

GETTING TO KNOW THE AAMDC

A Guide for New Councillors



ISSUE SUMMARY:

PROVINCIAL INFRASTRUCTURE SPENDING

WHAT IS IT AND WHY IS IT IMPORTANT

Rural municipalities are responsible for a tremendous amount of infrastructure, much of which are roads and bridges. As **rural Alberta hosts the majority of the province's industrial development**, rural road and bridge networks face considerable strain from truck and equipment traffic. While municipalities have some tools to fund infrastructure construction and maintenance, all types, both large and small, rural and urban, **rely on support from provincial and federal governments through grant programs**. There are too many available programs to provide details on each, so we will highlight those most significant for most AAMDC members, though more information on all available grants can be found through the provided links.

Launched in 2007, the **Municipal Sustainability Initiative** (MSI) is the core provincial funding component for municipalities in Alberta. The MSI is allocated annually to all municipalities in Alberta based on a formula that combines population, education property tax requisitions, and kilometres of road. A wide range of capital projects are eligible under MSI, including roads and bridges, water/wastewater systems, emergency response facilities/equipment, solid waste facilities, recreation facilities, and others. The Government of Alberta has committed to continuing to offer MSI through 2018, and the AAMDC is advocating for a collaborative process to determine the long-term extension of the MSI or a similar funding program.

Recognizing the high costs that rural municipalities incur for road and bridge maintenance, the Government of Alberta offers the **Strategic Transportation Infrastructure Program** (STIP). After receiving no funding from 2013 to 2016, STIP was re-funded at a rate of \$35 million in the 2017, with a total of \$100 million allocated for the three years between 2017 and 2020, thanks in large part to the AAMDC's advocacy effort. STIP is divided into four primary components: The Local Road Bridge Program, the Resource

Road Program, the Community Airport Program, and Local Municipal Initiatives. All four are beneficial for rural municipalities in maintaining their transportation infrastructure for use by industry and residents.

In addition to roads and bridges, water and wastewater networks carry significant costs for many rural municipalities. The [Alberta Municipal Water/Wastewater Partnership](#) (AMWWP) and the [Alberta Water for Life](#) program provide financial assistance to municipalities for water/wastewater capital projects. The AMWWP funds local water systems in urban municipalities and hamlets within rural municipalities, while Water for Life funds regional water networks. In 2017, the Government of Alberta dedicated \$474 million to the two programs over a four-year span.

In addition to provincial options, phase 2 of the Government of Canada's [Investing in Canada Plan](#) will provide funding for public transit, green infrastructure, social infrastructure, and rural and northern community infrastructure in 2018. [Federal-provincial negotiations](#) are ongoing as to how the funding will be allocated in Alberta, but expect details on eligibility and application processes to be available in the coming months.

LEARN MORE

- [Alberta Municipal Affairs Municipal Grants Web Portal](#)

An overview of all provincial grants available to municipalities.

- [Municipal Climate Change Action Centre](#)

Grant options for retrofitting municipal buildings for solar and other methods for improved efficiency.

- [Federation of Canadian Municipalities grant programs](#)

More information on FCM-administered programs to support municipalities in developing green infrastructure, adapting infrastructure to climate change, and asset management planning.