



**CANADIAN ASSOCIATION OF
MUNICIPAL ADMINISTRATORS**

**REPORT ON PROPOSED FEDERAL FUNDING PROGRAMS
FOR MUNICIPAL INFRASTRUCTURE**

MARCH 2016

EXECUTIVE SUMMARY

This report was prepared by the Canadian Association of Municipal Administrators (CAMA) in order to provide input for the Federal Government on funding programs for Canadian municipalities. The report is based on research, as well as on feedback from CAMA members.

CAMA members would like to see Federal funding programs that:

- are easy to understand, have clear criteria about what will be funded (and to what extent), and have a streamlined application process.
- are predictable to allow for long term planning.
- are not overly onerous in terms of reporting.
- include all relevant costs, allow “stacking” of various funding programs, and are flexible in terms of cash flows, advance funding for some projects, funding for multi-year projects, and that contemplate increased funding for incremental costs when a project changes.
- focus on municipal infrastructure.
- have a consistent criteria for the provinces and the Federal Government.
- include all municipal infrastructure assets.
- allow for input by municipalities in program development and design.

INTRODUCTION

This is a report prepared for the Canadian Association of Municipal Administrators (CAMA) in March 2016 relative to Government of Canada Funding Programs for Infrastructure. CAMA had previously produced a Position Paper, dated September 1, 2012 on this issue, outlining its priorities from an administrative perspective.

CAMA has been supportive of the work done by the Federation of Canadian Municipalities (FCM) relative to infrastructure funding. While FCM’s role has been to respond to the policy issues, CAMA has seen its role as providing input relative to the administrative (“on the ground”) aspects of the funding programs.

The new Federal Government has indicated, through various communications, that the input received from FCM and CAMA has been heard. This input seems to be represented in the new, rejuvenated infrastructure investment program, which is one of

the key policy initiatives of the new government. CAMA would like to continue to dialogue with the Federal Government as details for funding programs are established. Research for this report included a review of:

- The September 1, 2012 CAMA Position Paper.
- The first Throne Speech from the new Government.
- The FCM document “Cities and Communities: Partners in Canada’s Future (The First 100 days of Government)”.
- The Mandate Letter from the Prime Minister to the Minister of Infrastructure and Communities.
- A Public Sector Digest article (December 2015 issue) outlining the Government’s position on Infrastructure.
- A Public Sector Digest article (Winter 2015 issue), where the new Minister of Infrastructure and Communities outlines “A New Canadian Infrastructure Plan”.
- The Liberal Party Platform for the 2015 Federal Election.
- A survey of CAMA members in January 2016 for feedback.
- Discussions with a representative at FCM.
- Discussions with representatives of Infrastructure Canada.

Based on the research and feedback from CAMA membership, a summary has been prepared of what would constitute, from a CAMA perspective, a good Federal Funding Program for Infrastructure. This summary is presented below under “Summary of Priorities for a Federal Funding Program for Infrastructure”. Again, the focus for the CAMA input is on the implementation and administration of funding programs, recognizing that FCM is taking the lead on the policy issues.

RESEARCH

September 1, 2012 CAMA Position Paper

The following were put forward by CAMA in the September 1, 2012 Position Paper as priorities (from an administrative perspective) that should be considered when formulating the 2014 Municipal Infrastructure Program:

- Predictable funding.
- Simple application and reporting process.
- Single point of contact.
- Stackable with other grants.

- Flexible financial arrangements (ex. grants paid in advance, if necessary).
- Comprehensive funding.
- Realistic project deadlines.
- Review process (a streamlined review process).
- Program design (i.e. that the Government would receive input from FCM and CAMA on project design).

These priorities are still applicable as the new government is about to roll out the Government of Canada's new infrastructure program in 2016. The objective of this report is to determine if there are additional issues, based on experience with previous funding programs, which could be recommended to the Federal Government as new programs are designed.

FCM Document: "Cities and Communities: Partners in Canada's Future (The First 100 Days of Government)"

The FCM document was quite comprehensive and made suggestions on "The Municipal Role" and "The Federal Opportunity" with respect to various strategic issues.

One of the key themes suggested by FCM (as well as by CAMA) is that funding for municipal projects should be predictable. The Gas Tax Funding is usually held up as an ideal funding program because the funding is predictable in the long term and is indexed to inflation.

