

## Section I – Items for the Board of Directors Action

**TO:** Chair and Members of the Board of Directors  
Friday, February 26, 2021 Meeting

**FROM:** Michael Tolensky, Chief Financial and Operating Officer

**RE:** **GREENSPACE SECUREMENT AND MANAGEMENT PLAN**

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### KEY ISSUE

Report back to the Board of Directors regarding Greenspace Securement and Management Plan (“GSMP”). The purpose of the GSMP is to document Toronto and Region Conservation Authority’s (“TRCA”) systematic approach to land securement based on TRCA’s Greenspace Acquisition Project, discuss priorities for securement, provide transparent rationale as to why properties are acquired, and identify how those lands will be managed in support of TRCA programs and services.

### RECOMMENDATION

**THAT this update on the status of the Greenspace Securement and Management Plan be received;**

**THAT TRCA approve and adopt the *Greenspace Acquisition Project 2021-2030* planning document for submission for approval by the Ministry of the Environment, Conservation and Parks;**

**AND FURTHER THAT TRCA request that the Ministry of the Environment, Conservation and Parks approve the *Greenspace Acquisition Project 2021-2030*, pursuant to sections 24 of the *Conservation Authorities Act*, RSO 1990, c C.27.**

### BACKGROUND

At Board of Directors Meeting held on April 24, 2020, Resolution #A28/20 was approved in part as follows:

*...AND FURTHER THAT staff report back to the Board of Directors on a Greenspace Securement and Management Plan in Q4 of 2020.*

TRCA has the legislative mandate to provide programs and services designed to further the conservation, restoration, development and management of natural resources, pursuant to section 20 of the *Conservation Authorities Act*, RSO 1990, c C.27 (the “Act”). The criteria for securement within GSMP are derived from TRCA’s Greenspace Strategy, Valley and Stream Corridor Management Program, Terrestrial Natural Heritage System Strategy and various integrated watershed management plans. Other criteria for securement include Provincial plans such as the Niagara Escarpment Plan, Oak Ridges Moraine Conservation Plan, Greenbelt Plan and Clean Water Act. TRCA currently manages approximately 16,139ha (39,881 acres) of lands within its jurisdiction (shown **Attachment 1**), both through ownership and management agreements with various stakeholders.

Through the development of the GSMP, Property and Risk Management staff have collaborated with numerous internal departments to identify criteria for consideration of TRCA management/protection in conjunction with its mandate. The following criteria have been selected for consideration for protection by the TRCA:

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1. Flood control, flood vulnerable, erosion control and reservoir project lands, and associated access lands;
2. Valley and stream corridors;
3. Lake Ontario waterfront;
4. Environmentally Significant Areas;
5. Life Science Areas of Natural and Scientific Interest;
6. Wetlands;
7. Kettle lake or wetland features;
8. Highly Vulnerable Aquifers;
9. Carolinian forest;
10. Important woodland/vegetation/habitat linkages;
11. Interior forest areas, and/or lands which contribute to the expansion of interior forest habitats;
12. Riparian habitat zones;
13. Habitat for aquatic and terrestrial species of concern and sensitive species, including those listed under the *Species at Risk Act* and the *Endangered Species Act*;
14. Lands identified for the target system in TRCA's watershed plans and Terrestrial Natural Heritage System Strategy and municipal natural heritage systems;
15. Significant Groundwater Recharge Areas;
16. Landform Conservation Areas Categories 1 and 2 on the Oak Ridges Moraine;
17. Lands identified in the Niagara Escarpment Plan, especially Escarpment Natural Areas and Escarpment Protection Areas;
18. Lands that provide terrestrial and aquatic habitat restoration opportunities, including lands identified as priority for ecosystem restoration;
19. Links for a regional trail system;
20. Links to greenspace systems in neighbouring conservation authorities;
21. Lands that are identified by TRCA in cooperation with its member municipalities and/or the Province of Ontario as being complementary to the TRCA greenspace system;
22. Lands that provide access to lands secured by TRCA;
23. Lands that provide a buffer from surrounding land uses to the aforementioned areas; and
24. Lands to be used in support of conservation efforts.

