

Section I – Items for Board of Directors Action

TO: Chair and Members of the Board of Directors
Meeting #6/19, Friday, June 21, 2019

FROM: John MacKenzie, Chief Executive Officer

RE: **TORONTO WILDLIFE CENTRE AND MENNO-REESOR RESTORATION PROJECT**

KEY ISSUE

Update on the Toronto Wildlife Centre Project and the Menno-Reesor Restoration Project.

RECOMMENDATION

WHEREAS at its meeting on May 24, 2019, TRCA was directed to undertake actions to advance the \$20 million dollar Toronto Wildlife Centre (TWC) office project in 2020 budget submissions with \$15 million dollars to come from the City of Toronto and \$5 million dollars to come from York Region.

WHEREAS the City of Toronto has requested that TRCA provide a \$450,000 grant to TWC to facilitate their relocation to the Menno-Reesor lands out of the \$3.5 million dollars the City set aside for TRCA to do work that included restoration, grading, fencing, access and landscaping work.

WHEREAS the proposed site for the TWC is no longer under Toronto and Region Conservation Authority's (TRCA) ownership, having been transferred to Parks Canada on May 31, 2019.

AND WHEREAS the Conservation Authorities Act limits what projects are eligible to receive funding through levying participating municipalities.

THEREFORE LET IT BE RESOLVED THAT TRCA's Board of Directors recognize TRCA's inability to levy our partner municipalities for this project and our limited role in the Menno-Reesor Restoration Project, which includes preparing the site for TWC's potential relocation in 2019, providing a grant of \$450,000 to TWC, and working with TRCA's partner municipalities and Parks Canada on a cost recoverable fee for service basis pertaining to the Menno-Reesor lands, if TRCA is engaged to do so;

AND THAT TRCA encourage TWC to do their own budget presentations to municipalities in their service areas recognizing TRCA's historic support and limited role on this project and requirements of the Conservation Authorities Act.

AND FURTHER THAT TWC be encouraged to finalize the lease with Parks Canada, originally prepared by TRCA, and enter into agreement(s) with TRCA regarding the use of any studies to be procured by TWC so that we may advance TRCA work in support of temporary relocation of TWC on the Menno-Reesor site recognizing TRCA's limited role.

BACKGROUND

At Board of Directors Meeting #5/19, held on May 24, 2019, Resolution #A103/19 was split into six parts and voted on as follows:

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1. THAT TRCA include the \$20 million Toronto Wildlife Centre (TWC) project as an “above the line” priority project within the 2020 TRCA budget submission to its partner municipalities, with \$15 million to be contributed by the City of Toronto and \$5 million to be contributed by the municipalities of York Region over a 20-year period. CARRIED

2. Direct staff to keep the TWC project as an “above the line” priority project and find capital offsets from other capital projects within those municipalities, if Toronto and/or York Region are unable to increase the TRCA capital budget by \$1 million per year. DEFEATED

3. THAT TRCA agrees to support the TWC providing “naming rights” to large private sector donors for sections of the TWC project and individual rooms. CARRIED

4. THAT TRCA agrees to the TWC overseeing the building project and that TRCA encourage the TWC to seek private sector donations of materials like wood, steel, concrete, glass, etc. for the project. CARRIED

5. THAT TRCA’s grant team create a series of \$1 million tree planting and habitat restoration projects for submission to Toronto and York Region Forestry Departments with a request for funding that would allow the TRCA to accelerate these projects if possible and would assist our partner municipalities in achieving their tree canopy targets. DEFEATED

6. THAT staff report back on the progress of this motion as adopted at the earliest opportunity. CARRIED

Subsequent to this meeting, the land on which TWC seeks to build their potential temporary and future headquarters was transferred from TRCA to Parks Canada on May 31, 2019, to realize Rouge National Urban Park, in accordance with prior Board, federal and provincial government direction.

Additionally, modifications to the Conservation Authorities Act received Royal Assent on June 6, 2019, limiting the type of programs and services that a conservation authority can provide and further limiting the practice of levying funds to partner municipalities for services outside of our defined core mandate.

Both changes subsequent to the Board meeting and existing practices with municipal partners prevent TRCA staff from fulfilling the Board’s direction included in motions one, three and four above.

It should be noted that TRCA had worked with TWC in the past to find an appropriate solution to the in-office accommodation and hospital issue on TRCA lands. Previously TWC and Earth Rangers Foundation partnered in 2002 to develop one of the world’s most advanced wildlife centre located on a 13-hectare parcel of land leased from TRCA to Earth Rangers at the Kortright Centre in Vaughan.

Nathalie Karvonen, the current Executive Director of TWC was a member of the Board of Directors of Earth Rangers at that time. The 4,745 sq m. centre that was built, (Similar to the 4,853 sq. m centre that is currently being proposed) was designed to treat up to 5,000 animals per year, and offer wildlife rescue, rehabilitation and release, oil spill response, public and

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professional education, and research. The facility was purpose built not only to treat wildlife but was proposed to be one of the country's most energy efficient buildings, demonstrating innovative technologies and setting a new standard for sustainable design in Canada.