FCM also highlights the importance of streamlining the approval process for municipal projects. As well, FCM articulates the need to remove the existing restriction on "stacking" multiple sources of Federal funding for municipal infrastructure projects. FCM proposes that the Federal Government partner with municipalities on planning and implementing new Federal Government programs. In fact, a common theme in FCM's document is the need to engage municipalities early and often.

A complete review of the FCM document is provided in **Appendix I**.

Throne Speech

The December 4, 2015 Throne Speech ("Making Real Change Happen") was, as might be expected, short on details but it did articulate clearly the Government's intention relative to infrastructure.



One of the key themes of the Throne Speech was that the Government appears to be going to considerable effort to differentiate itself from the previous government. That is, there will be change in the funding programs. Given that the programs will change, this is a good opportunity for CAMA to provide additional input on what that change should be.

Another interesting point in the Throne Speech is the tie between infrastructure spending and economic growth, job creation, and economic prosperity. Clearly, the government sees infrastructure spending as being important, not just for the condition of infrastructure, but for the health of the Canadian economy.

A complete review of the Throne Speech (relative to infrastructure spending) is provided in **Appendix I**.

Minister of Infrastructure and Communities Mandate Letter

The Prime Minister provides a mandate letter for each Cabinet Minister outlining the expectations that he has of them in their ministerial roles. The mandate letter for the Minister of Infrastructure and communities elaborates on the change mandate noted in the Throne Speech.

The mandate letter mentions performance measurement and effectiveness throughout. This could be a signal of municipal programs that are streamlined, effective, and not cumbersome to apply. The mandate letter also talks about the importance of collaboration with municipalities. This will probably mean increased opportunities for municipalities and CAMA to provide input to Federal Government staff.

It would appear, from the mandate letter, that there is alignment between the stated positions of the Government, FCM, and CAMA. This all suggests that there is an opportunity to produce change in the infrastructure funding programs that would make the programs more meaningful and easy to administer for Canadian municipalities.

A complete review of the Minister's Mandate Letter is provided in **Appendix I**.

Public Sector Digest, January 2016 (Winter 2015 edition) – A New Canadian Infrastructure Plan

In this Public Sector Digest Article, Minister Amarjeet Sohi outlines the Government's new infrastructure plan. The article outlines a dramatic increase in infrastructure

investment, much of it at the municipal level. The Minister articulates the need to partner with other levels of government, which again reinforces the opportunity for municipalities to provide input.

A complete review of the Public Sector Digest Article is provided in **Appendix I**.

Liberal Party of Canada Platform

The Liberal Party's Platform for the 2015 election basically outlined the philosophy that is now being stated by the Government. Key elements included a significant investment for social infrastructure over the next decade. The platform identified the creation of the "Canadian Infrastructure Bank" as a means to provide low-cost financing for new infrastructure projects, the need for more funding for public transit, an investment in "Greener Communities" (water and wastewater, clean energy, climate resilient infrastructure, etc.), and a restructuring of the Building Canada Fund.

The Liberal platform also identified the idea of using uncommitted Federal infrastructure funds to top-up the Gas Tax Fund.

A complete review of the Liberal Party Platform, as it relates to municipal infrastructure, is provided in **Appendix I**.

Feedback from CAMA Members

CAMA members were asked to respond to the priorities identified in a preliminary research of the funding issue. Respondents were asked to indicate whether they agreed with the priorities raised (i.e. on what would constitute a good Federal Funding Program) and to provide comments or additional issues. Thirty (30) detailed responses were received. There were responses from all across Canada and communities from very small to large were represented in the responses.

The priorities identified in the preliminary research were adjusted based on the feedback from CAMA members. Those responding did not unanimously agree on all the priorities, as might be expected, but there was a strong consensus on all of the priorities. Highlights of the feedback from CAMA members are shown in **Appendix I**.

SUMMARY OF PRIORITIES FOR A FEDERAL FUNDING PROGRAM FOR INFRASTRUCTURE

Based on the research, including the feedback from CAMA members, the following are presented as a summary of priorities for a Federal Funding Program for Municipal Infrastructure.

