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**REPORT TO GOVERNANCE COMMITTEE
MEETING OF WEDNESDAY, OCTOBER 06, 2021**

SUBJECT **Capital Regional District Board Policy on Regional Grants-in-Aid**

ISSUE SUMMARY

To provide an overview and history of the Regional Grants-In-Aid Board Policy.

BACKGROUND

As directed at the February 3, 2021, Governance Committee meeting, this report provides an overview of the legislation, policy and history of regional grants-in-aid (GIA).

The Capital Regional District (CRD) receives funding requests from various organizations for initiatives, programs, and/or capital purchases.

- Under the *Local Government Act* Section 263 (1) (c) the CRD has authority to provide regional GIA to organizations in the form of grants, benefit, or advantage, and under Section 380 (g) costs may be apportioned either by way of all electoral areas and municipalities or only those electoral areas or municipalities benefitting from the service.
- Under the Supplementary Letters Patent (SLP), dated March 24, 1977, and amended 17 April 1985, the CRD also has authority to deliver GIA to organizations within the Electoral Areas (EA).
- Under Section 273, as a limitation on section 263 (1) (c) a board must not provide assistance to an industrial, commercial or business undertaking.

A Board policy approved on February 23, 1994, is currently still in place. The policy states that “the Board establish a no grants policy regarding regional grant-in-aid, other than those regional grants-in-aid from a single jurisdiction”. Appendix A includes an excerpt of the February 1994 minutes, providing context to the Board decision at the time. This policy allows for requisition of regional GIA only when it is to be collected from a single jurisdiction.

Appendix B provides a summary of the regional GIA requests received by the CRD over the years. The two cases where an exception to the policy was made since 1994 are as follows:

1. November 14, 2012: Island Corridor Foundation (ICF) Funding Request, for \$1.2 million. The CRD raised the funds in 2013, 2014, and 2015 through tax requisition, and the funding has not yet been distributed.
2. May 26, 2016: Support to the Fort McMurray Region in the Wake of Northern Alberta Wildfires, for \$2,500.

The current Regional Grants-In-Aid Board Policy aligns current legislation and has not been revised since 1994.

ALTERNATIVES

Alternative 1

The Governance Committee recommends to the Capital Regional District Board:
That the Capital Regional District Board Policy on Regional Grants-in-Aid report be received for information.

Alternative 2

The Governance Committee recommends to the Capital Regional District Board:
That staff be directed to amend the Regional Grants-in-Aid Board Policy.

IMPLICATIONS

Service Delivery Implications

Alternative 1

While the Board has the service authority to provide GIA to regionally significant projects and has made exceptions, the CRD has an established no regional GIA policy and practice since 1994. The current policy allows for regional GIA requests to be funded by a single municipality or EA. The Board has the authority by way of policy to keep and maintain the existing practice without changes.

Alternative 2a

As many municipalities provide GIA funding programs at the municipal level, regional GIA requests only benefiting the single jurisdiction are more likely to be considered by the municipality. The Board policy could be amended to exclude all grants-in-aid by removing “regional grants-in-aid collected from a single jurisdiction”, aligning the Board Policy “no grants-in-aid” to include those from a single jurisdiction.

Alternative 2b

The Board has the service authority to provide GIA regionally or within electoral areas and municipalities benefitting from the service. The policy could be rescinded or amended to allow for grants, in which case requests for regional and specified area grants-in-aid would be considered and approved on a case-by-case basis.

Financial Implications

The CRD has authority to provide regional GIA to external organizations. The LGA (s. 374(9)) sets the annual requisition limit of \$0.10 per \$1,000 on the net taxable value of land and improvements in the regional district. Based on 2021 assessment value, the maximum requisition is \$13 million. Requisition is cost apportioned on the basis of the converted value of land and improvements per LGA (s. 380 (2)) across all regional participants or only those EA's and municipalities benefitting from the service.

CONCLUSION

The CRD has service authority under the LGA to provide funding to regional GIA projects. Historically, the CRD has maintained a no regional GIA policy, except in exceptional circumstances or in a single jurisdiction.

RECOMMENDATION

The Governance Committee recommends to the Capital Regional District Board:
That the Capital Regional District Board Policy on Regional Grants-in-Aid report be received for information.

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ATTACHMENT(S)

- Appendix A: CRD Board Minutes from February 23, 1994
- Appendix B: History of Past Regional GIA Requests