



STAFF REPORT

Title: Memorandum of Agreement - Canada Community-Building Fund (CCBF)

Meeting Date: September 10, 2024

Executive Summary:

The Canada Community-Building Fund (CCBF) was established under section 161 of the *Keeping Canada's Economy and Jobs Growing Act*, S.C.2011, c. 24 as amended by section 233 of the *Economic Action Plan 2013 Act, No. 1*, S.C. 2013, c. 33, as the Gas Tax Fund and renamed the Canada Community-Building Fund in section 199 of *Budget Implementation Act, 2021, No. 1*. The intent of the CCBF is to provide predictable, long-term, stable funding for local governments to help build and revitalize public infrastructure to support job creation and long-term prosperity. Local governments determine local priority projects, provided they align with the eligibility criteria in the program guidelines.

The program had been governed by a 10-year administrative agreement that covered the 2014-15 to 2023-24 period and expired in March 2024. The renewed CCBF administrative agreement, signed in July 2024, covers the 2024-25 to 2033-34 period.

Background:

CCBF Program Changes

A few changes have been made to the CCBF program that are important to highlight. First, the allocation formula that determines how CCBF funds are distributed among eligible local governments has been updated. Starting in 2024, all eligible local governments receive a base funding amount (\$50,000 for most communities; \$5,000 for summer villages), with the remaining federal funding distributed on a per capita basis. In the past, funding was distributed on a per capita basis with each community guaranteed a minimum of \$50,000 (although summer villages received a base funding amount). This change ensures local governments benefit from any increases to federal CCBF funding over the course of the administrative agreement.

Also in the 2024 administrative agreement is a joint commitment between Alberta and Canada to address housing challenges in the province. For communities with a 2021 federal census population of 30,000 or more, the agreement requires the completion of a Housing Needs Assessment (HNA) and an annual Housing Outcomes Report. Information on the housing requirements and links to the HNA template can be found in Section 11.d of the program guidelines.



Other program changes include annual reporting requirements on project outcomes in addition to expenditure and project status, a revised payment condition that requires financial reporting to be certified prior to payment of CCBF funding, a federal requirement for local governments to maintain a distinct bank account for CCBF funding, and the introduction of CCBF spending restrictions for local governments with infrastructure management challenges, in alignment with the restrictions under the Local Government Fiscal Framework program.

These new elements are described in greater detail in the program guidelines on the program website. Local government allocations are also available on the website and will be updated annually after Alberta receives notification from Canada regarding the province's funding allocation.

Memorandum of Agreement

The MOA (attached for Council's consideration) governs the relationship under the CCBF between the province and the local government. Prior to any funding being released, the MOA must be signed.

Alternatives:

Council may:

1. Accept the Memorandum of Agreement for the Canada Community-Building Fund (CCBF).
2. Not accept the Memorandum of Agreement for the Canada Community-Building Fund (CCBF).

Recommended Action:

That Council pass a motion to authorize the City of Cold Lake to enter into the Agreement between the City of Cold Lake and His Majesty in Right of Alberta, as represented by the Minister of Municipal Affairs for the Canada Community-Building Fund (CCBF).

Budget Implications (Yes or No):

No

Submitted by:

Kevin Nagoya, Chief Administrative Officer