



Protecting Our Open Lands

Land Stewardship Committee



GO-HOME-BAY LANDING.
GEORGIAN BAY, ONT., CANADA.



Purpose

The purpose of this document is to outline the process undertaken by the Land Stewardship Committee, at the request of the Board of Directors of the Madawaska Club of Go Home Bay and its members, to investigate and provide a recommendation as to whether steps could be undertaken at this time to enhance the protection of the Club's open lands. It contains:

1. The **Context** surrounding the ask
2. The **Objective**
3. A **Timeline of Events** leading up to the Land Stewardship Committee's recommendation
4. The **Decision Framework** employed by the Land Stewardship Committee
5. The **Options Considered** by the Land Stewardship Committee in making its recommendation
6. Details and **Ranking** of each option against the decision framework

Links to further works completed by the Land Stewardship Committee throughout the process and presented to the Board of Directors of the Madawaska Club and its members are included as Supplementary Information on the last page of this presentation.



“My idea was to obtain a tract of land somewhere near the Height of Land (that is between Lake Huron and Hudson Bay in what was afterwards the Temagami region) which should be secure for all time from the encroachments of railways and civilization.”

- *Professor WJ Loudon*

Madawaska Club—Go Home Bay—1898-1923



Context

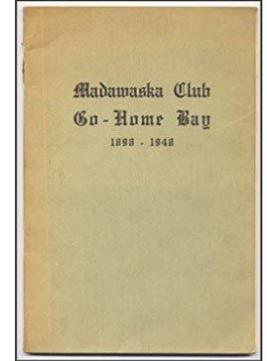
Go Home Bay is a 120-year-old community consisting of 180 cottages.

Members of The Madawaska Club of Go Home Bay enjoy, and are responsible for, ~1600 acres of unoccupied land and islands.

An annual fee per site is used to pay taxes on the acres of deliberately unoccupied land, support community activities, and maintain Club structures.

As the population of Ontario continues to grow, so does the demand for vacation properties and pressure to develop open space.

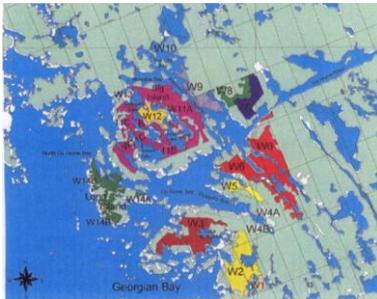
Consequently, with rising land values due to development, taxes are likely to increase which, in turn, will require the Club to increase its revenue and/or decrease its tax base.





Objective

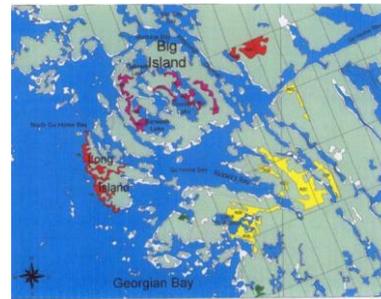
The Land Stewardship Committee was asked by the Madawaska Club's Board to evaluate, and make a recommendation to the Board, as to whether steps could be taken at this time to **enhance the protected status** of the lands held by the Madawaska Club currently zoned as "open space" (the **Open Lands**), while maintaining ownership and control of the Open Lands, consistent with the Community Plan. Further, any recommendation by the Land Stewardship Committee needed to be financially viable.



