essential for supporting long-term economic development in rural Canada.

In the first 100 days, the federal government must:

- Develop a plan to work with FCM to **ensure continued investments in broadband infrastructure** while the CRTC completes its review of the basic telecommunications services that should be available to all Canadians.
- Consider the perspectives of rural communities in developing a response to the Canada Transportation Act Review scheduled to be completed in December 2015, including whether **Canada's rail transportation system has adequate capacity** to meet the demands of economic growth in rural communities.

"Local governments in rural Canada know that to attract and retain the next generation of rural leaders, there is no better solution than expanding access to broadband internet. The federal government has a key role to play in helping to make sure this essential service is available to all Canadians."

- Ray Orb,
Chair, FCM's Rural Forum and
President, Saskatchewan
Association of Rural
Municipalities, SK

Public Transit and Mobility

Similar to their urban counterparts, rural communities must often provide public transportation services to residents with diverse mobility needs. Moving forward, the new government can help improve quality of life in rural areas by ensuring that federal investments in public transit reflect both the diversity of proposed transit projects and the mobility needs of small communities.

In the first 100 days, the federal government must:

- Work with FCM to **build a long-term funding plan for public transit** that supports increased mobility in communities of all sizes and **provides long-term predictability** to local governments.

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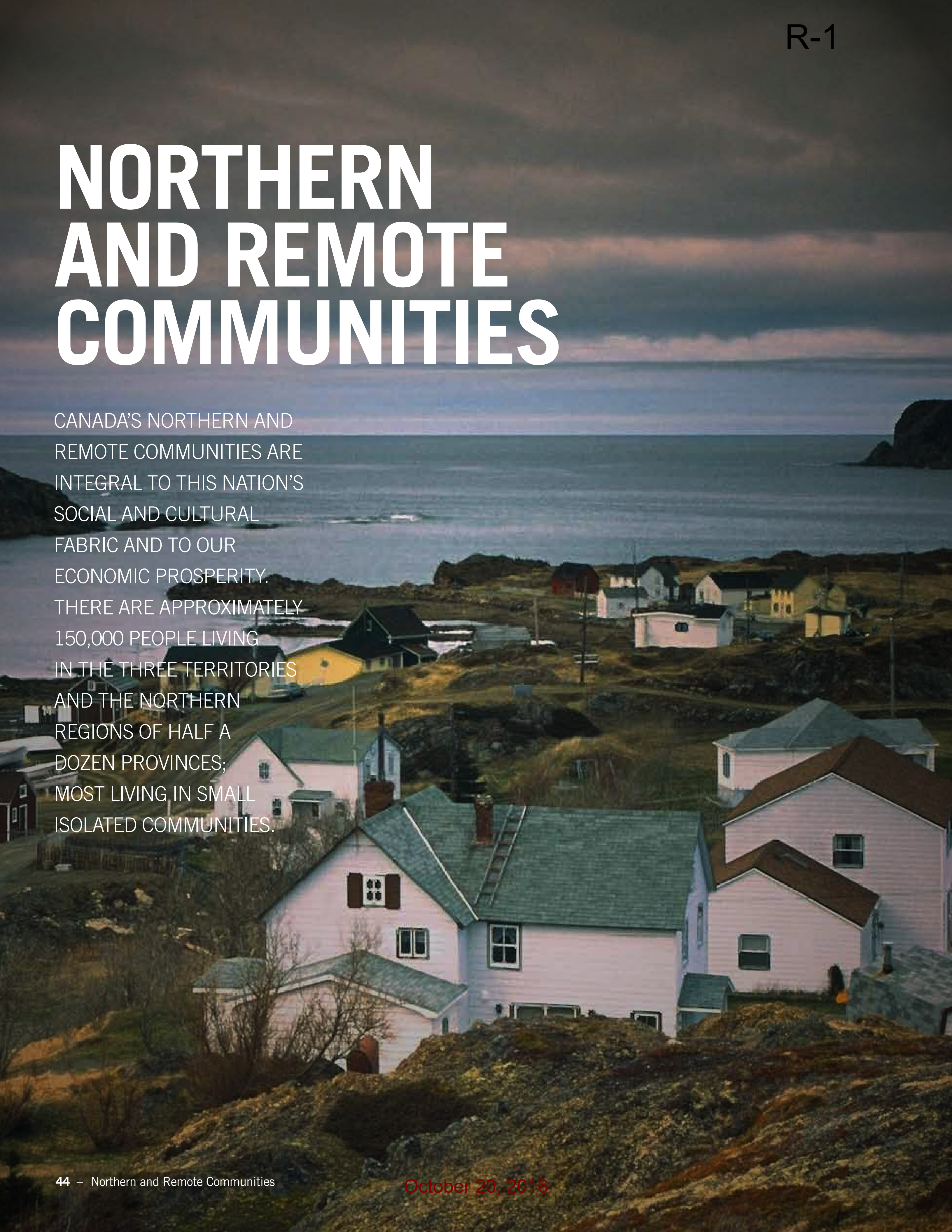

NORTHERN AND REMOTE COMMUNITIES

CANADA'S NORTHERN AND REMOTE COMMUNITIES ARE INTEGRAL TO THIS NATION'S SOCIAL AND CULTURAL FABRIC AND TO OUR ECONOMIC PROSPERITY. THERE ARE APPROXIMATELY 150,000 PEOPLE LIVING IN THE THREE TERRITORIES AND THE NORTHERN REGIONS OF HALF A DOZEN PROVINCES; MOST LIVING IN SMALL ISOLATED COMMUNITIES.

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R-1

QUICK FACTS

The northern economy is expected to outperform most other Canadian regions in the coming years. But this projected growth depends on having the people and infrastructure needed to achieve it. Resource-driven development based on fly-in/fly-out work camps will not create and support sustainable communities without a strategy to see the benefits flow to northerners themselves.Canada's North and its communities need sustainable development strategies to support economic diversification. These communities also need infrastructure that connects them to the rest of Canada and to each other.

Smart, planned, targeted federal assistance, developed and delivered in close collaboration with territorial and local governments will assist northern and remote communities in tackling their many challenges, including distance, harsh climate, isolation, and rugged terrain. In particular, federal-municipal partnership is crucial to the issues of infrastructure and economic development, housing and cost of living, clean water, disaster mitigation and climate change resiliency, and community safety.

TEMPERATURES ARE

RISING

IN THE NORTH DUE TO CLIMATE CHANGE AT **DOUBLE THE RATE** AS IN SOUTHERN REGIONS WITH DRAMATIC IMPACTS ON INFRASTRUCTURE, CULTURE AND ECOSYSTEMS.

MOST NORTHERN COMMUNITIES ARE OVER

100 YEARS OLD,

BUT PEOPLE HAVE LIVED IN CANADA'S NORTH FOR ABOUT 20,000 YEARS.

NORTHERN CANADA CONTRIBUTES MORE THAN

$7 BILLION

TO OUR ECONOMY.

October 20, 2016

THE FEDERAL OPPORTUNITY

Our proposed solutions will improve connections between communities, help address the high cost of living and expand housing options while sustaining existing social housing, and make infrastructure more resilient to a changing climate.

Infrastructure and Economic Development

Building communities in Canada's northern and remote areas is not only important for local social and economic sustainability, but is fundamental to nation building.

In the first 100 days, the federal government must:

- Partner with FCM to ensure that new federal infrastructure investments **address the unique infrastructure needs of northern and remote communities**, including: isolation, a shorter and highly variable construction season, limited access to capital, growing demands on aging and existing infrastructure, early stages of corporate development, and unique project needs.
- Consider the unique perspectives of northern and remote communities in efforts to **streamline and speed up the intake and approval processes** for the New Building Canada Fund and other federal programs.
- Develop a plan to work with FCM to **ensure continued investments in broadband infrastructure** while the CRTC completes its review of the basic telecommunications services that should be available to all Canadians.

"The high cost of living is a major challenge for maintaining sustainable northern communities and local economies. Taking action to increase and index the Northern Residents Tax Deduction will provide direct benefits to the families and skilled workers who live and work in our communities."

- Wayne Potoroka, Vice-Chair, FCM's Northern and Remote Forum and President, Association of Yukon Communities, YK

Housing and Cost of Living

Canada's North has unique challenges in housing its workers, families, and growing population.

