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Report to council

Meeting of FCM's Board of Directors

March 3-6, 2020

Saint-Hyacinthe, Quebec

This document summarizes key themes from the most recent meeting of the Board of Directors and Standing Committees of the Federation of Canadian Municipalities (FCM). It is designed to support board and committee members in reporting back to their local and regional councils on their progress with FCM.

Report to Council (March 2020)

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Saint-Hyacinthe, Quebec: site of FCM’s March 2020 board meeting

Message from FCM's president

Dear board and committee members,

So much has taken place since we met in Saint-Hyacinthe. But even as the COVID-19 pandemic dominates our immediate agendas, it's important to mark the priorities that we moved forward at this board meeting. And so I share this document with you now—largely written before the crisis struck.

A major highlight was the March 5 launch of FCM's Budget 2020 recommendations. *Building Better Lives with Budget 2020* offers a clear path for this minority government to equip local leaders to deliver results Canadians can see and feel. It's the next step in a long stretch of board advocacy—dating back to the summer—to keep our priorities front-and-centre in the new parliament.

We also received an update from FCM's Western Economic Solutions Taskforce about the progress they're making. We heard how FCM's programs are tooling up to continue raising local capacity in communities of all sizes. And our Governance Review Taskforce led an important discussion on how to ensure FCM is ready to excel in its growing role. Our committees and forums also met to continue driving municipal priorities forward. You can find more details on all of this in the pages that follow.

For me, the week was another reminder of the unique role FCM plays in Canada. Our meeting brought municipal perspectives together from every part of the country—all driven to get things done. FCM's ability to convene and unite frontline expertise, and to build bridges between orders of government, makes us essential partners in tackling Canada's biggest challenges. It's how we secured high-level meetings with the Prime Minister, deputy prime minister and five key ministers—just in the past month. It's how we facilitate and lead national conversations on incredibly complex issues. And it's how we're building better lives.

I hope you'll all take pride in knowing what a uniting force FCM is in this country. I know I do.

Sincerely,



Bill Karsten
FCM President
Councillor, Halifax Regional Municipality



Focus on Federal Budget 2020

After several years of progress for municipalities, the next federal budget is an opportunity to keep our momentum going strong. So in Saint-Hyacinthe, we released our budget recommendations to the federal government.

For a minority government, this first budget is a key opportunity—to show it can get things done for Canadians. What we offer is a clear path: practical ways to empower municipalities to deliver results that Canadians can see and feel.

In November, we released our **comprehensive roadmap of recommendations** for this Parliament. That roadmap stands. Our pre-budget submission is a focused subset of its proposals that we believe the government could practically move on *now*:

- **Climate action that builds better lives:** From strengthening funding tools for local climate adaptation and public transit expansions, to an innovative approach to boosting rental housing affordability that also saves on energy use.
- **Leadership on housing affordability:** Building on the National Housing Strategy—focusing on supportive housing, and social/affordable housing for Indigenous households—while opening a new front of leadership on market rental housing.
- **Strengthening communities of all sizes:** From shoring up infrastructure funding tools to directly supporting progress in rural communities, to improving broadband Internet access, to implementing short-term recommendations of FCM’s Western Economic Solutions Taskforce.

On issue after issue, on the national stage, our message is clear: *Empower local leaders, and we’ll deliver concrete results that build better lives.* We will continue to seek every opportunity to move municipal priorities forward—in this budget and as this parliamentary session unfolds.

LATE UPDATE: Since leaving Saint-Hyacinthe, the federal budget and economic forecast have been thrown into new flux. This presents challenges but also new avenues to explore—and we will continue to update you.



► [DOWNLOAD OUR PRE-BUDGET RECOMMENDATIONS](#)

Advocacy Days in the Riding

Each November in Ottawa, FCM’s annual Advocacy Days event connects board members directly with parliamentarians. Our latest “Ad Days” took a fresh approach—coming immediately after a federal election—and we received a staff update in Saint-Hyacinthe.

