



## STAFF REPORT ACTION REQUIRED

### Authorization to Enter an Agreement with Evergreen regarding Third-Party Fundraising for Lower Don Trail

<b>Date:</b>	May 1, 2014
<b>To:</b>	Parks & Environment Committee
<b>From:</b>	Acting General Manager, Parks, Forestry and Recreation
<b>Wards:</b>	Ward 27 – Toronto Centre-Rosedale Ward 28 – Toronto Centre-Rosedale Ward 29 – Toronto-Danforth Ward 30 – Toronto-Danforth
<b>Reference Number:</b>	P:\ 2014\Cluster A\PFR\PE27-052014-AFS#19430

### SUMMARY

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The purpose of this report is to seek approval from City Council to enter into an Agreement with Evergreen to allow Evergreen to raise third-party funding, split 50-50 between the City and Evergreen for capital improvements, temporary art installations, special events, heritage interpretation, and nature educational programming on the Lower Don Trail, as well as for community engagement and public awareness campaigns that build support for the Lower Don revitalization.

The objective is to partner with Evergreen to further the high-level vision set out in the City's Lower Don Trail Master Plan: Access, Environment and Art, published in September 2013.

This report also seeks for City Council to authorize the General Manager of Parks, Forestry and Recreation to accept and contribute third-party funds raised through Phase 1 of the Lower Don campaign to Lower Don capital plan accounts, subject to the budget process.

Evergreen is a national non-profit organization that inspires action to green cities. The goals and objectives of Evergreen are in keeping with Parks, Forestry and Recreation's mandate to provide recreation opportunities and enhance and protect Toronto's public green spaces. They are also in keeping with the Parks Plan, adopted by Council on May 7, 2013; the Recreation Service Plan, adopted Nov. 29, 2012, and the Natural Environment Trail Management Strategy, published June 2013.

## **RECOMMENDATIONS**

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### **The General Manager of Parks, Forestry and Recreation recommends that:**

1. City Council authorize the General Manager of Parks, Forestry and Recreation to enter into an Agreement with Evergreen to raise third-party funding for capital improvements, temporary art, programming and broader community engagement for the Lower Don Trail, under the proposed title, "The Ribbon Campaign," on terms and conditions satisfactory in form and content to the General Manager and the City Solicitor, including the donor recognition term.
2. City Council authorize the General Manager of Parks, Forestry and Recreation to accept third-party funds raised through Phase 1 of the "The Ribbon Campaign" as described in the Agreement, and to contribute the funds as they become available to Lower Don capital projects in Parks, Forestry and Recreation's Capital Budget and Plan for the purpose of capital improvements to the Lower Don, subject to the budget process.

### **Implementation Points**

Parks, Forestry and Recreation and Evergreen would work collaboratively on "The Ribbon Campaign" with the shared purpose of enhancing public enjoyment and the ecological integrity of the Lower Don Trail. Other stakeholders would be consulted and engaged as necessary, including the Toronto and Region Conservation Authority (TRCA).

All work will be conducted in accordance with all City by-laws, policies and contractual requirements. All construction work will be performed by or tendered in accordance with City policies and procedures.

### **Financial Impact**

Phase 1 of "The Ribbon Campaign" will launch in the second half of 2014 with a fundraising target of \$5 million, such funds to be split 50-50 between the City and Evergreen. Contributions to the City are projected at approximately \$0.625 million per year commencing in 2014, for a total of \$2.5 million over four years. These funds would be contributed to Lower Don capital projects in Parks, Forestry and Recreation's Capital Budget and Plan to be used for capital improvements to the Lower Don, subject to the budget process. The actual contributions will be contingent upon Evergreen's ability to raise the funds. Capital projects will only proceed after full funding is received by the City. Evergreen's portion will be allocated to temporary art, special events, nature and heritage programming on the trail, public awareness and community engagement.

A further \$2.85 million is included in the 2014-2023 Capital Budget and Plan for Parks, Forestry and Recreation, Transportation, and City Planning under various capital projects. See Table 1, Existing Funding for Lower Don, on page 4.

Any future donations received in subsequent phases of "The Ribbon Campaign" would be the subject of future staff reports and Council approval per the City's Policy on Donations to the City for Community Benefits.

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

## **ISSUE BACKGROUND**

### **Lower Don Trail Master Plan**

The intensification and development of new communities in the Lower Don Valley neighbourhoods will bring an estimated 80,000 new residents into the core of the city. These new residents will significantly increase the demands put on the Lower Don River valley lands as a place to recreate, commute and travel through.

