



## STAFF REPORT

**Title:** Agreement - 2018 ID 349 Regional Collaboration Fund

**Meeting Date:** March 12, 2019

---

### **Executive Summary:**

The Government of Alberta has forwarded the City of Cold Lake a conditional grant agreement as well as an application and reporting template for the ID 349 Regional Collaboration Fund.

The City of Cold Lake has submitted and was approved for “Aerodrome/Airport enhancements in the development of commercial air services and/or aviation business” in the amount of \$1,000,000.

The Government has set a deadline of April 1, 2019 for the submission of the application and the signed agreement. The deadline for the expenditure of the funds is December 31, 2019. Any funds not spent within the timeline will be returned to the Regional Collaboration Fund.

### **Background:**

On November 17, 2017, Chief Elected Officials and CAOs from the Lakeland were convened in Edmonton to hear from the Minister of Municipal Affairs’ in regards to an update on how he was considering to divide property taxes from the Cold Lake Air Weapons Range. During the meeting, the City of Cold Lake was advised that a decision had been made. It had been decided by the Minister of Municipal Affairs that:

- Municipal Affairs will retain a management and operating fee in order to retain staff and contractors to administer the I.D. 349 (approximately \$465,000)
- \$2.2 Million will go to the M.D. of Bonnyville under an ICF
- \$1 million annually will go to Lac La Biche County under an ICF
- 20% of all property tax revenue from the Cold Lake Air Weapons Range will be managed by Municipal Affairs under an “Intermunicipal Component.”
- The Village of Glendon will receive \$1,000 per capita in property tax revenue from the Cold Lake Air Weapons Range.
- Once the above expenses have been made then:
  - The City of Cold Lake will receive 80% of the remaining property tax revenue from the Cold Lake Air Weapons Range.



- The Town of Bonnyville will receive 20% of the remaining property tax revenue from the Cold Lake Air Weapons Range.

Subsequent meetings were held to establish the terms of reference and the process of disbursing money from the ID 349 Regional Collaboration Fund.

It is important to note several points. Firstly, Alberta Municipal Affairs did not release all residual funding for 2012-2016 as per the original agreement, with approximately \$3 million held in reserve by the Government of Alberta. Also, the unstable nature of the arrangement makes it difficult for the City of Cold Lake to undertake any reasonable long-term plans. Section 283 of the Municipal Government Act, however, requires that each municipality prepare a financial plan including three years of anticipated operating expenses and five years of anticipated capital expenditures.

**Alternatives:**

- Council may pass a motion to authorize the City of Cold Lake to submit the attached application and enter into the 2018 ID 349 Regional Collaboration Fund agreement
- Council may decline to authorize the City of Cold Lake to submit the attached application and enter into the 2018 ID 349 Regional Collaboration Fund agreement at this time.

**Recommended Action:**

Administration recommends that Council pass a motion to authorize the City of Cold Lake to submit the attached application and enter into the 2018 ID 349 Regional Collaboration Fund agreement

**Budget Implications (Yes or No):**

No

**Submitted by:**

Kevin Nagoya, Chief Administrative Officer