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Recreation and Cultural Services Asset Management Plan

May 2024



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Introduction

1.1 Background

Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure requires all municipalities to prepare baseline asset management plans for all their assets. The purpose of this legislation is to have municipalities demonstrate they can maintain their assets, balancing affordability, risk, and service levels to sustain them in their present state, with no change to the service level for the next ten years.

To meet the provincial requirements, the City has created this first version of its Recreation and Cultural Services Asset Management Plan. It reports the current state of the assets, levels of service provided, strategies and activities applied by the City, historical and forecasted financial details, and potential improvement actions. It is a strategic document that provides a snapshot of current conditions and establishes a basis for future asset management planning and decision making. The Asset Management Plan is based on asset data and financial information from 2023.



1.2 Asset Classes and Types

The Recreation and Cultural Services Asset Management Plan includes assets that support the delivery of recreation and cultural services to encourage healthy and active lifestyles, and to contribute to the city's cultural identity and heritage.

Recreation and Cultural Services Asset Classes and Types

Aquatics Facilities		
<ul style="list-style-type: none">• Aquatics Storage Buildings• Change Facilities	<ul style="list-style-type: none">• Indoor /Outdoor Pools• Splash Pads	<ul style="list-style-type: none">• Supervised Beaches• Wading Pools
Arenas and Ice Rinks		
<ul style="list-style-type: none">• Arenas	<ul style="list-style-type: none">• Curling Rinks	<ul style="list-style-type: none">• Outdoor Rinks/Ice Pads
Boating Assets		
<ul style="list-style-type: none">• Marina Buildings	<ul style="list-style-type: none">• Recreational Boat Launches and Docks	
Community Assets		
<ul style="list-style-type: none">• Community Buildings• Community Centres	<ul style="list-style-type: none">• Gazebos• Playgrounds	<ul style="list-style-type: none">• Senior Centres• Tennis Buildings
Cultural Assets		
<ul style="list-style-type: none">• Creative Arts Buildings• Historical Properties	<ul style="list-style-type: none">• Monuments• Museums	<ul style="list-style-type: none">• Outdoor Amphitheatres• Performing Arts Centres
Other Buildings		
<ul style="list-style-type: none">• Marina Buildings• Recreational Boat Launches and Docks		



Outdoor Assets

- BMX, Pump Tracks and Mountain Biking Facilities
- Cemeteries
- Comfort Stations
- Fenced Off-leash Dog Facilities
- Horseshoe Pits
- Outdoor Basketball Courts
- Outdoor Volleyball Courts
- Petanque Courts
- Pickleball Courts
- Running Tracks
- Signs
- Skateboard Parks
- Tennis Courts
- Toboggan Hills

Outdoor Sports Fields

- Artificial Turf Sports Fields
- Ball Diamonds
- Multi-Use Fields
- Soccer Fields
- Other Sports Fields

Pathways

- Fitness Trails
- Recreational Pathways

Parks Maintenance, Recreation & Cultural Services Fleet

- Vehicles

Recreation Assets

- Athletic Facilities
- Recreation Complexes



State of Local Infrastructure

2.1 Asset Inventory and Valuation

The total replacement cost of recreation and cultural services assets is approximately \$3.8 billion as summarized in the table below.