In the first 100 days, the federal government must:

- Protect **federal investments in affordable housing solutions, including sustaining existing social housing in the North**, that help to address housing needs and to attract and retain young people, immigrants and seniors in northern and remote communities.
- Begin to address the **unique challenges and opportunities in the North** by consulting local and provincial/territorial governments on a supplementary long-term Northern Affordable Housing Program focused on communities affected by resource development.
- Take action to address the high cost of living in the North by implementing the proposed **increase to the residency component of the Northern Residents Tax Deduction**, including indexing the deduction to retain its value in the future.

October 20, 2016

- Address food insecurity by developing a plan to work directly with northern and remote communities to implement **proposed reforms to the Nutrition North program**.

"The housing crisis in Canada's North requires urgent action including renewed and predictable federal investments in social housing. In Nunavut, 49% of homes are below housing standards, 35% are classified as crowded, and nearly 1 in 5 people aged 15 and over are on the waiting list for public housing."

- Jeannie Ehaloak,
Vice-Chair, FCM's Northern and Remote Forum and President, Nunavut Association of Municipalities, NU

Climate Change and Resiliency

Recent trends in climate change patterns threaten to compound the challenges that northern and remote communities face in providing basic services and facilities needed to attract and retain residents. The costs of adapting roads, bridges, and public buildings to rising temperatures could more than double the North's current infrastructure deficit.

In the first 100 days, the federal government must:

- Partner with FCM to develop a **comprehensive plan for building the capacity of northern and remote communities to respond and adapt to climate change**, including targeted funding for climate resilient infrastructure.
- Engage northern and remote communities on **expanding federal national disaster mitigation strategies** to ensure that these strategies meet the unique challenges of the North.
- Launch a **review of changes to the Disaster Financial Assistance Arrangements** to prevent an unfair burden on northern and remote communities during the recovery from disasters.

"The climate in Canada's North is changing at twice the rate as in the South and so are the impacts. Permafrost that supports building foundations is melting and snow loads on roofs are changing. A strong partnership between all orders of government is needed to upgrade at-risk northern infrastructure and make our communities more resilient."

- Charles Furlong,
Chair, FCM's Northern and
Remote Forum and President,
Northwest Territories Associations
of Communities, NT

Public safety and emergency preparedness

Preparing for and responding to emergencies in the North starts with investments in community level preparedness. The federal government has a crucial role to play in reinvesting in search and rescue capacity and supporting local preparedness efforts.

In the first 100 days, the federal government must:

- Work directly with northern communities to develop a comprehensive plan for **reinvesting in local emergency preparedness and enhanced search and rescue capacity in the North**.
- **Increase cooperation and collaboration between all orders of government on mental health services**, including implementing proven approaches like Housing First to assist vulnerable populations in northern and remote areas.

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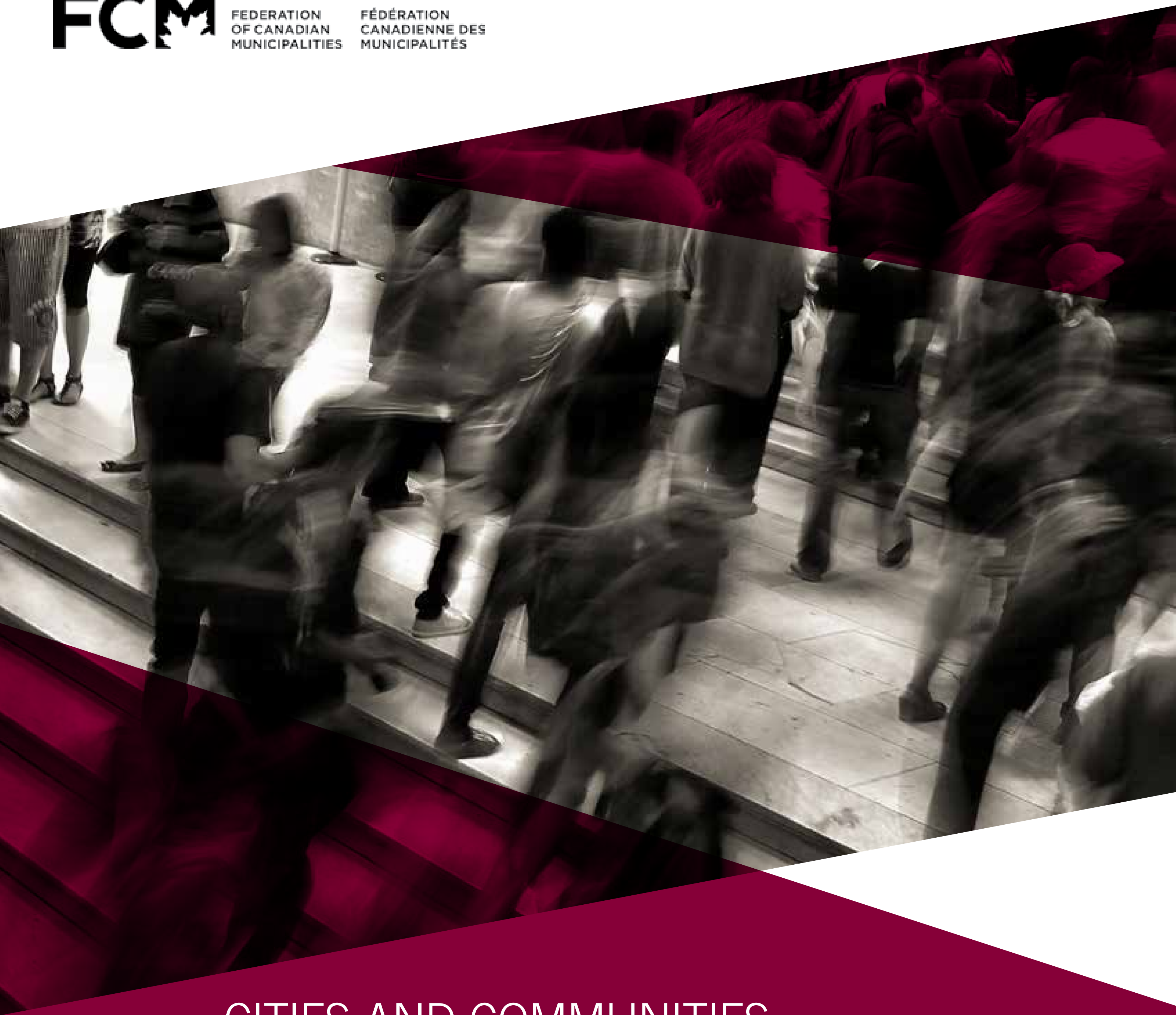

CITIES AND COMMUNITIES: RISING TO THE MOMENT

FCM FEDERAL BUDGET SUBMISSION 2016

October 20, 2016

CONTENTS

Federation of Canadian Municipalities
24 Clarence Street
Ottawa, ON K1N 5P3

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RISING TO THE MOMENT

Last fall, Canadians made a statement more vivid than the colours of their votes. In numbers greater than we've seen in decades, they called for change in how our country works. They called for the kind of change that will make our world-class cities more livable and competitive while ensuring our rural and northern communities can thrive.

Change means investing boldly in Canada's future. People want to spend less time commuting and more time with their families. They want good housing that's affordable, for themselves and for their neighbours. They want reliably cleaner air and water, and they want climate change taken seriously. More than ever, they understand that by tackling these priorities together, we can create jobs and set Canada on a path to sustained growth.

Change means a collaborative approach to governance. We welcome this government's commitment to full partnership — to lead all orders of government beyond constitutional silos and get measurable results grounded in local realities. In turn, we have taken our lead from the people we serve. We invited Canadians to share their ideas for strengthening their hometowns, and we turned those ideas into policy options. This is what municipal governments do best: engage Canadians, find solutions grounded in local realities and deliver meaningful action.

Change is unfolding now as a national conversation. That conversation deepened last fall, when infrastructure spread through the widest public vernacular and Canadians endorsed a vision to invest boldly in our future. Budget 2016 is the next and best opportunity to move that dialogue forward. This is our time to show Canadians their leaders are listening and transforming bold ideas into real jobs, growth and more livable communities.

Canada's municipal leaders are rising to this moment. We support this government's two-phase approach to investing in our communities. We envision a future of sustainably livable communities, with exceptional transit and housing choices, and innovative responses to climate change. We are ready to extend our partnership with you to expedite job-creating projects right now—and in doing that, lay the foundation we need to build tomorrow's Canada.

