



6.2 Federation of Canadian Municipalities (Verbal), IGA2019-0175

PUBLIC INFORMATION:

A) FCM events/meetings

March 2019 Board Meeting

The FCM Board was held in Penticton, BC, from March 12-15 2019. This particular set of meetings took place at a critical time for municipalities, just days before a federal budget, and months before a federal election. With this in mind, FCM staff and executive spent some time reminding members of the organizations advocacy goals for the Budget and preliminary elements of the election strategy. FCM's budget asks included: universal broadband access, a long-term transit fund, and the creation of a new intergovernmental forum.

The main focus of the March meeting was to discuss ongoing policy and advocacy work including work related to FCM's 2019 federal election platform.

- The Board adopted new and updated policy and advocacy positions regarding supportive housing capital funding, substance abuse, and autonomous vehicles. A number of policy updates were received for information; these include: possible retrofit programs for low-moderate income households, funding required for climate adaptation, crime prevention, infrastructure, flooding/disaster assistance and cannabis.
- The Board also directed staff to continue policy and advocacy work on design considerations for a federal fiscal tool (for the 2019 election platform), possible 2019 election requests regarding programming for Urban Indigenous people and advancing reconciliation, emergency management, possible roles for the federal government within the Canada-wide Action Plan on Zero Plastic Waste, housing affordability and natural infrastructure.
- A highlight of the meeting was the debate and approval of the FCM Strategic Plan for 2019-2024 which includes a refreshed vision, mission and strategic goals.
- The Board passed a number of technical changes to FCM by-laws which will now be considered at the Annual General Meeting in Quebec City. An update was provided on the ongoing Governance Review and the work underway on the FCM Long Term Fiscal Plan.

A number of resolutions directing further advocacy were adopted by the Board. Those of particular interest to The City of Calgary include:

- Energy Advocacy: Be it resolved that FCM call on the Government of Canada to support the further development of nation-building energy infrastructure projects (more below). This was introduced by the Saskatchewan Association of Rural Municipalities (SARM), and cosponsored by AUMA.
- Oversight of medical cannabis: Be it resolved that Health Canada implement an oversight system to ensure that the person being issued a licence is acting in accordance with the licence; and that proper ventilation of production facilities be a requirement of licences.
- Wildfire Crime: Be it resolved that the GC provide sufficient funding for police forces and RCMP to meet their growing responsibilities, particularly during an emergency event or natural disaster.
- Investing in Indigenous Peoples: Be it resolved that FCM urge the federal government to consult and collaborate with indigenous peoples to determine the nature of federal programs and funding that would most effectively improve the quality of life for Indigenous peoples wherever they live; and that the federal government undertake investments to address the root causes of inequity between Indigenous peoples and non-Indigenous Canadians.

Finally, only one resolution was forwarded to the Annual Conference for approval by the general membership

- Gender-based violence: That FCM endorse the federal government's national strategy to address gender-based violence and that municipalities be consulted on how the strategy should be implemented.

2019 Annual Conference and Trade Show

The 2019 Annual Conference and Trade Show will take place in Quebec City from May 30 to June 2, 2019.

At the recent Board Meetings in Penticton, the Standing Committee on Conference Planning provided an update on the preparations for the annual conference.

- The overarching objective for the 2019 Annual Conference is to engage all members in the coming fall federal election campaign, and the mission to modernize the municipal-federal relationship. To that end, the theme for 019 combines municipalities' status as "builders" with the outcomes they create that lead to an improved quality of life for all Canadians. "Building Better Lives" emphasizes that, no matter the mechanism, FCM's mission is to deliver on the issues that families and workers care about most—a powerful message for us as well as the federal leaders we'll be engaging with this year.
- The 2019 annual conference will also be the last gathering before the next federal election and will be a pivotal moment in demonstrating that municipalities are "builders" of better lives for Canadians. FCM plans to stay focused on its goal of strengthening the federal-municipal

partnership and to deliver value for our members. These two priorities will be key drivers in our communications planning and delivery across all communications channels. FCM wants to ensure that members are involved in the overall campaign and have the tools to deliver a unified message representing all municipalities across the country.