1. Clear Names for Programs. The Federal Government, at any time, may have a variety of infrastructure funding programs that affect municipalities. In the past, there has been the Provincial-Territorial Infrastructure Fund, the Gas Tax Fund, the Building Canada Fund – Communities Component, the Building Canada Fund – Major Infrastructure Component, the Green Infrastructure Fund, the Canada Strategic Infrastructure Fund, the Municipal Rural Infrastructure Fund, the Border Infrastructure Fund, the Infrastructure Stimulus Fund, etc. Which fund is intended for a particular municipal priority? It should be easily understandable which fund is applicable and the Federal Government should ensure the overall funding program for municipalities is understandable.
2. Clear Criteria. When applying for Federal funding, municipal staff should have a clear understanding of the criteria and a clear understanding of when decisions about funding will be made. Criteria should not be open to interpretation and should not require constant checks to determine if a particular project meets the criteria. Also, it should be clear whether the traditional 1/3, 1/3, 1/3 funding model applies or whether a greater Federal share might be applicable in some cases.
3. Clear definition of municipal infrastructure. Spending on municipal infrastructure has sometimes been insufficient because it is difficult for core infrastructure to compete with other programs that have a wider appeal for the public. Care must be taken not to identify non-infrastructure expenditures as infrastructure expenditures.
4. Predictable. Municipal staff usually uses the current Gas Tax funding as an example of funding that is predictable. Municipalities should be preparing long term asset management plans for their infrastructure and, to do so, funding must be predictable.

5. Ease of application and reporting. The purpose of the application should be to determine whether the criteria of the funding program have been met. This should not require application forms that are complicated, open to interpretation, or that require more detail than is necessary. Similarly, an effort should be made to make reporting on completed projects easier and more streamlined.
6. Includes all costs. Large infrastructure projects can often have significant costs related to pre-engineering or land. These costs, including those incurred prior to application, should be considered part of the overall cost in terms of Federal funding.
7. Stacking. In order to afford some infrastructure projects, a municipality must “stack” funding from one Federal program with funding from another. There should not be a restriction on stacking (recognizing that there may be logistic issues with this).
8. Cash flow. Infrastructure projects can be very expensive. It is necessary that cash flows for projects be established in advance of major expenditures and that cash then flows predictably according to these schedules. Further, expecting a municipality to “up front” the cost of projects may be a significant burden for some municipalities.
9. Advance funding. Some projects are extremely expensive and require considerable expenditures before the actual construction even begins. Federal funding should recognize that cash flows may need to start at the pre-planning stage.
10. Long term funding for a particular project. Again, some projects may be very expensive and may be completed over the course of several years. Municipalities must know that they have a commitment for the entire project before starting the first component of the project.
11. Flexibility. Projects may change from the time they are first identified to when they are actually constructed. A funding program should allow some flexibility so that the municipality is not expected to cover all of the incremental costs when a project changes.

12. Absence of additional criteria from the provinces. If a municipal project meets the criteria established for Federal funding, it should not be subject to additional criteria by a provincial government (or perhaps the criteria from the Federal Government and the provinces should be consistent). This can lead to political interference that could result in a project that is not in line with a municipality's priorities.
13. Does not require replication of existing checks and balances. Municipalities have existing financial systems to ensure that expenditures are in line with accounting best practice. Also, municipalities are subject to rigorous third party audits of their financial practices. The Federal programs should rely on these exiting systems, without requiring municipalities to duplicate these efforts in accounting for the funding received. Ad hoc audits by the Federal funders may be more appropriate.
14. Focus on municipal mandates. Federal funding programs must be careful not to blur the lines between the mandate of municipalities and the mandate of the provinces. If the objective is to help municipalities address their infrastructure needs, the municipality must not be enticed in to funding provincial priorities.
15. Includes all municipal infrastructure assets. A municipality should be making decisions on which assets are to be replaced based on such factors as age, condition, and risk. Federal programs should not be too restrictive on what types of assets are eligible for funding.
16. Direct involvement by municipalities in program development and design. Infrastructure funding programs have existed for many years and are seen as necessary to address the municipal infrastructure deficits. Municipalities should be asked (through discussions with FCM and CAMA) how the programs could better address the needs, both from policy administrative perspectives.



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APPENDIX I

RESEARCH COMPONENT

Scope of review:

- a. Primary areas of focus
- b. Areas of programmatic change
- c. Suggestions for improvement in the way that the new or revised federal programs will be delivered to ease the administrative burden for local governments.
- d. Suggestions for the retention of good practices in the way that current federal government programs are delivered that are deemed easy to administer by local governments.
- e. Any other suggestions for senior federal staff that will guide the design of federal programs being delivered to local governments.