Recreation and Cultural Services Asset Inventory and Replacement Cost

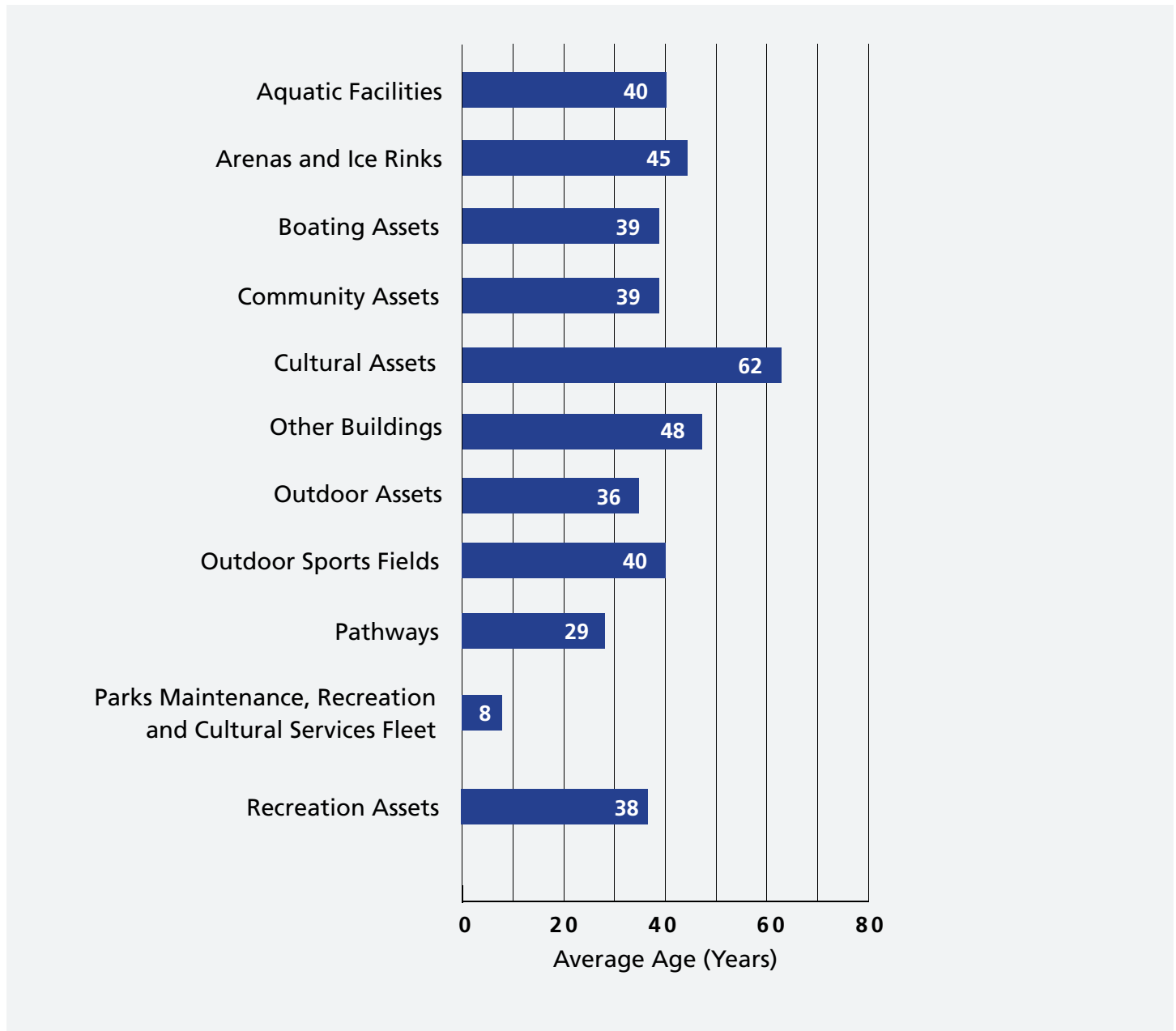
Asset Class	Inventory	Replacement Cost
Aquatic Facilities	234	\$245 M
Arenas and Ice Rinks	244	\$610 M
Boating Assets	10	\$15 M
Community Assets	1017	\$706 M
Cultural Assets	103	\$353 M
Other Buildings	149	\$267 M
Outdoor Assets	703	\$113 M
Outdoor Sports Fields	685	\$195 M
Pathways	N/A	\$283 M
Parks Maintenance, Recreation and Cultural Services Fleet	556	\$50 M
Recreation Assets	15	\$992 M



2.2 Age and Condition

The age of an asset gives a sense of how close it is to the end of its service life and what renewal interventions may be appropriate. The average age of the City's recreation and cultural services assets is shown in the figure below.

Average Age of Recreation and Cultural Services Assets



The City uses a range of techniques and solutions to collect and assess condition data, and at various frequencies, which is summarized in the following table.

Condition Data Collection Methods for Recreation and Cultural Services Assets

Asset Type	Condition Data Collection Technique	Frequency
Aquatic Facilities	Building Condition Audit or Site Condition Assessment	10 years
Arenas and Ice Rinks	Building Condition Audit or Site Condition Assessment	10 years
Boating Assets	Building Condition Audit or Site Condition Assessment	10 years
Community Assets	Building Condition Audit or Site Condition Assessment	10 years
Cultural Assets	Building Condition Audit or Site Condition Assessment	10 years
Other Buildings	Building Condition Audit	10 years
Outdoor Assets	Building Condition Audit or Site Condition Assessment	10 years
Outdoor Sports Fields	Site Condition Assessment	10 years
Pathways	Site Condition Assessment or Inspection	5+ years
Parks Maintenance, Recreation and Cultural Services Fleet	Inspection and Maintenance	6 months and original equipment manufacturer maintenance schedule
Recreation Assets	Building Condition Audit	10 years



Based on condition data, supplemented by subject matter expert knowledge and professional judgment, the condition of assets is rated on a scale from “Very Good” to “Very Poor” as shown in the table below.

