

REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Dharmen Dhaliah, Corporate Asset Manager

DATE: August 28, 2018

REPORT NO.: RP-2018-0023

RE: FCM's Municipal Asset Management Program – Natural Assets Valuation & Management Strategy

RECOMMENDATION:

That Report No. RP-2018-0023 dated August 28, 2018 regarding the FCM's Municipal Asset Management Program – Natural Assets Valuation & Management Strategy be received;

AND FURTHER THAT a resolution be prepared for Council's consideration which directs staff to apply to the Federation of Canadian Municipalities' Municipal Asset Management Program grant opportunity;

AND FURTHER THAT staff report back to Council with an update on the Natural Assets Valuation & Management Strategy project upon approval of the 2019 Capital Budget by Budget Committee.

BACKGROUND:

Natural assets (NA), such as forests, wetlands, and other green space, provide a range of services, often referred to as ecosystem services, upon which residents of Town of Halton Hills, the community at large and the economy depends. Natural assets are currently under stress as the Town plans for intensification and future population growth, and faces climate change impacts. In order to protect these natural assets, the Town needs to account for them and manage them under existing municipal frameworks, strategies and policies, such as asset management and stormwater master plans. This project is to take the first step in carrying out an inventory of the Town's natural assets, assessing their value and the services they provide and developing strategies to manage them in a sustainable manner.

COMMENTS:

The purpose of this report is to:

- 1) Seek Council's approval for staff to apply to the Federation of Canadian Municipalities' Municipal Asset Management Program grant opportunity;
- 2) Use the program funding to initiate the Natural Assets Valuation & Management Strategy project as part of the Town's Corporate Asset Management Program, pending approval of the 2019 Capital Budget by the Budget Committee.

Currently the Town is completing its State of Infrastructure Report as part of its Corporate Asset Management Program. The Town has also just finished the review of its Long Range Financial Plan. The only asset group that is not included in the exercise is the Town's Natural Assets. The Ont. Reg. 588/17 requires all municipalities to have fully integrated asset management policy, strategy and plans for all assets implemented by July 1, 2023. Even though natural assets are not specifically mentioned but it is generally understood that they are included under "all assets". Staff are working to position the Town to be a leader in the development and implementation of a natural assets strategy.

On June 25, 2018 Council endorsed the Town's Corporate Asset Management Policy (Report No. RP-2018-0018), outlining the principles to align with its growth and sustainability objectives. The Planning, Development and Sustainability Department is currently working on climate change vulnerability assessment and adaptation plan, and in 2019 the Transportation and Public Works Department is developing its Stormwater Master Plan, so timing of a natural asset strategy is well aligned with those initiatives.

The Natural Assets Valuation & Management Strategy project and its related activities are also well aligned with meeting requirements of the Ont. Reg. 588/17. Completion of this project and its activities will provide a solid foundation for the services of the Town's ecosystem to be valued and considered in the planning process for intensification and growth while preserving the natural assets in a sustainable manner.

The Federation of Canadian Municipalities' Municipal Asset Management Program is a five-year, \$50-million program designed to help Canadian municipalities make informed infrastructure investment decisions based on sound asset management practices. Staff are requesting funding for the Natural Assets Valuation & Management Strategy project prior to its approval by the Budget Committee in order to be eligible for the Federation of Canadian Municipalities grant before the application deadline of October 23, 2018, as it is unclear whether program funding will be available after that date. It is expected that staff would be advised on the success of the application in advance of the 2019 Budget Committee deliberations.

If approved as part of the 2019 Capital Budget staff would be reporting back on progress of the Natural Assets Valuation & Management Strategy project in 2019 as part of the overall Corporate Asset Management Plan update.

RELATIONSHIP TO STRATEGIC PLAN:

The Natural Assets Valuation & Management Strategy project aligns with the Town of Halton Hills Strategic Action Plan related to Municipal Service Delivery, Financial Sustainability and Sustainability:

1. Effective, efficient and economical delivery of the Town's existing services;
2. Establish sustainable financing, asset management and master plans to acquire, operate, maintain, renew and replace infrastructure;
3. Develop a Climate Change Adaptation Plan to address community responsiveness and resiliency to climate change

FINANCIAL IMPACT:

The funding request for this application will be in the amount of \$170,000 consisting primarily of estimated staff time and consultant fees to work on the project.

The Municipal Asset Management Program grant if successful will cover up to 80% of the eligible costs up to a maximum of \$50,000. The Town is also actively seeking for other potential sources of funding. Any funds received would be directed back to the Capital Reserve.

If the funding application is unsuccessful, the project, if approved by the Budget Committee, will be totally funded from the Capital Reserve.

CONSULTATION:

Staff has consulted with the staff from the Planning, Development and Sustainability, and Finance Departments, as well as Credit Valley Conservation and the Municipal Natural Asset Initiatives group.

PUBLIC ENGAGEMENT:

None

SUSTAINABILITY IMPLICATIONS:

The Town is committed to implementing our Community Sustainability Strategy, Imagine Halton Hills. Doing so will lead to a higher quality of life.

The recommendation outlined in this report advances the Strategy's implementation.

This report supports the Cultural Vibrancy, Environmental Health, Economic Prosperity, and Social well-being pillar(s) of Sustainability and in summary the alignment of this report with the Community Sustainability Strategy is Excellent, especially for Environmental Health.

COMMUNICATIONS:

Staff will communicate the outcome of the grant application to members of Council.

CONCLUSION:

Staff are seeking approval for a grant application to the Federation of Canadian Municipalities' Municipal Asset Management Program, with application deadline of October 23, 2018. The timing of the Natural Assets Valuation & Management Strategy aligns with the Town's planning for intensification, growth and climate change vulnerability assessment and adaptation plan. Furthermore it is an excellent opportunity to include natural assets in the Town's Corporate Asset Management program. Subject to the approval of the Capital Budget by Budget Committee, the project would be initiated in 2019 and the outcomes reported back to Council.

Reviewed and Approved by,

A handwritten signature in black ink that reads "Warren Harris". The signature is written in a cursive style with a large initial 'W'.

Warren Harris, Commissioner of Recreation and Parks

A handwritten signature in black ink that reads "Brent Marshall". The signature is written in a cursive style with a large initial 'B'.

Brent Marshall, CAO