



# Land Use Planning & Asset Management Integration

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*Infrastructure challenges are more than a daily inconvenience; they pose real risks to the future prosperity of our communities, and to the entire country*

- Finance Minister Jim Flaherty speaking to the Whitby Chamber of Commerce, March 9, 2006
- FCM estimates a local government infrastructure deficit/liability to be \$123 billion increasing at \$5 billion per year
- Increase from \$12 billion in 1985 to \$60 billion in 2003 due to the accelerating combination of aging infrastructure and continuing deterioration
- Local governments own 50% of community infrastructure, but only receive 8 cents on the tax dollar (federal government gets 50 cents and provincial governments get 42 cents)



## Land Use Planning and Asset Management??

**Land Use Planning** - the scientific, aesthetic, and orderly disposition of land, resources, facilities and services with a view to securing the physical, economic and social efficiency, health and well-being of urban and rural communities - Canadian Institute of Planners

**Asset Management** - an integrated approach involving planning, finance, engineering and operations to effectively manage existing and new infrastructure to maximize benefits, reduce risks and provide satisfactory levels of service to community users in a socially, environmentally, and economically sustainable manner - Asset Management BC



## Function

Land use planning

Infrastructure management

Finance and reporting



## Profession

Planners

Engineering/Public Works

Accountants

# Integration?

# Professional obligations??





## Land Use Planning Requirements

- Section 875(1) of LGA states an official community plan (OCP) is a statement of objectives and policies to guide decisions on planning and land use management, within the area covered by the plan, respecting the purposes of local government.
  - Professional practice commonly uses a time horizon of 20-30 years.
- Section 882 states a municipality must consider an OCP in conjunction with its financial plan and any waste management plan following first reading of the OCP bylaw



## Strategic Planning and Reporting

Section 98 of the *Community Charter* requires local governments to prepare an annual report prior to June 30<sup>th</sup> of each year, including:

- the audited annual financial statements for the previous year;
- a report respecting local government services and operations for the previous year;
- a progress report respecting the previous year in relation to the objectives and measures established for that year
- a statement of local government objectives, and the measures that will be used to determine progress respecting those objectives, for the current and next year



## Financial Planning

- Section 165 requiring an annual financial plan with a minimum 5-year financial budget forecast, local governments now must incorporate strategic planning, performance management and corporate reporting into financial management.
- Both the annual report and financial plan require consideration by Council in an advertised public meeting open to submissions and questions from the public.
- So, why is the professional integration not commonly happening?



## 2009 Survey

Asset Management BC interviewed 39 local governments and identified the need in asset management to:

- Have strong collaboration and a holistic approach
- Integrate local government departments or functional areas
- Enhance the long-term planning process
- Re-assign staff responsibilities to develop and implement an asset management program
- Incorporate asset management into existing job descriptions and responsibilities





## 2009 Survey

- Local governments cannot maintain affordability of services for their taxpayers while also adequately financing asset renewal.
- Reserves for asset renewal need to be increased and long-term financial plans prepared; however, few communities prepare financial plans beyond the required 5-year time frame or plan explicitly for asset management.
- Community support will be needed at all stages to maintain asset management as a priority over the long-term instead of the current short-term to immediate response to demands. This requires further public education programs aimed at increasing awareness of the true cost of providing a service.



## Urban Storm Hydrograph

- Dominant Baby Boomer cohort approaching retirement
- Declining work force, particularly in professions and skilled trades
- Climate change
- Increasing population diversity
- Increasing health care costs



Faster, bigger and stronger CHANGE



## City of Victoria

- **Victoria Sustainability Framework**
  - 2012-2016 Strategic Action Plan
  - TBL Tool Box
  - TBL Score Card
- **Official Community Plan**
  - 2011-2031 land use plan, including growth, urban form, transportation, housing, services and infrastructure
- **Asset Management Plan** - current assets, life cycle, level of service and financing options
- **Climate Action Plan** - corporate carbon neutrality in 2012 and community resiliency plan by 2013



# Questions?