Five-point Scale for Recreation and Cultural Services Asset Condition

Rating	Rating Description	Facility Condition Index (FCI) ⁽¹⁾	Site Condition Index (SCI) ⁽¹⁾	Condition Index	Life Remaining
		(Recreation and cultural buildings/facilities)	(Recreation and cultural sites)	(Recreational Pathways)	(Fleet)
Very Good	Sound Physical Condition No short-term failure risk and no work required.	< 0.02	<0.05	80 – 100	>75%
Good	Adequate for Now Acceptable, generally in mid stage of expected service life	0.02 – 0.05	0.05 – 0.10	70 – 79	51% - 75%
Fair	Requires Attention Signs of deterioration, requires attention, some elements exhibit deficiencies	0.05 – 0.15	0.10 – 0.30	60 – 69	26% - 50%
Poor	Increasing Potential of Affecting Service Approaching end of service life, condition below standard, large portion of system exhibits significant deterioration	0.15 – 0.30	0.30 – 0.50	50 – 59	1% - 25%
Very Poor	Unfit for Sustained Service (built infrastructure) / Nearing end of life (fleet) Near or beyond expected service life, widespread signs of advanced deterioration, some built assets may be unusable.	> 0.30	≥0.50	0 – 49	<1% (outside of lifecycle)

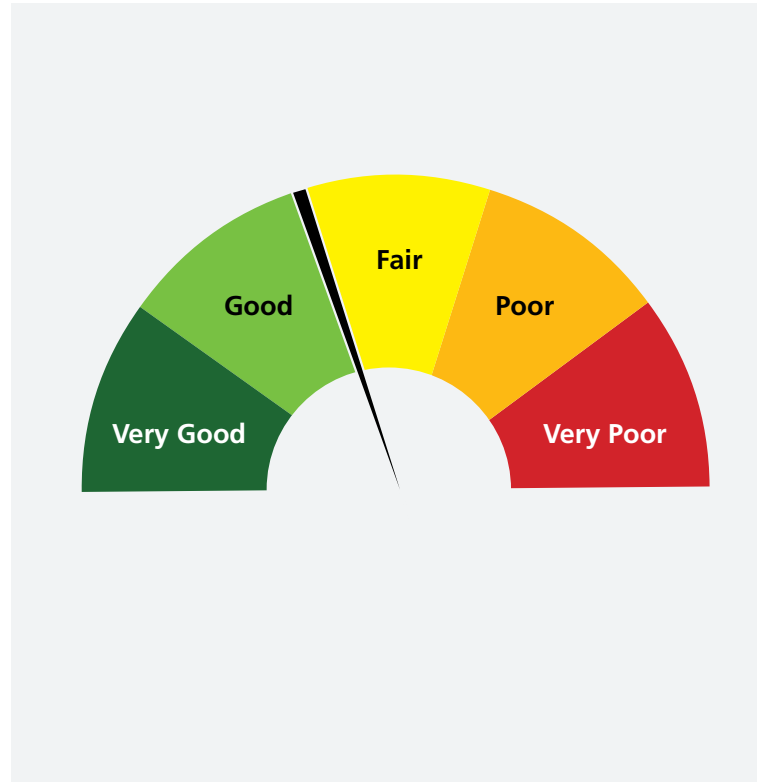
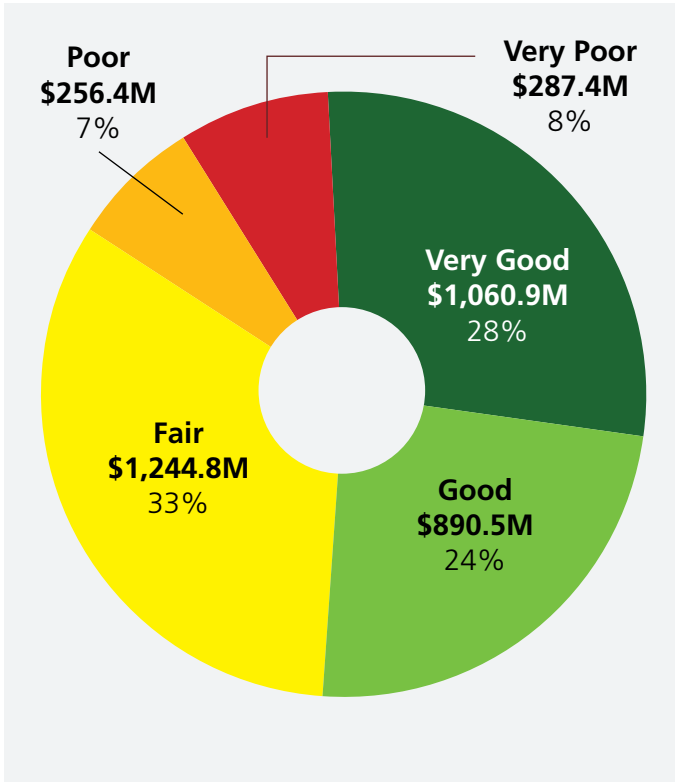
(1) Where FCI = 0, or no deferred maintenance is reported, or required maintenance is reported but has not yet been deferred, condition is reported based on typical useful life consumed as follows:

	Very Good	Good	Fair	Poor	Very Poor
Typical Useful Life Consumed	<40%	40% - 70%	70% - 90%	90% - 100%	≥100%