In 2003, TWC decided not to move forward with the proposed partnership with Earth Rangers. The facility opened as planned in 2004 and Earth Rangers operated the wildlife hospital and rehabilitation centre operations for 3 years with various partners. In 2006, Earth Rangers decided to discontinue its wildlife hospital and rehabilitation operation but the facility at the Earth Rangers site is still present. TRCA has leased a portion of the office space left vacant. TRCA staff have noted that rather than asking for \$20 million dollars in municipal capital funding for an accommodation solution and hospital solution on Parks Canada lands, it may be opportune for TWC to determine whether existing vacant space in this building could be used to provide TWC services.

RATIONALE

Bill 108, More Homes, More Choice Act, 2019, received Royal Assent on June 6, 2019 and this legislation amended the Conservation Authorities Act and multiple Acts.

Section 21.1 (1) of the Conservation Authorities Act now clarifies that an authority's programs or services within its area of jurisdiction are limited to the following:

1. *A program or service that meets any of the following descriptions and that has been prescribed by the regulations:*
 - i. *Programs and services related to the risk of natural hazards.*
 - ii. *Programs and services related to the conservation and management of lands owned or controlled by the authority, including any interests in land registered on title.*
 - iii. *Programs and services related to the authority's duties, functions and responsibilities as a source protection authority under the Clean Water Act, 2006.*
 - iv. *Programs and services related to the authority's duties, functions and responsibilities under an Act prescribed by the regulations.*
2. *A program or service, other than a program or service described in paragraph 1, that has been prescribed by the regulations on or before the first anniversary of the day prescribed under clause 40 (3) (h).*

Regulations are yet to be provided; however, it is not anticipated that the Ministry would deem TWC's project to be related to TRCA's duties, functions and responsibilities.

Further to this point, the Act now states the following:

- 1 *"project" means a work undertaken by an authority for the furtherance of its objectives*
- 25 (1) *An authority may, from time to time, determine the amount of capital costs to be incurred in connection with a project and apportion the capital costs to the participating municipalities in accordance with the regulations.*

TRCA levies its partner municipalities in accordance with the regulations. By providing staff direction to levy funding from municipalities for the potential project of an independent, non-controlled registered charitable organization on lands that are no longer in TRCA's ownership or control, the first motion exceeds the Board of Directors' fiduciary duties as described by the Act.

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Without clarification to ensure the budget submission request is able to be approved by the municipalities to which it is made, there is a risk that over the next year, TWC will act in reliance on the funding commitment expressed in the Board resolution, when there is no clear mechanism to implement the resolution.

In terms of the third motion, subsequent to the land transfer to Parks Canada, any potential lease would exclude TRCA, as the lands are no longer under TRCA's ownership. This situation would be akin to TRCA's Board of Directors agreeing to support the Rogers Centre's name change from the SkyDome – TRCA as an organization has no standing to comment on naming rights for the potential building and its components for which TRCA is not involved.

In terms of the fourth motion, there was never an agreement with TWC granting TRCA oversight of the potential \$20 million dollar TWC office project, and as such, TRCA's Board of Directors cannot assign oversight rights to TWC for a non TRCA project, nor should TRCA encourage private donations for a project that is not an eligible program or service of a conservation authority.

Relationship to Building the Living City, the TRCA 2013-2022 Strategic Plan

This report supports the following strategy set forth in the TRCA 2013-2022 Strategic Plan:

Strategy 7 – Build partnerships and new business models

FINANCIAL DETAILS

To date, no municipal funding has been provided in support of TWC's permanent \$20 million dollar office project. The City of Toronto provided \$3.5M of funding to TRCA for a "Menno-Reesor Restoration Project" to deliver high-quality habitat restoration, grading, fencing, access and landscaping work and planting of 100,000 trees at the 27 hectare site formerly known as the Runnymede site, in a City Council motion that made no reference to TWC.

Subsequently, Toronto City Council requested that TRCA provide a grant of up to \$450k to TWC from the previously approved funds (\$3.5M), subject to the approval of TRCA's Chief Financial and Operating Officer, to prepare a temporary facility for TWC on the site.

This request by Toronto Council provides funds which would allow TWC to use their own consultant, Stanford Downey Architects Inc. to prepare studies and drawings to support TRCA's planned work on chosen upgrades to the barn and heritage home in a manner that suits TWC needs. However, as per this request from City of Toronto Council, TRCA is working to develop a grant agreement to permit such use of funds in recognition of TWC's eviction from their current location at year end. No granting agreement will be entered into by TRCA until a lease is finalized between Parks Canada and TWC. Agreements will also be required between TRCA, TWC and Parks Canada to enable staff to advance the upgrades to the heritage house and barn for the temporary relocation on the Menno-Reesor lands which are now owned by Parks Canada. We understand that finalization of the lease is pending the outcome of planning approvals process for the \$20 million dollar office project being led by TWC as applicant. TRCA continues to perform the \$3.5M fee for service work on behalf of the City of Toronto and staff are working with all parties to ensure that the project is complete, including all required approvals, for TWC's occupancy of the temporary facility as of the end of 2019. The signing of the lease between TWC and Parks Canada and agreements between TRCA, TWC and Parks Canada related to reliance work to be performance by TWC's architects and consultants remain as major timing risks to TWC relocation hence inclusion of the third recommendation.

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