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**REPORT TO CAPITAL REGIONAL DISTRICT BOARD
MEETING OF WEDNESDAY, APRIL 14, 2021**

SUBJECT Additional COVID-19 Safe Restart Grants for Local Governments

ISSUE SUMMARY

To provide recommendations on the additional grant provided to the Capital Regional District (CRD) from the COVID-19 Safe Restart Grants for Local Governments program.

BACKGROUND

In November 2020, the province of BC distributed \$415 million of the \$425 million of the Safe Restart Grants for Local Governments. The program was intended to assist local government operations that had been impacted by COVID-19. In March 2021, the province announced the remaining \$10 million would be allocated to Regional Districts (RD). This \$10 million has been provided to RDs specifically to recognize that while RDs were kept whole due to tax requisitions in 2020, they faced other significant hardships and financial shortfalls.

The CRD has been allocated \$575,000 of the final \$10 million. Previously, the CRD received \$1.4 million in November 2020 for a grand total of \$1.9 million through this program. Included in Appendix A is the letter received from the Ministry of Municipal Affairs and Housing detailing the additional grant allocation. Eligible expenses under the Safe Restart program are detailed in Appendix B, and all grants have been received as of March 2021. All reporting requirements remain unchanged, including allocation of total funding to services must be completed by December 31, 2021.

Provincial Funding Allocation for Regional Districts

The Ministry of Municipal Affairs and Housing determines the amount of Safe Restart funding to each local government. For March 2021, the Province’s allocation to RDs followed a different methodology from the November 2020 grant, which was originally based on differing per capita values and a funding ceiling (Appendix C). For March 2021, the Province followed a proration calculation; 20 percent for regional population and 80 percent for the rural population (Appendix D). The provincial calculation is also based on % population against the total Province. The higher allocation to rural areas recognizes the impact of COVID-19 in delivering services in rural areas.

Following the Province’s formulae in Appendix D, Table 1 summarizes CRD’s \$575,000 allocation.

Table 1 – Grant Funding Calculation for March 2021

Area	Total Capital Population	Total BC Population ¹	CRD % of Total BC Population	Holdback	Total CRD allocation
Regional ²	412,220	4,995,275	8.25%	\$2,000,000	\$165,000
Rural	27,211 ³	531,547	5.12%	\$8,000,000	\$410,000
Total				\$10,000,000	\$575,000

¹ The province used BC Stats 2018 Population Estimates as of Oct. 2020 for source data.

² Regional includes rural and urban populations.

³ This population numbers refers to Unincorporated Areas (UA) in the CRD, which includes JDF, SSI, SGI, and First Nation Reserves.

Table 2 summarizes the funding to each UA in the CRD based on population. Appendix E summarizes the total grant funding distribution.

Table 2 – UA Grant Funding per New Allocation

UA	%	Population¹	Grant
Juan de Fuca (JDF)	19.5%	5,309	\$80,000
Salt Spring Island (SSI)	41.8%	11,374	\$172,000
Southern Gulf Islands (SGI)	17.9%	4,865	\$73,000
First Nation Reserves	20.8%	5,663	\$85,000
Total UA Funding	100.0%	27,211	\$410,000

¹Population was derived through BC Stats and Statistics Canada data from 2018. Appendix F details population for each municipality and UA within the CRD from the same source data.

ALTERNATIVES

Alternative 1

1. That staff allocate the additional \$575,000 COVID-19 Safe Restart Grants for Local Government in alignment with the Provincial allocation formulae to Regional Services and Local Area Services as summarized in Appendix E;
2. That the Regional Services allocation be distributed to the Regional Corporate Emergency Service Budget; and
3. That the Local Area Services allocation be apportioned to the respective Electoral Areas where staff will engage Electoral Area Directors to determine allocation to specific services.

Alternative 2

The Additional Allocation of COVID-19 Safe Restart Grants for Local Governments report be referred back to staff with specific amendments.

IMPLICATIONS

Financial Implications

At the December 9, 2020, CRD Board meeting, it was resolved that the grant would be allocated to services in alignment with the provincial formulae. The regional and First Nations portion was allocated to the Regional Corporate Emergency Service's budget while the Electoral Area (EA) portions was allocated to specific local area services following engagement with EA Directors.

In alignment with the Board resolution of December 9, 2020, staff recommend the Provincial funding formulae continue to be followed in determining grant allocation between regional and EA services. The regional portion would continue to support the Corporate Emergency Service's budget, which includes the Emergency Operations Centre (EOC). Staff will continue to engage with EA Directors to determine allocation to specific services for the rural portion. When an allocation is approved, staff will prepare Financial Plan amendments to incorporate the grant revenue and eligible expenditures into each service's 2021 budget.

CONCLUSION

As part of BC’s Economic Recovery Plan, the Province has made a commitment to assist local governments and their recovery from the impacts of COVID-19. The CRD is receiving a grant of \$1.9 million through the COVID-19 Safe Restart Grant for Local Governments. The grant was received through two allocations — March 2021 and November 2020 — using two different methodologies for each allocation. The allocation of the grant to the specific service is at the discretion of the Board within the eligible parameters set by the Province.

RECOMMENDATION

1. That staff allocate the \$575,000 CRD COVID-19 Safe Restart Grants for Local Government in alignment with the Provincial allocation formulae to Regional Services and Local Area Services as summarized in Appendix E;
2. That the Regional Services allocation be distributed to the Regional Corporate Emergency Service Budget;
3. That the Local Area Services allocation be apportioned to the respective Electoral Areas where staff will engage Electoral Area Directors to determine allocation to specific services.

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ATTACHMENT(S)

- Appendix A: Ministry of Municipal Affairs and Housing Allocation Letter for Safe Restart Funding
- Appendix B: Safe Restart Grant Eligible Expenses
- Appendix C: Provincial Grant Calculation for November 2020
- Appendix D: Provincial Grant Calculation of the \$10 million Holdback
- Appendix E: CRD Safe Restart Summary of Grant Funding Allocation
- Appendix F: Demographics, Population Estimates, July 1 Capital Region