



## City of Port Moody

### Report/Recommendation to Council

Date: March 28, 2023  
Submitted by: Finance and Technology Department – Financial Services Division  
Subject: Growing Communities Reserve Fund Bylaw

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#### Purpose

To introduce a Growing Communities Reserve Fund Bylaw.

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#### Recommended Resolution(s)

**THAT City of Port Moody Growing Communities Reserve Fund Bylaw, 2023, No. 3397 be given three readings as recommended in the report dated March 28, 2023, from the Finance and Technology Department – Financial Services Division regarding Growing Communities Reserve Fund Bylaw.**

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#### Background

On February 10, 2023, the BC Government announced the BC Growing Communities Fund (GCF) providing \$1 billion in one-time direct grants to all 188 of BC municipalities and regional districts, to help communities prepare for future growth and address unique infrastructure and amenities demands.

#### Discussion

City of Port Moody received a direction letter on March 16, 2023, from the Ministry (**Attachment 1**), advising that the City is the recipient of a \$6,734,000 grant under the GCF.

As a condition of this funding, the grant must be placed in a segregated reserve fund established by Bylaw under Section 188 of the *Community Charter*.

The funding received through the GCF should be limited to one-off costs for planned capital projects to accelerate the delivery of those projects and provide needed community infrastructure and amenities. In addition, the Province recommends highlighting projects that align with provincial priorities such as CleanBC, Environmental, Social and Governance (ESG), and childcare. Eligible cost are as follows:

- Public drinking water supply, treatment facilities, and water distribution;
- Local portion of affordable/attainable housing developments;
- Childcare facilities;

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- Municipal or regional capital projects that service, directly or indirectly, neighbouring First Nation communities;
- Wastewater conveyance and treatment facilities;
- Storm water management;
- Solid waste management infrastructure;
- Public safety/emergency management equipment and facilities not funded by senior levels of government;
- Local road improvements and upgrades;
- Sidewalk, curbing, and lighting;
- Active transportation amenities not funded by senior levels of government;
- Improvements that facilitate transit services;
- Natural hazard mitigation;
- Park additions/maintenance/upgrades, including washrooms/meeting space and other amenities;
- Recreation related amenities.

Further to the capital costs noted above, one-off operating costs can include: costs of feasibility studies (including infrastructure capacity assessment); other early-stage development work; cost of designing, tendering, and acquiring land (where it is wholly required for eligible infrastructure projects); constructing eligible infrastructure projects; and, in limited situations, non-capital administrative cost where these are necessary, for example, adding staff capacity related to development or to establish complementary financing for City owned infrastructure or amenities.

The costs listed above have been included in the draft City of Port Moody Growing Communities Reserve Fund Bylaw, 2023, No. 3397 (**Attachment 2**) as allowable expenditures from the Growing Communities Reserve Fund.

To ensure full transparency, the City is required to provide a schedule to the audited financial statements disclosing the grant amount received, the use of funds, and the year-end balances of unused funds.

Further to the financial reporting requirements, the City is required to provide an annual report that identifies work related to Housing Needs Reports and pre-zoning requirements, if applicable.

The Province anticipates that the funds will be expended within approximately five years of receipt.

## Other Option(s)

No other options are available, as the City has received the GCF grant, and therefore should establish, by bylaw, a reserve fund into which the funds are deposited and expended.

## Financial Implications

As discussed above.

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## Communications and Civic Engagement Initiatives

The Province must be consulted prior to any media events or news releases related to GCF, and the Province contribution to funded projects must be acknowledged through temporary and permanent on-site signage.

## Council Strategic Plan Objectives

Establishing a Growing Communities Reserve Fund promotes financial sustainability and the Council Strategic Plan Objective of Sustainable Core Services.

## Attachment(s)

1. Growing Communities Fund direction letter from the Province.
2. Draft City of Port Moody Growing Communities Reserve Fund Bylaw, 2023, No. 3397.

## Report Author

Lorena Miat

Manager of Financial Reporting

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## Report Approval Details

Document Title:	Growing Communities Reserve Fund Bylaw.docx
Attachments:	<ul style="list-style-type: none"><li>- Attachment 1 - Growing Communities Fund Direction Letter from the Province.pdf</li><li>- Attachment 2 - City of Port Moody Growing Communities Reserve Fund Bylaw, 2023, No. 3397.pdf</li></ul>
Final Approval Date:	Apr 4, 2023

This report and all of its attachments were approved and signed as outlined below:

Paul Rockwood, General Manager of Finance and Technology - Mar 30, 2023 - 9:03 AM

Stephanie Lam, City Clerk and Manager of Legislative Services - Mar 30, 2023 - 10:01 AM

Lindsay Todd, Manager of Communications and Engagement - Mar 30, 2023 - 10:49 AM

Tim Savoie, City Manager - Apr 4, 2023 - 8:49 AM

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March 16, 2023

Ref: 271994

Their Worship Mayor Meghan Lahti  
City of Port Moody  
100 Newport Dr  
Port Moody BC V3H 5C3

Dear Mayor Lahti:

The population of B.C. has increased consistently over the past decade and is projected to keep growing in the next 10 years. The provincial government understands the need to facilitate greater housing supply for our growing population. The province will support local governments in addressing the multiple funding and financing constraints to aid in the construction of infrastructure and amenities for all B.C. communities. Local governments' investment in core community infrastructure and amenities increases the amount of land that is ready to be developed to a higher density.

