



City of Prince Albert

RPT 2024-276

TITLE: Canada Community-Building Fund Agreement

DATE: September 6, 2024

TO: Executive Committee

PUBLIC: X

INCAMERA:

RECOMMENDATION:

That the following be forwarded to an upcoming City Council meeting for consideration:

1. That the Municipal Funding Agreement under the Canada Community-Building Fund (CCBF) Program between His Majesty the King in Right of Saskatchewan and the City of Prince Albert be approved; and,
2. That the Mayor and City Clerk be authorized to execute the Agreement and any other applicable documents, on behalf of The City, once prepared.

EXECUTIVE SUMMARY:

Attached to this Report is the new Municipal Funding Agreement (MFA). This 10-year agreement follows the Municipal Gas Tax Fund Agreement that expired March 31, 2024, and is effective from April 1, 2024, until March 31, 2034. Similar to previous agreements, this conditional grant funding is calculated on a per capita basis for eligible municipalities.

The deadline for the City to execute the Municipal Funding Agreement is **November 1, 2024**. Once signed, the City's first 2024-25 installment payment will follow as soon as possible, in accordance with the provincial election writ period parameters and if the Municipal Compliance Strategy criteria are met. Should the signed and returned agreement be received during the provincial election campaign, the agreement and the first installment payment will be processed and sent shortly after the provincial election.

City of Prince Albert will receive \$12.089 million from 2024-2029, with the remaining five-year allocations to be determined from the 2026 Census figures.

BACKGROUND:

In 2014, the provincial and federal governments entered into an administrative agreement on the renewal of the federal Gas Tax Fund Program for a ten-year term. Over this time, Saskatchewan was provided with \$616.9 million, with \$324.2 million of that in the last half of the agreement from 2019-20 to 2023-24.

To participate in this program, the City entered into a Municipal Gas Tax Fund Agreement with the province in 2014. The Agreement was then amended in 2019 to reflect changes made to the Canada-Saskatchewan bilateral agreement. The ten-year Agreement has concluded, with the funds all being received by the City.

The following projects have been funded from the Canada Community Building Fund with the previous Municipal Funding Agreement:

0607-000098 Traffic Light Improvement Project	\$422,298.33
0809-001338 Wastewater Treatment Plant UV Disinfection Project	\$1,232,948.93
0809-001358 Sanitary Sewer Repairs & Improvements Project	\$191,835.76
0809-001385 Increased Security - Water Treatment Facilities Project	\$103,583.17
0910-001510 Upgrade Wastewater Treatment Plant Grinder Project	\$2,394,112.43
0910-001511 Develop Sewage Septic Dumping Sites Project	\$155,000.00
1011-001820 Transit Transfer Facility Project \$ 466,203.40	\$211,160.40
1011-001946 Traffic Light Coordination Project \$ 70,747.96	\$70,747.96
1112-001986 WTP, Clarification Equipment, Reservoirs & Supply Project	\$1,992,060.00
1112-002010 Landfill Expansion Project	\$2,117,354.00
1112-002077 Boiler Replacement- Waste Water Treatment Plant Project	\$410,220.79
1213-002452 Sewage Pumping Stations Upgrades Project	\$6,796,929.19
1314-002999 Raw Water Pump Station MCC Replacement Project	\$210,073.85
1617-004134 Sewage Pumping Stations Upgrades Phase 2 Project	\$5,452,918.22
1718-004393 Improvements to Sewage Pumping Stations 1, 2, 3 and 6 Project	\$477,429.62
1819-004458 Construct Storm Pumping Station No. 4 Project	\$565,990.72
2021-005283 Construct 2,860 m of West Hill Trunk Sewer Main - Stage 1 Project	\$3,972,879.20
2021-006006 Construct New Raw Water Pump House Project	\$10,255,372.59
2122-006315 Marquis Road West Extension - Roadway Construction Project	\$2,414,493.16
2324-006681 Replace Community Centre Playground and Spray Park Project	\$185,195.20
Total Funding Canada Community Building Fund Projects	\$39,632,603.52

PROPOSED APPROACH AND RATIONALE:

The Ministry of Government Relations is pleased to be administering the Canada Community-Building Fund (CCBF), formerly Gas Tax Fund, on behalf of the Federal Ministry of Housing, Infrastructure and Communities Canada for another 10 years! The joint federal-provincial announcement was made on August 22, 2024.

The Canada Community-Building Fund – formerly the Gas Tax Fund – is a ten-year federal program administered by the provincial government, to provide support to municipalities in Saskatchewan on a per capita basis. Over the next five-years, the CCBF will invest over \$350 million in Saskatchewan, starting with \$66 million in 2024-25.