Raymond Louie
FCM PRESIDENT

October 20, 2016

PRIORITIZING JOBS AND GROWTH

Canada's future depends on healthy job growth and sustained economic development—built on a foundation of strong local infrastructure.

Businesses need good roads and safe bridges to deliver goods and services. Commuters need fast, efficient transportation networks to get to work. Growing companies count on vibrant community services to attract skilled employees.

But today, fully one-third of this core public infrastructure needs repairs and upgrades to keep economic and social life running smoothly. Notably, capital expenditures required to upgrade 106 high-risk municipal wastewater systems to new federal standards will reach $3.5 billion by 2020.

Canadians are looking to all orders of government to work together to strengthen their communities. Infrastructure renewal provides a clear return on investment: 18,000 local jobs and up to $1.64 billion in real GDP growth for every billion dollars invested. And our municipalities have consistently demonstrated their ability to get shovels in the ground quickly.

The federal government's two-phased investment approach is well-timed. Getting worthy projects moving is an opportunity to create jobs in a period of slower growth.

Tackling needed repairs and maintenance now helps build the foundation we need for longer-term planning — which will also require investments to build capacity for better asset management and performance measurement.

With job-creating projects ready to go across the country, new programs should include renewal and repair as priorities in the short term, while being flexible enough to enable new projects that are ready. Existing programs can also be retooled to ease bottlenecks — recognizing municipalities' limited fiscal flexibility but also their proven expertise in assessing local needs and procurement models. There are also opportunities to create more jobs by redeploying uncommitted funds from application-based infrastructure programs and by making long-term commitments in major projects like transit expansions.

Significantly, partnering to create tangible results in our communities today will also continue to engage Canadians in a maturing conversation about our country's future.

ECONOMIC GROWTH GENERATED PER DOLLAR INVESTED IN PUBLIC INFRASTRUCTURE:

UP TO $1.64

EMPLOYMENT CREATED PER $1 BILLION INVESTED:

18,000 JOBS

LOCAL GOVERNMENTS' OWNERSHIP STAKE IN CANADA'S CORE PUBLIC INFRASTRUCTURE:

APPROXIMATELY 60%

UP TO HALF

OF CANADA'S PRODUCTIVITY GROWTH (1962-2006) TRACES TO INVESTMENTS IN PUBLIC INFRASTRUCTURE.

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RISING TO THE MOMENT: BUDGET 2016 RECOMMENDATIONS

As a design principle for new programs deployed via the Social, Green and Transit Infrastructure Funds, recognize the need to **invest in both repair and renewal and strategic infrastructure projects** as foundations for long-term success.

Ease barriers to progress by streamlining eligibility requirements for all existing application-based infrastructure programs:

- **Cost sharing:** increase the federal contribution for projects to a minimum of 50 per cent of total project costs, and apply the same rules to traditionally procured and P3-based projects.
- **Cost eligibility:** apply federal contributions toward a project's full capital cost, including design, legal, land acquisition, and long-term capital-related financing costs included in availability payments to P3 partners.
- **Stacking:** empower municipalities to boost their fiscal flexibility by stacking multiple federal funding sources for large capital projects.
- **P3 screen:** retire this cumbersome process, permitting municipalities to determine the best procurement model for local realities.

Optimize **New Building Canada Fund (NBFC)** priorities to get worthy projects moving:

- Prioritize upgrades to **local wastewater treatment facilities** deemed high risk and requiring action by 2020 under new federal regulations.
- Fund municipal priorities with a **national impact** through the National Infrastructure Component, including municipal transit and transportation projects needed to enhance trade corridors and large-scale disaster mitigation projects.
- Expand the list of eligible projects to include **sport, recreation and culture**.

Retool the **NBCF's Provincial-Territorial Infrastructure Component** to get more worthy projects moving in more communities:

- For **National-Regional Projects**, require that provinces and territories include commitments to local priorities reflecting municipalities' nearly 60 per cent ownership share of Canada's infrastructure, with transparent intake processes to identify municipal priorities.
- Double investment in the **Small Communities Fund**, and empower provinces/territories to lower the 100,000 population threshold to reflect the size of small communities in their regions, determined in consultation with their municipal associations.

For all application-based federal infrastructure programs, transfer uncommitted funds to municipalities through **temporary top-ups of the Gas Tax Fund,** retaining funds within the applicable province/territory, working with FCM to determine timelines for transfers.

"Investing in infrastructure should be a top spending priority, to build a foundation under the Canadian economy and ensure that we remain globally competitive as an exporter and creator of wealth."

Conference Board of Canada

October 20, 2016

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ENSURING QUALITY, AFFORDABLE HOUSING

Strong and flexible social infrastructure makes our neighbourhoods welcoming places where people want to live, work, start businesses and build connections.

In particular, livable communities feature housing that's affordable for young people, newcomers, the middle class and seniors alike. Canadians also want to know that vulnerable neighbours aren't being left out in the cold.

Many of us can share stories about the transformative power of supportive housing — for single moms grappling with low incomes, or seniors vying to keep their independence. And Canada's response to the Syrian refugee crisis has brightened the spotlight on the need for affordable housing to set people up for lifelong success.

But today, one in five renters spends more than half their income on housing. Flat investment and condo conversions are driving net losses of affordable rentals. As operating agreements expire for Canada's 600,000 social housing units, federal spending will decline from $1.7 billion to $1 billion by 2020 — to zero by 2040. With the seniors' population set to double over this span, the housing crisis will only deepen.

Municipalities are investing in social infrastructure like housing and leading initiatives to boost the supply of affordable rental units, from tax exemptions to intensification initiatives. But they are looking to the federal level for renewed leadership, including protecting federal rent-geared-to-income subsidies and investing in the repair, maintenance and recapitalization of Canada's affordable housing stock.

Investing now makes economic as well as human sense. The housing sector represents 20 per cent of Canada's GDP. Every billion dollars invested will grow the economy by $1.4 billion and generate up to 13,000 direct and indirect jobs. This will also help cement a renewed partnership among all orders of government toward a long-term housing strategy — to provide a spectrum of housing options for families, keep seniors in their homes, and make our communities more livable for all.

ECONOMIC GROWTH GENERATED PER DOLLAR INVESTED IN HOUSING:
$1.40

EMPLOYMENT GENERATED PER $1-BILLION INVESTED IN HOUSING:
UP TO 13,000 JOBS

RENTERS SPENDING MORE THAN HALF THEIR INCOME ON RENT:
ONE IN FIVE

CANADIANS WHO WILL EXPERIENCE HOMELESSNESS THIS YEAR:
200,000

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"Housing affordability is essential to help our communities grow and thrive. We need quality, affordable social housing to retain and attract young families and to provide for our seniors. We can do this together."

Cecil Clarke, President, Union of Nova Scotia Municipalities

RISING TO THE MOMENT: BUDGET 2016 RECOMMENDATIONS

Immediately begin reinvesting expiring federal funding into **new long-term rent subsidies** for rent-geared-to-income units affected by expiring operating agreements.

Create a **$1.3 billion housing carve-out in the Social Infrastructure Fund**, prioritizing housing affordability and social housing over the next two fiscal years through accelerated investments in capital repair and renewal:

- **Focus investments on capital repair**, rejuvenation and eco-energy retrofits.
- Allow **flexibility for funds to be directed to new construction** that has been prioritized locally and can be completed quickly.
- Provide provincial, territorial and municipal governments with **flexibility to cost-share** with the federal government, recognizing their respective fiscal capacities and the rapid decline in federal housing spending as operating agreements expire.
- Adopt a **funding delivery mechanism** for capital repair that builds on the CMHC Investments in Affordable Housing program, encouraging consultation with municipal governments as priority projects are determined.

