



2021 STRATEGIC PLANNING REPORT

July 19, 2021

Ernie Epp of



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INTRODUCTION

Introduction

The 2021 Strategic Planning Session for the Municipality of Hanover was held at the Municipality's Public Works Building on April 26 and 27, 2021. It was facilitated by Ernie Epp of Way To Go Consulting Inc.

The following individuals participated in the session:

Stan Toews, Reeve

Bob Brandt, Councillor

Travis Doerksen, Councillor

Brian Esau, Councillor

Jim Funk, Councillor

John Giesbrecht, Councillor

Darrin Warkentin, Councillor

Luc Lahaie, Chief Administrative Officer

Derek Decru, Chief Financial Officer

Rob Driedger, Manager of Engineering and Utilities

Wes Fehr, Manager of Public Works and Operations

Jeremy Neufeld, Manager of Planning and I. T.

Jason Peters, Manager of Recreation and Community Services

Paul Wiebe, Fire Chief

A presentation on governance, roles, and leadership was provided to set the foundation for the session.

To begin the strategic planning process, an introduction was made as to the merit of the process and value of the document that will result. Two graphics were used, the first to outline the cycle of strategic planning, and the second to show how interconnected it is to annual financial planning.

Strategic Planning Cycle





Strategic Planning Connection to Financial Planning

Strategic Renewal – Developing a strategic vision which may involve public and staff input, setting of priorities.

Business Planning – action plans to attain priorities, aligning and prioritizing strategic goals & initiatives with vision

Resource Allocation – investment of resources to action plans, aligning departmental business plans with the strategic plan

Performance Measurement – review and report on attainment of strategies, measuring and reporting the results

MISSION STATEMENT

Mission Statement

The Mission Statement describes the organization's reason for being. It is a short statement that captures the essence of what the organization's core purpose is.

Hanover's existing Mission Statement was reviewed, with no adjustments considered necessary.

The Mission Statement of the Municipality of Hanover is:

The purpose of the Rural Municipality of Hanover is to focus on sustainability while providing leadership and services that will enhance our citizen's quality of life.

VISION STATEMENT

Vision Statement

The Vision Statement represents what Council believes the citizens want the community to be like in the future. It outlines where you are headed, where the Municipality will be 5 to 10 years from now.

Hanover's Vision Statement was also reviewed, and not adjusted.

The Vision Statement of the Municipality of Hanover

We will ensure the provision of quality municipal services and programs based on the identified needs of a growing population including recreation and economic development, both as a municipality and as a region.

Recognizing that we have a solid agricultural and commercial based foundation, we will have established a positive economic climate, will be investment ready, and have an investment attraction strategy that encourages diversified business growth.

Corporate Values

The purpose of corporate values is to reflect the core ideology of an organization, the deeply held values that do not change over time. They provide the answer to the question “How do we carry out our mission?” Corporate values are what the organization lives and breathes.

A list of core values will be finalized, and a brief description of those chosen will be determined as follow up to the session.

2019 STRATEGIC PLAN OUTCOMES

2019 Strategic Plan Outcomes

The five strategies which were pursued in the past two years and the outcomes of these strategies was reported on by CAO Luc Lahaie.

1. Seniors Housing

- Administration, through Council's directives has been encouraging local developers to designate multiple types of zonings in their subdivisions, which they all have been adopting.
- Council approved the Meadows development in the NE corner of Mitchell, but COVID sidelined it's development in 2020. Developers are planning to start dirt moving in summer of 2021, but lumber supply chain challenges due to COVID has delayed the construction of the residences.
- Several duplexes have been approved for the senior population in mind.
- Council and administration have encouraged developers and builders to develop private multi-family senior housing, such as on Grunthal's Main Street, but the take up has been slow.

2. Economic Development

- Hanover joined forces with Niverville, Tache and Ritchot to form the Red-Seine-Rat Regional Wastewater Co-op, hired consultant Gord Daman and submitted an ICIP Program application for funding for the \$110 million legacy project.
- HCDC Advisory Committee was created by council to seek advice from the business people in all 5 communities. After attempting to meet 3 times, the committee failed to have a full quorum at any time. The group did agree that council could consider incentives for light industrial commercial lots, but not for new businesses because often these new businesses would be direct competition to existing ones. They acknowledged that creating 50 new businesses was not attainable and suggested that we continue assisting businesses expand by creating opportunities by approving or developing industrial and commercial lots and making approvals continue being easy, painless and efficient. The advisory committee unofficially acknowledged that this committee shouldn't be the one to bring new policies, but to leave it to council as they are elected to do that.

