



Staff Report

Finance – Revenue

Report To: COW_Finance_Admin_Fire_Community_Services
Meeting Date: July 8, 2024
Report Number: FAF.24.088
Title: Municipal Funding Agreement – Canada Community-Building Fund
Prepared by: Amy Moore, Manager of Revenue / Acting Treasurer

A. Recommendations

THAT Council receive Staff Report FAF.24.088, entitled “Municipal Funding Agreement – Canada Community-Building Fund”;

AND THAT Council approve the attached By-law on July 15, 2024, to authorize the execution of the Municipal Funding Agreement for the transfer of the Canada Community-Building Fund between the Association of Municipalities of Ontario and the Corporation of the Town of The Blue Mountains; and

THAT the Mayor and Clerk are authorized to execute the Municipal Funding Agreement for the transfer of the Canada Community-Building Fund between the Association of Municipalities of Ontario and the Corporation of the Town of The Blue Mountains.

B. Overview

The Canada Community-Building Fund provides permanent and stable federal funding for local infrastructure. Funds are provided to communities up front, twice a year, and can be strategically invested across 18 project categories to address local priorities. Municipalities can also pool, bank and borrow against this funding. First established in 2005, the Fund has continually evolved to meet the needs of municipalities and their critical infrastructure projects.

C. Background

The 2005 Federal budget established a federal Gas Tax Fund to share federal gasoline excise tax revenues with communities over five years to support environmentally sustainable infrastructure. The federal infrastructure funding has been a reliable source of funding for Municipalities since 2005, changing names from the Gas Tax Fund to the Canada Community-Building Fund in 2021. The Municipal Funding Agreement (Attachment 1) extends the infrastructure funding from 2024 to 2034. This new agreement will provide over \$8 million to Ontario municipalities each year.

The Association of Municipalities of Ontario (AMO) administers the Fund to all municipalities in Ontario except for the City of Toronto in accordance with the Administrative Agreement – a multilateral agreement between Canada, Ontario, the City of Toronto and AMO. Municipal Funding Agreements govern AMO's partnership with each municipality.

Changes to the Municipal Funding Agreement

Much of the Federal Funding Agreement remains unchanged. Changes that have been introduced in the new Municipal Funding Agreement are as follows:

- **Resilience** - The disaster mitigation category is now the resilience category.
- **Staff costs** - Are now eligible, with limitations under the capacity-building category only.
- **Equity** - Municipalities are expected to consider Gender-based Analysis Plus (GBA+) lenses when undertaking projects.
- **Record retention** - Municipalities must retain records for at least six years.
- **Housing needs assessments (HNAs)** - Are required for single-and lower-tier municipalities with a 2021 census population of 30,000 or more by March 31, 2025 (and are encouraged for other municipalities with housing pressures).
- **Housing outcomes resulting from CCBF investment** - Will need to be reported for each project that ended construction in the reporting year.
- **Some related costs are eligible for CCBF funding** - HNAs and studies, strategies, or systems related to housing or land use are eligible under the capacity-building category.
- **Incrementality** - CCBF funds are still expected to complement existing funding for municipal infrastructure, but you are no longer required to monitor a “base amount” or the incremental use of funds.
- **Insurance** - Insurance is still required, but you are no longer required to submit a Certificate of Insurance each year.

D. Analysis

The Town is required to pass a by-law (Attachment 2) to enter into an agreement with AMO to receive the Canada Community-Building Fund. The agreement is for the term of April 1, 2024 to March 31, 2034 and will be reviewed by AMO on June 30, 2027.

Funds are distributed by AMO to the Town in July and November each year. The Town is required to report to AMO annually by April 30 on how the funds are being used. Projects should be prioritized that support the growth in the housing supply and to address infrastructure needs in accordance with the asset management plan.

E. Strategic Priorities

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

4. Quality of Life

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

F. Environmental Impacts

N/A

G. Financial Impacts

The current balance of the fund at the end of 2023 was \$535,191. Funds are allocated to municipalities across the province on a per-capita basis based on the 2021 census. The following represents an estimate of the funds to be provided by AMO for the first five years (2024-2028) of the agreement.

The Blue Mountains Funding Allocation	
Year	Fund Payments
2024	\$295,223
2025	\$307,524
2026	\$307,524
2027	\$319,825
2028	\$319,825

For Council's information, a comparison of Canada Community-Building Fund allocations for the municipalities in the County of Grey is available (Attachment 3).

H. In Consultation With

Vicky Bouwman, Asset Management Specialist

I. Public Engagement

The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Amy Moore, Manager of Revenue/Acting Treasurer, tax@thebluemountains.ca.

J. Attached

1. Attachment 1 – Municipal Funding Agreement – Canada Community-Building Fund
2. Attachment 2 – Draft By-law to authorize the execution of a Municipal Funding Agreement
3. Attachment 3 – County of Grey and lower tier municipalities Canada Community-Building Funding Allocations

Respectfully submitted,

Amy Moore
Manager of Revenue / Acting Treasurer

For more information, please contact:
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Report Approval Details

Document Title:	FAF.24.088 Municipal Funding Agreement - Canada Community-Building Fund.docx
Attachments:	- FAF.24.088 - Attachment 1 - Municipal Funding Agreement.pdf - FAF.24.088 Attachment 2.pdf - FAF.24.088 Attachment 3.pdf
Final Approval Date:	Jun 27, 2024

This report and all of its attachments were approved and signed as outlined below:

No Signature - Task assigned to Amy Moore was completed by workflow administrator Amy Moore

Amy Moore - Jun 27, 2024 - 9:39 AM