



**TO: Community and Corporate Services Committee**  
**FROM: Parks and Recreation**  
**SUBJECT: Report providing an update on the LaSalle Park Marina Breakwater Class Environmental Assessment and the Recreational Boating Feasibility and Capacity Study**

Report Number: PR-01-16

Wards Affected: All

File Numbers: 945-10

Date to Committee: April 18, 2016

Date to Council: May 9, 2016

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### **Recommendation:**

Authorize the Mayor to write a letter of support to assist LaSalle Park Marina Association with securing funding opportunities for the construction of a permanent wave break at LaSalle Park Marina.

### **Purpose:**

The purpose of this report is to provide the following:

- An overview of the environmental assessment and next steps for the permanent wave break project
  - An overview of the Recreational Boating Feasibility and Capacity Study
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### **Background:**

#### **LaSalle Park Marina Association:**

LaSalle Park Marina Association (LPMA) is a non-profit organization that was created in 1981 and provides a venue for recreational boating at the Marina. LPMA operates the Marina under the terms of a Joint Venture Agreement with the City of Burlington (City). The Joint Venture Agreement provides LPMA with the authority to utilize the Marina and outlines their responsibilities related to maintenance, operation and capital renewal. The current Marina operation has 219 slips and is protected by a floating wave break.

Staff provided information related to the development of a permanent wave break through reports PR-62-09, PR-09-10, PR-30-10, PR-14-11, PR-30-11, PR-04-12, PR-33-13 and a memo to Council dated August 5, 2014. The significant components of this project have included:

- LPMA's presentation of Vision 2012 outlining the need for a permanent wave break
- Approval to commence the Environmental Assessment (EA) process
- Completion of Phase I of the Recreational Boating Feasibility and Capacity Study indicating demand for more slips
- Response from the Ministry of the Environment and Climate Change was received indicating an individual EA is not required

LPMA is now looking to proceed with detailed design for a permanent wave break.

### **Pertinent Council Resolutions:**

REGULAR MEETING OF COUNCIL NO. 14-11 July 18, 2011

Approve the use of City funds, up to \$150,000 for the Environmental Assessment (EA) related to a proposed permanent wave break and wild life habitat at LaSalle Park Marina, contingent on matching funds from the LaSalle Park Marina Association; and

Direct the Acting Director of Parks and Recreation to report back to Council on the outcomes and preferred options generated by the EA process and subsequent proposed funding model by LPMA.

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### **Discussion:**

#### **Recreational Boating Feasibility and Capacity Study:**

Please see Appendix A for an overview of the Study.

If members of Council or the public would like a copy of the Study, the document is posted on the City's website at <http://www.burlington.ca/en/services-for-you/LaSalle-Park-Marina-Wave-Break-Study.asp>

### Phase One:

Phase one of the Study indicates there is a need for additional slips and public boat launches in Halton region and provided the City and LPMA with data related to boating in Halton. LPMA is confident that 100 additional slips in an enlarged marina with a permanent wave break will be well utilized based on the findings from the Study.

Staff advised both Halton and Oakville that the City will not be participating in the second phase of the Study which was to determine the best options to accommodate the need for additional slips in Halton region. The City did not participate in phase two of the Study as phase one provided data indicating future growth in boating interests which supports LPMA's interests to expand the Marina. In addition, funds to support this Study were included in the EA budget and if additional work was required for the EA, funding would not have been available for the second phase.

### **Environmental Assessment:**

The first step in the process of considering a new wave break was to complete an Environmental Assessment (EA). LPMA and the City co-funded the EA and retained the services of Dillon Consulting Limited to manage the EA process (PR-30-11). The EA was initiated in February 2011 and the Environmental Study Report (ESR) was completed in July 2013.

### **Preferred Option Identified in Environmental Assessment Study Report:**

Through the EA process, four (4) alternative solutions were evaluated against several objectives to better protect the Marina and its assets. Based on the evaluation, it was determined that a permanent wave break for an enlarged marina was the preferred solution. After review of design options, it was determined that the preferred alternative design concept was a permanent wave break with a short length low-crested section with an aquatic habitat shelf on the harbour side.

### **Response from Ministry of the Environment and Climate Change:**

After the Environmental Study Report review period, the Ministry of Environment and Climate Change (MOECC) received Part II Order Requests. MOECC provided a response to the Part II Order Requests (Appendix B) dated July 21, 2015 indicating that an individual environmental assessment is not required for the preferred solution. To ensure that the environment is protected, the Minister imposed the following conditions should the project proceed.

