

Growing Wisely Smart Growth & Asset Management



Kick-off: Association of Municipalities of Ontario



Introductions: Association of Municipalities of Ontario



Erin OrrProgram Advisor, Infrastructure Asset Management Association of Municipalities of Ontario (AMO)



Canada Community-Building Fund (CCBF)

Permanent

Predictable

Flexible

Upfront

Program Priorities:

Asset Management

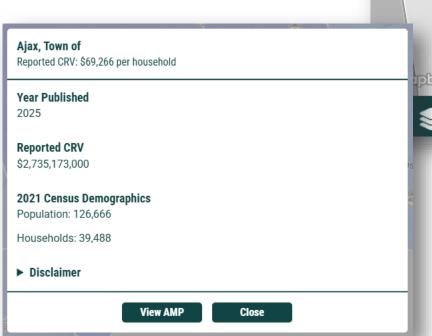
Municipalities are to develop and implement an asset management culture, methodology, and plan in accordance with Ontario regulation (O. Reg. 588/17)

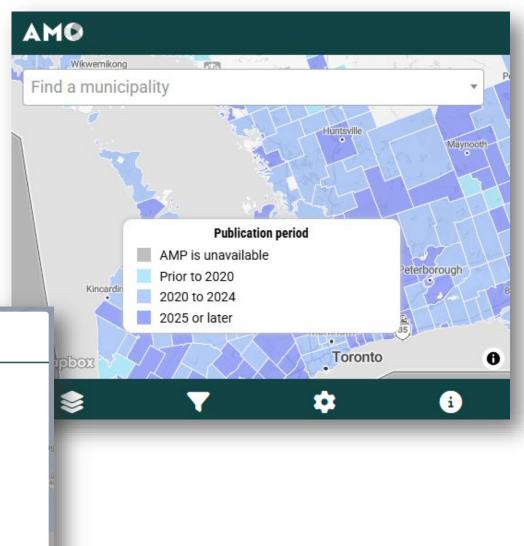
Housing

- Principle to commit to improve housing supply and affordability
- Municipalities are to prioritize, where possible, infrastructure projects that support increased housing supply where it makes sense to do so

Resources

- Webinars & Research
- ❖ AMP Map & HNA Map
- Our team CCBF@AMO.ON.CA





CCBF Maps

Asset
Management
Map



Housing Needs
Assessment
Map



Introductions: Asset Management Ontario



Introductions: AMONTario



Jennifer CourtExecutive Director, Asset Management
Ontario



Dan WilsonChief Administrative Officer, Township of Centre Wellington
Board Member & Treasurer, Asset Management Ontario



Session Purpose & Outcomes

- Support ON municipalities to assess how they incorporate growth and asset management practices
- Share tools and success stories from peer municipalities
- Discuss practical examples of how smart growth and asset management can be integrated



Agenda

- Session Welcome AMO
- Key Considerations in Municipal Growth and Asset Management
- Case Studies
- Panel Discussion Growing Wisely
- Session Close



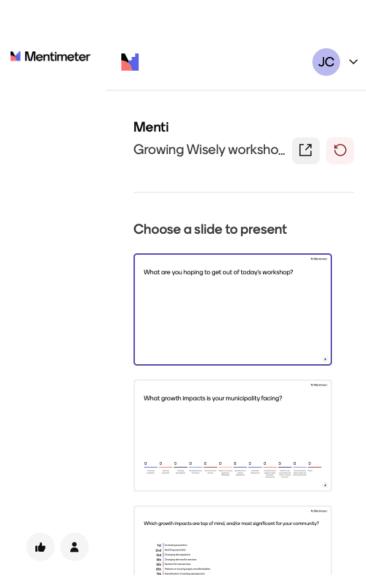
Discussion: Your Expectations for the Session

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What are you hoping to get out of today's workshop?



