



## STAFF REPORT ACTION REQUIRED

### Feasibility of Establishing a Fund Dedicated to the Maintenance of the Tree and the Cost of Acquiring the Property at 76 Coral Gable Drive

<b>Date:</b>	November 17, 2015
<b>To:</b>	Executive Committee
<b>From:</b>	Deputy City Manager & Chief Financial Officer
<b>Wards:</b>	Ward 7
<b>Reference Number:</b>	P:\2015\Internal Services\acc\ec15017acc (AFS 22168)

#### SUMMARY

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This report provides information requested by Council on the feasibility of establishing a fund dedicated to the maintenance of a 250 year old oak tree and the cost of acquiring the property at 76 Coral Gable Drive.

#### RECOMMENDATIONS

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**The Deputy City Manager & Chief Financial Officer recommends that:**

1. City Council direct that the Director, Toronto Office of Partnerships, in consultation with the General Manager, Parks Forestry & Recreation and the Treasurer, further explore the option of a third party organization taking responsibility to raise funds and maintain the 250 year old oak tree at 76 Coral Gable Drive, and report back in the first quarter of 2016 on any actions required to assist the third party in undertaking the endeavour.

#### Financial Impact

There are no financial impacts as a result of the recommendation in this report.

Should City Council choose to acquire the property, either through donated funds or through other means in the capital budget, costs of acquisition, closing and demolition have been estimated at approximately \$720,000, and ongoing costs for the property and tree maintenance have been estimated at approximately \$2,500 per year. There may also

be additional impacts should City Council determine that similar trees should also be purchased.

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

## **DECISION HISTORY**

At its meeting of November 2 – 3, 2015, City Council amended Member's Motion 10.1 Request to Protect a 250 Year Old Oak Tree, thought to be the largest and oldest red oak in Toronto and, in so doing, directed the Deputy City Manager & Chief Financial Officer, in consultation with the General Manager, Parks, Forestry and Recreation and the Director, Toronto Office of Partnerships, to report to the December 1, 2015 meeting of the Executive Committee on the feasibility of establishing a Fund dedicated to receiving contributions toward the maintenance of the tree and the cost of acquiring the property at 76 Coral Gable Drive in the future, including, but not limited to the following:

- i. the establishment of the fund itself;
- ii. the facilitation of public contributions to the Fund, including the possible involvement of financial institutions in facilitating such contributions; and
- iii. the potential use of the City's website to facilitate such contributions.

Council's decision and the motion are available at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.MM10.1>

## **ISSUE BACKGROUND**

### **Heritage Trees**

Within the Province of Ontario there are primarily two ways in which a tree can achieve heritage status, either through designation under *Part IV* of the *Ontario Heritage Act*, or through recognition by the Heritage Tree Program of Forests Ontario (formerly Trees Ontario). This status is afforded to trees that are significant due to their cultural or historical importance, size, form, shape, age, rarity or other distinct features.

Currently there are 26 individual, privately and publicly owned trees, as well as four (4) groves and three (3) arboreal remnant forests in the City of Toronto that have heritage status or are of potential heritage significance. The red oak tree situated at 76 Coral Drive has been recognized as a heritage tree under Forests Ontario Heritage Tree program and is included in this list.

*City of Toronto Municipal Code Chapter 658, Ravine and Natural Feature Protection and Chapter 813, Trees*, protect trees city wide, including Heritage Trees. The by-laws define Heritage Trees as "A tree designated under *Part IV* of the *Ontario Heritage Act* or trees recognized as heritage trees by the *Ontario Heritage Tree Program of Trees Ontario*". In February 2014, Trees Ontario changed their name to Forests Ontario; this has had no effect on the program or implications for tree protection under the by-law.

The by-law requires that permits for heritage trees are refused. City staff do not have the authority to issue injury or destruction permits for heritage trees. Where a permit application is submitted for a heritage tree, the decision would be referred to City Council through Community Council by way of the Private Tree By-law appeal process.

## **COMMENTS**

### **Establishing a Fund to Receive Donations**

The City has a number of different options regarding establishing a fund. It can:

- a. Set up a City reserve fund;
- b. Set up a City-managed trust fund to hold funds for a third party, or
- c. Have a third party set up a trust fund or other mechanism to raise funds.

### **Facilitation of public contributions to the Fund, including possible involvement of financial institutions in facilitating such contributions**

Should the City set up a reserve fund or trust, the City can accept donations and provide charitable donation receipts to qualifying donors, as long as the funds are to be spent for a municipal purpose. Maintaining the tree and purchasing the land would generally qualify as a municipal purpose, though maintaining a tree owned privately is unlikely to qualify as such.

Should a third party (such as Toronto Parks and Trees Foundation or Forests Ontario) set up a trust fund or other mechanism to collect funds, they may see increased donations as it will not be the City raising funds, but an organization dedicated to this specific endeavour. Both organizations are able to offer charitable donation receipts to appropriate recipients. Additional work is required to ensure that an organization is willing and able to lead this endeavour.

Financial institutions have set up trust funds for short term charitable donation drives in the past, though these are typically for local or international crises that have mass appeal. Although the City could arrange with its bank to accept payments at certain branches, this would entail an agreement between the City and the bank, similar to its current bill collection process, and provision of pre-populated forms for donation purposes to each participating branch. This would likely be a service for a fee and would involve a lead time of approximately six (6) weeks.

### **The potential use of the City's website to facilitate such contributions**

Although the City accepts credit card payments for products and services through its website, the City does not have a mechanism in place to accept variable payments and produce charitable donation receipts online, at this time. The City's website could, however, be used to promote the issue and direct traffic to a CanadaHelps™ website to collect donations if City-managed, or to another organization's donation site. These would effectively achieve the same result, without the requirement for the City to invest to build a new system.

## Other Considerations

While Council has requested information specifically regarding the establishment of a fund, it is important to note that Parks, Forestry and Recreation does not have the authority to maintain privately-owned trees, nor is there an existing process for the Division to transfer funds to a property owner for this purpose.

A partnership with a third-party (such as Toronto Parks and Trees Foundation or Forests Ontario) would alleviate these issues as the organization could contract directly with the property owner or with an arborist as necessary and appropriate. The third party could also stipulate criteria with respect to pruning and other tree maintenance to ensure that work is completed in accordance with good arboricultural practices prior to funds being issued.

If a City reserve fund or a City-managed trust fund is created, further research and policy development would be required in order to address jurisdictional and operational issues relating to the maintenance of a privately-owned tree, as well as to address issues which might arise should the donation drive fail to raise sufficient funds for their intended purpose, such as to complete a purchase of the property.

Although there has been discussion of crowd-sourcing as an alternative to raise funds for the tree, the legal and logistics issue of a crowd-sourcing initiative run by the City, have not been investigated. Any crowd-sourcing initiative would best be done by other stakeholders.

## CONTACTS

Jason Doyle  
Director, Urban Forestry  
416-392-1894 [jdoyle@toronto.ca](mailto:jdoyle@toronto.ca)

Phyllis Berck  
Director, Toronto Office of Partnerships  
416-392-6119 [pberck@toronto.ca](mailto:pberck@toronto.ca)

Mike St. Amant  
Treasurer  
416-392-8427 [mstaman@toronto.ca](mailto:mstaman@toronto.ca)

## SIGNATURE

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Roberto Rossini  
Deputy City Manager & Chief Financial Officer