- The election-focused objective will inform our workshops, plenaries, communications materials, media, branding, narrative, and more. It also ensures that FCM represents the core elements of all that we do in a clear and focused way; building on current work and reflecting the outcome-driven experience FCM wants delegates to have.

IN CAMERA DISCUSSION:

March 2019 Board Meeting

A number of issues arose during the discussions that are of potential interest to The City of Calgary.

- Strategic Plan and Review of Fee Structure

During the Board Meeting, the FCM Executive presented the Strategic Plan: 2019-24. The plan will be brought to the September Board meeting for approval. Briefly, the Plan suggests that "Over the next five years, FCM will focus its energy and resources to achieve the following Strategic Goals:

1. New intergovernmental arrangements that formally recognize the role of empowered municipalities as full partners in nation-building.
2. Municipalities that have modern fiscal tools providing the resources and autonomy to address a broad range of locally-defined priorities.
3. Federal policy and regulatory frameworks that enable municipalities to efficiently deliver local programs and services.
4. A new generation of FCM's capacity building initiatives that support municipal innovation, and are delivered through strategic partnerships with the Federal government and relevant stakeholders.
5. An FCM that utilizes innovative approaches, tools and skills in convening municipal leaders to address emerging priorities.
6. An FCM that is led by a modernized model of governance, is appropriately resourced, and continues to be a nimble and efficient organization achieving maximum results for the municipal sector.

These are laudable objectives and largely aligned with FCM's understood mandate. However, nowhere in the Strategic Goals or the detailed objectives contained within the broader Strategic Plan is "election readiness and advocacy" mentioned. When raised with FCM staff, it was indicated that this is implied, and carries throughout all of FCM's activities.

However, in advance of this upcoming election, FCM had to levy an additional Special Advocacy Levy on members in the amount of \$3M (The City of Calgary paid \$50K). At the time, FCM staff and executive indicated that they hadn't anticipated the costs of the election. It is worth suggesting, therefore, that FCM build the next (i.e. 2023) election into its strategic plan so that it isn't lost and they budget accordingly.

This need for ensuring a focus on core business such as election advocacy becomes particularly acute in the context of an expected change and increase in fee structures to be approved this fall. Although we don't at this point know how much precisely the increase is to be, it is likely to far exceed the normal cost-of-living increase.

With this in mind, in addition to suggesting that election advocacy be added to the strategic agenda, The City may wish to consider that the FCM consider cutting back on certain activities. While the current fee structure review exercise includes an effort to find efficiencies, there is no indication (the Finance Committee is closed) that there is any effort to cut any costs that may be of less importance.

- Standing Committee on Municipal Infrastructure and Transportation Policy

Federal infrastructure funding is earmarked for capital only, excluding operating costs. A recommendation to add transit operating costs as a point for federal advocacy was defeated at the committee level, primarily by rural municipal interests. It was therefore not considered by the Board.

There remains an option for this to be a separate and unique policy position of the Big City Mayors Caucus.

- Standing Committee on Social – Economic Development

This committee considered work being done on an existing FCM resolution dealing with Housing Affordability and the role that federal rules and regulations play therein. This relates to a recent City of Calgary Notice of Motion approved by Council directing work with other governments, FCM, and AUMA to urge a regional application of the federal mortgage stress test to support local affordability and the local housing market.

While a number of Board Members raised regional considerations about federal rules and regulations, the board did not add this to the existing advocacy plan. FCM staff indicated that the Government of Canada has indicated that the federal stress-test is not simply about cooling down overheated markets in places like Toronto and Vancouver, but also about reducing individual debt, which it has succeeded in doing in places like Calgary.