The Government of B.C. has invested considerable resources in infrastructure and amenities in the past 10 years and has strategically leveraged federal funding to that effect. More than \$1.6 billion in federal and provincial funding have been invested in our communities since 2018 through the Investing in Canada Infrastructure Program. However, as there is still more to be done for infrastructure and amenities, the provincial government is pleased to provide the Growing Communities Fund (GCF) for local governments province-wide.

As a one-time grant, the GCF will provide up to \$1 billion through direct grants to local governments to support all B.C. communities, with a focus on those communities that need to increase the pace and scale of housing supply. The principal objective of the GCF is to increase the local housing supply with investments in community infrastructure and amenities. Municipalities are encouraged to work closely with adjacent local First Nations, in recognition of the *Declaration on the Rights of Indigenous Peoples Act*, as this collaboration strengthens our communities and regions.

The funding provided through the GCF should be limited to one-off costs needed to build required infrastructure and amenities rather than funding ongoing or operational activities. These funds are to be incremental to currently planned investments and should accelerate the delivery of capital projects. Eligible costs are as follows:

- Public drinking water supply, treatment facilities and water distribution;
- Local portion of affordable/attainable housing developments;

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- Childcare facilities;
- Municipal or regional capital projects that service, directly or indirectly, neighbouring First Nation communities;
- Wastewater conveyance and treatment facilities;
- Storm water management;
- Solid waste management infrastructure;
- Public safety/emergency management equipment and facilities not funded by senior level government;
- Local road improvements and upgrades;
- Sidewalks, curbing and lighting;
- Active transportation amenities not funded by senior level government;
- Improvements that facilitate transit service;
- Natural hazard mitigation;
- Park additions/maintenance/upgrades including washrooms/meeting space and other amenities; and
- Recreation-related amenities.

Further to the above-noted capital costs, one-off costs can include:

- Costs of feasibility studies (including infrastructure capacity assessment); other early-stage development work; costs of designing, tendering and acquiring land (where it is wholly required for eligible infrastructure projects); constructing eligible infrastructure projects; and, in limited situations, non-capital administrative costs where these are necessary, for example adding staff capacity related to development or to establish complementary financing for local government owned infrastructure or amenities.

I am pleased to advise you that the City of Port Moody is the recipient of a \$6,734,000 grant under the Growing Communities Fund. This amount will be directly transferred to your local government by March 31, 2023.

Under part 7 of the Local Government Grants Regulations, the amount of the grant to each local government is set by the Minister of Municipal Affairs. The determination of this amount was based on a formula that applies to all municipalities.

This formula is based on three components: a flat funding amount, an “adjusted population” amount and a “population growth” amount. The flat amount is \$500,000. The “adjusted population” amount is \$365 per adjusted population. The population adjustment ensures smaller municipalities get a higher per capita share of funding despite larger municipalities receiving more funding in absolute dollars. The “population growth” amount is \$1,000 per capita population growth between 2016 and 2021.

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As a condition of this funding, the grant must be placed in a segregated reserve fund established by bylaw under section 188 of the *Community Charter* for the Capital and Planning purposes of the GCF. This fund must be separate from other existing reserve funds. To ensure full transparency regarding the use of funds, your local government will be required to annually report on how it spends this grant. This will be part of the annual financial reporting required under section 167 of the *Community Charter*. Your local government will provide a schedule to the audited financial statements respecting the amount of funding received, the use of those funds and the year-end balance of unused funds. Your local government must continue to annually report on the use of grant money until the funds are fully drawn down.

Further to the financial reporting, an annual report that identifies work-related Housing Needs Reports and pre-zoning requirements, as applicable, is required. The province also encourages highlighting projects that align with provincial priorities such as CleanBC and childcare; as well as those that align with the province's Environmental, Social and Governance framework for capital projects.

Finally, requirements will include parameters for public recognition of the funding related to projects. The province must be consulted prior to any proactive media events or news releases related to the project. Funded projects must also acknowledge the province's contribution through temporary and permanent on-site signage. The provincial government anticipates that the funds will be expended within approximately five years of receipt.

If you have any questions or comments regarding this letter, please feel free to contact the Local Government Infrastructure and Finance Branch by email at: [LGIF@gov.bc.ca](mailto:LGIF@gov.bc.ca). Further information on the program will be available on the following webpage: <https://www2.gov.bc.ca/gov/content/governments/local-governments/grants-transfers/grants/bc-s-growing-communities-fund>.