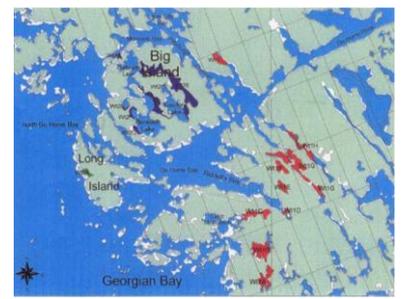
WOODLAND COMPARTMENTS



ISLAND COMPARTMENTS



ROCK COMPARTMENTS



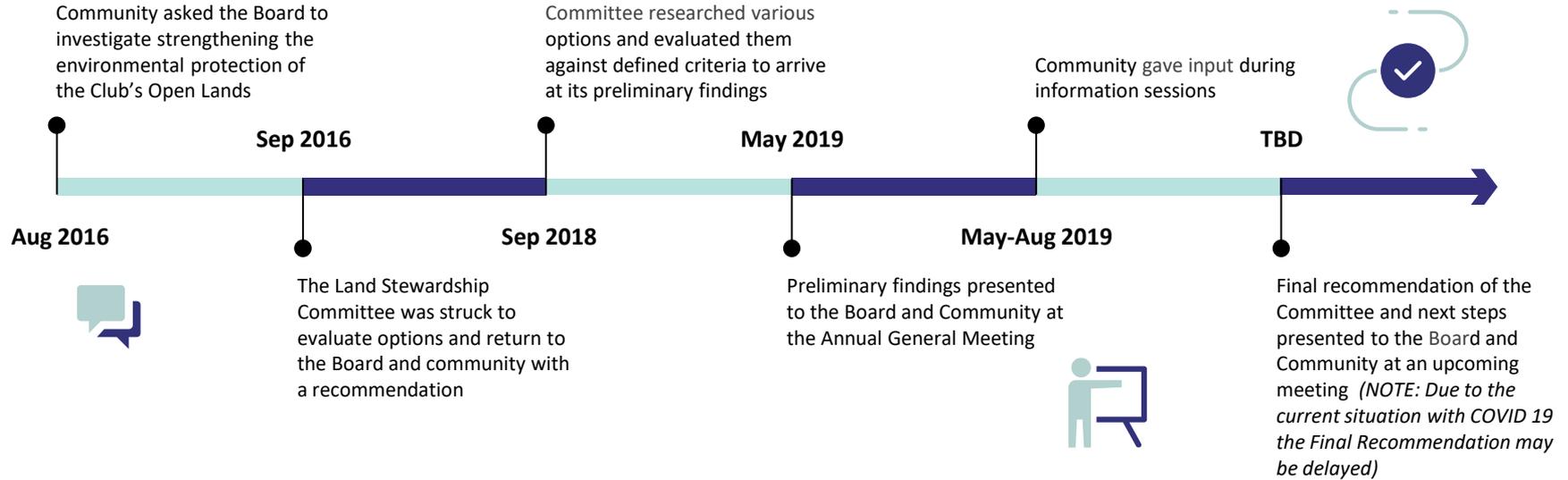
WETLAND COMPARTMENTS

CURRENT MANAGED FOREST PLAN COMPARTMENTS

<http://www.gohomebay.org/managed-forest>



Timeline of Events

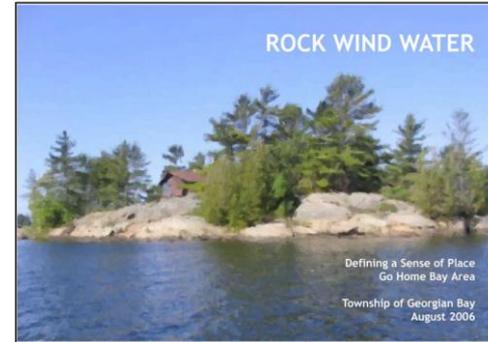




Community Values

Stewardship of our Open Lands has been a core principle that has guided decisions made by residents of the Go Home Bay community for 120 years. At the Annual and General Meeting of the Madawaska Club in 1988, the members approved a Community Plan for all Club property. Core to this plan were the following values defined by the community as most important:

- ✓ **Nature and the physical beauty of the area**
- ✓ **The privacy, solitude, and quiet of the area**
- ✓ **The sense of community**



Planning Issues and Options
Report
Go Home Bay Area
Township of Georgian Bay



August 2006





External Considerations

The Club pays property taxes in respect of the Open Lands. For many years, the Club has benefited from the Managed Forest Tax Incentive Program (MFTIP) which has significantly reduced, by about 75%, the property taxes paid on the Open Lands. In 2018, property taxes paid for the Open Lands were \$3,896.69. MFTIP saved the Club more than \$11,000. MFTIP savings currently represent approximately 12.5% of the Club's annual revenues. While MFTIP has remained in place over a series of provincial governments, there can be no assurance that the MFTIP will continue in its present form or at all.

The Open Lands are currently designated as "open space" in the Township Official Plan and Zoning By-law that covers our Community. That designation reflects several elements of our Community Plan. The Club's representatives worked hard to have the Community Plan embodied in the Official Plan and Zoning By-law. During a recent review of these documents by the Township and District, there was substantial pressure, particularly from local business operators, to reduce development restrictions and it took considerable effort on the part of the Club's representatives to preserve the details of the Community Plan in the Official Plan and Zoning By-laws. Provincial legislation requires periodic reviews of the Official Plan and Zoning By-law. Future reviews could result in changes that would impact the Club's ability to maintain the Open Lands in their current protected state.

More recently, two initiatives of the current Provincial Government were concerning to the Club's Board. One, the Provincial Government arbitrarily overruled the planning restrictions of the City of Toronto in order to force intensified development along the Eglinton Crosstrek line. Two, the Provincial Government proposed a consolidation of municipalities that would have seen the Township of Georgian Bay subsumed into a larger municipality with greater emphasis on inland communities seeking development and a coincident reduction in our political voice.