### **RATIONALE**

Staff have utilized the above criteria in assessing 1,015,267 land parcels within the TRCA jurisdiction, and prioritizing parcels through the creation of a heat map (the "Map"). This involved assembling the criteria layers across the jurisdiction, creating a screening layer to use, refinement of the identified parcels and finally ranking parcel based on each Region's distribution of opportunities and boundaries. The results compile and intersect a series of data layers (listed above) into a Map of potential areas of interest for Greenspace securement for each region in the TRCA jurisdiction (York, Peel, Toronto, Durham, Mono, & Adjala-Tosorontio). The Map indicates, on a priority basis, 16,860 parcels that contain the above criteria. It should be noted that on a preliminary basis, residential zones have been removed from initial consideration. This will be addressed in the sub-parcel analysis. Parcels in red indicate parcels that contain 12+ criteria. As these parcels form the basis of acquisition strategy, they are contained within the confidential memo to avoid prejudicing TRCA acquisition strategy/negotiations including ongoing work for municipal partners.

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With the initial Map in place, TRCA will be able to better identify and target priority acquisition areas within each of the watersheds that our jurisdiction encompasses. Property and Risk Management staff will identify priority parcels to create a list of potential acquisitions in each municipality to explore financing opportunities. This process will require 1) investigation and refinement of targeted parcels to identify the sub-parcel elements in need of protection, 2) the formation and application of an acquisition strategy, and 3) coordination with a land management strategy for the ongoing management of lands acquired. Staff will update the acquisition mapping if/when any datasets used in its creation are updated.

### Next steps

#### **1) Parcel refinement**

The Map provides a high-level screening tool to assist in the focusing areas of acquisition to maximize acquisition efficiency. The Map provides an indication at the parcel level that a specific property may be of interest of protection. Staff will utilize the Map to rigorously review and refine the areas of protection at the sub-parcel level in order to efficiently direct acquisition resources. This may involve further study and/or microecology investigation to identify the minimum land area required to support mandated conservation efforts. In addition, the Map does not include residential parcels in the preliminary screening. Staff will investigate during the refinement process whether portions of adjacent residential parcels should also be identified for protection.

#### **2) Acquisition Strategy**

Utilizing the refined Map, staff will prioritize the investigation of lands based on priority at the sub-parcel level. TRCA may utilize *Planning Act* exemptions, such as part lot exemptions under section 50(5), to enact transfers of land. The acquisition analysis will follow the following strategy:

#### Strategy:

##### 1. Development Process Acquisitions

In reviewing proposed plans for development (e.g., plans of subdivision, rezoning applications, official plan amendments and severances), TRCA determines whether there are areas that should be protected as part of their legislated mandate. These may include valley and stream corridors, Environmentally Significant Areas or waterfront corridors that should be set aside for conveyance at a nominal cost to TRCA, or for acquisition of a limited interest by TRCA. Where planning applicants own land within the target Terrestrial Natural Heritage System, TRCA will, as part of its plan review, recommend that applicants convey their target system lands to the appropriate public agency and have those lands protected through appropriate zoning. The majority of TRCA securements are achieved through the planning process.

##### 2. Tax donations & the Federal Ecological Gifts Program

TRCA encourages donations of land or property rights and often works with The Living City Foundation in pursuing such donations. Under the federal Ecological Gifts Program (“Ecogrant”), owners of land which is certified by the Minister of the Environment as important to the preservation of Canada's environmental heritage receive a favourable federal tax credit for the full value of the land, easement or covenant and a reduction in the taxable capital gain realized upon the disposition of the

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property when they donate land to TRCA, The Living City Foundation or other organization designated by the Minister. Identification of parcels that could be utilized as donations to TRCA to further assist in private party tax & estate planning processes. TRCA may accept gifts “in fee” or gifts with life estates remainders. The Ecogrant process allows for the carry forward of tax receipts for a maximum of 10 years, while normal tax donations have a maximum carry forward of 5 years.

### 3. Maximizing TRCA value of existing assets

Owners of land in a valley or stream corridor adjacent to TRCA property may seek to trade their restricted land for parcels of land which are surplus to TRCA’s requirements but have higher development potential and lower ecological value/function. Such trades may increase the available lands secured by TRCA for ecological protection.

In addition, TRCA may proactively identify parcels within TRCA’s portfolio that have low conservation or ecological value/function but have high development potential. The determination of potential surplus and sale/trade of these parcels may contribute to open market acquisitions. While these transactions traditionally consist of the exchange of fee simple interests, they can consist of any combination of property interests. All of the above actions typically require Board and Ministerial approval.

### 4. Joint acquisition with member municipalities & other levels of government

TRCA may secure property interests in municipal lands at a nominal cost when they are located within the boundaries of approved TRCA land securement projects. These securements may be through Erosion Risk Management Programs with member municipalities to reduce/eliminate erosion risks within the watershed. Additionally, acquisition through partnership with member municipalities for parkland acquisition and management are available through management agreements and Service Level Agreements.