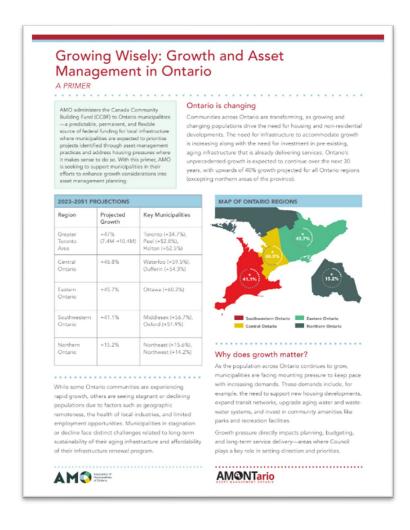




Key Considerations in Municipal Growth and Asset Management



Growing Wisely: A Primer



- Ontario is changing
- Why does growth matter?
 - The intersectional impacts of growth
 - Consequences of unplanned growth



- Integrating growth into asset management
 - Planning for growth
 - Aligning investment plans and implementation
 - Mechanisms to address growth challenges and opportunities
 - Financial strategies
- The role of municipal leadership



Growing Wisely: Case Studies



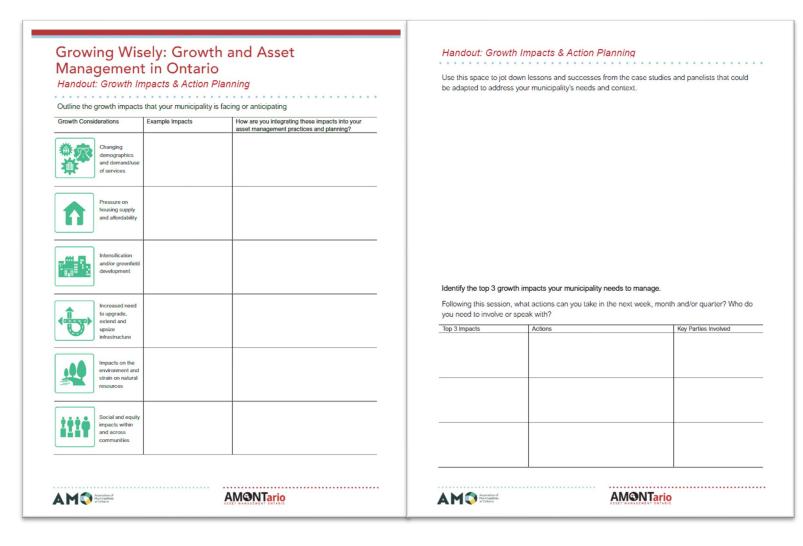
Key elements:

- Demographics
- Growth Impacts
- Growth Management





Handout: Growth Impacts and Action Planning



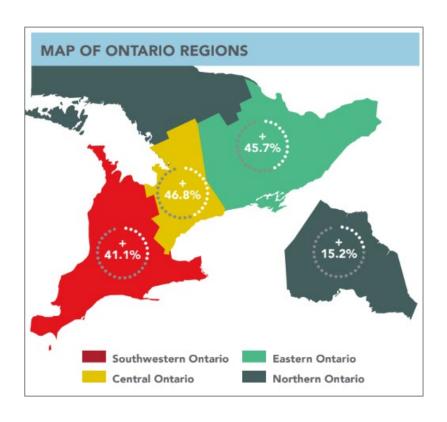
Use this handout to document:

- Key insights from the presentation
- Ideas from the case studies and panel discussion
- Your next moves for managing growth wisely



How is Ontario growing?