Elements to be covered:

- FCM - Cities and Communities: Partners in Canada's Future the First 100 Days of Government
- Stated government positions, including:
 - Throne speech;
 - Liberal party platform; and
 - Other policy documents, e.g., Minister of Infrastructure Mandate Letter, A New Canadian Infrastructure Plan.

1. FCM - Cities and Communities: Partners in Canada's Future the First 100 Days of Government

Housing Affordability and Social Housing

- The municipal role
 - Ontario is the only province with direct municipal responsibility, but across the country municipalities are playing an increased role (leasing municipal lands, grants, supporting not-for-profits, etc.).
 - A coordinated government approach to livable communities is key.
- The federal opportunity
 - Work with FCM to develop a National Housing Strategy.
 - Create a dedicated affordable housing carve-out within the proposed Social Infrastructure Fund.
 - Stimulate market and affordable rental construction.
 - Partner with municipalities to ensure that the proposed inventory of federal lands and buildings for repurposing as affordable housing meets the needs and strategic plans of those communities.
 - Partner with municipalities to ensure the unique needs and challenges of northern development are taken into consideration, particularly in communities affected by resource development.
 - Expand newcomer services in urban and rural regions across Canada.

Infrastructure

- The municipal role
 - Municipalities have traditionally funded the largest share of core public infrastructure, and require long-term, predictable, and dedicated mechanisms to shoulder this burden, e.g. indexed gas tax.
- The federal opportunity
 - Create new Gas Tax Fund-style agreements for transit, social, and green infrastructure
 - Reform the New Building Canada Fund, improving transparency and making clear commitments to the level of funding available for local projects while increasing the cost-sharing limit for P3 projects and applying federal contributions towards the full capital cost of infrastructure projects including initial design, legal and land acquisition costs.
 - Create a Canada Infrastructure Bank.
 - Transfer uncommitted funding at the end of each fiscal year through a temporary top-up of the Gas Tax Fund.
 - Streamline approval processes between municipalities and other levels of government.
 - Remove the existing restriction on stacking multiple sources of federal funding for municipal infrastructure projects.

Public Transit

- The municipal role
 - Cities own, operate, and maintain most public transit, and have traditionally funded the majority of capital and operational costs.
 - A strong federal-municipal partnership is crucial to expanding and reinvesting in transit services to address congestion and rapid population growth, and improve mobility in communities of all sizes.
- The federal opportunity
 - Build a long-term funding plan for public transit in municipalities.
 - Ensure long-term predictability of funding.
 - Apply federal contributions to cover the full capital cost of projects, i.e., design, legal and land acquisition, financing costs in P3s, etc.
 - Sign preliminary contribution agreements to promote expedited work on design.
 - Provide flexibility in the level of private sector involvement.
 - Streamline approval processes between municipalities and other levels of government.
 - Remove the existing restriction on stacking multiple sources of federal funding for municipal infrastructure projects.

Clean Water

- The municipal role
 - Municipalities own, operate, and maintain most of the 3,500 wastewater treatment systems in Canada.
- The federal opportunity
 - Work with Canada's municipalities to develop an achievable funding plan to upgrade wastewater treatment infrastructure to meet federal regulations, and created a carve-out for one-third of the federal share of upgrades.
 - Make clear budgetary commitments to target upgrades on high-risk facilities.
 - Provide timely information regarding compliance and enforcement as municipalities work to make the necessary upgrades within the deadlines established under the new regulations.
 - Work with FCM to develop a plan to provide assistance to rural residents for critical upgrades to defective septic systems in rural areas.

Climate Change and Resiliency

- The municipal role
 - Municipal governments are taking the lead to implement mitigation and adaptation strategies.
 - Canadian cities and communities influence about 50% of our national GHG emissions and are driving Canada's most systemic low-carbon practices, e.g., high-efficiency buildings, retrofits, district heating, active transit infrastructure, etc.
 - Leveraging FCM's Green Municipal Fund.
 - Creating and implementing plans to assess climate change risk.

