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Capital Regional District

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January 9, 2020

File: 0550-01

Association of Vancouver Island and Coastal Communities
Attention: Resolutions Coordinator
Local Government House
525 Government Street
Victoria, BC V8V 0A8
Via email: avicc@ubcm.ca

Dear Sir/Madam:

RE: 2020 AVICC RESOLUTION

At the January 8, 2020 Capital Regional District (CRD) Board meeting, the Board of Directors adopted the attached resolution to submit to the 2020 AVICC Convention. A similar motion was considered and endorsed in 2017 but given that the issue remains unresolved at the federal level, the CRD Board is advancing a new resolution to bring the issue back to the table.

Should you require further information or have any questions, please contact me at 250-360-3638 or by email at kmorley@crd.bc.ca.

Yours truly,

A handwritten signature in blue ink that reads 'KMorley'.

Kristen Morley
General Manager, Corporate Services
Corporate Officer

Attachments: (2)

- Certified Resolution
- Background Information



RESOLUTION

TITLE Gas Tax Funds

WHEREAS the Federal Government distributes gas tax to municipalities and electoral areas throughout Canada based on population;

AND WHEREAS the Provincial Government allows gas tax funds to be used as a municipal or electoral area contribution towards some Provincial grants applications;

THEREFORE BE IT RESOLVED that Gas Tax funds should not be considered stacking, and Municipalities and Electoral Areas be permitted to use their Gas Tax funds when contributing to all Provincial and Federal Grant Programs.

*I hereby certify the foregoing to be a true and correct copy
of a Resolution of the Capital Regional District Board
on the 8th day of January, 2020.*

Dated this 9 day of JANUARY, 2020.

Kristen Morley
Corporate Officer



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BACKGROUND INFORMATION

RESOLUTION - RE- FEDERAL GAS TAX GRANT CONTRIBUTION

The federal Gas Tax Fund (GTF) is a permanent source of funding provided twice-a-year to provinces and territories, who in turn flow this funding to their municipalities, Regional Districts and Electoral Areas to support local infrastructure priorities.

The use of these funds are restricted to specific infrastructure projects which include drinking water and waste water. Expanding water systems costs up to one million dollars a kilometer and is impossible to build without Federal and Provincial grants.

Most if not all Provincial and Federal Government Grant programs require a financial contribution from the local government. The Provincial Government welcomes the use of the Gas Tax towards the local government's contribution while the Federal Government prohibits the use.

The Federal Government grant program states: *Gas Tax Community Works Funds count towards the federal contribution and will not be able to be utilized for the ultimate recipient's contribution to the project for this Program.*

The resolution asks the Federal Government to allow the local governments to use their gas tax funds towards Federal Grants similar to the Province of British Columbia.

Federal infrastructure grant programs are intended to expand drinking water and waste services to Canadians. The required recipient contribution is unaffordable without using the Community Works fund and for that reason the Grant opportunities are not accessible to rural municipality and electoral area residents.

A change in policy would make Federal grant programs accessible to all Municipalities, Regional Districts and Electoral areas.