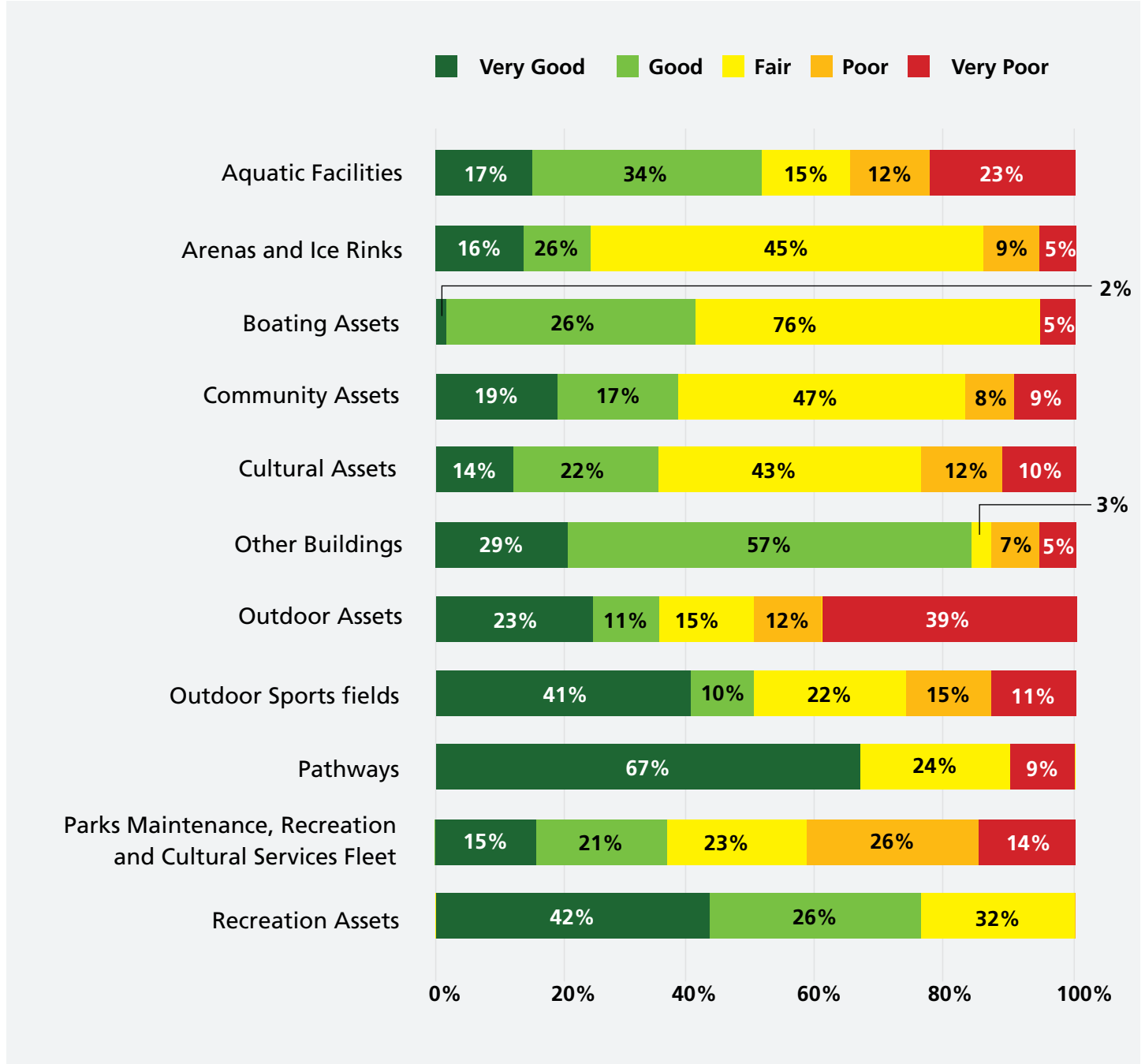


The overall condition of recreation and cultural services assets is "Good to Fair" and a breakdown for the various asset classes is shown in the figures below.

Overall Condition Profile of Recreation and Cultural Services Assets



Condition Profile of Recreation and Cultural Services Assets



Levels of Service

The City's assets exist to deliver service to customers. Levels of service measure the actual service delivered so that decisions can be made about the assets based on the service that they provide rather than simply on their condition.

The Recreation and Cultural Services Asset Management Plan establishes level of service measures and reports the current levels of service being provided. The measures align with City goals and recognize that recreation and cultural services assets should be managed in a way that:

- Provides adequate recreation and culture capacity to the population served
- Reduces emissions associated with the City's operations and facilities
- Increases resiliency to extreme weather and changing climate conditions
- Provides accessible facilities
- Maintains assets in a state of good repair (e.g., in accordance with maintenance quality standards)
- Provides sustainable and affordable services over the long-term



The level of service measures for recreation and cultural services are shown in the table below.