These external considerations create a financial risk to the Club. All of them, directly or indirectly, threaten to substantially increase the cost to the Club of maintaining the Open Lands as undeveloped, natural lands. Preserved as such, they also have immense conservation value as intact habitats for the plants and animals, many threatened or endangered, that depend on them (and us) for survival.



Decision Framework

In considering options to strengthen the Club's protection of our Open Lands while holding true to our defined Community Values in the face of external factors, we sought to evaluate all potential options against the following criteria:



Aligning Current & Historical Purpose

Any option that does not fit with the current and historical purpose, vision, and objective of the Club would not be considered desirable.

Securing Financial Position

Any option that jeopardizes the current or future financial position of the Club would not be considered desirable.

Limiting Land Use

Any option that opens use of the open lands to the broader community or public would not be considered desirable.

Enhancing Developmental & Environmental Protection

Any option that encourages development of the Open Lands or further densification of the community, and consequently degrades the natural environment would not be considered desirable.

Maintaining Land Ownership

Any option that would involve the transfer of title to the Open Lands from the Club or that would impair the Club's ability to control the development or use of the Open Lands would not be considered desirable.



Options Considered

The following options were considered by the Land Stewardship Committee. Each option was evaluated using the decision framework to assess whether, and by what measure, the option would enhance the protection of the Open Lands in relation to the status quo:

1

Status Quo

How the Club operates today was used as a benchmark to evaluate potential alternatives.

2

Setup our own Trust or Foundation

Establish a trust or foundation to receive donations or gifts that would enhance the financial ability of the Club to maintain ownership of the Open Lands.

3

Amend our By-Laws

Amend the Club's by-laws to increase the special majority required to approve any change in the Club's policies regarding the development of its property.

4

Donate our Open Land to a Land Trust

Transfer of the Open Lands to a conservation body.

5

Conservation Agreement

Establish a Conservation Agreement under the provisions of the *Conservation Land Act* (Ontario).



Summary Rankings

Baselining with the status quo position of the Club with respect to the decision criteria, options were evaluated with the view of either strengthening protected status of club lands, having no effect, or having a negative effect.

	1. Status Quo	2. Community Trust / Foundation	3. By-Law Amendment	4. Donation	5. Conservation Agreement
 Aligning Historical Purpose	0	✓	✓	✓	✓
 Securing Financial Position	0	✓	0	✓	✓
 Limiting Land Use	0	0	0	✗	✓
 Enhancing Developmental & Environmental Protection	0	0	✓	✓	✓
 Maintaining Land Ownership	0	0	0	✗	0

0 No substantive change from today

✗ Unfavourable change

✓ Strengthens our position



1. Status Quo

Summary

This alternative does not enhance the protection of the Open Lands. The status quo was used as the benchmark against which each potential alternative for strengthening protection of our open lands was evaluated.

Criteria	Description	Rank
Aligning Historical Purpose	The Go Home Bay community was established with the belief that a simple lifestyle immersed in nature enhances the soul and that each soul is a guardian of our shared environment of clean water, uninterrupted shorelines, open spaces, wildlife and pristine environments. Our common goal is to enjoy the opportunity to pause and restore within nature and an undeveloped landscape.	0
Securing Financial Position	The Club has an annual operating budget of ~\$80k levied by fees on per site basis. It has ~\$125k in reserve and two potential properties that can be sold to raise funds. Currently the Club benefits from the provincial “Managed Forest Tax Incentive Program” which reduces property taxes by 75% and keeps the tax burden of our Open Lands at ~\$7k per year.	0
Limiting Land Use	The Club’s detailed Land Use Policy can be found on our website (here), but in summary members in good standing and their guests are encouraged to use our Open Lands for picnicking, camping, hiking, etc while being respectful and environmentally conscious.	0
Enhancing Developmental & Environmental Protection	The Community Plan is enshrined in the Official Plan and Zoning By-law applicable to the Go Home Bay community. Under the Official Plan and Zoning By-law, the Open Lands were designated as “Open Space”, which designation prohibits development on these lands and restricts their use. Changes to this plan must be approved by two-thirds of the votes cast by Club members in good standing at a meeting duly called for that purpose.	0
Maintaining Land Ownership	The Club currently has title over 1,589 acres of undeveloped lands and islands, the Caretaker Property, Main Dock, and Pig Island, as well as two properties available to be sold to raise capital.	0



2. Community Trust / Foundation

Summary

The Club could establish a trust or foundation the purpose of which would be to receive donations or gifts from members, to hold and invest such funds and to utilize the income derived from the donated funds to offset the costs of ownership of the Open Lands. The difficulties with these two options are as follows.