Partner with FCM and other stakeholders to develop a **national housing strategy** with a long-term funding plan that includes:

- predictable and long-term **subsidies for rent-geared-to-income units** affected by expiring operating agreements to protect vulnerable households;
- predictable capital investment in repair/renewal and new construction of **social housing**;
- expanded investments in the expiring **Homelessness Partnering Strategy** with flexibility to fund a range of programs based on local needs;
- new investments in **shelters**;
- a long-term expansion of the federal **Investments in Affordable Housing** program and other expiring CMHC programs;
- a partnership with municipalities to address the inventory of **available federal lands** for repurposing as affordable housing;
- an expanded role for CMHC and the proposed Canada Infrastructure Bank in providing **low-cost financing** for affordable housing construction;
- a long-term **Northern Affordable Housing Strategy** that recognizes the geographic and cultural needs of our territories;
- a review and implementation of **tax measures and rental incentives** to increase the affordable housing supply: including increasing the GST rebate on new residential rental property to 100 per cent;
- a commitment to **strong partnership** with stakeholders and municipal, provincial and Aboriginal governments to implement proven, innovative solutions to housing affordability and homelessness.

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RENEWING AND EXPANDING TRANSIT

It's no coincidence that the world's most economically dynamic and livable cities have some of the very best rapid transit systems.

Canadians want to spend less time commuting and more time with their families. Many base their decisions on where to live on factors such as how easy it is to move from modern neighbourhoods to their workplaces. And when people and workers can move around quickly, creative ideas tend to move quickly as well.

Canada's cities own, operate and maintain most of our public transit systems, and they partner with provinces to build effective regional systems. Historically, they have also provided the largest share of public funding for the capital costs of expanding and renewing transit, while subsidizing operating costs not covered by fare box revenue.

Today, as cities grapple with rapid population growth, traffic congestion erodes air quality and costs our economy $10 billion in lost productivity each year. But with a strong federal partner and predictable funding, cities that operate transit systems are ready to make major investments both to renew transit networks and to build new energy-efficient transit connections.

We welcome this government's commitment to dedicated investment through a new Transit Infrastructure Fund. And once again, the proposed two-phased approach is well matched to local needs in our communities.

There is an urgent need for investment to renew and repair existing transit infrastructure — with flexibility to direct funds to new builds, expansions and long-term planning when projects are ready to go. There is also a need for preliminary contribution agreements to be signed for major expansion projects so that these nation-building projects can proceed without delay. Getting the job done promises a clear return on investment: $3 billion returned to the economy for every billion invested.

Ultimately, federal investment in transit will generate genuine triple wins for Canadians: not just economic growth but more livable communities and reductions in greenhouse gas emissions as well.

ECONOMIC GROWTH GENERATED PER $1 BILLION INVESTED IN TRANSIT:

$3 BILLION

GROWTH IN TRANSIT RIDERSHIP FROM 2006 TO 2012:

21%

ANNUAL COST OF PRODUCTIVITY LOST TO TRAFFIC CONGESTION:

$10 BILLION

GHG EMISSIONS REDUCED ANNUALLY BY TRANSIT USE:

2.4 MILLION TONNES

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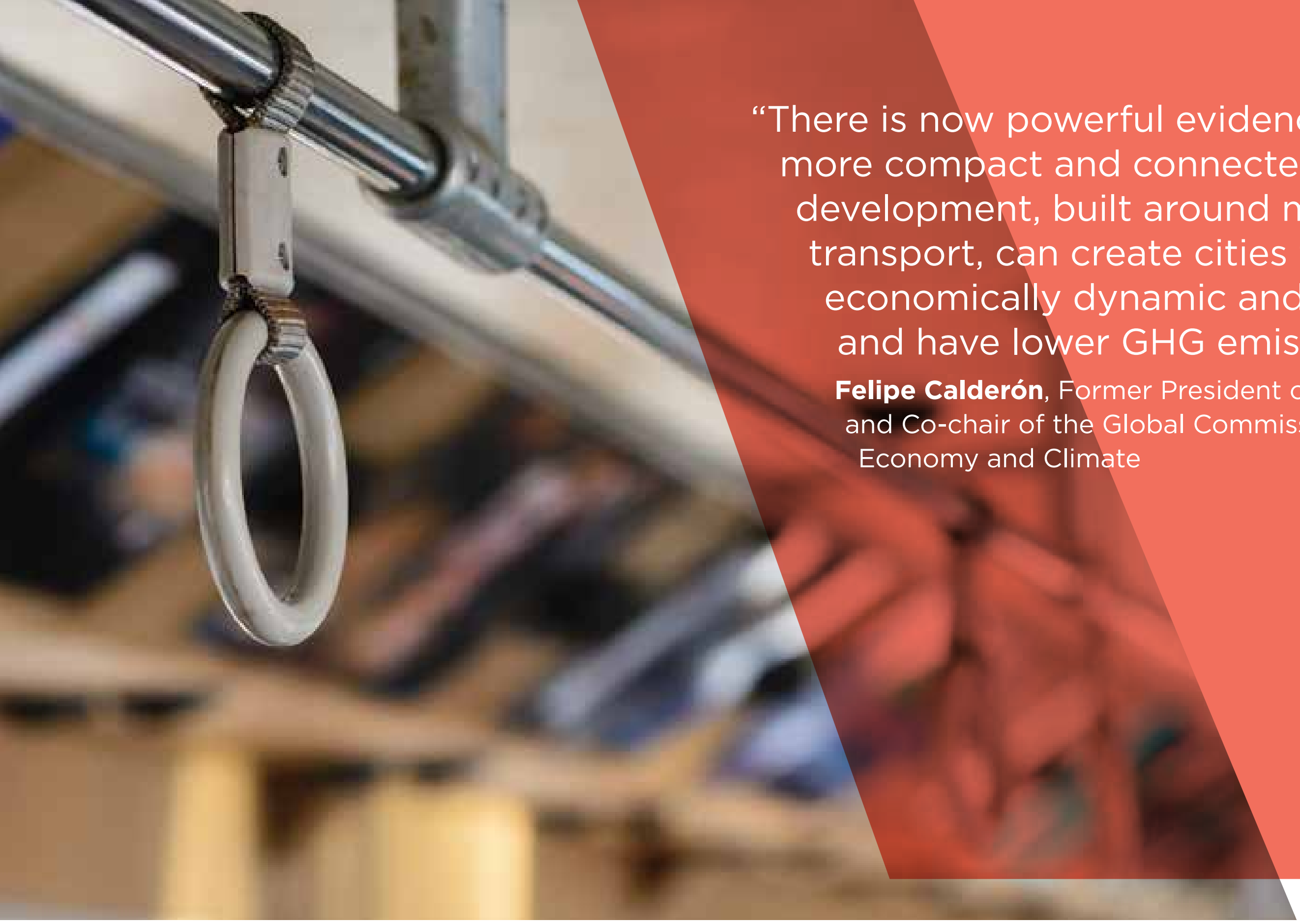

"There is now powerful evidence that more compact and connected urban development, built around mass public transport, can create cities that are economically dynamic and healthier, and have lower GHG emissions."

Felipe Calderón, Former President of Mexico and Co-chair of the Global Commission on the Economy and Climate

RISING TO THE MOMENT: BUDGET 2016 RECOMMENDATIONS

Establish the proposed **Transit Infrastructure Fund** as a dedicated, predictable funding source for transit investment, within these parameters:

- Define its **funding scope** to include capital investment in short- and long-term strategic projects requiring immediate funding for design and planning to proceed, as well as strategic investments in repair and renewal of existing municipal assets where that is deemed most appropriate locally.
- Work with FCM to develop an optimal **allocation formula** to direct the full value of the fund to municipalities with transit systems.
- Empower municipalities to direct funds to **local priorities** based on local data and expertise, supporting evidence-based asset management and capital planning practices.
- Build **maximum flexibility** into stacking rules, allowing municipalities local discretion to pool these funds with other federal funding sources.
- Allow municipalities to use funds to **defray increased operating costs** resulting from major transit service expansions.

Ensure planning stability by retaining previously announced dedicated transit funding with the objective of providing capital contributions to major transit expansions, enabling new investments to also extend towards operating and maintenance costs and state of good repair:

- **Retain previously announced transit funding** — $250 million in 2017-2018, $500 million in 2018-2019, leading to $1 billion in permanent annual funding — to complement new investments committed through the new Transit Infrastructure Fund.
- Kickstart transit investment by signing **preliminary contribution agreements** on an expedited basis to allow major long-term expansion projects to go ahead on schedule for any funding delivered through an existing merit-based application process.
- Streamline **program requirements** as described under "Prioritizing jobs and growth" — for cost sharing, fund stacking, cost eligibility and the P3 screen.