Level of Service Measures for Recreation and Cultural Services

Service Attribute	Community Level of Service	Technical Level of Service	Current Performance (2022)
Capacity and Use	Provide adequate recreation and culture capacity to the population served	Number of residents per recreation facility type (refer to Parks and Recreation Facilities Master Plan)	Refer to Parks and Recreation Facilities Master Plan
		Number of residents per Cultural Asset	11,165
Function	Reduce emissions associated with the City's operations and facilities	GHG emissions per thousand square feet	3.6 tonnes CO2e
		GHG emissions per total fleet	2,664 tonnes CO2e
	Increase resiliency to extreme weather and changing climate conditions	Percent of facilities with backup power for critical building systems	4%
	Provide accessible facilities	Percent of indoor facilities with accessibility audit completed	51%
Reliability	Maintain assets in a state of good repair ¹	Percent of assets in fair or better condition	85%
Affordability	Provide sustainable and affordable services over the long-term	Asset Renewal Funding Ratio	66%
		Average Annual Renewal Investment	\$64.9M

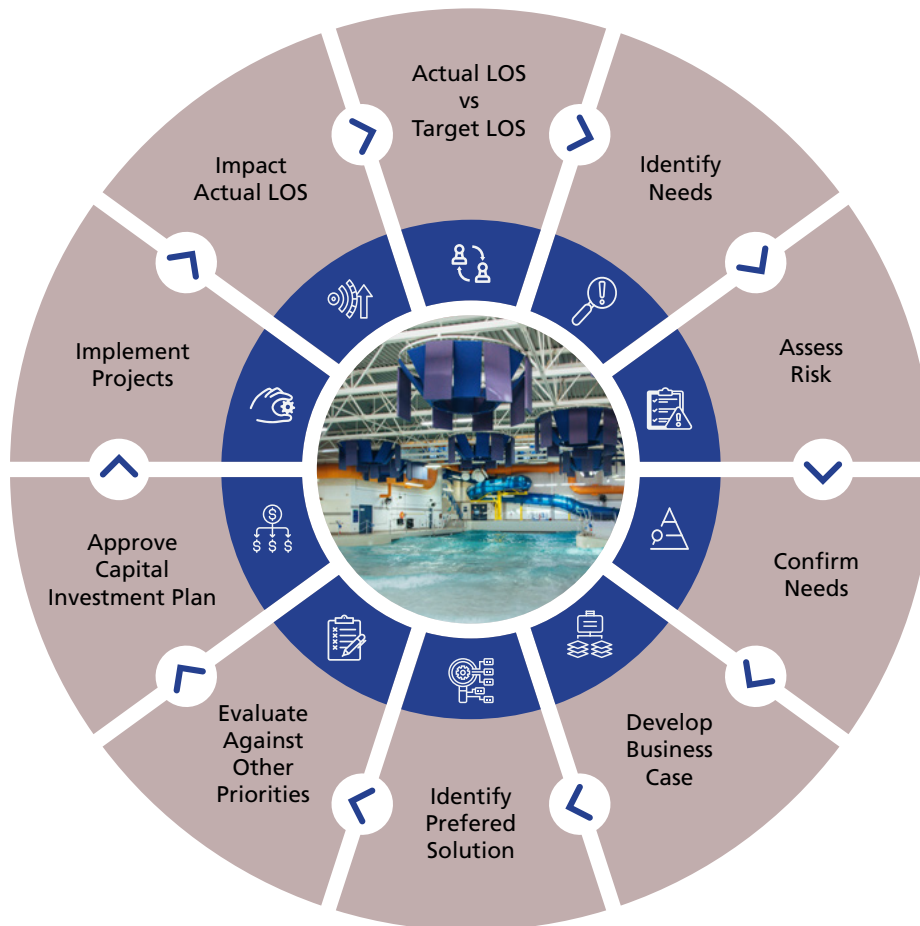
¹ For Parks Maintenance, minimum standards are established in the Council approved Public Works Maintenance Quality Standards (2004).



Asset Management Strategy

4.1 Practices, Procedures and Tools

One of the key objectives of asset management is to recognize the objectives of the City and align them with the City's long term financial plans. This will allow Council to make informed decisions and provide clear direction on how the City will balance service levels, risks, and costs. The City has well-established practices to assess the risk of not meeting community and technical level of service standards and to determine the lowest lifecycle cost activities to reduce the risks to acceptable levels and the associated costs of undertaking them. The Asset Management Plan provides the needs forecast associated with maintaining current levels of service and compares it to the planned budget to determine funding gaps or surpluses.



4.2 Future Demand and Service Enhancement

In developing the Recreation and Cultural Services Asset Management Plan, a preliminary estimate was prepared of the cost of maintaining all of the assets that support the City's recreation and cultural services at their current level of service over the next 10 years. The estimate includes forecasts of:

- Growth needs based on preliminary estimates compiled for the update of the City's Development Charges Study and the 2022 Community Benefits Charge Strategy and By-law, required to serve the city's growing population.
- Enhancement needs based on accessibility audits and building condition assessments, and input from subject matter experts, required to improve services, meet new or updated standards, or address accessibility.
- Renewal needs identified for Facilities based on building condition audits and forecasted lifecycle renewal needs for Fleet, required to maintain assets in a state of good repair.

Ottawa's population is expected to increase to 1.4 million people by 2046, a significant increase of 40% since 2018, as summarized in the table below. This growth will put pressure on existing assets and services, and may require new or expanded assets to meet growing needs.

