



## INFORMATION ONLY COUNCIL REPORT

To: Paul Gipps, CAO

Date: April 20, 2021

From: Stirling Scory, Planner II – Long Range

File No: P20-17

Subject: **Municipal Natural Assets Initiative (MNAI) Natural Asset Inventory**

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### STRATEGIC AREA OF FOCUS

**Invest in Infrastructure** – We will invest in building, improving and maintaining quality infrastructure to meet the needs of, and to provide a high quality of life for, current and future generations.

### BACKGROUND

This report is an information update that outlines the progress of work completed to date on an initiative by the City's planning department to be outlined in the presentation by the Municipal Natural Assets Initiative<sup>1</sup> (MNAI). In the fall of 2020, the City submitted an expression of interest to the MNAI for the completion of a Natural Asset Inventory. The inventory is the first step to further understanding the availability of natural assets within the community that may be used to support the City's asset management program.

The MNAI identifies natural assets as a stock of natural resources or ecosystems in a community that support the health, well-being, and long-term sustainability of a community and its residents. A natural asset inventory provides an overview of the location, risk, challenges and opportunities of these assets. The MNAI will be providing an overview to Council of the inventory that was completed.

The opportunity to complete this inventory came through grant funding provided to the MNAI. In August 2020, the MNAI held a request for expressions of interest to municipalities across Canada that were interested in completing a natural asset inventory. Municipalities were selected based on their quality of submission, their geographic location, and their interest in committing to natural asset management. The City was evaluated and selected in September 2020, with the expectation that that the inventory would be completed by March 2021. The City was required to commit \$2,500 for the completion of the inventory.

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<sup>1</sup> The MNAI specializes in the provision of scientific and economic expertise that is capable of supporting and providing direction to local government so that they may identify and value natural assets.

## Engineered Assets

The MNAI has identified engineered infrastructure as assets that provide a direct human benefit through their function and operation, such as the provision of roads, treatment of water, and the diversion and collection of stormwater runoff. While beneficial, the MNAI notes that engineered infrastructure is costly to maintain, repair, and replace. Additionally, the MNAI identifies the cost to maintain and replace engineered infrastructure is increasing for growing municipalities, as they must balance the funding required to replace and repair old infrastructure while considering what new infrastructure may be required for the future. As a means to reduce these costs of operation and to continue to provide a high level of service, municipalities across Canada have examined alternative methods of service delivery. In response, municipalities have begun to recognize the potential in integrating natural assets into their asset management plans as a means of cost effective service delivery.

## Natural Assets

The MNAI has determined that natural assets form complex biological, chemical, and physical processes that result in the production of ecosystems capable of providing a variety of goods and services that are created naturally as a byproduct of their function. Unlike engineered infrastructure, natural assets function irrespectively of human demand; however, they can still provide direct human benefit. Through their function, natural assets produce goods (clean water) and services (green space and climate regulation). The MNAI has been working with municipalities across Canada to review their assets to determine the full extent of the services their assets may provide, what risks are associated with their current and future use, and what opportunities exist to incorporate them into municipal infrastructure.

## Natural Asset Inventory

The development of a natural asset inventory is the first step in understanding natural assets, their location, and the risks associated with their operation. However, to fully understand their role and function, a natural asset management plan must be completed. While helpful, an inventory does not provide the critical information that may be used to inform future decisions that could determine whether or not a natural asset may be used instead of an engineered asset, or if there are possibilities for the two forms to be combined to provide a municipal service, i.e. stormwater drainage. Like engineered assets, to fully understand how a natural assets performs will require further analysis in order to determine the quantifiable data specific to the asset.

## Natural Asset Management Plan

The City is in a strong position to continue to make measureable and progressive steps towards meeting its sustainability goals; furthermore, the completion of the inventory prepares West Kelowna to initiate the natural asset management plan. The possibility of completing a natural asset management plan comes at a timely opportunity as the City's

engineering department is currently in the process of completing the City's first ever asset management plan. If combined with the completion of a natural asset management plan there is a timely opportunity for the City to have completed two asset plans that would provide very clear infrastructure and servicing requirements for the future.

**FINANCIAL IMPLICATION**

The project was completed through a grant application process. The City was required to contribute \$2,500, approximately 10% of the actual cost of the project.

**REVIEWED BY**

Brent Magnan, Planning Manager

Mark Koch, Director of Development Services

Shelley Schnitzler, Legislative Services Manager/Corporate Officer

**APPROVED FOR THE AGENDA BY**

Paul Gipps, CAO

Powerpoint: Yes  No