



NOVA SCOTIA FEDERATION
OF MUNICIPALITIES

INTERIM RESOLUTIONS REPORT

September 29, 2022

Please provide written feedback by October 14, 2022

Meetings to discuss Resolutions:

November 1, 2022. 3pm - 5pm, Caucus Meetings at Annual Fall Conference

Table of Contents

| TITLE | PAGE # |
|--|---------------|
| Introduction | 3 |
| Resolutions Update | 4 |
| Resolutions 2022/2023 | |
| 1. CAP | 5 |
| 2. Extended Producer Responsibility | 6 |
| 3. Municipal Funding | 6 |
| 4. Municipal Modernization | 6 |
| 5. Roads | 7 |
| 6. Sustainability and Infrastructure Funding | 7 |
| Appendix A – Sustainability and Infrastructure Funding | 9 |

INTRODUCTION

What is a Resolution?

- Resolutions are matters of importance to NS municipalities. They include, but are not limited to the following:
 - ✓ Requesting new or increased funding
 - ✓ Cost-sharing for services and infrastructure
 - ✓ Changes in provincial legislation
 - ✓ Creating or formalizing partnerships
- NSFM advocates to federal and provincial levels of government to ensure municipal priorities put forward as resolutions are considered and actioned.

Recent History of Resolutions Process

- In recent years, NSFM decided to focus its advocacy efforts by limiting the number of resolutions to five (5).
- Recognizing that progress with the provincial and federal government takes time, NSFM policy states that resolutions will remain active for up to three **(3) years**.
- The NSFM Board may request the extension of a resolution about to meet its 3-year expiry.
- In **2019** the following resolutions were approved or extended by the membership for the three (3) year period of **2020-2022**:
 1. **Removing the CAP** on property assessment, while continuing to protect low-income homeowners.
 2. Implementing **Extended Producer Responsibility (EPR)** for printed paper and packaging.
 3. Addressing inadequacies in funding levels and formulas for **Municipal Funding**.
 4. Enabling **Municipal Modernization**, including support for new governance and collaboration models
 5. **Funding for Roads**, including equitable distribution to towns and former towns for shared arterial and collector roads.

For a full description and background information, please see the [Our Resolutions](#) section of the NSFM website.

- **Statements of Concern** are additional issues that NSFM may advocate to the Province about.
- Statements of Concern have been prioritized by the membership in 2019.
- As our membership responded to the demands of the pandemic, no new statements of concern were brought forward in 2020 or 2021.

- Our current Statements of Concern include the following:
 1. **Sustainability and Infrastructure Funding**
 2. **Climate Change**
 3. **Policing**
 4. **Municipal Responsibilities**
 5. **Surplus Schools**
- To read an in-depth description of the above issues, visit [Statements of Municipal Concern](#) on the NSFM website.
- When a Resolution is resolved or phased out, a Statement of Concern may take its place.
- In our typical resolutions process, regional meetings would take place during the month of April to determine membership priorities. The Interim Resolutions Report would be sent out the first week of September, followed by three Resolutions Meetings in September to review and discuss. The final Resolutions Report would be forwarded to the membership on October 20th.
- During 2022, the NSFM Board of Directors and staff proposed a number of significant changes to the organization’s by-laws and policies, including a revised Advocacy Identification and Prioritization Policy. These changes were presented at a Special Meeting of the Members on September 7th. Members present decided to postpone the majority of the motions while the NSFM Board and staff further refine the communication, consultation, and process regarding the proposed changes. In order to facilitate this, the Board of Directors is requesting a one-year extension of four of the five current resolutions, and the addition of a Statement of Concern. Please read the Resolutions Update below for details.

RESOLUTIONS UPDATE

- The NSFM Board recommends that Implementing Extended Producer Responsibility for printed paper and packaging be deemed resolved based on recent progress.
- Based on the prioritization of Statements of Concern and with Implementation of Extended Producer Responsibility resolution being resolved, the NSFM Board recommends making the Statement of Concern on Sustainability and Infrastructure Funding an NSFM Resolution. An explanation of this Statement of Concern can be found in Appendix A.
- The NSFM Board requests a one-year extension of the remaining Resolutions to provide the membership with an opportunity to review the proposed changes to NSFM’s current advocacy prioritization process.

Next Steps:

- Members are asked to review the Interim Resolution Report and provide feedback in writing.
- NSFM staff will summarize and present feedback to the NSFM Executive.
- A Final Resolutions Report will be sent to members on October 21, 2022.
- The Final Resolutions Report will be discussed during caucus meetings at the 2022 Annual Fall Conference.
- The Final Resolutions Report will be presented at the 2022 NSFM Annual General Meeting.

Feedback on Resolutions:

Written feedback can be submitted to NSFM via info@nsfm.ca. The deadline to submit feedback is **October 14, 2022**.

