



City of Richmond

Report to Council

To: Richmond City Council

Date: March 5, 2009

From: Phyllis L. Carlyle
General Manager, Law & Community Safety

File:

Re: **Strategic Community Investment (SCI) Funds**

Staff Recommendation

That the signing of the Strategic Community Investment Funds agreement be approved.

Phyllis L. Carlyle
General Manager, Law & Community Safety
(604-276-4104)

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ROUTED TO:		CONCURRENCE		CONCURRENCE OF GENERAL MANAGER	
Finance.....		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>			
REVIEWED BY TAG		YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		REVIEWED BY CAO	
				YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	

Staff Report

Origin

The Province and Union of British Columbia Municipalities (UBCM) have discussed a proposal to restructure key local government transfers to provide Strategic Community Investment (SCI) Funds to eligible BC local governments. They have agreed that faster, strategic spending by BC communities can help stimulate local economies, encourage growth, create local jobs and help offset the effects of the current economic downturn. Both also agreed that one way to achieve this objective would be to modify the timing of key local government transfers from the current annual instalment approach.

Analysis

The Traffic Fine Revenue Sharing (TFRS) grants have been used in the past to mitigate the City's costs of public safety initiatives such the RCMP Integrated Teams, additional RCMP members for the local detachment and the restorative justice program provided by Touchstone Family Services.

Past TFRS grants are illustrated below:

2004	\$1,809,317
2005	\$2,011,525
2006	\$2,126,589
2007	\$2,180,432
2008	\$2,203,831

The City was advised on February 24th, 2009 that in order to continue receiving these funds the City will be required to sign a SCI Fund Agreement and to commit to develop plans and publicly report on SCI Funds. For the City of Richmond, as a larger municipality, the funds are for TFRS.

Under the SCI Funds proposal, the City would receive funds between March 2009 and July 2010, with funds delivered to the City earlier than would otherwise be the case.

Payments to the City of Richmond under the proposed agreement would be:

March 2009	\$2,396,882
July 2009	\$1,155,916
July 2010	\$892,549
Total	\$4,445,347

Normally, the City would receive a 2009 payment of \$2,222,673 after July 2009 but under this proposal the payment for 2009 plus an additional amount of \$174,209 would be advanced to March 2009. In addition, a portion of 2010 funds, \$1,155,916, normally received in late 2010 would be advanced to July 2009.

The payments have been calculated based on the current formula which relates the receipt of the traffic fine revenue to the expenditure by the City for policing services and the City has been advised that the final 2010 payment amount will be adjusted by the Province.

The funding for the first of the three SCI Funds payments is now included in the Province's 2008/09 Budget and the funding for the next two payments are included in the Province's 2009/10 and 2010/11 Budgets subject to Treasury Board approval.

The only way for the City to access these TFRS funds is to sign an SCI Agreement and the reason there is urgency in signing the SCI Funds Agreement is that the funding set aside in the Province's budget must be delivered to the City by the Province prior to March 31st, 2009. The Agreement needs to be signed and delivered to the Ministry of Community Development prior to March 13th, 2009.

Local governments will need to develop a plan that sets out the intended uses and performance targets for the SCI Funds. For reporting, local governments will need to publicly report on the plan and progress made toward achieving the performance targets. The timing of the SCI report coincides with City's legislated annual financial reporting requirements. Therefore, municipalities may choose to include the SCI Funds reporting in their annual report. Alternatively, local governments can prepare SCI Funds plans and report and present them publicly before June 30th, 2010 and June 30th, 2011.

Financial Impact

In the event that the City does not enter into the Strategic Community Investment Funds the City risks not receiving \$4,445,347. This is not additional money for the City, it is merely accelerating the timing of receipt of the funds.

Conclusion

That the signing of the Strategic Community Investment Funds agreement be approved.


Gary Si
Manager, Community Safety
(604-247-4643)

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