



STAFF REPORT

Title: Municipal Stimulus Program (MSP)

Meeting Date: August 11, 2020

Executive Summary:

On July 28 the Alberta Government announced a \$500M Municipal Stimulus Program (MSP) with the key component being Alberta's Recovery Plan based on the information regarding shovel ready infrastructure projects that were submitted by municipalities in Alberta.

The MSP is designed to distribute stimulus funding quickly and equitably across the province so local government can help support local jobs and stimulate the economy. Funding will be allocated using the same formula as the Federal Gas Tax Fund largely based on per capita. The City of Cold Lake's allocation is \$1,778,401 and must sign the attached MSP memorandum of agreement (MOA) along with submitting the project applications before October 1, 2020. Project applications will not be forwarded to the Minister until an executed MOA is received. Municipalities have a broad discretion to apply for projects within the eligibility, however, the Minister retains authority to approve projects. Any funding not committed to by October 1, 2020 will be utilized at the discretion of the Minister.

Background:

The MSP is to help create and sustain local jobs for future economic growth. Projects must begin construction in 2020 or 2021 and the portion of the project to be funded by MSP must be fully expended by December 31, 2021. Projects must not result in a municipal tax increase and the Municipality must commit to further supporting growth in their local economy by reducing municipal red tape.

Eligible Projects must result in the construction or major rehabilitation of a capital asset that falls within one of the eligible categories based on the structure of the Municipal Sustainability Initiative modified to exclude categories and activities with minimal contribution to economic recovery. The approved project must be one that would not go ahead in 2020 or 2021 without the MSP funding.

Municipalities must commit to submitting an annual Red Tape Reduction Report by February 1 of 2020 and 2021 which outlines steps taken to make new business starts easier, streamline and shorten development and permit approvals, and steps taken to make the municipality more attractive for new investment and tourism.



Alternatives:

Council may consider the following options:

1. Council may approve the participation in the MSP program by signing the MOU.
2. That Council to choose not to apply for the Municipal Stimulus Program.

Recommended Action:

Administration recommends that Council approve the participation in the Municipal Stimulus Program (MSP) with Cold Lake's allocation of funds totaling \$1,778,401.00.

Budget Implications (Yes or No):

Yes

Submitted by:

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