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BUILDING A SUSTAINABLE FUTURE

Canada's municipalities are already leading the way with green innovation that creates jobs and growth while confronting the generational challenge of climate change.

Last December's COP21 summit in Paris was a milestone in the world's sharpening resolve to reduce greenhouse gas (GHG) emissions. Global change starts with bold leadership from national governments, but concrete results require local action. And we stand ready to help Canada meet its international obligations — by investing in solutions in communities across the country.

Municipalities influence around half of Canada's GHG emissions. They are also driving some of our most systemic low-carbon practices — from high-efficiency buildings to district heating, from public transit to near-zero-GHG waste plans. As well, FCM's Green Municipal Fund is helping local sustainability leaders move from vision to reality. With predictable federal funding, building on these initiatives will help Canada achieve its emission targets.

Local governments are also on the front lines as new weather extremes increasingly cause property damage and economic disruption. Canada's major cities and many smaller communities are developing plans to harden public infrastructure to a world of increasing climate change. They need a strong federal partnership as adaptation requires unique expertise and resources.

It's time to recognize that climate change's existential threat also presents enormous opportunities. In the short run, investing in mitigation and adaptation will create jobs and growth, and our municipalities are ideally placed to prioritize worthy projects. Longer-term, investing in green infrastructure lays a foundation for the stronger, greener economy Canadians want.

With the world's eyes on Canada, local governments are ready to partner with you to build a better country and planet — one resilient, low-carbon, livable community at a time.

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“Canadians are looking to all orders of government to take collective action on climate change. Municipalities have been innovating to reduce greenhouse gas emissions for over two decades and we are ready to do more to address climate change and make our communities more resilient.”

Pauline Quinlan, Chair, FCM’s Standing Committee on Environmental Issues and Sustainable Development

RISING TO THE MOMENT: BUDGET 2016 RECOMMENDATIONS

Through the **Green Infrastructure Fund**, provide a predictable source of funding for municipalities investing in infrastructure projects designed to mitigate and adapt to climate change and support other green priorities, with these parameters:

- Adopt an **allocation model** based on the federal Gas Tax Fund for the full value of the fund — i.e. base plus per capita allocations to provinces/territories, and predictable funding to all municipalities determined through bilateral agreements developed in consultation with FCM and provincial/territorial municipal associations.
- Empower municipalities to direct funds to **local priorities**, based on local data and expertise, supporting evidence-based asset management and capital planning practices.
- Build **maximum flexibility** into stacking rules, allowing municipalities local discretion to pool these funds with other federal funding sources.

Empower municipalities to direct green infrastructure funding to worthy projects that tackle **local challenges and priorities**, including but not limited to:

- **Clean energy infrastructure** — including renewable energy systems; district energy systems; clean energy storage; energy efficiency retrofits (e.g. housing, municipal buildings, community and recreational infrastructure); vehicle efficiency (e.g. electric charging stations, green municipal and transit fleets); active transportation (e.g. bike lanes, pedestrian bridges).
- **Community resilience** — including extreme weather adaptations (e.g. dams, dykes, barriers, seawalls, snow/wind load enhancements, surface water storage capacity); melting permafrost adaptations (e.g. thermosyphons and other solutions to foundation loss).
- **Core public infrastructure** — including drinking water, wastewater treatment and rural septic system upgrades; stormwater management (e.g. storm sewer and culvert replacement); waste management improvements (e.g. solid waste diversion, recycling, organics); information systems (e.g. for transport, water quality and energy systems).
- **Environmental protection** — including contaminated site clean-up; water conservation enhancements (e.g. greywater systems, rainwater collection, fixture replacement); natural asset management (e.g. wetlands and riparian areas, tree canopy).

Build on the work of **FCM’s Green Municipal Fund** through an investment targeted at supporting transformative municipal projects in climate change mitigation and adaptation.

Work with FCM on a long-term investment plan to ensure the sustainability and protect the future value of FCM’s Green Municipal Fund.

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FOSTERING SAFE, VIBRANT COMMUNITIES

Truly livable communities feature neighbourhoods where we can feel safe and secure, and where people from all circumstances can find positive ways to participate in social and cultural life.

On public safety, however, municipalities are facing a financial crunch. Local police are increasingly expected to respond to complex threats such as terrorism, cybercrime, organized crime and border security. Municipal first responders are also on the frontlines when disaster strikes — as we saw in the 2013 Lac-Mégantic derailment, the 2013 Alberta floods and the 2015 British Columbia wildfires.

These increasingly complex responsibilities are fuelling unsustainable growth in municipalities' public safety costs, leaving many unable to invest in proven early intervention and crime prevention programs. A more comprehensive approach to policing and emergency management involving all orders of government will offer Canadians quality service while easing pressures on municipal budgets.

Canadians also increasingly recognize that **safe** communities are **livable** communities — and vice versa. We have highlighted how affordable housing helps empower people to build better lives, and this applies to social infrastructure broadly. Investing in sport, recreation and cultural facilities strengthened local strategies to divert vulnerable youth from crime. With predictable federal funding, local governments are ready to get to work renewing parks, arenas, community centres and other local hubs.

Of course, these facilities are also highly valued by wider populations, from seniors to families with children. These are the community pillars that bring people together and help form the identities of our neighbourhoods. By strengthening our partnership to enrich this social infrastructure, we'll be creating jobs, fostering public safety and building more vibrant communities — another genuine triple win.

88% OF CANADIANS CONSIDER A SAFE AND SECURE ENVIRONMENT TO BE ONE OF THE MOST IMPORTANT ASPECTS OF THEIR LIVES.

THE MUNICIPAL SHARE OF POLICING COSTS INCREASED IN REAL TERMS BY **$2.5 BILLION** FROM 2003 TO 2013.

FROM 1980 TO 2013, NOW-DISCONTINUED EMERGENCY PREPAREDNESS AND URBAN SEARCH AND RESCUE PROGRAMS CONTRIBUTED UP TO **50%** OF THE COST OF LOCAL PREPAREDNESS PROJECTS IN OUR CITIES.

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"Canada's cities and communities are at the forefront of planning for, and responding to, natural and man-made disasters. Renewed cooperation and collaboration between Canada's three orders of government will help strengthen emergency management capacity at the local level and improve public safety."

Randy Goulden, Chair, FCM's Standing Committee on Community Safety and Crime Prevention

RISING TO THE MOMENT: BUDGET 2016 RECOMMENDATIONS

- Begin developing a plan to adequately invest in **local policing** to reflect the changing and complex nature of crime, while engaging local governments in implementing new **public safety programs**, including funding for guns-and-gangs police task forces.
- Increase cooperation among all orders of government on proven **crime prevention and early intervention policing models** and **mental health services**, including a plan to implement proven approaches like Housing First to assist vulnerable populations.
- Consider the perspective and needs of municipalities in the design, governance and implementation of Canada's new **Public Safety Broadband Network**.
- Reinvest in **local emergency preparedness**, starting with heavy urban search-and-rescue teams and enhanced search-and-rescue capacity, to ensure municipalities have access to highly trained and well-equipped emergency responders.
- Engage local governments on expanding **national disaster mitigation strategies** to cover the full spectrum of disaster risks, including drought and forest fires.
- Launch a review of changes to the **Disaster Financial Assistance Arrangements** to prevent an unfair burden being placed on municipal resources during recovery from disasters.
- Work with FCM to develop a merit-based program through the Social Infrastructure Fund focused on renewal of **sport, recreation and cultural infrastructure**, with flexible funding guidelines as described under "Prioritizing jobs and growth" (for cost sharing, stacking, eligible costs and P3 screen).
- Develop a plan to work with FCM to **ensure continued investments in broadband infrastructure** while the CRTC completes its review of the basic telecommunications services that should be available to all Canadians.
- Take action to address the high cost of living in the North by implementing the proposed **increase to the residency component of the Northern Residents Tax Deduction**, including indexing the deduction to retain its value in the future.
- Address food insecurity by developing a plan to work directly with northern and remote communities to implement **proposed reforms to the Nutrition North program**.