- The Proponents will form a Stakeholder Advisory Committee for the purposes of disseminating and exchanging information and discussing issues and concerns raised by its members.
- Representative(s) from the following organizations will be invited: Conservation Halton, the Hamilton Conservation Authority, Trumpeter Swan Coalition, Ministry of Natural Resources and Forestry, the Hamilton Harbour Remedial Action Plan Stakeholder Group, Environment Canada and Fisheries and Oceans Canada. As well, the Proponent may invite other members of the public and/or agencies/ministries that expressed interest in the Project.
- Invitations will be sent out for the Stakeholder Advisory Committee prior to the initiation of detail design for the project.
- A Terms of Reference for the Stakeholder Advisory Committee will be established by a third-party Facilitator selected by the Hamilton Harbour Remedial Action Plan Coordinator.
- The Stakeholder Advisory Committee will begin to meet during the detail design and continue to meet as required.
- A minimum of one Stakeholder Workshop will be held during the detail design phase.
- The third-party Facilitator will facilitate the workshop.
- Prior to construction, the Proponents will prepare an Aquatic Terrestrial Environment Monitoring and Mitigation Plan to monitor effects on the local environment. The Plan will be prepared in consultation with the Stakeholder Advisory Committee and submitted to the Committee for review.
- If the Project is found to negatively affect the aquatic environment and/or overwintering Trumpeter Swans in the vicinity, the Proponents must notify the Director of the Environmental Approvals Branch to identify what measures will apply to mitigate the negative affect(s).
- Once the conditions above have been satisfied, the Proponents shall notify the Director of the Environmental Approvals Branch.

Many of the items discussed through the Stakeholder Advisory Committee will be addressed through the detailed design process.

Based on the Minister's response to the Part II Order Requests, the EA process is considered complete.

### **Detailed Design of Permanent Wave Break:**

As part of the detailed design process, required permits and approvals will need to be obtained. As a Joint Venture organization, LPMA will secure the services of a consultant to complete the detailed design and then LPMA and the City will jointly oversee the implementation of the MOECC's conditions. The timing of the detailed design is contingent on LPMA's funding and staff workload. All costs associated with the detailed design including staff time, will be paid for by LPMA. Any costs associated with implementing MOECC's conditions will be considered part of the project costs and funded by LPMA.

It is estimated that the process to design and construct a permanent wave break will take approximately three (3) years. Currently, this project has not been identified in City staff's work plan. Workload priorities would need to be re-evaluated based on staff's involvement in this project.

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### **Financial Matters:**

#### **Environmental Assessment:**

In 2011, Council directed that \$150,000 in funding be provided to co-fund the environmental assessment with LPMA to ensure both proper process and due diligence were carried out in respect to the environment. Currently, there is \$32,988 remaining in the account.

#### **Recreational Boating Feasibility and Capacity Study:**

In 2013, LPMA agreed to co-fund the City's portion of the Study from the EA funds. Both the City and LPMA contributed \$6,754 towards this project.

#### **Costing for Detailed Design and Implementing Conditions:**

It is estimated that the cost of detailed design and implementing conditions as prescribed by MOECC will cost approximately \$350,000. LPMA is responsible for all project costs as per the City's Joint Venture Policy. The City does not have funds budgeted to support the implementation of the conditions or detailed design.

LPMA had requested the use of \$248,000 from the LaSalle Park Marina Reserve Fund held by the City to assist in funding the detailed design and implementation of MOECC's conditions. Staff have advised LPMA that the Reserve Fund cannot be accessed for this purpose.

### **Costing for a Permanent Wave Break:**

The cost estimate that was used during the EA process for the permanent wave break ranges from \$8M to \$12M; based on the preferred option identified in the EA. Access to funding programs to support construction of a permanent wave break has not materialized.

LPMA has provided staff with updated information and pro forma financial statements recently that reflects various options of funding the construction of a permanent wave break for up to \$16M. For the purposes of this report, the cost estimate from the EA (\$12M) will be referenced.

In discussions with LPMA representatives and using the cost estimate of \$12M, LPMA indicates obtaining both Federal and Provincial funding remains a priority and necessity to proceed with construction of a permanent wave break. To assist with this, LPMA has requested letters of support from the City. Based on the outcome of detailed design which includes costing and the availability of stimulus opportunities, LPMA representatives have completed financial modeling indicating the organization has the capacity to repay a \$4M Infrastructure Ontario loan. The modelling includes options for repayment schedules over 20, 25 and 30 years.

LPMA has requested the City support its application for an Infrastructure Ontario loan in order to obtain lending rates established for municipalities as these rates are lower than rates for sport and recreation organizations.

At this time LPMA has indicated to staff that a Joint Venture Loan from the City is not required. If LPMA is not able to secure sufficient funding from other sources and requests a Joint Venture Loan in the future, the request will be assessed based on meeting the criteria of the Joint Venture Policy and impact on the City's debt ratio.

It is anticipated that LPMA would be making this request for the City's support following the completion of detailed design. If the City is required to co-sign a loan with LPMA, the amount of the loan must be included in the City's debt limit. The ability of LPMA to repay a loan of this magnitude has not been evaluated by Finance staff.