City of Ottawa Population Projections for 2046

	2046 Projection	Growth since 2018
Population	1,409,650	402,150
Private Households	590,600	194,800
Jobs	827,000	189,500

Source: New Official Plan report to Council (ACS2021-PIE-EDP-0036), October 2021



The table below summarizes the future growth, enhancement and renewal needs forecast for recreation and cultural services assets.

Future Demand and Service Enhancement Needs Forecast for Recreation and Cultural Services

Asset Class	10-Year Growth Needs (\$ Millions)	10-Year Enhancement Needs (\$ Millions)	10-Year Renewal Needs (\$ Millions)	10-Year Total Needs (\$ Millions)
Recreation & Cultural Services Facilities	\$655.0	\$166.1	\$907.2 ²	\$1,728.3
Parks Maintenance, Recreation & Cultural Services Fleet	Not available ³	Not applicable	\$70.1	Not available
Total	\$655.0	\$166.1	\$977.3	\$1,798.4

Asset management planning also needs to consider the City’s Climate Change Master Plan goals for both mitigation strategies to slow climate change impacts, such as reducing greenhouse gas emissions, and adaptation strategies to reduce negative impacts associated with existing and future climate change. The Asset Management Plan estimates the additional future costs due to climate change shown in the table below. These are preliminary estimates based on the latest information available, which will be refined over time.

² The capital renewal needs identified for buildings are underestimated by approximately \$115M across all City services. The underestimation is due to: i) limitations with the asset management software utilized by Buildings & Parks Asset Management; ii) business process and timelines for acquiring projections and entering inventory data within the asset management software; and iii) data rationalization impacting accuracy at the point and time when the data was acquired from the asset management software.

³ Growth in facilities assets typically results in corresponding growth pressures for fleet assets to support those facilities, which is unknown at this time.



Estimated Additional Future Costs Due to Climate Change for Recreation and Cultural Services

Additional Costs due to Climate Change	Estimated 10-Year Total Additional Cost (\$ Millions)
Increased operations and maintenance and capital renewal costs for buildings due to gradual, long-term impacts of climate change	\$31.9 (operating & maintenance) \$60.1 (capital renewal)
Increased operations and maintenance costs due to extreme weather events	\$7.5
Increased capital costs to implement climate change mitigation actions including municipal fleet electrification and building retrofits	\$238.9
Total	\$338.4

Some climate change costs have been or are expected in future to be at least partially recovered from upper levels of government; these recoveries are not factored into the estimates. Also, the estimates do not capture damage to capital infrastructure due to catastrophic/extreme weather events (e.g., tornadoes); increased capital renewal needs due to accelerated asset deterioration; increased capital renewal costs for assets other than buildings (such as fleet and equipment); and gradual, long-term impacts due to climate hazards other than extreme heat, extreme rainfall, and freeze-thaw cycles (such as drought, ice storms and wildfires).

4.3 Lifecycle Management and Risk

Lifecycle management activities refer to the set of planned activities and actions undertaken to maintain the current levels of service and achieve good economic life of the assets. The activities undertaken range from operations and maintenance activities, including planned and reactive maintenance, renewal activities (such as condition assessments and rehabilitations), disposal activities and non-infrastructure solutions (such as policies and processes that reduce costs, mitigate risks or maintain/enhance service delivery).

The City applies a risk-based approach to prioritizing asset renewals. The risk assessment frameworks and methods vary across the different types of assets, but are generally based on the importance of each asset in terms of service delivery/continuity and the number of users who could be impacted.



Financing Strategy

The City continues to invest responsibly in maintaining infrastructure and has been increasing its capital investments to align with long-range financial plans. Funding targets recommended in the 2017 Comprehensive Asset Management Program were focused on maintaining critical infrastructure in a state of good repair. There will be a need to update the long range financial plans once new service levels are defined to ensure financial sustainability.

5.1 Expenditure History

For information on historical operating and capital expenditures, refer to the City’s historical annual budget documents.

5.2 Expenditure Forecast

Over the next 10 years, the City will continue investing in infrastructure to support operational expenses, respond to renewal needs, serve growth, and provide enhancements. The planned operating budget is based on Financial Planning’s operating budget forecast for Recreation, Cultural and Facility Services and extrapolation from the 2024 operating budget for Public Works – Parks Maintenance, and the planned capital budget is based on the City’s 2023 10-year capital budget forecast (for facilities) and Fleet Services’ 2024 forecast (for fleet).