Nevertheless, given the outstanding City of Calgary Notice of Motion, City of Calgary Administration has communicated to FCM that it will be bringing forward a resolution for consideration at the September Board meeting.

Energy Advocacy Resolution

As indicated above, the SARM resolution calling on the Government of Canada to support nation-building energy infrastructure projects passed at the Board of Directors. It did so, however, only after some heated debate and significant amendment. IN an effort to bridge different divides, the original resolution was expanded and amended to the following (note: this is subject to change depending on translation issues):

Amendments to resolved clause :

RESOLVED that the Federation of Canadian Municipalities ~~lobby-call~~ call on the Government of Canada to support the further development of nation-building energy infrastructure projects;

RESOLVED that the Federation of Canadian Municipalities recognize the economic crisis facing certain energy producing regions in Canada as a result of low commodity prices and restricted market access and call on the Government of Canada to support those regions, including by supporting projects which enable the transition to renewable energy production;

RESOLVED that the Federation of Canadian Municipalities call on the Government of Canada to require energy companies to provide adequate financial compensation to municipalities through linear taxation and other mechanisms.

RESOLVED that the FCM request the Government of Canada to mandate the energy sector to invest in research and development in renewable energy to reduce GHG emissions and the protection of Canada's fresh water, and publish an annual report on their environmental activities and investments;

RESOLVED, the development of energy infrastructure must meet high environmental standards and respect the jurisdiction of provinces, territories and municipalities;

It is not immediately obvious how the FCM will reconcile the different parts of this resolution, or whether the operative clauses are even within the federal government's jurisdiction. Given Council's direction regarding advocacy for Canada's responsible energy industry, ICS will continue to monitor FCM's work in this area, and provide input and support where possible.

It is also worth noting that although this item was originally slated to go to the Annual Conference, the Board decided to keep it at the Board level rather than risk a divisive debate at the Annual Conference at a time the organization is hoping to present a united front to Canadian political parties. This also means that FCM staff can begin working on this direction immediately, rather than wait until June or July.

2019 Annual Conference and Trade Show

- Recent Council Direction re FCM Annual Conference and Trade Show

As you will recall, on December 17, 2018, Council directed that “all members of Council make a concerted effort to attend Federation of Canadian Municipalities (FCM) in May 2019 to underscore the importance of the Canadian energy sector in driving our economy, through an information and advocacy evening to be hosted in partnership with other interested municipalities, Calgary Economic Development (CED) and industry members.”

ICS has been working with FCM, local stakeholders and other municipal partners to identify opportunities to deliver on this direction.

- The City of Calgary has secured two, adjacent **trade show booths** at the Annual Conference. We are working with partners at the Chamber of Commerce to develop materials and content for these booths. At present, the Chamber, along with seven other Canadian chambers representing the largest cities in Canada, is looking to use the opportunity to launch the “Canadian Global Cities Energy Dialogue.” This will provide an opportunity for conference goers to sit down in a “kitchen table” setting to learn about energy issues from a range of regional and industry perspectives.
- The City of Calgary had considered sponsoring a **panel discussion** at FCM. However, there was considerable cost associated with this approach (\$25K) and the FCM executive was wary of turning over control of a potentially contentious item. Instead, and in response to pressure from The City of Calgary and others, FCM will be holding a breakfast workshop at the conference about “the ways that municipalities participate in, and benefit from, energy development, defined as the production and transportation of renewable and non-renewable energy resources.” FCM has been developing this workshop and a participant list in consultation with The City of Calgary, and we will continue to help shape the session to deliver on Council’s direction.
- AUMA has launched a “Resource Communities of Canada” forum with the intention of pursuing some advocacy at the Annual Conference, including an **information/hospitality session** sponsored by industry representatives. The City of Calgary is not intended to sponsor this event itself, but has been engaged in planning and will continue to monitor the situation. However, there are some cautions to be aware of around the RCC, and particularly the potential hijacking of the agenda by other, non-resource based concerns that do not align with City of Calgary policy, direction or values.