2019 STRATEGIC PLAN OUTCOMES

- Local developers have confirmed that the development approvals and permitting processes currently in Hanover are the easiest in the south east and that we should continue remaining the course.
- The HCDC 12 - light industrial commercial lots west of Mitchell were sold out within a couple months of being registered at WLTO.
- The HCDC has now an approved offer to purchase of 5 acres in New Bothwell to continue our light industrial commercial developments in our municipality. It is evident that creating these lots to encourage businesses to establish in all 5 communities is the key to assist our businesses. The HCDC is interested in going into Kleefeld next after New Bothwell's development is complete.
- The private developer Alluss has successfully developed and marketed Blumenort's light industrial lots as they have basically all sold out within a year of being registered.
- We continue to work with our large industries and assist them in their expansion plans or environmental regulation challenges (Bothwell Cheese, Lactalis (Parmalat) and Exceldor (Granny's)).
- Part 3 building along with farm buiding inspection agreements with over 8 neighbouring municipalities has shown that this was a great decision on behalf of Council and Administration. We are now receiving requests to expand our Part 9 inspection services to these same neighbours. Administration will be bringing a recommendation to council in the near future.

3. Recreation

- The Hanover Recreation Feasibility Study is currently in final draft form was presented to the rec committee last month. Council, following lengthy discussions in 2019 had put a pause on all rec communities' plans for any large facility expansion and/or renovations until the Feasibility Study has been completed, reviewed and decisions made on how we will move forward into the future
- Recreation Service Booking software has been approved by council which will be a great asset to our community centre boards with their programming.
- The approval for the creation of a Recreation Coordinator position to implement the booking software and then assist the community centre boards with their community recreation programming will be a huge asset to the municipality.

2019 STRATEGIC PLAN OUTCOMES

- All 5 community centre boards now have financial management by administration which will relieve these duties from the volunteers and to ensure more accountability for taxpayer dollars and provide the volunteers more time and energy to provide programming in their communities.
 - Creation of a half time Facilities Coordinator to assist rec volunteers to manage the maintenance and development of the rec facilities in the 5 communities has proven to be invaluable and an essential position.
 - Creation of the “Green Team” to maintain community greenspaces with a fleet of mowers and trimmers has grown to be a success in two communities, where this has potential to expand in the other 3 communities.
4. Grunthal Development
- Council and administration met and encourage the two land owners with the majority ownership of undeveloped land in Grunthal to develop in their community. They were both offered a \$350,000 infrastructure incentive through the Gas Tax Funds to go towards required lift station development.
 - As part of the \$350,000, \$20,000 was used for a preliminary study to review the community’s lift station requirements. This confirmed that a lift was needed right away. An investment group got together to purchase some of the land from Bestvater. Subdivision application has been submitted, approved and now going through the provincial processes. In the last couple of weeks, Bestvater’s other piece has been purchased by another investor, bringing forth additional opportunities for land development.
5. Create and Build Partnerships
- Reeve, council and administration has attempted to create and build partnerships with our neighbours at numerous occasions.
 - Hanover initiated a group dinner with Steinbach immediately after the elections. Joint meetings with the city have been challenging this last term.
 - Hanover offered a joint venture in developing a regional rec facility with the City in Relations between Hanover and the City, which was declined.
 - Joining the RSR Wastewater Co-op which Hanover had initially initiated back in the early 2010s was a major milestone.

2019 STRATEGIC PLAN OUTCOMES

- Reeve Stan attempts to revitalize the informal Mayors and Reeves networking breakfast meetings were derailed by the pandemic.
- Hanover continued hosting their annual Christmas get togethers with neighboring municipalities in 2019 but COVID derailed it in 2020.
- We've offered our Part 3 inspections to our neighbours, and we are currently getting requests to expand our Part 9 to them as well.
- We continue to offer our fire protection services to our neighbours through agreements. We are in talks with Ste Anne to take over protection to the south of their municipality. The relationship of our Fire Chief and Steinbach Fire Chief is healthier than ever, with shared training sometimes taking place.