Budget Forecast for Recreation and Cultural Services

Component	Expenditure/Budget Forecast (\$ Millions)									
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Operating Budget ⁴	\$198.0	\$206.7	\$212.8	\$219.8	\$225.7	\$231.9	\$238.4	\$245.2	\$252.4	\$259.9
Capital Budget – Growth	\$10.6	\$17.6	\$56.8	\$19.2	\$23.2	\$25.6	\$29.8	\$9.8	\$9.8	\$9.8
Capital Budget – Enhancement	\$2.7	\$2.6	\$2.7	\$2.7	\$2.8	\$2.8	\$2.9	\$3.0	\$2.4	\$2.5
Capital Budget – Renewal	\$47.1	\$64.0	\$57.0	\$58.4	\$63.5	\$64.5	\$71.4	\$72.3	\$77.2	\$73.8

⁴ Values shown are net operating budget requirement after expenditure recoveries and revenues.

Operational budgets support other service areas, such as Greenspace and Forest (e.g., parkland grass cutting) and Transportation (boulevard grass cutting), but are 100% captured in the Recreation and Cultural Services Asset Management Plan because the data required to divide the cost was not available.



5.3 Funding Gap

The funding gap is the difference between the forecasted asset needs and the planned capital budget. Over the next 10 years, the total needs for recreation and cultural services assets is \$1.80 billion, while the planned budget is \$887.8 million, leading to a funding gap of \$910.6 million. The forecasted investment needs, planned budgets and funding gaps for recreation and cultural services assets are summarized in the table and figure below.

Note that growth needs and planned budgets will be finalized as part of the Development Charges By-law Update, which is intended to better align growth needs with planned budgets.

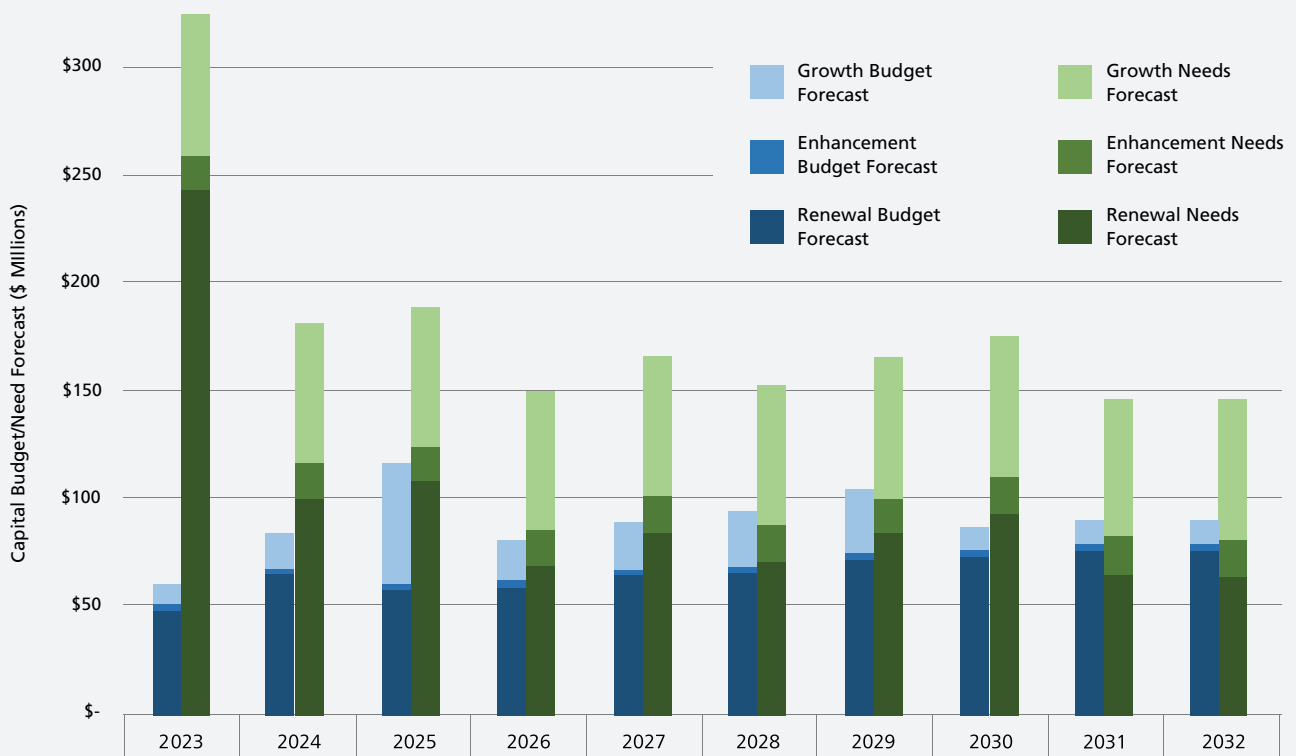
Funding Gap for Recreation and Cultural Services

Asset Class	10-Year Need (\$ Millions)	10-Year Funding (\$ Millions)	10-Year Gap (\$ Millions)
Growth			
Recreation and Cultural Services Assets	\$655.0	\$212.0	(\$443.0)
Parks Maintenance, Recreation and Cultural Services Fleet	Not Available ⁵	\$0	Not Available
Subtotal	\$655.0	\$212.0	(\$443.0)
Enhancement			
Recreation and Cultural Services Assets	\$166.1	\$26.9	(\$139.2)
Parks Maintenance, Recreation and Cultural Services Fleet	Not Applicable	\$0.0	\$0.0
Subtotal	\$166.1	\$26.9	(\$139.2)
Renewal			
Recreation and Cultural Services Assets	\$907.2	\$613.7	(\$293.5)
Parks Maintenance, Recreation and Cultural Services Fleet	\$70.1	\$35.2	(\$34.9)
Subtotal	\$977.3	\$648.9	(\$328.4)
Total	\$1,798.4	\$887.8	(\$910.6)

