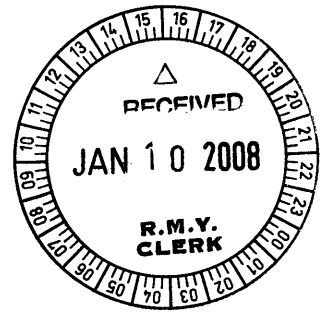




REGION OF YORK
CLERK'S OFFICE



FILE No. - *PO6*

January 4, 2008

Mr. Denis Kelly
Regional Clerk
Regional Municipality of York
17250 Yonge Street
Newmarket, ON L3Y 6Z1

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120 Bayview Parkway
Box 282
Newmarket, Ontario
L3Y 4X1

Dear Mr. Kelly,

**Re: Lake Simcoe Water Quality Improvement Program (LSWQIP)
Funding of Septic Rehabilitation Projects - York Region**

At their December 14th, 2007, meeting the Lake Simcoe Region Conservation Authority's Board of Directors dealt with Staff Report No. 81-07-BOD regarding proposed changes to the Lake Simcoe Water Quality Improvement Program (LSWQIP) and passed the following resolution:

BOD-156-07 RESOLVED THAT Staff Report No. 81-07-BOD regarding proposed changes to the Lake Simcoe Water Quality Improvement Program be received; and THAT the proposed changes be approved for implementation commencing January 1, 2008; and FURTHER THAT the Regional Municipality of York approve the use of funds from the Lake Simcoe Water Quality Improvement Program for septic rehabilitation projects in York Region.

Currently, the Regional Municipality of York does not permit the use of the LSWQIP funding for septic rehabilitation projects in York Region. As we have received a number of inquiries from York Region residents for such funding, we are respectfully requesting that this position be reviewed and that Council approve the use of these funds for septic rehabilitation projects effective January 2008.

A A copy of Staff Report No. 81-07-BOD is attached for your information and I invite you to contact the undersigned should you have any questions in this regard.

Yours truly,

D. Gayle Wood, CMM III
Chief Administrative Officer
Attach.

Watershed

For

- c: York Region Board Members: Mayor James Young, Mayor Robert Grossi, Councillor Virginia Hackson, Regional Councillor John Taylor, Councillor Evelina MacEachern, Councillor Jack Rupke, Councillor Ken Ferdinands
- B. Kemp, Director, Conservation Lands
- P. Davies, Manager, Watershed Stewardship

Life



Staff Report No. 81-07-BOD
Page No. 1 of 3
File No. LSTL1
Agenda Item No. 5 BOD-12-07

TO: Board of Directors

FROM: Philip Davies
Manager, Watershed Science

DATE: December 14, 2007

SUBJECT: Proposed changes to Lake Simcoe Water Quality Improvement Program (LSWQIP)

RECOMMENDATION: THAT Staff Report No. 81-07-BOD regarding proposed changes to the Lake Simcoe Water Quality Improvement Program be received; and
FURTHER THAT the proposed changes be approved for implementation commencing January 1, 2008.

Purpose of the Staff Report:

The purpose of this Staff Report is to outline proposed changes to the existing funding schedule for projects implemented through the Lake Simcoe Water Quality Improvement Program and to gain the Board's approval of the proposed program revisions.

Background:

Through the Lake Simcoe Water Quality Improvement Program (LSWQIP), LSRCA offers technical and financial assistance to landowners who complete restoration projects on their properties that address water quality improvement issues. The program, administered by LSRCA staff, is funded by our municipal partners and eligible projects are assigned funding according to a series of established criteria. With the exception of municipal stormwater pond retrofit projects, each project is reviewed by staff and submitted to a Project Review Committee for funding approval (stormwater management ponds are approved according to a separate set of guidelines). The LSWQIP Review Committee is comprised of one representative from each of the Durham, Simcoe, and York Chapters of the Ontario Federation of Agriculture.

Through this program, and its predecessors, over 530 restoration projects have been completed across the watershed since 2000, contributing to reductions in phosphorus entering the Lake, increasing wildlife habitat, and contributing to a variety of other environmental benefits.

There are currently 12 project funding categories (excluding stormwater pond retrofits). These include well decommissioning, tree and shrub planting, and clean water diversion projects, among others. The funding rates for each category range from 33% to 100%, with maximum funding caps in each that vary between \$1,000 and \$10,000. Landowners are eligible for a maximum of \$25,000 in funding over the life of the program. Eligible project costs include professional design fees, construction fees incurred by approved contractors and certified professionals, materials and equipment associated with the approved project and other items specific to each project category.