In response and anticipation of this increased use, Parks, Forestry and Recreation in partnership with Transportation Services, City Planning and TRCA completed a master planning exercise that examined accessibility, environmental protection and opportunities for the incorporation of public art on these lands.

The Lower Don Trail Master Plan is available on the City website:

<http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=b339cd2e50192410VgnVCM1000071d60f89RCRD&vgnextchannel=53f9dada600f0410VgnVCM10000071d60f89RCRD>

This Master Plan provides a long-term strategy to establish a theme, create positive user experiences, improve access, linkages, public awareness and education and habitat protection, and examine public art opportunities in the Lower Don Trail corridor.

Cost estimates are \$21 million for infrastructure projects, such as staircases, bridges, tunnels, ramps and trail connections. This excludes operating cost impacts or costs for other elements of the vision, such as temporary art, public awareness, culture and nature programming, land rehabilitation (e.g. new green space on former snow dump), habitat restoration, and public amenities such as observation points.

Included in the 2014-2023 Capital Budget and Plan for Parks, Forestry and Recreation, Transportation, and City Planning is a total of \$2.85 million cash flowed over 2014 and 2015 for various capital projects on Lower Don Valley trail improvements:

**Table 1: Existing Funding for Lower Don**

<b>Division</b>	<b>Project Name</b>	<b>2014</b>	<b>2015</b>	<b>Total</b>
Parks, Forestry & Recreation	Pan Am Path (Lower Don)	\$400,000	\$100,000	<b>\$500,000</b>
Parks, Forestry & Recreation	Don Valley Brickworks to Todmorden Mills	\$50,000	\$450,000	<b>\$500,000</b>
Transportation Services (Cycling)	Design – Trail Upgrades Lower Don/Bayview	\$100,000		<b>\$100,000</b>
Transportation Services (Cycling)	Construction – Bayview Multi-Use Trail	\$500,000		<b>\$500,000</b>
Transportation (Cycling)	Construction – Trail Upgrades Lower Don/Bayview		\$500,000	<b>\$500,000</b>
City Planning	Pottery Rd. Bridge	\$250,000		<b>\$250,000</b>
City Planning	Staircases at Dundas, Gerrard		\$500,000	<b>\$500,000</b>
<b>Total</b>		<b>\$1,300,000</b>	<b>\$1,550,000</b>	<b>\$2,850,000</b>

While significant, this funding does not address all the Master Plan recommendations and the overall shared vision for the Lower Don Valley.

### **Evergreen's Interest**

Evergreen, a registered charity, was among the many stakeholders contributing to the Lower Don Trail Master Plan. It has an interest in improving the Lower Don Trail to support its overall vision of "Green Cities, Healthy Planet." Evergreen has chosen to raise funds for the Lower Don because of its regional significance to the City and the Greater Toronto Area. The Lower Don serves as a connector between different areas of the city and indeed is a key part of the Pan Am Path project creating a continuous trail from one side of the city to the other.

Evergreen has identified strong donor interest in the project because of the unique nature of Toronto's ravine system and the potential to create a Lower Don Trail anchored by arresting gateways, landmark bridges and world-class art. The project has the opportunity to:

- Remake the Lower Don as a landmark and destination, similar to the way the High Line Park in New York has had an impact in that city
- Strengthen a large, centrally located, vibrant and accessible green space for residents and tourists, especially in light of the upcoming Pan Am Games

- Bring to life the Lower Don Trail Master Plan on access, environment and art
- Leverage private sector passion and investment; excite senior levels of government
- Create a legacy for future generations

## **COMMENTS**

### **Putting Evergreen's Track Record to Work on the Lower Don**

The City has a long relationship with Evergreen, particularly at the Brick Works location in the Don Valley. The Brick Works facility is operated by Evergreen under an existing lease and agreement with the Toronto and Region Conservation Authority and the City of Toronto. The Don Valley Brick Works is a \$55 million public-private partnership (64% provincial and federal funding, 36% private).

Evergreen has a proven track record in obtaining donations and grants. Evergreen has indicated it has high donor interest in "The Ribbon Campaign." The "ribbon" refers to the shape of the Don River through the area.

Under Evergreen's proposal, 100% of the proceeds of "The Ribbon Campaign" would be put towards Master Plan objectives.

"The Ribbon Campaign" could raise up to \$20 million over approximately 10 years from private sources. Half of those funds would be donated to the City, to be used for capital projects related to the Master Plan.

The other half of private-sector funding would be used by Evergreen for its share of realizing the Master Plan vision.

Evergreen also proposes to work collaboratively with the City and TRCA to leverage additional funding from all levels of government for the Lower Don project, with a target of \$27 million over 10 years.