- Some regions are growing at rates over 50% from now to 2051
- All regions seeing growth of over 40%, excepting Northern Ontario



2023-2051 Projections		
Region	Projected Growth	Key Municipalities
Greater Toronto Area	+47% (7.4M→10.4M)	Toronto (+34.7%), Peel (+52.8%), Halton (+52.5%) 2
Central Ontario	+46.8%	Waterloo (+59.5%), Dufferin (+54.3%) 2
Eastern Ontario	+45.7%	Ottawa (+60.2%) 2
Southwestern Ontario	+41.1%	Middlesex (+56.7%), Oxford (+51.9%) 2
Northern Ontario	+15.2%	Northeast (+15.6%), Northwest (+14.2%) 2 3

Government of ON Growth Projections 2023-2051

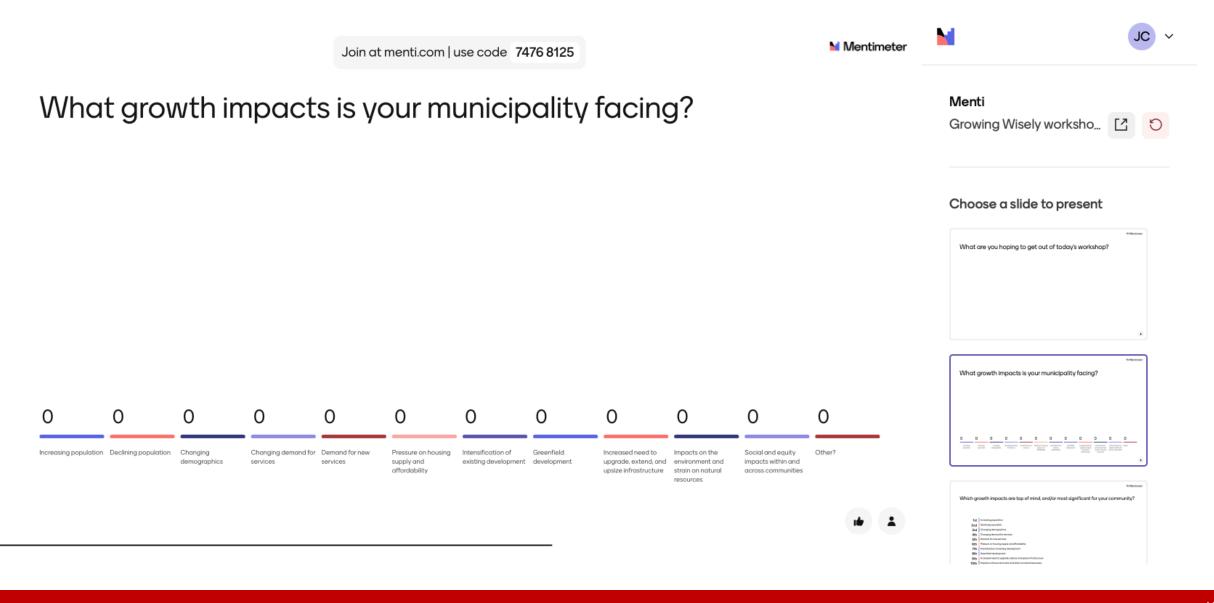


Growth at Different Paces

- While many areas of Ontario are outpacing typical growth, some are growing very slowly.
- Northern, rural communities and those outside major urban centres may experience modest growth, stagnating growth, or even decline in population, bringing different challenges:
 - Revenue generation capability limited, outpaced by inflation
 - Degradation of infrastructure because capacity/growth upgrades are not driving renewal
 - Need to incentivize development and limited ability to introduce developer-paid infrastructure contributions



Discussion



Discussion

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Which growth impacts are top of mind, and/or most significant for your community?



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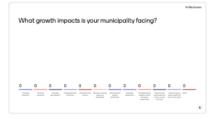
Growing Wisely worksho...





Choose a slide to present







Why does growth matter?