RESOLUTIONS 2022/23

The NSFM Board continues to engage with members regarding proposed amendments to the NSFM By-laws that have implications for our Resolutions Process. While this engagement continues, the Board is requesting a one-year extension of four 2019-2022 Resolutions.

There has been significant progress in establishing Extended Producer Responsibility for printed paper and packaging. This progress allows our organization to add a Statement of Concern on Sustainability and Infrastructure Funding to our main advocacy priorities. A progress update on each of our advocacy priorities can be found below.

1. Capped Assessment Program (CAP)

Current Progress:

The CAP is a significant issue for municipalities as it unfairly distorts the property tax system. NSFM will be reviewing and revising a **recently completed CAP-phase out proposal** to reflect the current circumstances of the Nova Scotia housing market. NSFM will be advocating to the new government for the **re-establishment of the All-Party CAP Committee** to implement an alternative to CAP.

NSFM has recently used 2022 assessment roll data to determine the impact of CAP on the assessment and revenue base for each municipality. This analysis helps to demonstrate how CAP inflates property tax rates and limits access to one of the few sources of revenue for municipalities.

2. Extended Producer Responsibility for Printed Paper and Packaging (EPR for PPP)

Current Progress:

An independent, third-party report on the efficiency and effectiveness of the solid waste resource management system in Nova Scotia, which included recommendations to bring an EPR model to Nova Scotia, was presented to the Minister of Environment in 2019.

EPR was included in new legislation, the Environmental Goals and Climate Change Reduction Act, put in place by the new government.

Together with the Municipal-Provincial Solid Waste Resource Priorities Working Group, NSFM has followed through with our commitment to **ensuring a review of the extensive research** behind the EPR proposal and **continued stakeholder engagement**.

With this review and continued stakeholder engagement completed over the summer, the NSFM Board of Directors recommends that this advocacy priority be resolved.

3. Municipal Funding

Current Progress:

NSFM has requested provincial support in the form of a **50/50 cost share** for all municipal projects required to comply with the Accessibility Act.

The Provincial government **doubled the Municipal Financial Capacity Grant**, for one year, while a new MOU is established with municipalities. NSFM has requested that increased funding remain in place until the new MOU takes effect.

NSFM continues to press other orders of government for increased access to funding to support general services as well as specific service and regulatory responsibilities at every opportunity.

4. Municipal Modernization

Current Progress:

Municipal Modernization is a broad concept that includes some of the following:

- Flexible funding from the province to allow for regional planning

- Modernizing the Municipal Government Act (MGA) and the HRM Charter
- Allowing for virtual council meetings and other legislation that enables municipal decision-making.

NSFM has advanced toward the goal of modernization in a number of ways. Among recent changes to the MGA, Bill 98 enabled municipal councils and committees to conduct business in online meetings.

In addition to the above, NSFM is working closely with DMAH to ensure legislation regarding municipal **codes of conduct** is strengthened. Elected Municipal Officials, NSFM staff, and municipal staff are part of the Municipal Code of Conduct Working Group. This Working Group has drafted code of conduct regulations for consultation with the membership. A survey to all municipalities was distributed by DMAH this summer. The Working Group is reviewing survey responses and determining how sanctions will be applied to ensure that the renewed Municipal Code of Conduct has sufficient teeth that can be engaged when necessary.

5. Roads

Current Progress:

A Provincial-Municipal Roads Committee has developed **new funding proposal** to repurpose the current J-class cost-sharing formula. The funding proposal was presented by committee members to The Department of Municipal Affairs and Transportation and Active Transport in early April 2021.

This proposal now falls within the purview of the Department of Public Works. The Minister of Public Works and the Minister of Municipal Affairs have been mandated by the Premier to include funding for municipal roads as an item for discussion in the renegotiation of the Service Exchange Agreement.

6. Sustainability and Infrastructure Funding - NEW

With the Resolution of EPR for printed paper and packaging being resolved, the first prioritized Statement of Concern will become a new Resolution. There are a range of financial resources and programs available to help municipalities pursue sustainable infrastructure development. Nevertheless, many municipalities lack the capacity to seize these opportunities to their fullest. NSFM is well positioned to function as a coordinator for municipalities but also has current capacity limitations.

The NSFM will be calling for financial support from the Province to create a Sustainability & Infrastructure Funding Support Coordinator to increase in-house capacity to assist municipalities in accessing available sources of funding.