With many MPs still gearing up back home, we launched *Advocacy Days in the Riding*. After building a priority list of 141 MPs, from all parties, board members set out to arrange face-to-face or telephone meetings. To date, we have confirmed 47 completed meetings, in every region of Canada.

These meetings are laying groundwork with influencers and potential future leaders. When more rank-and-file MPs around a caucus table understand municipalities—our needs, priorities and capabilities—that provides a major boost to our federal advocacy. And through these meetings with MPs, we are gaining new insight into priorities that resonate across regions and party lines.



► [DOWNLOAD OUR “FIRST 100 DAYS” ROADMAP TO INFORM MP MEETINGS](#)

FCM Programs: New funding offers

The Committee of the Whole, and various committees, received updates on new funding offers through FCM’s Green Municipal Fund and the Municipal Asset Management Program—all enabled by major new federal investment secured in Budget 2019.

An additional \$60 million for the highly successful **Municipal Asset Management Program (MAMP)** is enabling us to double its reach while keeping its focus on smaller municipalities. A stronger funding ratio means up to 90 percent of eligible costs will be covered. And we can look forward to stronger guidance and feedback throughout the application, review and approval process. *MAMP’s new offer, set to launch March 17, has been deferred as the COVID-19 pandemic unfolds.*

The nearly \$1 billion injection into FCM’s **Green Municipal Fund (GMF)** continues to drive our expanding mission to support cost-saving energy efficiency in communities across Canada. On March 31, we launched the first funding offer for the new *Community Efficiency Financing Initiative*—for municipalities looking to launch or scale up innovative programs that help homeowners cut their emissions and energy bills. We are also close to launching our first funding offer for the *Sustainable Affordable Housing Initiative*—supporting deep energy retrofits and efficient new builds driven by municipal and not-or-profit social/affordable housing providers.

GMF core funding remains open to support municipal infrastructure projects—with a number of process improvements over the last year. If you haven’t accessed FCM funding recently, please urge your staff to visit our [website](#) or [contact us](#) to learn more about the latest developments. We also encourage you to help make our new funding launches a success by sharing GMF\MAMP news, content and resources with your networks.

Western Economic Solutions Taskforce

FCM’s Western Economic Solutions Taskforce brings together municipal leaders from Manitoba, Saskatchewan, Alberta and British Columbia. It’s driving concrete solutions for communities facing economic uncertainty—and bringing western municipal voices to Ottawa.

In Saint-Hyacinthe, board members and various standing committees received updates directly from the taskforce on progress made so far. They heard how WEST is playing an important leadership role—uniting rural and urban municipalities to find consensus on complex policy challenges facing all communities. And they heard how the taskforce is building bridges between orders of government. At a full-day summit in February, WEST hosted key federal decision-makers—including Deputy Prime Minister Chrystia Freeland—for a crucial dialogue on supporting struggling communities.

With the federal budget fast approaching, board members also learned more about the taskforce’s near-term budget recommendations. Those include creating jobs by supporting the faster reclamation of abandoned oil and gas wells; compensating farmers for the cost of carbon pricing on grain drying; and urgently creating a new infrastructure fund in oil and gas regions. And they heard how the taskforce will continue to drive federal-municipal dialogue to find long-term solutions to help communities of all sizes grow, thrive and prosper.

Renewing FCM’s governance

After driving historic advances for municipalities, FCM is entering an ambitious new phase, guided by a 5-year strategic plan. To support growth, the board’s Governance Review Task Force (GRTF) is exploring ways to make FCM’s governance even more efficient and effective.

Every year, our work becomes more complex, and we face rising expectations from members and partners. As FCM’s role evolves, so too must our governance. In Saint-Hyacinthe, we received an update on the results of our recent governance survey, and discussed next steps for this important process, including:

- bringing forward recommendations in September on incremental improvements that have strong consensus among COW members;
- exploring options for improving the Board’s composition;
- finding ways to strengthen the connection between the FCM Board of Directors and BCMC.