DEMOGRAPHICS

Demographics

A chart comparing certain demographics was reviewed as additional background information, and is included here.

| Demographic Comparison | | | |
|-------------------------------|----------------|---------------|-----------------|
| Item | Hanover | Region | Manitoba |
| Population | 15,733 | 75,571 | 1,278,365 |
| Growth last census | 12.20% | 14.40% | 5.80% |
| 0 to 14 | 29.30% | 24.90% | 19.10% |
| 15 to 64 | 63.50% | 63.90% | 65.40% |
| 65 to 84 | 7.20% | 11.20% | 15.60% |
| 85 plus | 0.60% | 1.40% | 2.30% |
| Average age | 31 | 34.9 | 39.2 |
| Population per dwelling | 3.5 | 2.9 | 2.5 |
| Income per household | \$74,784 | \$74,504 | \$68,147 |
| Bachelor's degree or higher | 4.30% | 7.30% | 15.70% |

Data is from the 2016 Canada Census.

SWOT ANALYSIS

SWOT Analysis

The SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) process presents an outline of areas affecting the organization and how it intends to move towards the Vision Statement. Participants had been asked earlier on to consider and write down individual views on these areas. The SWOT analysis items are reflected below.

| <u>Strengths</u> | <u>Weaknesses</u> |
|--|---|
| <ul style="list-style-type: none"> ✓ low taxes ✓ large population ✓ very diverse ✓ strong agricultural business area ✓ financially prudent, per capita spending is low ✓ people ✓ large and diverse tax base ✓ forward thinking council ✓ easy commute ✓ good land base suitable for multiple uses ✓ competent and experienced staff in all departments willing and | <ul style="list-style-type: none"> ✓ regional waste-water station ✓ difference of opinion between council and admin. ✓ struggles with getting recreation committees to work together with other Hanover groups ✓ organized growth ✓ individualism of communities ✓ 5 communities and rural areas ✓ collaborating with others ✓ short vision ✓ change ✓ communication between departments ✓ too focused on recreation and not enough on infrastructure ✓ department managers trying to bring in too many policies and rules that suffocate development ✓ spreading out the funding of projects more equally between urban and rural ratepayers ✓ leap before we look. We tend to get gung-ho on a project or idea and don't stop to consider all angles before moving forward. Example, 2019 announcement of moving forward with building two arenas and covering all outdoor ice surfaces. After backlash from the residents, the project was scrapped in favour of researching our next project ✓ myopic view point. Failure to see a bigger picture. 5 communities, 5 recreation districts, 5 utilities mostly operating in a vacuum, yet all looking to accomplish the same goals. Evident in all levels of elected officials and all departments ✓ Example of department issues, rush to put forth a policy without fully consulting with how it will impact job functions in all departments |

SWOT ANALYSIS

| | |
|---|---|
| <p>able to work to achieve organizational goals</p> | <p>✓ weak long-term planning. Improvements are being made, but we are still not looking far enough out in our capital plans. Incomplete Asset Management Plan is a perfect example. How are we going to tackle and afford mass-utility infrastructure replacement? Reliance on long-term debt financing for today's infrastructure. (PW building – 10 year debenture, \$1.5M, BFD Hall and equipment – 20 year debenture, \$2.225M, etc.). Now facing aged recreation facilities and potential costly replacement.</p> |
| <p style="text-align: center;"><u>Opportunities</u></p> <ul style="list-style-type: none"> ✓ young population ✓ population growth ✓ council in unity ✓ commercial development ✓ residential development ✓ economic development ✓ recreation opportunities ✓ hire an economic development officer to spearhead pursuing industry and business to come to our municipality ✓ promote ourselves ✓ higher than average median household income according to the 2016 census. Higher propensity to absorb tax increases ✓ willingness of local developers to work on commercial and residential developments within the municipality. ✓ urban sprawl from the larger urban centres will likely continue to increase assessment numbers and demand for community growth ✓ residential and Commercial growth | <p style="text-align: center;"><u>Threats</u></p> <ul style="list-style-type: none"> ✓ council and administration not working together ✓ pushback from public ✓ lack of communication ✓ lack of regional partnerships & provincial support by policy or funding ✓ administration not revealing full information ✓ cutbacks in upper levels of government placing more stress on municipalities to fund major projects mostly on their own ✓ location - we are just outside the main international corridors ✓ some community infrastructure ✓ 5 individual communities and directions ✓ retaining quality staff and leadership ✓ lack of employment opportunities ✓ lack of professional services ✓ business investment ✓ red tape length of time to get final decisions too many anti development policies, fees, rules ✓ cooperation from other level of governments ✓ not being willing to take some risk and invest in an economic development officer ✓ population increasing demands for services and facilities. Diversity, quality and local. Active transportation, better roads, dust control, green spaces, dog parks, recreation facilities... ✓ environmental consciousness/Population change. In the long term, as we switch more to renewable |

