



**STAFF REPORT
ACTION REQUIRED
with Confidential Attachment**

**Oak Ridges Moraine Land Trust Request for Land
Acquisition for Source Water Protection Funding**

Date:	October 19, 2009
To:	Public Works and Infrastructure Committee
From:	General Manager, Toronto Water
Wards:	All
Reason for Confidential Information:	This report is about proposed or pending land acquisitions by the Oak Ridges Moraine Land Trust funded by the City of Toronto
Reference Number:	P:\2009\Cluster B\TW\pw09029

SUMMARY

Approval is being sought to provide a grant to the Oak Ridges Moraine Land Trust (ORMLT) to facilitate the acquisition of properties located on the Oak Ridges Moraine, through land donations, to protect the integrity of the watersheds flowing through the City of Toronto.

RECOMMENDATIONS

The General Manager, Toronto Water recommends that:

1. City Council authorize a grant of \$200,000 to the Oak Ridges Moraine Land Trust to be funded from the approved Toronto Water 2009 Capital Budget under WBS Element CWW473-01 Land Acquisition for Source Water Protection in compliance with the Toronto Grants Policy and Council approved criteria for Land Acquisition for Source Water Protection;
2. Oak Ridges Moraine Land Trust complete the acquisitions identified in the confidential list dated March 2, 2009, included as Attachment 1, according to the criteria set out in Executive Committee Report 14.1, adopted by City Council on November 19 and 20, 2007, in a form and manner acceptable to City officials;

3. City Council authorize the public release of the confidential information contained in Attachment 1 after the acquisition of the properties by the Oak Ridges Moraine Land Trust has been completed;
4. The General Manager, Toronto Water, shall include properties acquired by the ORMLT in an annual report to the Public Works and Infrastructure Committee detailing land acquired through the Land Acquisition for Source Water Protection Project; and
5. The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

Funding is available in the approved Toronto Water 2009 Capital Budget under WBS Element CWW473-01 Land Acquisition for Source Water Protection.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

On November 19 and 20, 2007, City Council approved the creation of a Capital Project titled “Land Acquisition for Source Water Protection” in Toronto Water’s 2008 to 2012 Capital Budget and established the criteria to be used for the acquisition of land funded from the Capital Account. The criteria identifies that funding provided by the City of Toronto for land acquired outside of the City, contained within the Etobicoke Creek, Mimico Creek, Humber River, Don River, Highland Creek and Rouge River watersheds shall not exceed 33 percent of the purchase price.

<http://www.toronto.ca/legdocs/mmis/2007/cc/decisions/2007-11-19-cc14-dd.pdf>

On June 23 and 24, 2008, City Council approved updates to the Toronto Grants Policy. The policy provides the framework for the City to issue grants to achieve the City’s social, cultural and economic goals. The framework consists of a set of conditions by which a grant is administered including a formalized contract agreement and a requirement to report on expenditures supported by the grant.

<http://www.toronto.ca/legdocs/mmis/2008/cc/decisions/2008-06-23-cc22-dd.pdf>

ISSUE BACKGROUND

The protection of Lake Ontario as the source of potable water for the City of Toronto is a high priority of the City. It is recognized that protecting and improving the water quality of the various river systems and watersheds that flow into Lake Ontario through the City of Toronto is an important objective in source water protection. Currently, Toronto Water is implementing the Council approved Wet Weather Flow Master Plan (WWFMP) to help meet this objective.

Another important tool to help meet this objective is the protection of the river systems and watersheds through the acquisition of key parcels of land as they become available, and to maintain them in a natural state.

The Land Acquisition for Source Water Protection account in Toronto Water's Capital Budget has been used by the Toronto and Region Conservation Authority over the last four years to purchase approximately 630 acres of property in the City of Toronto and the surrounding area.

COMMENTS

The Oak Ridges Moraine is an environmentally sensitive geological landform located in south central Ontario and is described as an irregular ridge of sandy hills. It contains the largest concentration of headwater streams in the Greater Toronto Area including the Etobicoke Creek, Mimico Creek, Humber River, Don River, Highland Creek and Rouge River watersheds and acts as a recharge area for groundwater.

Formed in 1999 and incorporated as a not-for-profit organization in 2000, the Oak Ridges Moraine Land Trust's (ORMLT) mission is "to ensure that significant moraine properties, including lands required for the Oak Ridges Trail, are protected in perpetuity through strategic land securement and related long term stewardship for the benefit of future generations." The land trust's primary methods of land securement are through outright donations of land with no conditions attached ("fee simple donations") and acquisition of conservation easements processed under the Federal Ecogift Program.

The Federal Ecogift Program administered by Environment Canada offers tax benefits to landowners who donate land or a partial interest in land to a qualified recipient. ORMLT is one of the 85 eligible regional environmental charities in Ontario approved by Environmental Canada to be a recipient under the program. Recipients ensure that the land's biodiversity and environmental heritage are conserved in perpetuity. For all land acquisitions independent appraisals are required to ensure fair market value is utilized in the issuance of income tax receipts.

Since June 19, 2001, ORMLT has acquired four properties in fee simple donations and protected twenty three properties with conservation easements and three restrictive covenants covering 3,100 acres. ORMLT is now working on securing several additional properties which are situated in watersheds that flow into Lake Ontario.

ORMLT staff have prepared a list of properties identified in Attachment No. 1 that have been reviewed by Toronto Water staff and are considered eligible for funding from the Land Acquisition for Source Water Protection Capital Account based on Council approved criteria.

ORMLT is requesting a funding contribution from the City of Toronto of up to \$200,000 annually to support the following ancillary costs associated with land securement: legal fees, survey fees, appraisal costs and costs to issue an ECO-sensitivity report as required under the Ecogift Program. As per the criteria approved by City Council on November

19 and 20, 2007, only 33 percent of the costs incurred by ORMLT for the securement of lands listed in Attachment No. 1 qualify for funding as they are all located outside of the City of Toronto.

Since the ORMLT is a not-for-profit organization and their request for funding falls within the City's objective to protect its source water, this funding request can be administered as a grant under the City of Toronto's Grant Policy funded from the approved Toronto Water 2009 Capital Budget under WBS Element CWW473-01 Land Acquisition for Source Water Protection subject to the availability of funds.

The General Manager, Toronto Water provides an annual report to the Public Works and Infrastructure Committee detailing land acquired through the Land Acquisition for Source Water Protection Project and identifies a confidential list of additional properties proposed to be acquired by the Toronto and Region Conservation Authority. It is recommended that this annual report include an update on the properties acquired by the ORMLT through this grant.

By approving the list of properties, Council will enable ORMLT, working with City officials, to secure conservation easement agreements and fee simple donations in a timely and accountable manner.

Officials in the Facilities and Real Estate Division and the office of the Deputy City Manager and Chief Financial Officer will have the opportunity to review all agreements and supporting documentation prior to agreements being finalized. At the request of City staff, ORMLT and the City will enter into a written agreement to ensure that where City of Toronto funds are used to secure property outside the City boundaries, ORMLT shall not dispose of such properties without written approval of the City.

CONTACT

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SIGNATURE

Lou Di Gironimo
General Manager, Toronto Water

ATTACHMENTS

Attachment 1: Oak Ridges Moraine Land Trust properties within the Toronto Watershed – March 2, 2009 (Confidential).