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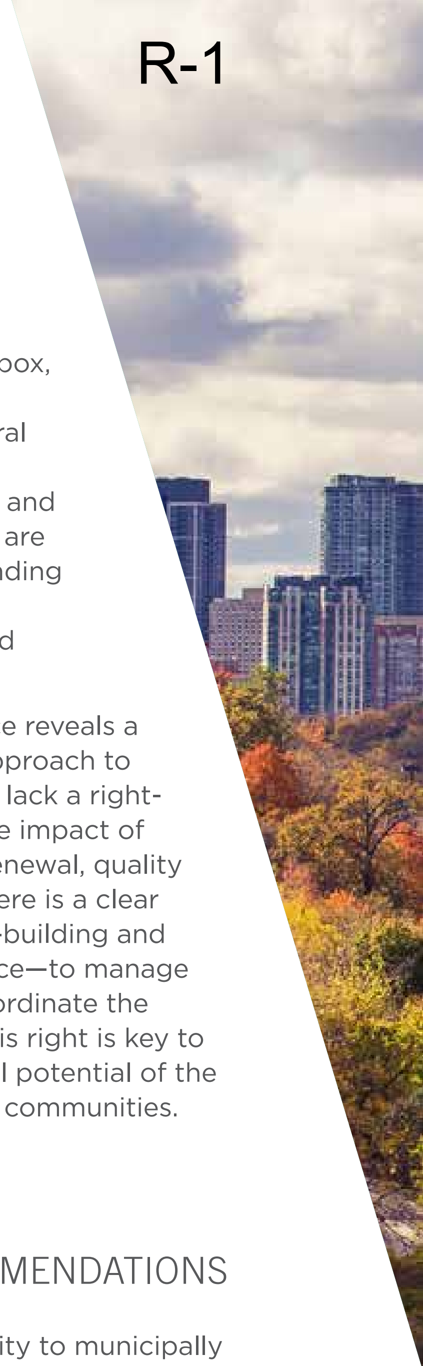

MODERNIZING THE INVESTMENT TOOLBOX

Infrastructure projects are generally planned, developed and financed over decades and municipalities have historically funded the largest share of their capital costs. Streamlining existing program requirements also begins to modernize the investment toolbox for this durable community building — but there's much more to do.

Municipalities own close to 60 per cent of Canada's core public infrastructure — roads, bridges, transit, water, wastewater, culture, and sports and recreation — while the federal government owns less than two per cent. What Ottawa brings to the table is both fiscal capacity and wide potential for the nation-building leadership Canadians are seeking.

We see leadership in this government's commitments to dedicated Transit, Social and Green Infrastructure funding streams. We see it in the commitment to lower local governments' financing costs by creating a Canada Infrastructure Bank. And we are ready to work in partnership to optimize these elements to the needs and realities of communities nationwide.

For tomorrow's investment toolbox, nothing can replace long-term, predictable and dedicated federal infrastructure funding. Proven mechanisms like the permanent and indexed federal gas tax transfer are essential to renewing and expanding core municipal infrastructure to support the competitiveness and prosperity of our communities.

At the same time, our experience reveals a fundamental gap in Canada's approach to infrastructure management. We lack a right-sized approach to evaluating the impact of investments on our economic renewal, quality of life and low-carbon goals. There is a clear opportunity here for a capacity-building and infrastructure innovation resource—to manage performance objectives and coordinate the range of local actors. Getting this right is key to maximizing the transformational potential of the government's investment in our communities.

RISING TO THE MOMENT: BUDGET 2016 RECOMMENDATIONS

- Work with FCM over the next year to develop a **sustainable long-term plan to build our communities** — based on predictable funding and smart planning, building on proven approaches like the permanent and indexed Gas Tax Fund.
- Enable smarter investment by funding a **Municipal Infrastructure Innovation Program**, delivered by FCM in coordination with partners and stakeholders, with a mandate to manage municipal infrastructure data nationally and deliver asset management capacity-building services for local governments.
- Work with FCM on the design of the **Canada Infrastructure Bank** with the objective of reducing infrastructure financing costs through streamlined administrative burdens, and the ability to apply to both renewal and new construction, allow for maturities exceeding 30 years, and extend eligibility to municipally controlled entities such as housing providers.
- **Realign P3 Canada** to focus on capacity-building support for municipalities with a local interest in pursuing public-private partnerships — transferring any remaining uncommitted funds to municipalities through a temporary top-up of the Gas Tax Fund.
- **Build maximum flexibility into stacking rules** for new programs, allowing municipalities local discretion to pool funds from multiple federal funding sources.
- Enable the efficient and timely use of new federal investments by allowing municipalities the **flexibility to accelerate planned projects** that have local funding in place for future years, allowing this funding to be reallocated to other strategic projects currently in the planning phase.

October 20, 2016

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PARTNERS IN NATION BUILDING

Canada is a country of dynamic and diverse regions — with world-class cities and resourceful towns rising out of spectacular natural wealth. Canadians enjoy a unique quality of life, and we are known widely as economic innovators and compassionate world citizens.

Ours is a country of nations, including this land's original peoples, forged at times through happenstance and conflict, but also through equal parts hard work, smart planning and raw inspiration. And in this modern era, Canada's cities and communities have emerged as genuine nation builders.

Municipalities are responsible for approximately 60 per cent of the transportation networks, water systems and other core public infrastructure that underpins our economy. Municipalities shape our neighbourhoods — the diversity and balance of housing, enterprise, recreation and cultural facilities.

Municipalities deliver vital community services and help keep people safe from crime and natural emergencies. And they are already leading the way with innovative local responses to global climate change.

In short, municipalities are indispensable guardians of everyday life and commerce in this country. With no formal role in Confederation and access to just 8-10 cents of each tax dollar, local governments have learned to be creative, efficient and collaborative. So it's no accident that municipalities are widely seen as the most accessible and trusted order of government.

Municipalities are your ready partners in building tomorrow's Canada. They understand local realities best, with unmatched insight on what works and what doesn't. They look forward to working with your government to strengthen their role in this remarkable project called Canada.

October 20, 2016

ABOUT US

The Federation of Canadian Municipalities is the national voice of local government.

Mayors and municipal leaders work with FCM to voice their vision for Canada and collaborate on solutions to grow the economy, create local jobs and improve people's quality of life.

With nearly 2,000 members representing 90 per cent of Canada's population, FCM speaks on behalf of a strong and united municipal sector. That gives us unparalleled reach and capacity to convene Canada's local order of government — from municipal leaders to stakeholders and policy experts. As a result, FCM is well placed to help design and implement responsive municipal-federal initiatives.

In partnership with federal departments and agencies, FCM delivers programs empowering municipalities to share know-how and resources. Our largest program, the Green Municipal Fund, is a $550-million endowment fund supporting municipal efforts to improve air, water and soil quality. Other programs raise municipalities' capacity to address climate change, develop economic development partnerships with First Nations communities and support women's involvement in local government.

Internationally, FCM helps local governments develop their capacity to deliver basic services, promote economic growth and encourage citizen participation in planning and decision-making. In partnership with Global Affairs Canada and other donors and partners, FCM mobilizes Canadian municipal expertise to build more sustainable communities. FCM's international portfolio currently includes more than $100 million in large-scale partnership-based projects in Africa, Asia, Latin America, the Caribbean and Eastern Europe.

FCM's approach to capacity building is practitioner-based, peer-to-peer learning that draws from its networks of local government elected officials and technical staff that have years of practical experience in all areas of municipal responsibility.

A THRIVING RURAL CANADA

Rural communities are essential to Canada's economic, social and environmental well-being — generating 30 per cent of national GDP in sectors like agriculture, manufacturing, transport and tourism.

But with limited fiscal capacity, rural governments can face formidable challenges sustaining core infrastructure such as roads, bridges, drinking water and community facilities. Youth out-migration is a continuing threat.