SWOT ANALYSIS

| | |
|--|--|
| <ul style="list-style-type: none">✓ developing regional relationships to have greater influence with senior levels of government✓ Improve citizen engagement | <p>energy, people's demand for renewable energy will increase. Increased demand means new infrastructure needed. Charging stations for cars, public transportation, demand for local services and products</p> |
|--|--|

TOP FIVE ISSUES

Top Five Issues

To help ensure all potential issues were in front of the group, participants had been asked what they considered the top five issues for Hanover. The results are shown below.

- funding major projects like road improvements
- higher demands on rural services like paved roads, dust control, drainage, garbage collection
- rising cost of equipment and materials
- zoning
- keeping taxes low
- fire protection - in need of a fire hall within municipality
- road infrastructure
- completion of regional waste-water facility
- utility infrastructure renewal
- continued residential development
- leadership
- get more people to fill out the census in order to increase our transfer payments
- decide if we are a farming municipality or an industry/residential based municipality
- development of a long-term capital plan encompassing infrastructure renewal and growth projections along with financial requirements.
- diluting the “Meat and Potatoes and go to Church on Sunday” population. Historically, recreation was baseball in summer, hockey in winter, everyone met on Sunday at Church. As the population demographics change, demands for new and different facilities will continue to grow. In addition, “Green” initiatives will continue to impact our population. With more people switching to electric transportation, the demand for local recreation and other facilities will grow as recreation is forced to be handled locally. In addition, divergent lifestyles will increase demand for different infrastructure conducive to divergent lifestyles. The alternative is slowing community growth
- maintaining a culture that encourages creativity and cooperation. Council and staff should be commended for their ability to work together with minimal conflict. Maintaining and developing this culture will help the municipality to find creative, lower cost solutions for future concerns as they arise
- public engagement. With 15 elected officials, 32 regular employees, 91 firefighters, and more than 17,000 residents, someone must have a solution to every problem we are facing. How do we get them to communicate their ideas and solutions?

TOP FIVE ISSUES

- cooperation with neighboring and regional municipalities. Focus on regional solutions. Waste-water facility, rec facilities, regional large-scale economic development, etc.
- Hanover has a significant amount of aging assets. While an asset management plan has been started there has been a lack of buy in from many. With a focus locked on day to day maintenance we are seeing many of these assets reach their end of life with no resources in place to replace them. Strategies need to be developed and adopted by all in administration and Council to ensure that we can continue to provide the services that are expected without massive tax increases. This information should not just be developed to meet the bare minimum requirement as set forth by the province but rather a cornerstone in project planning. For each new asset built a plan should be in place for how we will replace it in the future.

2021 ITEMS FOR CONSIDERATION

2021 Items for Consideration

Opportunity was provided to review the list and allow those attending to present views and explanations regarding individual items within the list. This was done in a “CAP” format, where individuals were offered the opportunity to “Comment” on those items considered most significant, “Ask” about those items where further explanation would be appreciated, and finally “Prioritize” the top five items each person considered necessary.

Following the above process, each participant was asked to identify their top three items and place them on cards. These were then placed on the wall. The list consisted of the following responses.