A foundation would only be able to give tax receipts to donors if the foundation was established for charitable purposes. Use of the donations or investment income to pay realty or other operating expenses of the Club related to the Open Lands would not constitute a charitable purpose. Accordingly, the financial security sought by the Club through the establishment of a foundation could not be achieved.

A trust could be established to benefit the Club. It would not need to have charitable objects. Donors would not be entitled to tax receipts for donations made to the trust. The trust would pay tax on any income earned in a year that was not distributed and every 21 years there would be a deemed disposition of all investments and capital gains tax payable on the resulting deemed gains.

There would be annual legal and accounting expenses incurred in order to operate a trust or a foundation.

Criteria	Description	Rank
Aligning Historical Purpose	Setting up a trust or foundation for members to contribute to protect our community values into the future is in line with and strengthens the community commitment as stewards of the land and fits with our community values	✓
Securing Financial Position	The financial position of the Club to endure increased operating costs would potentially be improved. However, this is reliant on the charity of the community and, due to the non-charitable status of the trust/foundation, it is unlikely to generate significant funds.	✓
Limiting Land Use	There is no change to the current land use policy and is reliant on the community for enforcement.	0
Enhancing Developmental & Environmental Protection	No change to current policy and protections.	0
Maintaining Land Ownership	No changes to current ownership of our Open Lands.	0



3. By-Law Amendment

Summary

The Club's by-laws provide that no change to the land use policies governing the use of land owned by the Club can be implemented without the approval of members, evidenced by a special resolution approved by two-thirds of the votes cast by members in good standing at a meeting duly called for that purpose. The Land Stewardship Committee considered whether or not increasing the majority threshold required for such a special resolution would be an effective means of enhancing the protection of the Open Lands.

An amendment to the Club's by-laws would make it more difficult to approve any change in the land use policies for the Club's lands. The current threshold of two-thirds of members' votes cast has been Club policy for most, if not all, of the Club's history and strikes a balance between requiring a consensus of members more than a mere majority and giving too much power to the minority to frustrate the will of the majority.

This option does not mitigate against the identified financial risks associated with the Club's Open Lands, including tax increases arising from municipal rezoning, and it could inhibit the ability of the majority of members to implement changes to land use policies for lands owned by the Club which do not comprise the Open Lands.

Criteria	Description	Rank
Aligning Historical Purpose	Increasing the majority vote threshold required for a Special Resolution to change land use policies strengthens the community's commitment as stewards of the land and fits with our community values	✓
Securing Financial Position	The financial position of the Club to endure increased operating costs is not improved. Unforeseen cost increases may result in the need to, among other things, sell the Club's two remaining sites, increase site fees, or a combination.	0
Limiting Land Use	There is no change to the current land use policy and is reliant on the community for enforcement.	0
Enhancing Developmental & Environmental Protection	Increases the developmental and environmental protection currently in place. However, changes in Municipal or Provincial policies could change the current zoning of our lands causing potential tax increases by removing the Open Space designation.	✓
Maintaining Land Ownership	No changes to current ownership of our Open Lands. Sale of any additional lands other than the two currently allotted would likely need to approved by a Special Resolution of members at the increased majority threshold.	0



4. Land Donation

Summary

Some members of the Club have donated land to a land trust, as have other communities in the region. With a donation, the Club would lose ownership and exclusive control over the Open Lands, and with it our right to determine land use policies. This option would also potentially result in opening access to our Open Lands to the public. Donation of the land would enhance the protection of the land and relieve the Club of a tax burden.

Criteria	Description	Rank
Aligning Historical Purpose	Donating the Open Lands to a Land Trust strengthens the community commitment as stewards of the land and fits with our community values	✓
Securing Financial Position	The financial position of the Club would be strengthened due to the removal of the tax burden associated with the Open Lands, including potential increases to property taxes on such lands.	✓
Limiting Land Use	The Club would forfeit its ability to define and control the usage of the Open Lands.	✗
Enhancing Developmental & Environmental Protection	The long term protection of the lands from development and established environmental protection mechanisms would be greatly strengthened.	✓
Maintaining Land Ownership	The Club would forfeit ownership and title of the Open Lands	✗



5. Conservation Agreement

Summary

The Club can enter into a Conservation Agreement with a conservation body pursuant to the provisions of the Conservation Land Act (Ontario). In entering into such an agreement, the Club would agree not to develop the Open Lands for the term of the Conservation Agreement for a period of time (typically, 999 years). The Conservation Agreement would establish activities which are permitted on the Open Lands while at the same time imposing development restrictions and prohibiting certain other activities. The Club would have broad latitude to define the scope of permitted/restricted activities and, to the extent permitted by applicable law, the agreement would contemplate a periodic review of the permitted/restricted activities on the Open Lands. However, the general principle restricting development and preserving the natural features of the property could not be changed (and the Conservation Agreement could not be terminated) without the approval of the conservation body and the Ontario Minister of Environment.