<b>Proposed Funding Source for Construction of Permanent Wave Break</b>	<b>Amount</b>
Federal Government	\$4M
Provincial Government	\$4M
Infrastructure Ontario Loan/City	\$4M
<b>Total</b>	<b>\$12M</b>

**Financial Considerations:**

Joint Venture Financing for Finger Dock Replacement:

In order to maintain the current Marina infrastructure, LPMA has secured \$109,000 in funding from the Canada 150 Community Infrastructure Program to assist with the replacement of a portion of the finger docks. Information related to LPMA's request for Joint Venture Financing to support this initiative is contained in companion Report PR-03-16.

Summary of Risks Associated with Permanent Wave Break Project:

A permanent wave break is a large scale in-water project that presents a number of risks to both LPMA and the City.

Risks related to LPMA from LPMA's perspective include:

- Funding the detailed design and implementation of conditions without any funding secured for construction of a permanent wave break
- The lease between the City and Hamilton for LaSalle Park expires in 2022 which creates uncertainty related to use of the land past 2022
- Boats and Marina infrastructure may continue to be damaged without a permanent wave break as they have recently experienced a higher frequency of wave damage incidents
- Continual wave damage affects LPMA's ability to retain existing members and attract new boaters as members

- Insurance companies have indicated policies will not be issued for new boaters who use LaSalle Park Marina
- Continual repair and investment in the floating wave break due to wave damage incidents negatively impacts LPMA's operating budget
- The marina may cease to operate if the floating wave break is not replaced with a permanent wave break
- Ability to repay a Joint Venture Loan within the parameters of the Joint Venture Policy 10 year repayment requirement

Risks for the City include:

- The lease between the City and Hamilton for LaSalle Park expires in 2022 and there is uncertainty that it will be renewed beyond that date
- Administering insurance claims for damage to Marina infrastructure as a result of wave damage, (5 times in the last 4 years)
- The public boat launch located within the marina would not be protected if the marina and wave break were not in place
- Staff's involvement in this project will be difficult to manage with other work plan priorities
- The Able Sail program and other boating and sailing programs would not operate without the protection of a wave break
- Debt limit considerations regarding approval of a Joint Venture Loan or any secured loan
- Any modifications to Joint Venture Loan requirements to assist LPMA i.e. longer loan repayment schedule, would establish a precedent for other Joint Venture financing requests

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## **Environmental Matters:**

The Environmental Assessment was completed in accordance with the Canadian Environmental Assessment Act (Act). The City engaged the services of a consultant to complete the EA and to ensure the Act was followed accordingly.

Staff and the consultant met with agency stakeholders on two occasions and discussed items in the EA with agency stakeholders throughout the process.

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## **Public Engagement Matters:**

### **Recreational Boating and Feasibility and Capacity Study:**

The consultant contacted numerous marinas and boating clubs on Lake Ontario to obtain information related to marinas.

A Public Information Centre (PIC) was hosted in December 2013 at Halton's main office.

A City webpage was developed with information on the Study and was included under Special Projects on the City's website.

### **Environmental Assessment:**

Public consultation was included as part of the prescribed EA process. This included two public meetings, notifications in the local newspaper and mailings to area residents.

Staff and the consultant met with stakeholder agencies both before and during the process.

Staff developed a webpage with information related to the EA and is listed under Environmental Assessment Projects on the City's website.

The ESR was available for public review and comment from July 11 to August 26, 2013. Approximately fifty-two (52) comments were received during the review period.

Staff contacted Burlington Green to advise them of the date this report would be presented at C&CS.

The Ward Councillor and staff met with Trumpeter Swan Coalition representatives, including an on-site meeting, to discuss concerns related to the EA.

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## **Conclusion:**

The Marina at LaSalle Park brings vibrancy to the north shoreline in Burlington Bay. Many people enjoy the shoreline, watching boats and accessing the public boat ramp. There is a need for more boat slips in the region and it would be ideal if the Marina could take advantage of that need.

Now that MOECC has approved the EA, LPMA can proceed with the detailed design and implementation of MOECC's conditions provided they have the funding to support this part of the process. As co-proponents for the EA, staff will work cooperatively with LPMA to ensure the conditions imposed by MOECC are implemented.

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Respectfully submitted,

Doug Pladsen, Community Dev. Planner - Sports & Recreation

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**Appendices:**

- A. Study Overview
- B. Correspondence from the Ministry of the Environment and Climate Change

**Notifications:** (after Council decision)

Name:	Mailing or E-mail Address:

**Approved by:**

- Chris Glenn, Director of Parks & Recreation
- Joan Ford, Director of Finance
- Nancy Shea Nicol, Director of Legal Services & City Solicitor
- James Ridge, City Manager

**Reviewed by:**