Sustainability & Infrastructure Funding Support Resolution:

WHEREAS the Province of Nova Scotia and NSFM recognize common goals relating to municipal sustainability to make municipal operations more efficient and increase climate resilience; and

WHEREAS the Province of Nova Scotia and NSFM are supportive of wise investments in infrastructure to support sustainable service delivery at the right level and cost to taxpayers; and

WHEREAS the Province of Nova Scotia and NSFM recognize the importance of regional cooperation since the impacts of climate change do not recognize boundaries and enhanced collaboration will support municipalities in making their communities healthier, safer and more prosperous; and

WHEREAS municipalities have direct or indirect influence over close to 50 percent of the nation's greenhouse gas emissions and are responsible for more than half of Canada's public infrastructure; and

WHEREAS NSFM recognizes that some municipalities lack the resources to access existing funding opportunities that would allow them to develop innovative and strategic initiatives to make their operations and infrastructure more sustainable; and

WHEREAS NSFM is uniquely positioned to support municipalities in making the most of existing funding opportunities and resources;

THEREFORE BE IT RESOLVED that the Province cost share the funding for a Sustainability & Infrastructure Funding Support position within NSFM.

Appendix A

Sustainability & Infrastructure Funding Support

Issue Identification

Numerous funding resources exist for municipalities to make their operations more efficient, strengthen their infrastructure planning initiatives, and increase their resiliency to our changing climate. Despite available programs, a significant number of Nova Scotia's municipalities lack the capacity and/or time to access them.

As a provincial association, NSFAM is well positioned to support municipalities in accessing available funding and fostering innovative and strategic approaches to managing operations and infrastructure. As shown by the successful bid to design and administer the Sustainable Communities Challenge Fund, NSFAM can play a key role in identifying appropriate projects, sources of funding, and partnership opportunities. However, NSFAM already handles a significant range of responsibilities and currently lacks the resources to provide this additional service to the municipalities of Nova Scotia.

Background Information

As part of the *Investing in Canada Plan*, the Government of Canada is distributing \$180 billion, of which Nova Scotia is forecast to receive \$828 million by 2028. This program offers funding for green infrastructure, public transit infrastructure, and community, culture, and recreation infrastructure. To access the funding, municipalities need to apply a "climate lens" to applications for major infrastructure projects by assessing of how projects will reduce carbon pollution and better withstand the impacts of climate change.

In addition to the *Investing in Canada Plan* opportunities, the Federation of Canadian Municipalities (FCM) has funding to support sustainability, infrastructure, and climate change initiatives. Its main funding program is the *Green Municipal Fund*, which supports projects that improve air, water, soil and reduce greenhouse gas emissions.

Although these programs are available to communities across the country, Nova Scotia's municipalities are often underrepresented as funding recipients. To position our municipalities to take advantage of these opportunities, NSFAM could support municipalities (which may otherwise not have to the in-house capacity) in securing funding for sustainable infrastructure planning, green innovation, and climate change initiatives. NSFAM could also help identify and facilitate strategic investments and inter-municipal approaches to ensure Nova Scotia capitalizes on the funding in the best possible manner. To provide these services, NSFAM could create an in-house position. With this new, in-house position, NSFAM would focus on helping municipalities identify and access funding to support initiatives designed to mitigate current and future climate risks as well as those that lead to the adoption of new and sustainable approaches to infrastructure planning.

Through the development of resources, training opportunities and knowledge sharing events, NSFAM could help streamline the application process for municipalities and position them to be

Appendix A

successful applicants. Recognizing that local leaders know what is best for their communities, NSFAM could work with municipalities to identify innovative solutions to make their communities more sustainable that also fit within the program requirements. To make the most of available resources, NSFAM would also look for opportunities for municipalities to partner in circumstances where they would benefit from regional or collaborative applications. This would not only ensure that funding programs are as impactful as possible, but also make limited resources go farther.

Impact on Municipalities

NSFAM could play a coordinating role in helping municipalities secure funding that they otherwise would not have the capacity to access. This support would help municipalities make the most of programs that mitigate current and future climate risks and enhance infrastructure planning and service delivery. Without this resource, municipalities might miss important opportunities to advance toward climate change reduction and adaptation goals.

Proposed Action

Funding needs to be found to cover the cost of creating a Sustainability & Infrastructure Funding Support position within NSFAM (funding for the position would cover salary, benefits, resource development, coordination of events, travel, etc.).

Because this position would provide value to both municipalities and the Province, in terms of meeting shared goals relating to environmental and infrastructure sustainability, NSFAM would seek financial support from the Province, which may come from the administration fees from the federal programs, or some other alternative might be found. Funding should be ongoing for 3-5 years.

The main services that could be provided through this position include:

- Coordinating knowledge sharing and educational opportunities about existing funding programs and resources.
- Assisting municipalities in preparing to apply for eligible funding programs.
- Supporting municipalities in seeking innovative project ideas and applications to facilitate strategic infrastructure and sustainability planning.
- Facilitating networking opportunities to share best practices and successes among municipalities.
- Facilitating collaboration among municipalities where it creates economies of scale and shared benefits to develop regional/collaborative applications.
- Liaising with Infrastructure Canada, the Province of Nova Scotia, FCM, and other organizations to remain current on existing resources and opportunities.