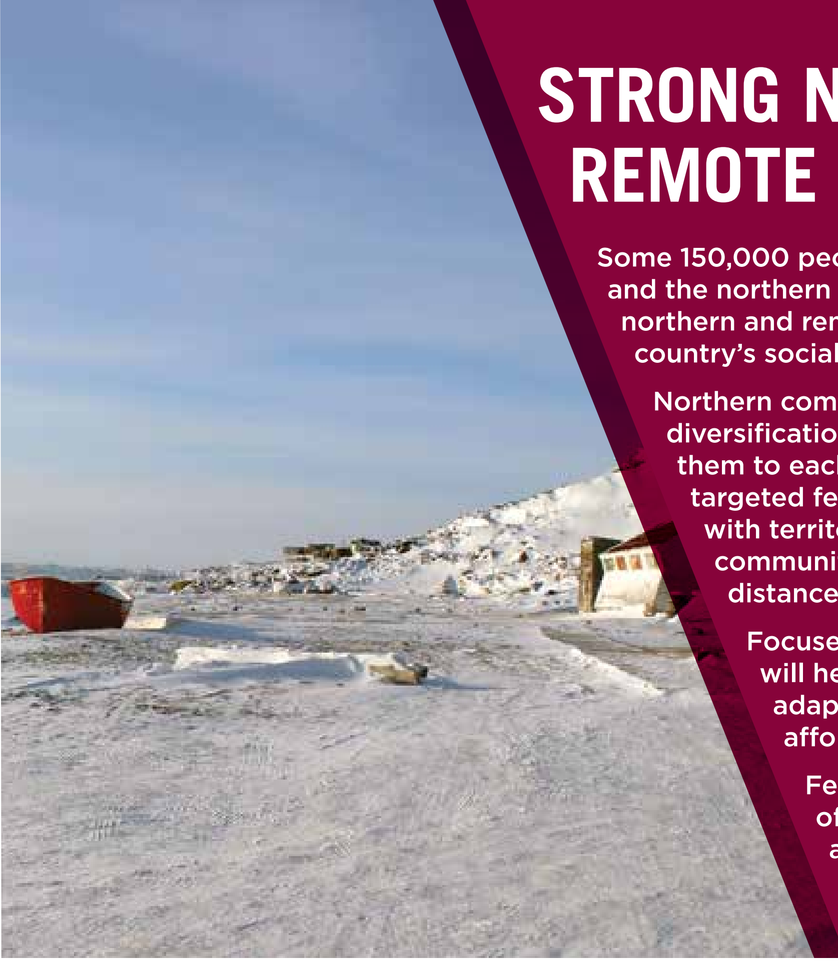
A thriving Canada needs a thriving rural Canada, and for that we need federal leadership. That means predictable and expanded funding for rural infrastructure and the flexibility to recognize rural communities' unique needs and opportunities. For many, that starts with attracting skilled young people and newcomers through investments in housing, broadband networks and newcomer services.

In FCM's *Action Plan for a Strong Rural Canada*, rural municipalities from across Canada identified a roadmap for building vibrant and sustainable communities to move our country forward. It's time to turn that vision into action.

October 20, 2016

R-1

STRONG NORTHERN AND REMOTE COMMUNITIES



Some 150,000 people live in Canada's three territories and the northern regions of half a dozen provinces. These northern and remote communities are integral to our country's social, cultural and economic fabric.

Northern communities need strategies to support economic diversification. They also need infrastructure that connects them to each other and the rest of Canada. Smart, targeted federal assistance, developed in partnership with territorial and local governments, will help communities tackle the unique challenges arising from distance, climate, isolation and rugged terrain.

Focused support through the new Green Infrastructure Fund will help northern communities with costly permafrost adaptations while new housing investments will improve affordability and the availability of social housing.

Federal-municipal partnership is crucial to the issues of infrastructure and economic development, housing and cost of living, clean water, disaster mitigation, climate change resiliency and community safety.

Local governments are the front line of essential services and programs.

Canadians who live and work in urban, rural or remote communities benefit every day from the many services managed by local governments. These are services that drive economic prosperity, promote citizenship engagement, and make our communities livable. They include:

- the approximately 60 per cent of Canada's public infrastructure that local governments are responsible for;
- protective services to ensure the safety of communities and their residents;
- local transportation, including road maintenance and public transit;
- public health, including school outreach programs and community vaccinations;
- parks, recreation, libraries and culture;
- local social services and housing;
- water and wastewater services;
- waste collection and management, and recycling programs;
- sustainability programs and initiatives.

Shared municipal-federal priorities include:

- job creation;
- economic development;
- infrastructure renewal;
- immigrant and refugee settlement;
- housing affordability;
- environmental stewardship, including climate change;
- improving relations with Aboriginal peoples;
- emergency management;
- community safety;
- crime prevention;
- disaster mitigation.

Municipalities are central to this country's economic success. Whether they are large urban areas that serve as hubs for business, innovation and tourism, or smaller communities that serve our resource, agricultural and manufacturing sectors, vibrant and sustainable municipalities help drive Canada's long-term prosperity.

Strong municipalities are the foundation of a healthy economy and a better quality of life for Canadians. Overcoming Canada's biggest challenges requires close collaboration between all three orders of government.

October 20, 2016

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FCM MEMBERS:

- 2,000 MUNICIPALITIES
- REPRESENTING 90% OF CANADIANS
- BUILDING BETTER COMMUNITIES TOGETHER

October 20, 2016

BIG CITIES, STRONGER TOGETHER

FCM's Big City Mayors' Caucus is the voice of Canada's biggest cities.

Canada's cities are engines that propel our country forward, creating local jobs and growth. They are also hubs for innovation, where solutions are found, tested and shared to meet national challenges playing out in communities across the country.

The Big City Mayors' Caucus (BCMC) brings together 21 of Canada's biggest cities, offering a forum for policy development on a range of issues affecting our largest centres. Together, they represent 86 per cent of Canada's big city population and the largest share of GDP.

Through FCM, the BCMC partners with the federal government in nation building through city building. Its members are pioneers in tackling the challenges of our times. Canada's big cities have shown strong leadership in welcoming Syrian refugees to our country. They were also some of the first governments in the world to acknowledge and respond to human-caused climate change.

Throughout last fall's election campaign, Canada's big city mayors undertook a series of coordinated actions to champion Canadians' well-being. They emphasized the importance of public infrastructure, efficient transit and affordable housing as foundations for our economy and quality of life — for seniors, youth and families alike.

At the BCMC's February 2016 conference in Ottawa, in dialogue with the Prime Minister and his cabinet, our big city mayors made new strides in articulating a constructive way forward. They look forward to deepening their partnership with this government to realize the vision that Canadians endorsed so strongly on election day.

"Though Canada's big cities are tremendously diverse, we're at our best when we join forces and speak in one voice. We're learning to embrace this paradox — that building dynamic and livable cities is both a deeply local process and the heart of contemporary nation building."

Don Iveson, Mayor of Edmonton and Chair of FCM's Big City Mayors' Caucus.

October 20, 2016

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FCM FEDERATION OF CANADIAN MUNICIPALITIES FÉDÉRATION CANADIENNE DES MUNICIPALITÉS

A THRIVING RURAL CANADA

RISING TO THE MOMENT IN FEDERAL BUDGET 2016

On February 18, the Federation of Canadian Municipalities (FCM) released *Cities and Communities: Rising to the Moment*, our recommendations for the 2016 federal budget. This is a bold plan to build Canada's future by investing in our communities from coast to coast to coast.

The upcoming federal budget has the potential to be transformative for rural Canada. Canadian voters have endorsed a sweeping communities-first agenda, and municipalities are ready to partner with the federal government to deliver results.

Our proposals move quickly to create local jobs and growth based on local priorities. In doing so, we'll also be building a strong foundation for long-term prosperity and more livable communities in every region of this country.

To reach its nation-building potential, new federal investments must benefit communities of all sizes—delivering results for all Canadians. Through FCM, rural communities have come together to give voice to their priorities, diverse and shared.

A thriving Canada needs a thriving rural Canada. This document highlights key recommendations from *Rising to the Moment* to strengthen Canada, community by community.

