

Report Summary: *Towards a Collaborative Strategy for Municipal Natural Asset Management: Private Lands* by the Municipal Natural Assets Initiative (MNAI)

Prepared by: Kate Slorach, Nature NB

Introduction

Not all natural assets are found on public land, meaning that natural assets on privately owned land are more difficult to manage at municipal, provincial and national scales. Natural assets are not limited to the borders of communities and cities (ex: a watershed), meaning that there is a need to work collaboratively across jurisdictions. This report covers some solutions and suggestions to manage these privately-owned lands at a local/municipal scale to preserve natural assets that benefit a community. Natural assets are natural resources and ecosystems that provide services to the surrounding community. For example, a wetland provides services such as water filtration and storage, flood mitigation, carbon sequestration and recreation.

Land Use Tools

Land Acquisition: Buying land from private landowners to turn it into public land so it is easier to manage. Land that has no natural assets or natural assets of lower priority can be sold so that private land with more or more important natural assets can be bought.

Challenges: Expensive.

Conservation Easements: “Conservation easements are legally binding agreements between a landowner and a third party agency (federal, provincial or municipal government body/an independent, non-profit conservation organization/land trust) in which certain rights to the private property are transferred to the agency”. The private landowner can donate their rights or the third party agency can purchase them. Conservation easements are individually unique, can be used on agricultural land, and are property-bound (the agreement is passed on to the next property owner if the land is sold).

Challenges: Voluntary commitment from land owner. Requires enforcement from the 3rd party.

Official Plans and Specialized Plans: Official documents created by a municipality that identify long-term plans for a community in regards to its social, economic and environmental aspects. Involves development and by-laws, but has no regulatory authority. Can be used to establish the idea of natural asset management into community planning. Specialized Plans are like Official Plans, but focused on one specific element in the municipality. Examples include Climate Mitigation Plans and Urban Forest Management Plans.

Challenges: No regulatory authority and thus limited power in changing natural asset management. More of a guidance tool.

Zoning and By-laws: Zoning is restricting development in certain areas or only allowing development under certain conditions. Ex: floodplain areas restricted for development; buildings must replace deteriorating roofs with green roofs. By-laws and Site Plan Control By-laws can allow for some natural asset management control, ex: a tree-cutting by-law.

Challenge: It is difficult to establish zoning regulations and by-laws about natural assets if they are not already in place. Requires new development/redevelopment or a land owner applying for a zoning by-law amendment or an update of zoning by-laws from the local government.

Subdivision and Development Control: Using subdivision controls, developing permits and developing agreements to control how the land is developed.

Challenges: Must be a new development/redevelopment where a developer must submit designs and meet all necessary criteria.

Incentives

Payment for Ecosystem Services (PES): “Those who benefit from ecosystem services pay the private landowner for conserving or restoring the natural assets”. Ex: ALUS Canada – directs funding to farmers who protect ecosystem services. Municipal Payments for Ecosystem Services are like PES, but with a larger focus on long-term funding rather than one-time project funding to manage ongoing ecosystem services. Ex: Water Funds initiated by the Nature Conservancy. Challenges: Monitoring and measuring depend on consistent funding. Issue of additionality - could be paying owners to protect land when they were going to protect it anyway.

Tax Incentives: Landowners that conserve or restore natural assets receive tax benefits (tax deductions or credit towards tax payments). Ex: Federal Ecological Gifts Program.

Challenges: Funding and administrative. The landowner must be aware that they can use their land to receive tax benefit and must voluntarily apply. Some landowners may not consider the tax incentive beneficial. Requires monitoring and evaluation.

Offsets and Trading Systems: Establishing the protection of an environment to offset environmental degradation that is happening or has happened somewhere else. Ex: “carbon sequestration offsets, tradable development rights, tradable quota systems, eco-labelling and environment-certification and bio-prospecting.”

Challenges: Requires a lot of planning and consultation. Uncertainties with being able to equally offset, mitigation and the issue of additionality.

Revenue Streams

User Fees: Charging water users for the full cost of the provision of clean drinking water.

Revenue from this cost could be put towards land acquisition, conservations easements and PES. The same can be done with storm water utilities by establishing a storm water user fee system.

In lieu of payment from development: Instead of abiding by zoning restrictions that require green development (ex: green roof example) a fee can be paid instead. The revenue from this fee can be used for funding of other “green” developments.

Development Cost Charges (DCC): “Charges collected by a municipality from a developer in order to cover the cost of providing services to new developments.”

Provincial/Federal Funding: Examples include The Investing in Canada Plan and The Disaster Mitigation and Adaptation Fund.

Green Bonds: Like normal bonds, except they fund projects that benefit the environment.

Overall Suggestions/Final Tips

- Start talking/consulting/educating private landowners in the initial phase plan development.
- Use tools that are already available such as land use planning tools, development control, user fees, and grant programs.
- Consider local environmental markets. Ex: water quality trading programs in Ontario, ALUS Canada, and Nature Conservancy Water Funds.
- Seek partnerships and support.
- Focus on the service the land provides for everyone rather than who owns the land to avoid competitiveness.