



KENORA DISTRICT MUNICIPAL ASSOCIATION

SUBJECT: Sustainable Funding for Provincially Downloaded Infrastructure

SUBMITTED BY: City of Kenora

YEAR: 2024

BACKGROUND:

Year after year, the City of Kenora has advocated for stable funding programs to support its large infrastructure portfolio that is distinct from other communities in the Province.

Of particular concern is Kenora's bridge, culvert and road infrastructure, which carries a replacement value of approximately \$468 million; a staggering figure for a community of approximately 15,000. With this population size, we have 21 bridges of which 9 have been downloaded from the province – more than any other municipality in Northwestern Ontario and Kenora-Rainy River District put together. As per our most current Asset Management Plan, the replacement cost of the City's asset portfolio was estimated to be \$1.2 billion with an annual capital infrastructure deficit of \$13.7 million.

Fiscal capacity and budget constraints continue to be a constant concern for staff attempting to manage the maintenance and rehabilitation of municipal infrastructure and the City has limited access to sustainable provincial and federal funding that is intended to support investment in infrastructure.

Due to the City's location, residents of the unorganized territories use City infrastructure on a daily basis but do not contribute to the municipal tax base. Further this infrastructure, primarily the City's road and bridge network, supports the critical economic interests of the Province as Kenora is an important junction on the Trans-Canada Highway.



Increasingly in the 2022/2023 winter, the Trans-Canada Highway closures were higher than ever which results in significant traffic crossing our bridges into the community to wait the highway reopening. This puts additional pressure on the longevity of our bridges and roads and shortens the lifespan of that infrastructure as a result of provincial highway closures.

The Ontario Community Infrastructure Fund (OCIF) is a critical source of revenue that helps sustain existing infrastructure. This funding program represents the most consistent and predictable source of funding for the City, but it is unknown annually if it is stabilized guaranteed income for the City.

Currently the annual allocation for the OCIF program annual allocation for 2024 is \$2,364,241 M. The OCIF funding is awarded on a year-by-year basis therefore future allocation cannot be predicted.

Dedicated infrastructure capital funding is required for Ontario's northern, small, and remote communities, as they are often challenged by unique geography and declining assessment bases.

We request Ontario to invest in a permanent northern infrastructure program considerate of the high project costs, limited resources, very short construction season, infrastructure deficits and stagnant investment climate facing northern communities that impact economic sustainability.

RECOMMENDATION:

Whereas the Province recognizes the distinct challenges and barriers small northern communities face, including permanent infrastructure funding programs intended to offset costs related to infrastructure such as roads and bridges; and

Whereas the Ontario Community Infrastructure Fund (OCIF) is a critical source of revenue that helps sustain existing infrastructure; and



Whereas this funding program represents the most consistent and predictable source of funding for northern municipalities but it is not a guaranteed funding source annually;

NOW THEREFORE MAY IT BE RESOLVED THAT the Kenora District Municipal Association advocate for the Province to invest in creating permanent critical infrastructure funding targeted to northern Ontario communities.

COMMITTEE ACTION

CONVENTION ACTION

Concurrence_____

Concurrence_____

Concurrence as Amended_____

Concurrence as Amended_____

Non-Concurrence_____

Non-Concurrence_____

KDMA President