This report is recommending approval for execution of the Municipal Funding Agreement that is due to the Province by November 1, 2024.

This funding is to assist municipalities with various types of capital projects, including infrastructure, capacity building projects, and asset management planning.

Under the new CCBF agreement, the list of eligible project categories has been expanded to infrastructure projects within nineteen categories. The eligible expenditures include:

- For expenditures incurred after April 1, 2005:
 - Local Roads and Bridges
 - Public Transit
 - Drinking Water
 - Wastewater
 - Solid Waste
 - Community Energy Systems
 - Capacity Building

- For expenditures incurred after April 1, 2014:
 - Highways
 - Regional and Local Airports
 - Short-Line Rail
 - Short-Sea Shipping
 - Resilience (Disaster Mitigation)
 - Broadband Connectivity
 - Brownfield Redevelopment
 - Cultural Infrastructure
 - Tourism Infrastructure
 - Sport Infrastructure
 - Recreational Infrastructure

- For expenditures incurred after April 1, 2021:
 - Fire Halls

Housing Needs Assessment (HNA)

With the renewal of the CCBF program, the most significant changes for our municipality include:

- Municipalities with 2021 census populations of 30,000 and greater (which our municipality is) will have additional mandatory housing-related reporting requirements as outlined in Schedule G of the MFA, which include:
 - A completion of the Housing Needs Assessment (HNA) according to the federal government requirements and posting it on the municipal website by March 31, 2025. The federal HNA template has been published and is live on the Housing, Infrastructure and Communities Canada website.
- If infrastructure-related housing gaps are identified in the HNA, our municipality is required to invest CCBF funding in projects that would improve housing outcomes.
- Project-level data and outcomes reporting which will be requested within previous reporting processes whenever possible.

The associated Municipal Compliance Strategy revisions include the addition of the housing requirements.

The Community Development Department will be proceeding with the required Housing Needs Assessment according to federal government guidelines.

The new Municipal Funding Agreement will require projects to be approved by City Council and then Finance Administration will need to forward the Canada Community Building Fund Infrastructure Investment Plan (IIP) to the Ministry of Government Relations for review and approval.

Signage is a requirement for projects funded through the Canada Community-Building Fund program.

The Municipal Funding Agreement requires municipalities with active CCBF projects to submit a Municipal Annual Expenditure Report (MAER) each calendar year. The MAER is due to the Ministry of Government Relations annually by March 31. As well, the MAER Report is to be sent by the City's Auditor.

CONSULTATIONS:

The CCBF Agreement has circulated through Senior Administration and within Financial Services.

COMMUNICATION AND/OR ANNOUNCEMENT PLAN:

Once forwarded to City Council and approved, the CCBF Agreement will be executed by the Mayor and City Clerk and returned to the Ministry of Government relations for execution.

BUDGET/FINANCIAL IMPLICATIONS:

To receive payment, the City must continue to fulfil significant terms of the CCBF Agreement, which includes submitting an Infrastructure Investment Plan for each project and adhering to Saskatchewan's Municipal Compliance Strategy.

The CCBF funding for Prince Albert is as follows:

2024-25	\$2,303,116.00
2025-26	\$2,401,281.60
2026-27	\$2,401,281.60
2027-28	\$2,491,896.00
2028-29	\$2,491,896.00

Total **\$12,089,471.20**

After the first five-years, funding levels will be reassessed to reflect the 2026 Census.

OTHER CONSIDERATIONS/IMPLICATIONS:

There are no policy, privacy, legal, safety or environmental implications.

OPTIONS TO RECOMMENDATION:

There are no options to the Recommendation.

STRATEGIC PLAN:

The CCBF supports the City's Strategic Plan priorities of Building a Robust Economy and Investing in Infrastructure by maximizing additional revenue sources to reduce the reliance on residential property tax. This additional revenue aids the development of capital and infrastructure projects within the City to support a stable and resilient economy.

OFFICIAL COMMUNITY PLAN:

There are no OCP Strategies or Plans to this report.

PRESENTATION: Presentation by Ramona Fauchoux, Director of Financial Services

PUBLIC NOTICE:

Public Notice pursuant to the Public Notice Bylaw No. 24 of 2015 is not required.

ATTACHMENT:

1. CCBF Municipal Funding Agreement 2024.

Written by: Cory Selander, Audit Manager

Approved by: Senior Accounting Manager, Director of Financial Services & City Manager