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OCT 24 2014

Mr. Reginald Moody-Humchitt
and Members of the Board
Central Coast Regional District
PO Box 186
Bella Coola, BC V0T 1C0



Dear Chair Moody-Humchitt and Board Members:

I am writing to extend my appreciation to all local governments who participated in the 2014 UBCM Convention in Whistler, BC, and to provide you with an update on some of the significant initiatives to which the Province of British Columbia committed during the convention.

First and foremost, I was pleased to announce that based upon what we heard from communities around the province, the Province intended to expedite the launch of the Small Communities Fund as part of the New Building Canada Plan. Under this fund, more than \$327 million cost-shared between the federal, provincial and local governments will be invested in supporting critical infrastructure of communities with populations under 100,000 over the next 10 years.

I committed that the fund would be launched and open for applications by the end of October. I am pleased to inform you that on October 16, 2014, the program guide was launched on the Province's website (www.gov.bc.ca/SmallCommunitiesFund) and that as of October 22, 2014, the formal applications are now available for eligible applicants. Applicants will have until February 18, 2015, to submit their applications. This will represent the first of at least two intakes we are envisioning under this program. As I highlighted in my speech at the convention, my Ministry is asking local governments to place a high priority on addressing critical infrastructure issues in areas such as drinking water, wastewater and solid waste management – particularly those projects associated with achieving provincial or federal regulations or standards.

I also confirmed that the Province would establish a new asset management planning grant fund that would be available to support local governments. Administered by UBCM, this fund is targeted at the development and enhancement of asset management practices that support cost-effective planning for their public infrastructure, including water systems and local roads, to be ready to make the most of economic opportunities that lie ahead for British Columbia. Leading-edge asset management will help local governments move toward more sustainable service delivery models, ensuring that local taxpayers get value for their infrastructure investments. It also represents a fundamental element of the assessment criteria that will be applied in review of projects under both the New Building Canada Fund and the Gas Tax Agreement. I will have more to say in the near future on how local governments can access these new supports.

I also announced that the Province would seek approval of the Legislative Assembly to appoint a Special Committee this fall to make recommendations to inform the establishment of expense limits for the 2018 local government elections. On October 9, 2014, a motion was introduced in the House to establish this Committee. The Committee will make recommendations for principles regarding the relationship between expense limits for candidate and elector organizations, and for third party advertising, by November 27, 2014.

In addition, the Committee will make recommendations on the actual expense limit amounts by June 12, 2015. In carrying out its work, the Committee will be guided by the Province's decision to adopt an expense limits model with a flat amount for jurisdictions with fewer than 10,000 people and a per capita formula for those with more than 10,000. The Committee will no doubt wish to consult with key stakeholders, including with UBCM. I want to acknowledge UBCM's valuable contributions to date, beginning with the Local Government Elections Task Force in 2009/2010.

I also know that the UBCM convention provided members with the opportunity to engage in robust debate about a number of issues associated with public sector compensation levels as well as the need to seek ongoing improvement to the local government finance system. Recent reports such as Ernst and Young's report on

public sector compensation stemming from the Province’s Core Review process and Taxpayer Accountability Principles and UBCM’s own Strong Fiscal Futures underscore the importance of engaging on these issues in a collaborative and constructive way. These issues and the ensuing discussions remind us that we all serve one taxpayer and that we have a shared duty to ensure that we deliver effective, responsive services to citizens.

I believe that these issues can best be managed through a collaborative approach. Going forward, I have asked UBCM to work with me to schedule a series of meetings with UBCM Executive to discuss these issues. In addition, while my duties as Minister and MLA require that I be present in Victoria during the sitting of the Legislature (which sits through to November 27th under the current legislative calendar, and will sit again in the spring), I would also welcome the opportunity to participate in area association proceedings over the coming year.

Through more structure and regular dialogue, I believe our organizations can make significant progress on addressing some of the opportunities raised during the UBCM convention, and also establish a more collaborative and practical working relationship moving into the future.

Once again, I thank all of you who participated in the Convention. Please note that I will be following up shortly with the delegations I met with directly on their specific items of interest. I thank you all for your ongoing dedication to your communities, and look forward to working with you both collectively and individually in the future.

Sincerely,

Coralee Oakes
Minister of Community, Sport and Cultural Development

pc: Ms. Rebecca F. Denlinger, Deputy Minister

New Building Canada Fund - Small Communities Fund

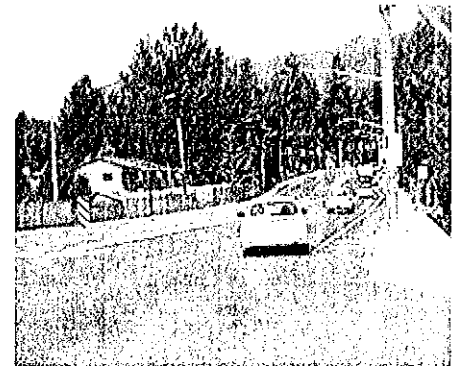
Canada and British Columbia have launched the New Building Canada Fund – Small Communities Fund (NBCF-SCF) Program.

Under the NBCF-SCF program, the provincial and the federal governments will each allocate approximately \$109 million to support infrastructure projects in communities with a population of less than 100,000 people. This 10 year funding program runs from 2014 to 2024.

NBCF-SCF funding provides communities with support in addressing their infrastructure needs and will operate concurrently with Gas Tax Funding.

The provincial and federal governments continue to provide dedicated funding for small communities, building on the successful practices established under the 2007 Building Canada Fund-Communities Component and the Infrastructure Stimulus Fund.

Infrastructure Project



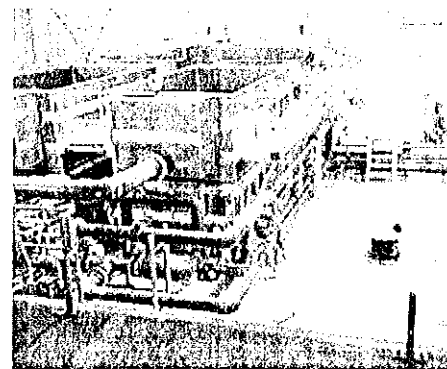
North Vancouver – Capilano Road Improvements

Eligible Projects

Eligible categories under the Small Communities Fund:

- Brownfield Redevelopment
- Connectivity and Broadband
- Disaster Mitigation
- Drinking Water
- Green Energy
- Highways and Major Roads
- Innovation
- Local and Regional Airports
- Public Transit
- Short Sea Shipping
- Shortline Rail
- Solid Waste Management
- Wastewater

Infrastructure Project



South Pender Harbour - Water Treatment Plant