October 20, 2016

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INVESTING IN RURAL COMMUNITIES

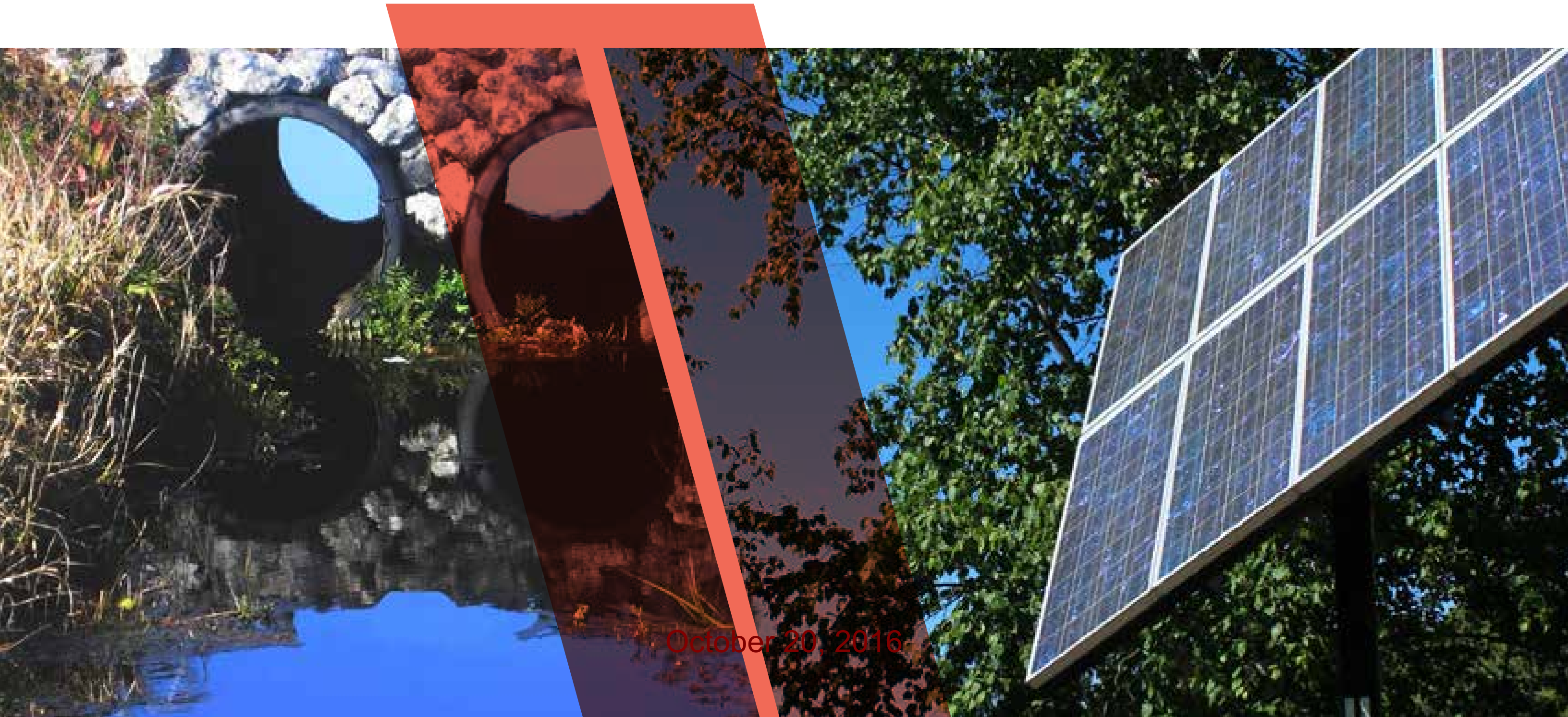
Rural communities are essential to Canada's economic, social and environmental health—generating 30 per cent of GDP in sectors like agriculture, manufacturing, transport and tourism. But smaller communities also face formidable challenges providing the public infrastructure that sustains these local economies and vibrant ways of life.

Rural communities need dedicated, predictable funding to improve roads, bridges, water systems, recreation facilities and other public amenities. At the same time, as federal social housing operating agreements expire, we must confront the housing affordability crisis that confronts rural and small communities across Canada.

With a willing federal partner, local governments are ready to go with projects that respond to local needs and realities. This is an opportunity to create jobs in a period of slow growth, boost productivity, and build livable communities that can retain and attract the talent rural Canada needs.

OUR RECOMMENDATIONS INCLUDE:

- **Double federal investment in the Small Communities Fund**, building on this proven New Building Canada Fund (NBCF) mechanism to support locally-prioritized rural infrastructure projects.
- **Optimize the Small Communities Fund for rural Canada** by empowering provinces and territories to lower the 100,000 population threshold to better reflect the size of communities in their jurisdictions, as determined in consultation with their municipal associations.
- **Invest in recreation and cultural facilities** that can be vital community hubs in rural areas—through a new merit-based program within the proposed Social Infrastructure Fund and by expanding NBCF eligibility to include such projects.
- **Support rural affordable housing solutions**, starting by protecting federal social housing investments and accelerating investments in the capital repair and renewal of affordable housing.
- **Accelerate wastewater upgrades** by ensuring that eligibility for new Green Infrastructure Fund investments includes upgrades to wastewater treatment facilities and defective septic systems in rural areas not served by municipal facilities.



FLEXIBILITY FOR RURAL COMMUNITIES

With access to just 8-10 cents of each tax dollar, local governments shoulder nearly 60 per cent of Canada's public infrastructure. They also face increasingly complex additional responsibilities—from public safety management to climate change adaptation and a growing array of community services.

All of this fuels a fiscal squeeze that can reach extremes in rural communities with lower ratepayer densities, often compounded by youth out-migration.

The good news is that these municipalities have an exceptional track-record of assessing local priorities and delivering effective solutions. That's why predictable investment tools like the Gas Tax Fund have worked so well: they empower local governments to do what they do best.

What these municipalities don't have is flexibility to deal with financial and administrative bottlenecks. To get projects moving, they need new flexibility from our federal partner—flexibility that recognizes rural expertise and rural challenges.

OUR RECOMMENDATIONS INCLUDE:

- **Make green infrastructure investment work for rural Canada** by ensuring project eligibility includes rural priorities—such as stormwater management (including culvert replacement); drinking water, wastewater and septic system upgrades; and extreme weather adaptations.
- **Increase the federal contribution to at least 50 per cent of total project costs**—for all existing cost-shared infrastructure programs—recognizing local governments' limited fiscal capacity.
- **Eliminate fund stacking restrictions that punish smaller communities**, empowering local governments to get more infrastructure projects moving faster by pooling multiple sources of federal funding.
- **Adopt predictable funding mechanisms** to deliver new investments in green, social and transit infrastructure (modelled on the Gas Tax Fund), recognizing local governments' expertise in assessing local priorities and solutions.
- **Transfer uncommitted funds in existing application-based federal infrastructure programs** directly to municipalities through temporary top-ups of the federal Gas Tax Fund.

October 20, 2016

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OUR RURAL VOICE IN NATION-BUILDING

Local governments foster economic growth, create livable communities and help keep us safe from crime and natural emergencies. In so many diverse ways, municipalities are guardians of everyday economic and social life in this country.

Rural municipalities, in particular, serve millions of Canadians living and working in vast expanses of territory from coast to coast to coast. They face unique dimensions of national challenges, like the deepening housing crisis. And they are at high risk from emerging threats, including local consequences of increasing climate change.

At this moment when the federal government has committed to community-building as nation-building, rural municipalities must be full partners in plotting the path forward. It will take continuous dialogue to build Canada's future—with durable growth and more livable communities. Through FCM, rural Canada will continue to have a full seat at the table.

While this dialogue must be expansive and long-term, we have also highlighted indispensable points of federal engagement with rural communities for the coming year.

OUR RECOMMENDATIONS INCLUDE:

- **Incorporate the perspectives and needs of rural municipalities in developing a national housing strategy** that includes a long-term and predictable funding plan, with the goal of ensuring housing that is affordable in communities of all sizes.
- **Work with FCM on effective strategies to expand broadband access**, aiming to close the economically damaging urban-rural gap, alongside the CRTC's review of basic telecommunications services for all Canadians.
- **Ensure a truly national and functional Public Safety Broadband Network** by consulting rural communities in its design, governance and implementation.
- **Engage local governments on expanding national disaster mitigation strategies** to cover the full spectrum of disaster risks, including drought, forest fires and emerging consequences of climate change.
- **Launch a review of changes to the Disaster Financial Assistance Arrangements** to prevent an unfair burden from being placed on municipal resources during the recovery from disasters.

Federation of Canadian Municipalities
24 Clarence Street, Ottawa, ON K1N 5P3
www.fcm.ca

October 20, 2016

Peace River Regional District

REPORT

To: Rural Budgets Administration Committee   Date: October 12, 2016

From: Trish Morgan, General Manager of Community & Electoral Area Services

Subject: Permission for Closed Session

RECOMMENDATION(S):

That permission be granted to resolve to a closed meeting, pursuant to Section 90(1) of the Community Charter which states that a part of a (Board) meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

"(c) labour relations or other employee relations;"

Staff Initials: Dept. Head: October 20, 2016 T. Morgan CAO: Chris Cvik