There are also potential financial incentives associated with settling a Conservation Agreement on our Open Lands as conservation bodies are often willing to acquire the rights to act as trustee, particularly if there is an opportunity to access grants/funding under private or public conservation programs. As an example, the Canadian government has established the Canada Nature Fund through which the federal government is making investments with conservation bodies and indigenous groups to protect ecosystems and species at risk. Our Open Lands achieve both objectives, with the result that there is potential we could qualify for CNF funding when entering into a Conservation Agreement with a qualifying body.

Criteria	Description	Rank
Aligning Historical Purpose	Entering into a Conservation Agreement with a recognized conservation body strengthens the community commitment as stewards of the land and fits with our community values.	✓
Securing Financial Position	It is expected that obtaining a Conservation Agreement would help maintain the lower tax status of the Open Lands as it supersedes (is not vulnerable to) changes in municipal zoning and/or the provincial MFTIP. Should funding be secured from the applicable conservation body, the financial position of the Club would be strengthened mitigating against the financial risks associated with maintaining ownership and control of the Open Lands. The Committee also considered potential financial risks ancillary to establishing the agreement, including in respect of costs associated with enforcing compliance with the Conservation Agreement. However, these potential financial risks were considered to be either remote/immaterial, in light of the significant benefits associated with conserving our Open Lands through a Conservation Agreement.	✓
Limiting Land Use	While the Club retains the ability to control and define the usage policies in respect of our Open Lands when structuring the Conservation Agreement, changes to such policies would likely need to be approved by members (two-thirds of the votes cast by members in good standing at a meeting), the conservation body and the Ontario Minister of the Environment. Enforcement of our defined land use policies would also be strengthened by the additional oversight of the conservation body. The Committee also considered and evaluated certain risks associated with enshrining usage policies in a Conservation Agreement, including the implications for future generations of members. However, the Committee considered these concerns to be outweighed by the benefits expected to be realized from this option and which would be enjoyed by future generations.	✓
Enhancing Developmental & Environmental Protection	The long term protection of our Open Lands from development and our established environmental protection policies would be greatly strengthened. For such time as the <i>Conservation Land Act</i> (Ontario) is in-force, changes to Municipal or Provincial policies would likely not affect the zoning or environmental status of the Open Lands, or pressure the Club to begin monetizing the Open Lands to cover increased tax costs.	✓
Maintaining Land Ownership	Entering into a Conservation Agreement with a recognized conservation body strengthens the community commitment as stewards of the land and fits with our community values.	0



Recommendation

✓ Conservation Agreement

The Land Use Committee was asked to research options for strengthening the conservation status of our Open Lands.

It was concluded that a grant of a **Conservation Agreement agreement with a land trust fits with the Club's community values and meets criteria for strengthening land protection**. While other options met some criteria of our decision framework, the Conservation Agreement option strengthened the most criteria.

The terms of a Conservation Agreement are negotiated between the landowner and the conservation body. Agreements are tailor-made and can be designed to protect an entire property, or only those features cherished by the landowner. Unless the landowner agrees, **a Conservation Agreement does not provide access to the public**.

Taking advantage of potential financing grants **could significantly enhance the financial position** of the club. We also expect that establishing a Conservation Agreement would **further mitigate against** potentially substantial increases to the property tax payable in respect of our Open Lands arising from changes in municipal zoning and/or the provincial MFTIP.



Next Steps

1

Consult a tax specialist to receive formal advice

2

Consult a conservation law specialist to receive formal advice

3

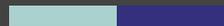
Prepare draft Conservation Agreement

4

Present summary and draft Conservation Agreement to the Board and community for input

5

Board evaluates whether to seek formal membership approval



Thank you,
Further inquiries may be directed to
the Land Stewardship Committee:

George Lougheed

Doug Grundy

Patsy Cross

Barbara Zimmerman

James Rusak

Tony Pigott



Supplementary Information

Linked below are recommended reading for further history, context, and detailed reports supplementary to this document. For further information on the Club, its history, etc. please visit: <http://www.gohomebay.org/>



[Go Home Bay Community Plan](#)



[Land Stewardship Committee Reports](#)

- [Ontario Land Trust Alliance Conservation Agreement Guide](#)
- [A Realtor's Perspective on Conservation Agreements](#)