### 5. Open Market Acquisitions

TRCA’s land securement projects may require acquisitions through arms-length transactions. Arms-length transactions are transactions with a willing buyer and a willing seller. This option is dependent on obtaining funding within program/budget process.

### 6. Leverage TRCA’s ability to sever parcels

TRCA has the ability to sever private parcels of land when land is being acquired for the purposes of flood control, erosion control, bank stabilization, shoreline management works or the preservation of environmentally sensitive lands under the GSMP.

### 7. Leases, agreements, restrictive covenants, and conservation easements

Areas may be protected through agreements or through TRCA obtaining other property rights/restrictions. These include lands owned by a public agency or non-government organization that are managed or leased by TRCA under an agreement, obtaining easements or restrictive covenants

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to aid in the protection of natural elements, obtaining rights of first refusal or options on lands that may be desirable in the future to obtain.

### 8. Expropriation feasibility

Although negotiated acquisition strategies are preferred, TRCA may work with member municipalities where they undertake to expropriate lands where it is required for an approved project, subject to an agreement with that municipality to conduct such work.

### 9. Provincial/Federal Grants

TRCA continues to identify and apply for grants that benefit the securement and protection of lands.

### 10. Provincial (Section 39) Funds

Historically, TRCA may have acquired lands utilizing Provincial funds. When TRCA disposes of surplus lands, generally the revenues from the disposition are repayable to the Province. Upon request, TRCA may be allowed to retain the revenues, in trust, within a Capital Reserve Account, for purchase of alternative lands identified under the Greenspace Acquisition Project (GAP) (see **Attachment 3**). Therefore, with Ministerial approval, the Capital Reserve Account is a source of funds that may be utilized in support of the GAP acquisitions.

Since 2011 the Capital Reserve Account has been utilized twice:

- i) In 2015, \$0.474M (17% capital contribution) towards the purchase of the 44.2 ha Dalton property located at 12800 11<sup>th</sup> Concession Road, Township of King; and
- ii) In 2018, the Minister approved a transfer of \$3.538M to support of the construction of the new TRCA headquarters.

The balance of the Capital Reserve Account is approximately \$1.1M as of December 31<sup>st</sup>, 2020.

These acquisition strategies may involve both direct and indirect benefit for support of conservation efforts. These strategies will involve planning/forecasting over the long term (50+ years). As a component of expanding TRCA land holdings, the management of our lands must be considered.

### **3) Land Management Strategy**

All properties, regardless of the management category and intensity of public use, require regular and proper inspection, land planning, management and monitoring to ensure that TRCA lands support TRCA programs and services. TRCA must manage its properties to reduce the risk from hazards, deter encroachment from neighbours by erecting fencing and pursuing outreach efforts, discourage vandalism, dumping, poaching and trespassing, and to monitor and protect archaeological sites. TRCA maintains its properties in order to provide a safe environment for the public and aims to enhance its lands so as to improve the visitor experience.

TRCA's land management strategy is diverse across the jurisdiction. TRCA actively manages its properties for conservation purposes, such as flood control reservoirs and channels, riverside erosion control, shoreline protection on the Lake Ontario waterfront, nature-based recreation and education, habitat creation and enhancement projects, cultural heritage resource

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management, and the planting of millions of trees and shrubs. The public is invited onto some of these lands, both with and without fees. Lands managed by TRCA are managed through TRCA's Land Care Program to the standard approved and funded by the member municipality. Lands under management agreement with member municipalities are managed by said municipality.

TRCA's Land Care Program aims to establish and deliver the best possible land asset management practice, reduce risk to assets and human health and safety from natural or human hazards, deter and mitigate encroachments, promote responsible use of conservation parks and lands, and involve the community in its activities on TRCA lands. Projects under the program ensure that the natural and cultural heritage values for which the lands were brought into public ownership are protected, while still providing safe and responsible visitor experiences where appropriate. The main components of the Land Care Program include land planning, boundary securement, property management, hazard management, and administration.

### Land Service Level Strategy

Staff have performed initial classification of the existing TRCA land portfolio into service levels: low, medium, and high based on risk to TRCA. Low service lands do not have improvements or otherwise invite members of the public to utilize said lands, whereas medium service lands have passive uses and minor improvements such as trails, and high service lands are used more actively with additional infrastructure and programming and where an admission fee is often charged. It should be noted that TRCA will need to confirm the service level classification system and its application to TRCA lands and then develop land management rates for the medium and high service level lands to reflect Land Care Program budget requirements, while meeting the impending new *Conservation Act* regulations.