There is minimal risk to the City, since projects would only proceed once funding is in hand. Fundraising would proceed in phases. As fundraising targets are reached, donations to the City would be the subject of future staff reports and Council approval to accept and spend the funds.

## Overview of Proposed Agreement with Evergreen

Terms of the Agreement recommended in this report would include, but not be limited to:

- A non-exclusivity clause
- A term limit of five years, with a renewal clause for an additional five years
- Requirement for Evergreen to keep proper records of the funds it raises and how the funds have been used for "The Ribbon Campaign," and make such records available to the City for review at any reasonable time
- Donor recognition strategies, in keeping with the City's Policy on Donations to the City for Community Benefits
- Intellectual property rights (respective logo usage)
- Agreement on Phase 1 fundraising targets and implementation
- All content and form in a manner satisfactory to the City Solicitor

### Phase 1 of "The Ribbon Campaign": \$5 Million Target

The Phase 1 fundraising target is \$5 million, split 50-50 between the City and Evergreen. Evergreen has identified donor interest in this "kick-off" phase; comprised of approximately five to ten donors, either individuals or family foundations, who would be keen to pledge their support prior to the 2015 Pan Am Games. Subject to donor negotiations, it is presumed that these early donors would contribute a minimum of \$500,000 each, with their pledges paid over an assumed four years, for an estimated annual total installment of \$1.25 million. Actual number of donors, gift totals, and pledge terms may change (higher or lower) depending on donor negotiations.

The City's portion would be directed to Lower Don capital improvement accounts, subject to the budget process, to be put towards Lower Don capital projects identified by Parks, Forestry and Recreation. As Phase 1 funding permits, the first \$1 million (approximately) would be allocated to a new art fence in the Narrows section of the Trail. Additional available funding would be allocated to design enhancements to staircases and bridges (integrated design with the art fence), improved interpretive signage, and design enhancements to the separation element/barrier planned for the trail along Bayview Avenue.

Evergreen's Phase 1 portion would be allocated to temporary art, special events, nature and heritage programming on the trail, public awareness, community engagement, and campaign costs including promotion and donor recognition.

The Agreement would spell out donor recognition for these Phase 1 donors, consisting of:

For donors pledging \$500,000 total or more to the Campaign:

- On-site recognition for each donor as a "**Founding Patron**" of "The Ribbon Campaign,"
- for an agreed-upon term in keeping with the Policy on Donations to the City for Community Benefits,

- with an opportunity to renew at the City's option,
- to appear in physical form acceptable to the local councillor and the General Manager,
- and in keeping with Parks, Forestry and Recreation signage and wayfinding guidelines.

For donors pledging \$100,000 to \$499,999 total to the Campaign:

- On-site recognition for each donor as a "**Major Supporter**" of "The Ribbon Campaign,"
- for an agreed-upon term in keeping with the Policy on Donations to the City for Community Benefits,
- with an opportunity to renew at the City's option,
- to appear in physical form acceptable to the local councillor and the General Manager,
- and in keeping with Parks, Forestry and Recreation signage and wayfinding guidelines.

## **Creating a Toronto Landmark**

Toronto's ravine system creates one of the largest urban parks in the world. "The ravines are to Toronto what canals are to Venice and hills are to San Francisco," writes Toronto author Robert Fulford. The revitalization of the Lower Don Trail with new access points, better linkages, artwork, new green space and habitat restoration will create a civic legacy for generations to come.

With the upcoming Pan Am Games and Canada's 150<sup>th</sup> anniversary, the Parks, Forestry and Recreation Division believes this is an opportune time to work with Evergreen and other members of the community to realize the full vision of the Lower Don Trail Master Plan.

## **CONTACT**

Ann Ulusoy, Director, Management Services, Parks, Forestry and Recreation, Tel: 416-392-8190; Fax: 416-397-4899; E-mail: [aulusoy@toronto.ca](mailto:aulusoy@toronto.ca)

Garth Armour, Manager, Horticulture and Greenhouses, Parks, Forestry and Recreation, Tel: 416-392-0360, Fax: 416-338-1057; E-mail: [garmour@toronto.ca](mailto:garmour@toronto.ca)

Rob Richardson, Manager, Partnership Development, Parks, Forestry and Recreation, Tel: 416-392-9861; Fax: 416-392-0050; E-mail: [richard@toronto.ca](mailto:richard@toronto.ca)

## **SIGNATURE**

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Richard Ubbens  
Acting General Manager, Parks, Forestry and Recreation

Action Report – Authorization to Enter an Agreement with Evergreen