A number of project costs are not eligible for funding support. These include the cost of permits from LSRCA and other environmental agencies, and applicable sales taxes.

Issues:

The current LSWQIP funding rates have been in place since 2004, and only minor adjustments have been made to the program since that time. As a result, increases in project costs have not been reflected in increased funding support. For example, upgrades to private septic systems generally cost approximately \$15,000, but the 50% funding rate for these projects is capped at a maximum of \$2,500 per project. This level of support may not encourage program participation by landowners.

Projects in several categories, such as streambank erosion control and livestock restriction fencing, are subject to additional fees for permits issued by LSRCA and other environmental review agencies (eg. DFO, MNR). While significant benefits to water quality in the watershed and Lake Simcoe will be realized through the positive actions of the landowners who undertake these projects, they are currently responsible for these additional fees. In some cases, landowners may elect not to do the project work due to the added expense.

The materials and services required to complete projects are subject to both Provincial and Federal sales taxes, but these amounts are not currently eligible for funding recognition. As such, landowners do not receive the true funding rate identified.

To address these issues, it is proposed that the funding schedule be modified as outlined in Table 1. Under this new system, the funding rates and caps in several categories have been increased. New categories have also been added to reflect beneficial project work that is not supported under the current program, including activities where landowners have expressed interest in implementing beneficial projects.

In addition to the increases in funding rates and caps, it is proposed that the fees for acquiring permits that are directly related to a restoration project, and all applicable sales taxes be considered eligible when calculating the overall project cost.

It is further proposed that these program changes will come into effect as of January 1, 2008, and any documentation for completed projects submitted after this date will be assessed according to the new funding criteria.

Relevance to Authority Policy:


Projects completed through the LSWQIP program contribute to LSRCA's goal of restoring and protecting the environmental health and quality of Lake Simcoe, and support the commitments made by LSRCA through the LSEMS partnership.

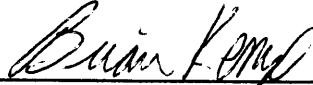
Impact on Authority Finances:

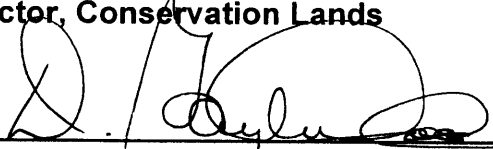
This program is supported by contributions through municipal capital levy. Grants will continue to be assigned to approved projects in 2007 in accordance with established program guidelines.

Summary and Recommendations:

THAT Staff Report No. 81-07-BOD regarding proposed changes to the Lake Simcoe Water Quality Improvement Program be received; and
FURTHER THAT the proposed changes be approved for implementation commencing January 1, 2008.

Prepared by: 
Philip Davies, CMM I
Manager, Watershed Stewardship

Reviewed by: 
Brian R. Kemp, CMM II
Director, Conservation Lands

Recommended by: 
D. Gayle Wood, CMM III
Chief Administrative Officer

Attachment:

1) Table - Proposed LSQWIP Funding Support Increases & New Categories

**Table 1: Proposed Lake Simcoe Water Quality Improvement Program
Funding Support Increases and
Proposed New Categories**

LSWQIP Program Category	Existing Funding Rate	Existing Funding Cap	Proposed Funding Rate	Proposed Funding Cap
Milkhouse Waste Management Systems	50%	\$5,000	No change proposed	No change proposed
Manure Storage and Management	50%	\$10,000	No change proposed	No change proposed
Private Septic Systems	50%	\$2,500	No change	\$5,000
Wellhead Protection	50%	\$1,000	No change proposed	No change proposed
Decommissioning Unused Wells	100%	\$1,500	No change proposed	No change proposed
Pond Bypass Channels or Bottom Draw^W Outlets	33%	\$5,000	*Category title change - see below	
Streambank Erosion Control	50%	\$10,000	*Category change - see below	
*Aquatic Habitat / Stream & Online Pond Improvement	33% - 50% As above	\$5,000 - \$10,000 As above	50%	\$10,000
Tree & Shrub Planting	50%	\$6,000	No change proposed	No change proposed
Cover Cropping	50%	\$1,000	No change proposed	No change proposed
Cropland Erosion Control Structures	50%	\$10,000	No change proposed	No change proposed
Clean Water Diversion	50%	\$2,500	No change proposed	No change proposed
Livestock Access Restriction from Watercourses	75% \$3/foot fenced	\$10,000	75% \$5/foot fenced	No change
Pesticide, Fuel and Chemical Storage	New Program in 2008		50%	\$2,000
Terrestrial / Wetland Restoration / Wildlife Improvement	New Program in 2008		50%	\$1,000