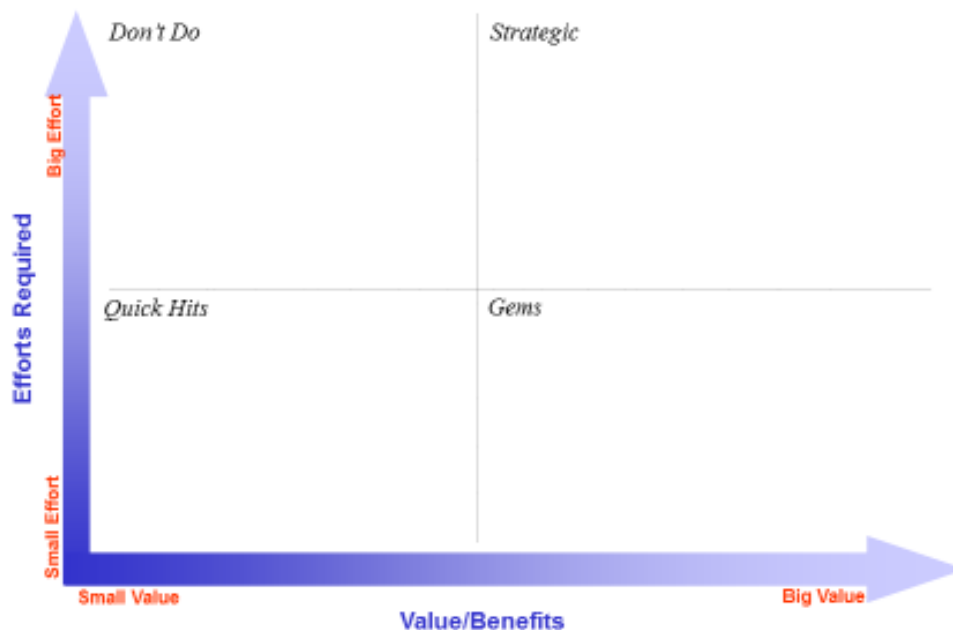
- Take more risk
- Competitive tax rate
- Census enumeration
- Wastewater
- Regional wastewater
- Regional wastewater plan
- Asset procurement and renewal
- Infrastructure
- Road improvements
- Road infrastructure
- Utility infrastructure renewal
- Aging assets
- Fire protection strategy
- Mitchell fire hall
- Fire hall in New Bothwell
- Continued residential development
- Residential development
- Affordable housing
- Senior housing
- Myopic point of view
- Public engagement
- Citizen engagement
- Community involvement or engagement
- Major commercial investment
- Commercial investment

REVIEW AND DISCUSSION OF ITEMS

Review and Discussion of Items

In order to fully understand the items listed above, the group reviewed the submitted comments for each item. The writers were asked to expand on the submitted comments, which led to a discussion on each item. This helped to clarify what level of importance each item had as well as the amount of energy each would require. Items were then placed in to the following value graph based on a combination of efforts required and value/benefit gained. Given the number of items which fell in to the Strategic quadrant, the group went through a process to determine which would be acted on at this time. Items which fell in to the Gems and Quick Hits quadrants will also be acted upon but do not require a strategy at this time for action.

Value Graph



Gem

Census enumeration was seen as a gem. Promotion of the census to residents is expected to generate significant higher level government funding for the next five years.

STRATEGIC DIRECTIONS

Strategic Directions

The strategic directions agreed upon, based on where the group saw the issues in the Values Graph, are outlined below.

I. Recreation

Goal – Implementation of a long term recreation capital investment plan

Persons responsible – Jason

Steps – review current draft to provide feedback for final report

- Adopt final report and initiate plan

Resources required - significant

Completion date – to be determined once the current study is received and accepted

II. Wastewater

Goal – development of and connection to a regional wastewater facility

Person responsible – Luc, with support from Rob

Steps – work with fellow regional members to secure funding

- Proceed with development of facility

Resources required – total project is \$110 million in 2019 dollars, Hanover portion to be determined

Completion date – 2028

III. Asset Management of Infrastructure

Goal – development of an asset management plan with sound data to assist with decisions for capital program

Person responsible – Derek

Steps – package of information to council to provide better understanding of asset management

- Development of multiyear plan

Resources required – up to \$250,000 for software and staff time

Completion date – see this as a long term process

IV. Fire Protection Strategy

Goal – construction of new fire station in New Bothwell and creation of fire station in Mitchell

STRATEGIC DIRECTIONS

Person responsible – Paul

Steps – design of New Bothwell fire station by 2023 for construction 2024

- Fire station study for Mitchell including public consultation in 2025
- If study recommends, creation of fire station in Mitchell

Resources required - \$50k for the study, significant dollars for fire stations

Completion date – New Bothwell structure in 2024, Mitchell study in 2015, timeline for Mitchell fire station to be determined following study

V. Residential Development

Goal – development of affordable and seniors housing in Hanover

Person responsible – Jeremy

Steps – discussions with developers who have had success with these types of housing

- Adjust zoning as needed to accommodate
- Encourage development

Resources required – to be determined depending on what is identified

Completion date – ongoing

Based on the discussion on these items and the notes from those discussions, the staff will develop draft strategic directions for presentation to Council. Once approved, these strategies will be initiated.