- The federal opportunity
 - Partner with FCM on the design of the proposed Green Infrastructure Fund to ensure it meets the shared goal of delivering clean water and wastewater, building climate-resilient infrastructure and supplying clean energy in our cities and communities.
 - Work to develop actions plans for weather-related emergencies.
 - Target proposed green financing instruments towards local priorities.
 - Engage local governments on expanding federal national disaster mitigation strategies.
 - Launch a review of changes to the Disaster Financial Assistance Arrangements to prevent an unfair burden being placed on municipal resources during the recovery from extreme weather events.

Public Safety and Emergency Preparedness

- The municipal role
 - The elimination of federal emergency preparedness programs has left many Canadian municipalities vulnerable, and weakened communication channels between orders of government.
 - A comprehensive approach to policing and emergency management involving all orders of government will allow Canadians to benefit from the best possible level of service, while reducing pressures on municipal budgets.
 - Investing in early intervention policing and proven crime prevention approaches leads to safer cities and communities, and better outcomes.
- The federal opportunity
 - Engage local and provincial-territorial governments in implementing new public safety programs.
 - Reinvest in local emergency preparedness, starting with Heavy Urban Search and Rescue teams and enhanced search and rescue capacity.
 - Work with municipalities to begin developing a plan to adequately invest in local policing.
 - Increase cooperation and collaboration between all orders of government on early intervention and mental health services.
 - Consider the perspective and needs of all regions in the design, governance and implementation of Canada's new Public Safety Broadband Network.
 - Engage local governments on expanding federal national disaster mitigation strategies.
 - Launch a review of changes to the Disaster Financial Assistance Arrangements to prevent an unfair burden being placed on municipal resources during the recovery from disasters.

Key Themes for Federal Government

- The need for predictable funding involving federal contributions to municipal projects.
- Streamline approval processes between municipalities and other levels of government.
- Remove the existing restriction on stacking multiple sources of federal funding for municipal infrastructure projects.
- Develop and execute national plans where federal guidance and coordination is required.
- Engage municipalities early and often.

2. Government of Canada Policy Positions

2.1 Government of Canada Throne Speech – December 4th, 2015 – “Making Real Change Happen”

- “First and foremost, the Government believes that all Canadians should have a real and fair chance to succeed. Central to that success is a strong and growing middle class. The Government will, as an immediate priority, deliver a tax cut for the middle class.”
- “And recognizing that public investment is needed to create and support economic growth, job creation and economic prosperity, the Government will make significant new investments in public transit, green infrastructure, and social infrastructure.”
- “The Government will undertake these and other initiatives while pursuing a fiscal plan that is responsible, transparent and suited to challenging economic times.”
- “Secondly, the government will make efforts to be open and transparent.”
- “Third, the Government will prove to Canadians and to the world that a clean environment and a strong economy go hand in hand. We cannot have one without the other.”
- “To encourage economic growth, the Government will make strategic investments in clean technology, provide more support for companies seeking to export those technologies, and lead by example in their use.”
- Fourth, the government’s programs will reflect the diversity that makes Canada strong. (mentions First Nations, immigration, and refugees.)
- Fifth, the Government is committed to providing greater security and opportunity for Canadians. (mentions military, peacekeeping, crime policy)
- “By focusing on growing our middle class, on delivering open and transparent government, on ensuring a clean environment and a strong economy, on building a stronger Canada, and on providing greater security and opportunity, the Government will make real change happen.”

Key Themes:

- The government of Canada appears to be making considerable efforts to differentiate itself from the previous government. This could be seen as an opportunity to inject the desired characteristics in the programs that affect municipalities.
- This Throne Speech only lays out a very general mandate. The clearest connection to municipal operations come in the third point mentioned, that economic growth and a growing economy can be one in the same.

2.2 Minister of Infrastructure and Communities Mandate Letter

Introduction:

- “I will expect Cabinet committees and individual ministers to: track and report on the progress of our commitments; assess the effectiveness of our work; and align our resources with priorities, in order to get the results we want and Canadians deserve.”
- “As Minister of Infrastructure and Communities, your overarching goal will be to begin to rebuild Canada for the 21st Century. This will require significant new investments in public transit, green infrastructure, and social infrastructure like affordable housing, as well as key strategic infrastructure that will increase trade and economic growth.”
- “I expect you to re-engage our municipal governments as key partners in the development of our plans and to ensure that across our government we collaborate with municipalities on issues that affect them. I also expect you to align our efforts with existing provincial, territorial and municipal priorities, so long as these are in the long-term public interest.”