- Increasing demand on municipal infrastructure that stretches existing services, finances, and human resources
- Mounting pressure to keep pace with increasing and changing demands for service
- Impacts to long-term sustainability for the community

Ontario municipalities and growth:

- AMO Housing Questionnaire: 64% of municipalities reported housing pressures, and 68% identified infrastructure gaps causing barriers to housing
- AMO AMP Review: 84% of AMPs integrate growth in some way

Examples:

- Servicing new housing developments
- Expanding transit networks
- Upgrading aging and over-capacity water and wastewater systems
- Investing in community amenities like parks and recreation facilities



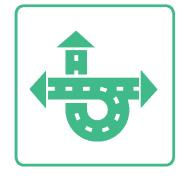
Intersectional Impacts of Growth



Changing demographics and demand/use of services



Intensification and/or greenfield development



Increased need to upgrade, extend, and upsize infrastructure



Pressure on housing supply and affordability



Impacts on the environment and strain on natural resources



Social and equity impacts within and across communities



Consequences of Unplanned Growth

Growth and asset management practices can be disconnected.

Unplanned growth results in:

- Further strain on an already high asset investment backlog
- Failure of critical assets and degradation of services
- Unsustainable development practices and plans
- Development occurring in unserviced areas, while serviced areas are not utilized
- Impeding or not enabling new housing development

Growth requires direction setting and a deliberate strategy backed by Council and Administration.



Integrating Growth into Asset Management

Legislative Requirements

- O.Reg 588/17: Impact of population on capital and operational cost to maintain 10year levels of service (>25k)
- Development Charges (DC)
 background studies require an
 asset management plan (AMP)
- CCBF providing infrastructure funding enabling housing, setting requirements for Housing Needs Assessments

- Historical focus on existing infrastructure portfolios
- Municipal sector now embracing asset planning that incorporates lifecycle costs of future, growth-driven assets ("unassumed" assets)
- Many organizations are rethinking their approach to accepting and integrating new assets
- Municipalities need to further define long-term impact of growth in terms of cost, affordability and resource gaps
- Whole life costs, levels of service, and risk management should be incorporated into decisions for procurement, design, construction, and asset acceptance requirements



Planning for Growth

An aligned approach to planning is marked by clarity and alignment on:

- Levels of service
- Council direction on growth objectives
- Principles for development of land, services, and infrastructure
- Integration of plans and strategies
- Full lifecycle cost projections and resource requirements that reflect new demand
- Optimization of growth, renewal and other investment
- A robust asset approval and acceptance process





Discussion

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Can you give some examples of how you are planning for growth through AM/your AMP, or integrating growth considerations into your AM practices?

All responses to your question will be shown here

Each response can be up to 200 characters long

Turn on voting to let participants vote for their favorites

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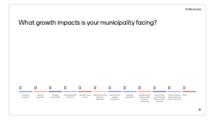
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The Role of Municipal Senior Leaders

You play a pivotal role in managing growth and integrating it into AM practices.

Elected Officials

Senior Administrators

Communication & Collaboration

- Inform and educate the community on the impacts of growth
- Request regular updates on the state and sustainability of assets, and progress towards longterm goals (e.g., backlog, reliability, funding)
- Communicate long-term infrastructure needs and trade-offs, with a long planning horizon
- Invest in building processes and a proactive culture that support the integration of growth
- Drive cooperation and integration across departments

Policy & Strategic Direction

- Address growth in the Strategic Asset Management Policy, defining expectations for sustainable growth and integrating across policies, plans and strategies
- Make informed policy decisions about who is paying for growth
- Propose policies and amendments that drive alignment between policies, strategies and plans
- Inform Council decisions with evidence where available

Financial

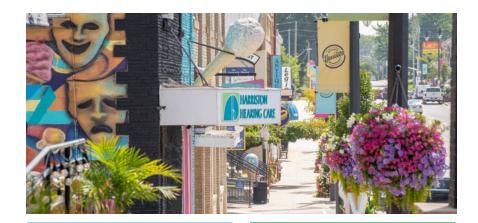
- Provide strategic direction on the financial strategy and funding mechanisms
- Request the lifecycle forecast of future, unassumed assets before agreeing to acquire them
- Communicate financial and other risks regularly
- Provide multi-year forecasts including future lifecycle needs of new assets, expanding the longterm planning horizon



Case Studies Showcasing Municipal Approaches to Planning for Growth



Town of Minto



9,094

Population 2021

4.9%

Historical Growth 2016-2021

15,200

Population 2051

67.1%

Projected Growth to 2051

Rural

 Lower-tier municipality

Key Learnings:

- Culture of collaborative planning and regular planning meetings
- Lack of dedicated AM resources inhibiting integration
- Growth does not pay for growth (funding mechanisms)

What are we working on?