Board members’ input will continue to be essential as the GRTF takes these steps. FCM’s governance supports the strength and unity of the local order of government. It will require nothing less than broad consensus across Board members to identify the right ways to improve our existing model to reflect the growing prominence of FCM and municipalities on the national stage.

Committees & forums

FCM's Board of Directors oversees various committees and forums that provide crucial direction and insight on a wide range of issues and priorities. Highlights from the March 3-6 meeting in Saint-Hyacinthe include:

- Election Readiness Working Group:** Received an update on changes since November in the political landscape and our own advocacy. Reviewed the *Advocacy Days in the Riding* campaign—progress achieved and participants' experiences to date. Discussed ERWG's mandate and role in FCM's governance, including models for strong board and member engagement going forward.
- Environmental Issues & Sustainable Development:** Advanced new policy on climate change mitigation including support for updates to the National Building Code to improve the GHG performance of buildings, and the need to formally integrate municipal emission reduction commitments in Canada's reporting under the Paris Agreement. Received updates from GMF and the Municipalities for Climate Innovation Program (MCIP).
- Increasing Women's Participation in Municipal Government:** Received results of Toward Parity in Municipal Politics consultations on increasing the representation of women running for and being elected to municipal government in Canada. Discussed FCM's Women in Local Government Scholarships and Awards and plans for FCM's annual conference. Also discussed concrete initiatives in communities across the country to elect more women to municipal office.
- International Relations:** Highlighted FCM's engagement in international municipal networks and the Sustainable Development Goals. Received updates on current programs and program development opportunities, including FCM's Women in Local Leadership program in Africa and Asia, to start later in 2020. Discussed the Venezuela migrant crisis and FCM's response in support of local governments in Colombia, Peru, Ecuador and other affected countries.
- Municipal Finance and Intergovernmental Arrangements:** Discussed and approved FCM's cybersecurity action plan to support members with growing cyber threats including ransomware. Approved an update to the Terms of Reference for FCM's Legal Defense Fund providing additional flexibility to provide informal support in cases where a full FCM intervention isn't warranted.
- Municipal Infrastructure and Transportation Policy:** Discussed funding through the Investing in Canada Infrastructure Plan, rail safety and telecommunications, and received an update from MAMP. Approved support for new targeted funding for transit operating costs related to specific climate and social objectives, and recommendations on improving rural and regional passenger bus service.
- Northern and Remote Forum:** Discussed the implementation of the Arctic and Northern Policy Framework, federal investments in broadband connectivity, barriers to affordable market housing, and the Northern and Remote Forum workshop at FCM's Annual Conference and Tradeshow.
- Rural Forum:** Received a detailed briefing on FCM's advocacy on broadband including design considerations for the Universal Broadband Fund. Discussed the importance of equitable access to health care services in rural and remote communities, and plans for rural-specific programming at FCM's Annual Conference.
- Social-Economic Development:** Advanced design principles for the new Municipal Nominee Program. Discussed the need to jointly consider climate and housing implications when advancing code changes to improve the GHG performance of residential and commercial buildings. Received updates from the First Nations-Community Economic Development Initiative and the Urban Aboriginal Working Group.
- Standing Committee on Community Safety and Crime Prevention:** Expanded FCM's policy on flood risk and disaster mitigation to incorporate principles for a national action plan on flood relocation. On cannabis excise tax revenue sharing, Updated FCM's position to clarify the need for F/P/T agreements to formally recognize municipalities and share one third of revenues.

Resolutions

FCM members submit resolutions for the board's consideration on subjects of national municipal interest. Our resolutions process recognizes diverse voices while providing a focus for building a united municipal voice to drive concrete action. Resolutions considered and approved in Saint-Hyacinthe include the following:

- **Equitable Public Access to E-books:** Building on a previous resolution and FCM policy statements on inclusion and diversity, the Board approved a new resolution in support of efforts to increase access to digital publications for library users across Canada while assisting libraries in meeting the cost requirements posed by e-book licensing practices.
- **Modernize the *Official Languages Act*:** The Board adopted a resolution calling on the federal government to explore the implementation of an official languages funding, resource and training program for interested municipalities in order to support and promote the vitality of official-language minority communities, while modernizing the *Official Languages Act* to reaffirm and strengthen federal-municipal partnerships in a manner that respects provincial jurisdiction.
- **Federal Tax Treatment of Intermunicipal Cost-Sharing Agreements:** The Board approved a resolution calling on the Canada Revenue Agency to update its policies to not treat intermunicipal cost-sharing arrangements as a taxable supply, eliminating unnecessary administrative burdens and potential financial liabilities for affected municipalities.
- **Conservation and Biodiversity for Climate Change Mitigation and Adaptation:** The Board approved a resolution calling on the federal government to recognize that the conservation of existing natural environments and biodiversity is one of the crucial actions needed to fight against climate change.
- **Federal Funding and Support for Natural Climate Solutions:** The Board approved a resolution calling on the federal government to implement funding and programs supporting natural solutions for climate change, including but not limited to the conservation and restoration of urban forests, wetlands, coastal areas, agricultural lands, and to deliver funding through a transfer-based program to maintain flexibility and support local needs and priorities for natural climate solutions.
- **Wastewater System Effluent Regulations (WSER) Transitional Authorization Window:** Building on FCM's ongoing advocacy on the implementation of WSER, the Board approved a resolution calling on Environment and Climate Change Canada to work with FCM to develop a regulatory amendment that would re-open the transitional authorization application window for a period of time to allow communities to achieve regulatory compliance.
- **Federal Regulations on Vaping Products:** the Board approved two resolutions urging Health Canada to move quickly to coordinate additional public policy and regulations to address access, sale and appeal of vape products to youth and ensuring effective enforcement, including prohibiting the manufacture and sale of flavoured vaping products and strengthening packaging requirements.

Full text of approved resolutions
fcm.ca/fcm-resolutions

Key points to share

- FCM’s Board of Directors met this March 3-6 in Saint-Hyacinthe, Quebec. FCM unites nearly 2,000 municipalities of all sizes at the national level, representing more than 90 percent of all Canadians. FCM’s elected board and its committees provide strong direction to the organization.
- We used this moment to launch ***Building Better Lives in Budget 2020***—our recommendations for the next federal budget. It urges the new minority government to get concrete things for Canadians—by empowering the local governments closest to their daily lives.
- We’re presenting three streams of budget recommendations: (a) climate action that builds better lives; (b) new progress on housing affordability; and (c) new steps to strengthen communities of all sizes—from infrastructure tools to rural Internet access.
- Board members are essential to FCM’s advocacy strategy. During the federal election, our conversations with local candidates from all parties were key. In Saint-Hyacinthe, we received an update on *Advocacy Days in the Riding*—which has board members approaching 140+ MPs across the country to share our municipal vision and priorities.
- FCM’s Western Economic Solutions Taskforce met in Saint-Hyacinthe. WEST’s mandate is centred on finding solutions for struggling western communities—and they’ll be raising the voice of those communities directly to the federal government.
- We heard updates on major new FCM Program offerings municipalities. All of this is driven by the historic billion-dollar investment in FCM in Budget 2019
 - On March 17, we launched a new funding offer for the **Municipal Asset Management program**—helping municipalities make evidence-based infrastructure decisions.
 - We will soon launch the first funding offer for the Green Municipal Fund’s (GMF) new **Community Efficiency Financing Initiative**—for municipalities launching or scaling up innovative programs that help homeowners cut their emissions and energy bills.
 - We will soon launch the first funding offer for GMF’s **Sustainable Affordable Housing Initiative**—supporting energy retrofits and efficient new builds driven by municipal and non-profit housing providers.
- FCM’s committees and forums continued to study and recommend action on a wide range of priorities—from rural & northern issues through community safety, environmental issues, women’s participation, international relations, infrastructure, municipal finance and social-economic development.
- FCM’s Governance Review Task Force (GRTF) provided an update on its work exploring options to strengthening FCM’s governance to support members’ growing expectations. Next steps that include bringing forward change recommendations in September that have consensus among board and committee members.