Policy Statement:

- Develop a 10-year plan to deliver significant new funding to provinces, territories and municipalities. This plan should ensure both immediate increased investments in infrastructure and long-term, predictable funding should support provincial, territorial and municipal priorities, improve access to, and governance of, existing infrastructure programs, increase data collection capacity and promote better asset management of infrastructure in Canada. The plan should focus on:
 - public transit;
 - social infrastructure, including affordable housing, seniors’ facilities, early learning and child care, and cultural and recreational infrastructure;
 - green infrastructure, including investments in local water and wastewater facilities, clean energy, climate resilient infrastructure like flood mitigation systems, and infrastructure to protect against changing weather; and
 - making changes to the Building Canada Fund so that it is more transparent and approval processes are sped up, which would include removing the P3 screen for projects. It should also be more focused on strategic and trade enabling infrastructure priorities, including roads, bridges, transportation corridors, ports, and border gateways.
- This process should result in bilateral agreements with provinces and territories on infrastructure investments. You should also work with the Minister of Finance to ensure any unspent infrastructure funds are automatically transferred to municipalities through a temporary top-up of the Gas Tax Fund.
- Work with the Minister of Families, Children and Social Development to create a housing strategy to re-establish the federal government’s role in supporting affordable housing.
- Work with the Minister of Finance to establish the Canada Infrastructure Bank to provide low-cost financing (including loan guarantees) for new municipal infrastructure projects in our priority investment areas. This new institution will work in partnership with other orders of governments and Canada’s financial community, so that the federal government can use its strong credit rating and lending authority to make it easier – and more

affordable – for municipalities to finance the broad range of infrastructure projects their communities need. This should include preparing for the launch of a new Canadian Green Bond that can enable additional investments when a lack of capital represents a barrier to projects.

- Support the Minister of Public Safety and Emergency Preparedness in a review of existing measures to protect Canadians and our critical infrastructure from cyber-threats.
- Support the Minister of Indigenous and Northern Affairs to improve essential physical infrastructure for Indigenous communities including improving housing outcomes for Indigenous Peoples.
- Work with the Minister of Status of Women and the Minister of Indigenous and Northern Affairs to ensure that no one fleeing domestic violence is left without a place to turn by growing and maintaining Canada’s network of shelters and transition houses.
- Move forward on a toll-free replacement for the Champlain Bridge.

Key Themes:

- Performance measurement and effectiveness are mentioned throughout. Could be a point in favour of municipal programs that are streamlined, effective, and not cumbersome to apply.
- The PM clearly lays out a mandate that requires collaboration with municipalities. It is important that senior municipal staff actively engage their federal counterparts. This is an opportunity for municipalities to assert their positions and shape the nature of their relationship with the GOC for, at least, 4 more years.
- There is a lot of alignment between the stated positions of the GOC, the municipal priorities found in the FCM, and the desirable characteristics of federal programs from the CAMA perspective.

2.3 A New Canadian Infrastructure Plan – Public Sector Digest, January 2016

- Nationwide, municipalities only receive on average about 10 cents of every tax dollar, and have to pay for a wide range of services such as police, fire, recreation, transit, and other infrastructure. Simply put, municipalities have the biggest infrastructure problem to fix and the least amount of money to fix it.
- (The Min. of Infrastructure and Communities) is working collaboratively with provincial, territorial, municipal and association partners to develop a new 10-year plan. This plan will double current federal infrastructure investments across the country for the next two fiscal years, and increase federal investments by an additional \$60 billion over the next ten years.
- (The GOC) will introduce investment programs for environmental infrastructure, such as green energy, water and wastewater facilities, and protecting against the impact of climate change. (The GOC) will also introduce new investment programs for social infrastructure, such as affordable housing, child care facilities and senior's residences.
- (The GOC) will more than triple federal investment in public transit over the next decade, investing almost \$20 billion more in transit infrastructure.
- (The 10-year plan) will bring significant new investments. The plan needs to be done quickly. It needs to be done well. It needs to be done together.

Key Themes:

- The GOC will dramatically increase their investment in infrastructure, much of which will be done through municipalities.
- The GOC recognizes the need to partner with other levels of government in the development of long-term infrastructure plans. This reinforces the opportunity at hand for municipalities to provide input.