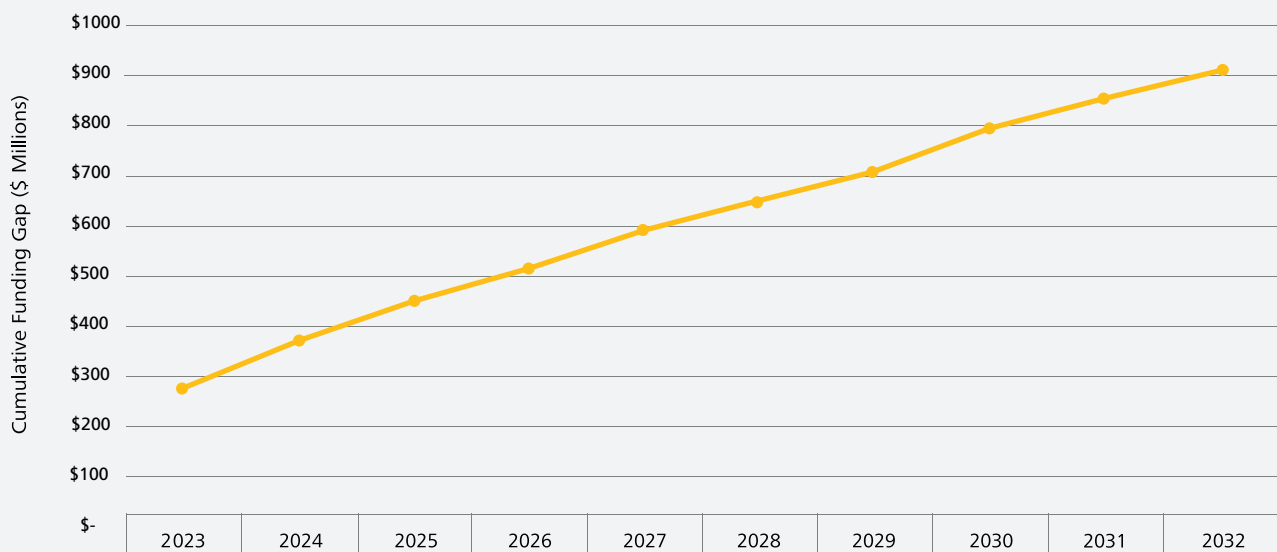
⁵ Growth in facilities assets typically results in corresponding growth pressures for fleet assets to support those facilities, which is unknown at this time.



Budget and Needs Forecast for Recreation and Cultural Services



Cumulative Funding Gap for Recreation and Cultural Services



The City has planned dedicated funding over the next 10 years to address climate change needs. The funding supports not only recreation and cultural services, but various other services provided by the City. The climate change capital funding needs identified for the various City services and the total planned capital funding for climate change initiatives are summarized in the table below. These are preliminary estimates that are being refined through various initiatives, but they give a sense of the order-of-magnitude of future planned budget and potential needs.

Estimated Future Climate Change Capital Budgets and Capital Needs for All City Services*

Capital Program	10-Year Total Capital Budget (\$ Millions)	Service/Asset Needs Supported	10-Year Total Climate Change Capital Needs (\$ Millions)	10-Year Total Capital Funding Gap/ Surplus (\$ Millions)
Climate Change Master Plan	\$190.0	All	\$401.9	(\$179.1)
Emergency Reception Lodging Generators	\$4.1	Buildings		
Energy Management & Investment Strategy	\$28.7	Buildings		
Total	\$222.8		\$401.9	(\$179.1)

*Excludes:

- (1) Core assets (refer to Drinking Water, Stormwater, Transportation and Wastewater Asset Management Plans).
- (2) Transit services (all needs and budgets for transit services are covered by the Transit Long Range Financial Plan).



Improvement and Monitoring Plan

Based on the snapshot of current conditions and existing plans presented in the Recreation and Cultural Services Asset Management Plan, areas of potential improvement include:

- Data gaps, data management, and record keeping
- Cost estimating
- Level of service measures and targets
- Inspection, condition assessment, corrective maintenance, and risk assessment
- Asset maintenance practices for facilities
- Climate change resiliency
- Applying an equity and inclusion lens

The Recreation and Cultural Services Asset Management Plan will be reviewed and updated on a regular basis and over time these improvements will be reflected in future versions of the Asset Management Plan.



More Information

For more information about comprehensive asset management, or to learn more about the City's Comprehensive Asset Management Program, please visit Ottawa.ca.