The province welcomes this opportunity to support the growth of the supply of housing throughout British Columbia. We believe that this funding will contribute to the capacity of B.C. local governments to provide critical services as our province and economy grows.

Sincerely,



Anne Kang  
Minister

pc: Tim Savoie, City Manager, City of Port Moody  
Paul Rockwood, General Manager of Finance & Technology, City of Port Moody

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## Attachment with Example Calculation for a Municipality with 15,000 People

Population Range	From	To	Adjustment Factor
1. Very Small	0	2,000	100%
2. Small	2,001	5,000	80%
3. Small-Med	5,001	10,000	60%
4. Medium	10,001	20,000	40%
5. Large-Med	20,001	40,000	20%
6. Large	40,001	150,000	10%
7. Very Large	150,001	900,000	5%

To illustrate, for a city of 15,000 people, the adjusted population is:

- For this first 2,000 residents, adjustment of 100% =  $2,000 \times 100\% = 2,000$
- For the next 3,000 (up to 5,000), adjustment of 80% =  $3,000 \times 80\% = 2,400$
- For the next 5,000 (up to 10,000), adjustment of 60% =  $5,000 \times 60\% = 3,000$
- For the last 5,000 (up to 15,000), adjustment of 40% =  $5,000 \times 40\% = 2,000$

Thus, the city of 15,000 people has an adjusted population of 9,400 ( $=2,000 + 2,400 + 3,000 + 2,000$ ).

If the city grew by 4,500 people between 2016-2021, the total grant amount is calculated as follows:

Component	Calculation	Result
Flat Funding	\$500,000	\$500,000
Adjusted Population	$= 9,400 \times \$365$	\$3,431,000
Population Growth	$= 4,500 \times \$1,000$	\$4,500,000
Total Grant		\$8,431,000



# City of Port Moody

## Bylaw No. 3397

A Bylaw to establish a Growing Communities Reserve Fund.

The Council of the City of Port Moody enacts as follows:

### 1. Citation

- 1.1 This Bylaw may be cited as “City of Port Moody Growing Communities Reserve Fund Bylaw, 2023, No. 3397”.

### 2. Definitions

- 2.1 In this Bylaw, “**the Fund**” means Growing Communities Reserve Fund.

### 3. Establishment of Fund

- 3.1 Section 188 of the *Community Charter* provides that the City may establish a reserve fund for a specified purpose and direct that money to be placed to the credit of the reserve fund.

### 4. Payment from Fund

- 4.1 The grant received by the City from the Government of BC under the Growing Communities Fund, in the amount of \$6,734,000, shall be deposited to the credit of **the Fund**.
- 4.2 Interest earned on the average annual balance of **the Fund** shall be allocated annually to **the Fund**.
- 4.3 With the approval of City Council, the Chief Financial Officer may expend any money, including accrued interest in **the Fund**, for one-off capital costs incurred to build required infrastructure and amenities. Eligible cost are as follows:
  - Public drinking water supply, treatment facilities, and water distribution;
  - Local portion of affordable/attainable housing developments;
  - Childcare facilities;
  - Municipal or regional capital projects that service, directly or indirectly, neighbouring First Nation communities;
  - Wastewater conveyance and treatment facilities;
  - Storm water management;

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- Solid waste management infrastructure;
- Public safety/emergency management equipment and facilities not funded by senior levels of government;
- Local road improvements and upgrades;
- Sidewalks, curbing, and lighting;
- Active transportation amenities not funded by senior levels of government;
- Improvements that facilitate transit service;
- Natural hazard mitigation;
- Park additions/maintenance/upgrades, including washrooms/meeting space and other amenities;
- Recreation related amenities; and
- Further to the above-noted capital costs, one-off costs can include: costs of feasibility studies (including infrastructure capacity assessment); other early-stage development work; costs of designing, tendering, and acquiring land (where it is wholly required for eligible infrastructure projects); constructing eligible infrastructure projects; and, in limited situations, non-capital administrative costs where these are necessary, for example, adding staff capacity related to development or to establish complementary financing for City owned infrastructure or amenities.

## 5. Severability

- 5.1 If a portion of this Bylaw is found invalid by a court, it will be severed, and the remainder of the Bylaw will remain in effect.

**Read a first time** this \_\_\_ day of \_\_\_\_, 2023.

**Read a second time** this \_\_\_ day of \_\_\_\_, 2023.

**Read a third time** this \_\_\_ day of \_\_\_\_, 2023.

**Adopted** this \_\_\_ day of \_\_\_\_, 2023.

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M. Lahti  
Mayor

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S. Lam  
City Clerk

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I hereby certify that the above is a true copy of Bylaw No. 3397 of the City of Port Moody.

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S. Lam  
City Clerk