2.4 Liberal Party of Canada Platform

Social Infrastructure:

- Renewed federal leadership in housing, starting with a new, ten-year investment in social infrastructure. Over the next decade, we will invest almost \$20 billion more in Canada's social infrastructure.
- Prioritize investments in affordable housing and seniors' facilities, build more new housing units and refurbish old ones, give support to municipalities to maintain rent-geared-to-income subsidies in co-ops, and give communities the money they need for Housing First initiatives that help homeless Canadians find stable housing.
- Removing all GST on new capital investments in affordable rental housing.

Canada Infrastructure Bank:

- We will establish the Canadian Infrastructure Bank to provide low-cost financing for new infrastructure projects.
- The federal government can use its strong credit rating and lending authority to make it easier and more affordable for municipalities to build the projects their communities need.
- Where a lack of capital represents a barrier to projects, the Canada Infrastructure Bank will provide loan guarantees and small capital contributions to provinces and municipalities to ensure that the projects are built.

Public Transit:

- We will get our communities moving again, by giving our provinces, territories, and municipalities the long-term, predictable federal funding they need to make transit plans a reality.

Greener Communities:

- Includes investments in local water and wastewater facilities; clean energy; climate resilient infrastructure, including flood mitigation systems; and infrastructure to protect against changing weather.
- We will boost investment in green infrastructure by nearly \$6 billion over the next four years, and almost \$20 billion over ten years.

New Building Canada Fund:

- We will make the New Building Canada Fund more focused. By providing significant, separate investments in public transit, social infrastructure, and green infrastructure, we will enable the New Building Canada Fund to make greater investments in Canada's roads, bridges, transportation corridors, ports, and border gateways, helping Canada's manufacturers get their goods to market.
- We will also make the fund more transparent, by providing clearer project criteria, along with faster approval processes.

Gas Tax Fund Top-Up

- Near the end of the fiscal year, we will automatically transfer any uncommitted federal infrastructure funds to municipalities, through a temporary top-up of the Gas Tax Fund. This will ensure that no committed infrastructure money is allowed to lapse, but is instead always invested in our communities.

Proposed new investments as shown in Liberal Platform (in millions of dollars):

Investment	2016-2017	2017-2018	2018-2019	2019-2020	Total
Public Transit Infrastructure	1,675	1,675	1,150	1,150	5,650
Social Infrastructure	1,675	1,675	1,150	1,150	5,650
Green Infrastructure	1,675	1,675	1,150	1,150	5,650
Total:	5,025	5,025	3,450	3,450	16,950

3. Feedback from CAMA Membership

The following points are highlights of the feedback received from CAMA members in January, 2016:

- There would appear to be a strong consensus from CAMA members about what constitutes a good Federal funding program for infrastructure. The responders highlighted frustrations associated with previous funding programs.
- Smaller municipalities may not yet have a complete asset management plan so it would be a concern for them if asset management were to be a condition of funding at this time. There is, however, recognition that asset management plans are important.
- Removing stacking restrictions seems to be particularly important for smaller municipalities.
- There is a consensus that the programs should be easier to understand and that the criteria for application should be clearer. A suggestion was made to get away from acronyms.
- There is not complete agreement on what should be funded by Federal programs. Does "core" just mean infrastructure like water & sewer and roads, or should it also cover recreation and other infrastructure?
- There is complete agreement that funding should be predictable and that completing the applications should be easy.
- There is not complete agreement about whether there should be advance funding (i.e. cash flows to cover costs before actual construction). A concern was noted that this may tie up too much of the funding for larger municipalities.
- There was a suggestion that there be clearly marked separate "streams" for provinces and municipalities so that provinces do not dictate to municipalities on priorities.
- There was a comment that timelines for project confirmation is sometimes vague.
- A suggestion was made that there be better communication with Federal staff about application receipt and confirmation.
- A suggestion was made for a centralized grants funding "portal" to access information on funding programs.
- There is often a "hurry up and wait" between the application and approval.
- There was a suggestion of more flexibility in project selection for municipalities that already have asset management plans.



- A suggestion was made to replace the detailed claims with after the fact audits/reporting.
- A suggestion was made to maximize the use of technology to improve ease of costing compliance.
- A suggestion was made to allow project cost increases for inflation for long term projects.
- CAMA members believe there should be a direct involvement from municipalities in the design and delivery of infrastructure programs.
- A frustration was noted of submitting applications for the same project multiple times (in some cases with new forms or new criteria).