- Reviewing and improving the Local Service Policy
- Development Charge Background Study
- Facilitating upgrades and/or improved service in healthcare, waste, water, wastewater

What's working for us?

- Engaging the public on growth decisions
- Collaborative planning meetings with internal and external parties to review planning submissions

- Strategic planning aligns capital and operating investments
- Driving asset replacement through required capacity upgrades
- Evaluating asset failure in acceptance of new infrastructure.



District Municipality of Muskoka



66,674 99,100

Population 2021

10.0%

Historical Growth 2016-2021

Projected Growth to 2051

Population 2051

48.6%

Key Learnings:

- Building in-house capacity for asset management allows staff to take ownership, and integrate with other plans, strategies and policies.
- A holistic view of risks (condition, capacity, etc.) provides a better-informed plan

What are we working on?

Regional, rural

Upper-tier

municipality

- Planning for aging population
- Enhancing levels of service while facilitating growth
- Reserve fund optimization to address deficit
- Reviewing equity implications of prioritization approach (e.g., low volume roads)

What's working for us?

- **Building in-house capacity** for AM
- **Asset performance** measurement that embeds growth requirements and risks
- Simplified multi-year budget tools to estimate the lifecycle costs of growth

- Integrating current and future capacity assessment into a holistic asset performance framework (well beyond asset condition)
- Horizontally and vertically integrating master plans



City of Thunder Bay



108,843

Population 2021

0.9%

Historical Growth 2016-2021

124,959

Population 2045*

14.8%

Projected Growth to 2045*

Rural northern

 Single-tier municipality

Key Learnings:

- Early investment in staff education, communication, collaboration drive alignment
- Targeted intensification requires intentional planning, alignment and integration of City policies, processes and people

What are we working on?

- Smart Growth Action Plan with 3 pillars: Readiness, Attraction, Talent
- Intensifying existing areas instead of greenfield development
- Information systems review to support data and evidence

What's working for us?

- Clear Asset Management
 Fundamentals guiding
 investment
- Internal education: "everyone is an asset manager"
- Community education and engagement on services and lifecycle costs

- Aligning the growth strategy, financial strategy, asset management plan, and other strategies, policies, plans
- Requiring business case justification for decision making not aligned with "asset management fundamentals"



Township of Centre Wellington



31,093

Population 2021

10.3%

Historical Growth 2016-2021

99,100

Population 2051

87.2%

Projected Growth to 2051

Mixed urban-rural

 Lower-tier municipality

Key Learnings:

- Achievable and actionable asset management recommendations builds momentum and longterm results
- Growth does not pay for growth: current growth funding mechanisms are insufficient

What are we working on?

- Township- and developer-initiated boundary expansions
- Addressing key service gaps for growth (water, wastewater)
- Potential new/expanded services (transit, active transport, parks)
- Stormwater utility charge
- Policies for phasing growth

What's working for us?

- Service Financing
 Agreements to have
 developers cover up-front costs
 of infrastructure
- Planning ahead for "unassumed" assets
- Centralizing "data keepers" to provide better input to decisions

- Projecting the financial impact of growth into budgets, forecasts, AMP
- Defining optimal capital investment to guide levels of service, financials
- Defined funding sources for growth and renewal



Panel Discussion



Our Panelists



Suzanne OlimerCommissioner of Finance and Corporate Services and Treasurer
District Municipality of Muskoka



Dan WilsonChief Administrative Officer
Township of Centre Wellington



Discussion

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What are your top 1-3 actions you can take within your role to better support the integration of growth and AM?

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Questions?







