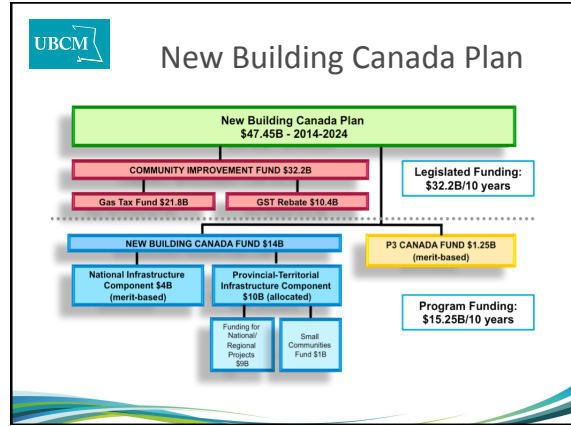



Gas Tax/Building Canada Fund Update

2014 RD CEO/CAO Forum

Brenda Gibson, UBCM
March 26, 2014

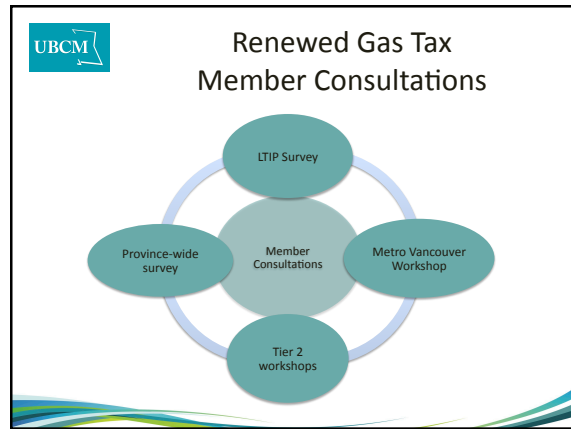
Community Improvement Fund

GST Rebate

- Ongoing commitment to continue 100% local government GST rebate
- First time this is considered a federal investment in local government infrastructure

Gas Tax Fund

- Budget 2013 provides 2% per annum indexing
- Budget 2013 suggested a broadening of eligible project categories




Member Consultation Results



- Long-term, predictable, indexed funding
- Expanded scope and outcomes
- Recognize and support local government autonomy and capacity
- Provide a mix of allocated and pooled funding



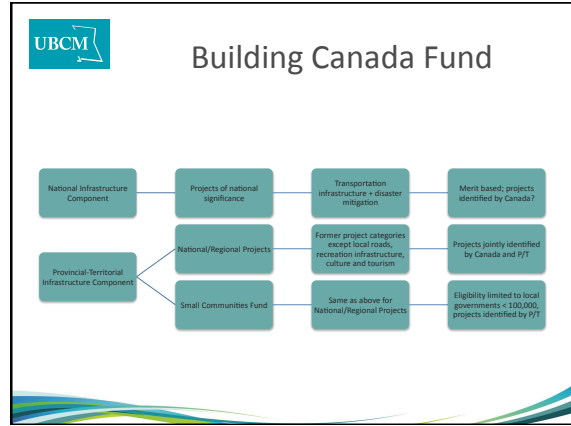
Member Consultation Results: Delivery Mechanisms



- Improve local autonomy
 - Eliminate Management Committee approval for regional funds
 - Regional choice to participate in RSP program or not
- Rebalance between pooled and allocated and simplify delivery
 - Eliminate Innovations Fund
 - Some CWF for Metro Vancouver members

UBCM Renewed Gas Tax Agreement Negotiations

- Negotiations proceeding well
- Consensus on most issues of importance to local governments
- Expect to conclude in time to ensure no interruption in flow of payments



UBCM BCF: Other things to note

- Will not be able to combine BCF and GTF funding
- BCF scope reductions equivalent to some of the GTF scope enhancements (local roads, culture, tourism, recreation, sport, all ineligible under proposed BCF now)
- P3 screen for all projects over \$100 million; administered by PPP Canada




UBCM UBCM Response

- Improve amounts dedicated to local government projects
- Revert to previous stacking rules
- Reinstate local roads, sport, recreation and culture, and tourism infrastructure project eligibility

UBCM ...but we did answer their questions too

- Apprenticeships**
 - Additional administrative burden to track/report
 - Potential increased costs; challenges with availability
- Asset Management**
 - Flexibility; recognize varying local government capacities
 - Consider Asset Management BC approaches
- P3 Screen**
 - LGs best positioned to decide on the merits of pursuing P3 model; federal/provincial funding programs should be neutral as to P3 or not
- Streamlining**
 - Include some allocated funding
 - Think about administrative burden when designing apprenticeship reporting/P3 screen requirements



BCF Next Steps

- Federal Terms and Conditions**
 - Set detailed program parameters
- Continuing discussions with P/Ts**
 - Unclear whether there will be further discussions with local governments
- Minister Lebel still committed to March 31, 2014 roll-out**
 - No P/T framework agreements



Questions and Answers