In aggregate, TRCA has approximately 3,460ha (8,550 acres) of low service lands. Low service lands are intended to remain in a naturalized state and include erosion or flood mitigation measures. Regular management of these lands as part of the Land Care Program includes basic inspections of, and response to, property boundary securement conditions and hazards in order to respond to TRCA's basic duty of care responsibilities. These boundary maintenance activities consist of minor encroachment resolutions, work order resolution, garbage removal, neighbour relations management, property identification and regulatory signage, fence and gate installation and maintenance, tree assessments and tree hazard mitigation. These actions include activities that are both proactive and reactive. As such, response and mitigation costs can vary from year to year.

TRCA staff has estimated the aggregate cost to perform these basic land care responsibilities is approximately \$400/ha (\$162/acre) annually (Note that this cost does not include property tax and insurance costs). This amount may fluctuate based on a number of social, environmental and operational factors including weather events, changes in service levels, invasive species destruction, and ease of access from nearby communities.

In addition to the basic duty of care responsibilities, TRCA may add services to the lands to support additional TRCA programs and services. These range from no-fee, passive use trails to fee-supported, active recreation programs and significant built infrastructure. These additional services increase the costs to basic land care costs for said lands and are supported through business and budget planning.

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### Tax Efficiency Strategy

Tax efficiency and strategy of acquired lands can be optimized through MOU and management level agreements with member municipalities. As a private landowner, TRCA land assets are *prima facie* taxable. If a local municipality, through a management plan, identifies the lands being a class of a “municipal capital facility”, said lands can be designated as exempt from land taxes. Staff recommends that all non-income producing lands should be designated as “municipal capital facilities” in order to maximize savings and avoid labour costs, both municipal and TRCA resources, in allocating, assessing, appealing, and transacting land taxes. These taxes form part of the TRCA levy which is paid by, and ultimately back to, the member municipality. This designation would also potentially recognize TRCA land assets as integral part of watersheds that service the municipal members. It is proposed that TRCA income producing properties, remain taxable in normal fashion.

If the lands are not exempt from taxes, TRCA management plans may place the lands under Managed Forest Tax Incentive Program (“MFTIP”) or Conservation Land Tax Incentive Program (“CLTIP”) depending on their designation. These programs restrict the uses and management of the lands, but reduce the taxes payable. For lands that are not capable of being exempted or reduced in taxes, the TRCA is assessed the full tax liability which is then required to be paid through the budget process. In aggregate, the low service lands are assessed at the parcel level at approximately \$65/ha (\$26/acre) in taxes.

Land is a foundational piece of TRCA’s work. TRCA needs to be able to secure greenspace expeditiously with a defined management approach for these acquisitions to deliver its programs and services in a timely and effective manner. Although fee-simple ownership provides the highest level of protection, other avenues of protection such as conservation easements may provide certain protections, but with lower costs.

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

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

**Strategy 2 – Manage our regional water resources for current and future generations**

**Strategy 3 – Rethink greenspace to maximize its value**

**Strategy 4 – Create complete communities that integrate nature and the built environment**

**Strategy 7 – Build partnerships and new business models**

**Strategy 12 – Facilitate a region-wide approach to sustainability**

### **FINANCIAL DETAILS**

Lands that are under consideration of acquisition for low-service require approximately \$465/ha (\$188/acre) into perpetuity for ongoing management costs and taxes, annually adjusted to inflation. Any additional services or desired improvements (erosion infrastructure, recreational trails, additional services) will increase this amount.

### **DETAILS OF WORK TO BE DONE**

The newly created heat map requires circulation within TRCA to remove any extraneous parcels that may have been included inadvertently resulting in a refined map.

Determine priority parcels based on heat mapping within each Region to pursue funding opportunities.

Continue to refine land management costs based on the service levels associated with the Land Service Level Strategy’s classification system.

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Date: February 18, 2021

Attachments: 4

Attachment 1: TRCA Jurisdiction Map 2020

Attachment 2: Provincial Policy for Treatment of CA Generated Revenue (s.39)

Attachment 3: Greenspace Acquisition Project (GAP) 2021-2030

Attachment 4: TRCA Acquisition Map (this is a confidential attachment, which will be circulated to Board Members separately, pursuant to subsection C.4.(2)(l) of TRCA's Board of Directors Administrative By-Law, as the subject matter pertains to a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of TRCA)