

Grand River Conservation Authority

Non-Residential Property Rentals Policy



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Introduction

The Grand River Conservation Authority (GRCA) owns and manages approximately 19,900 hectares of land within the Grand River watershed. As outlined in the Board-approved [Conservation Areas Strategy](#), GRCA's landholdings are classified into four categories:

- Water Management - lands for dams/water management reservoirs, erosion control projects and dikes
- Conservation Areas – includes 11 fee-for-use conservation areas and the Luther Marsh Wildlife Management Area, collectively known as the Grand River Conservation Areas
- Conservation Lands – lands that are open to the public with no user fees and limited services with no full-time GRCA personnel onsite
- Controlled or Limited Access Area – lands that are closed to the public where access may be authorized through special permissions such as leases, licences, exclusive-use maintenance agreements or access permits. These lands are not staffed or actively managed by GRCA staff.

On some suitable property holdings that are not directly required for GRCA services and programs, rentals to third parties may be permitted under executed agreements on a case-by-case basis. Licence agreements are generally used to grant non-exclusive use of GRCA land for a specific purpose for a defined period, while lease agreements provide exclusive possession of a property for a defined period and are considered a form of disposition.

Purpose and Intent

This policy provides a framework to guide non-residential third-party rentals of suitable GRCA lands under agreement (ie. licence or lease) to private businesses, organizations, non-profit groups or charities, outside of pay-for-use Conservation Areas. The policy intends to ensure that use of GRCA lands is undertaken consistently, transparently, and effectively, with appropriate consultation and accountability to align with GRCA's strategic direction, core values, and regulatory and legislative requirements.

This policy applies primarily to requests for new licences or leases, as well as proposals for substantial works on land under an existing agreement and will be considered during renewal negotiations. It excludes the Residential Tenancy program, Cottage Lot program, municipal maintenance agreements, access permits and event requests. Leases over 5 years will also be subject to the [Land Disposition Policy](#).

Legislative Framework

The *Conservation Authorities Act RSO 1990 C.27*:

- Section 20 describes the objects of a Conservation Authority to provide, in the area over which it has jurisdiction, the mandatory programs and services (Category 1), municipal programs and services (Category 2) and any other programs or services the GRCA Board decides are appropriate (Category 3).
- Section 21 lists the powers that Conservation Authorities have to accomplish their objectives.
- Section 21 (1)(c) gives the GRCA the power to sell, lease or otherwise dispose of land.
- Section 21(1)(d) gives the GRCA the power to lease acquired land for a term of five (5) years or less without notification to the Minister.
- Section 21(1)(e) gives the GRCA the power to purchase or acquire any personal property that it may require and sell or otherwise deal therewith.
- Section 21 (1)(n) gives the GRCA the power to collaborate and enter into agreements with ministries and agencies of government, municipal councils and local boards and other organizations and individuals;
- Section 21 (2) requires the GRCA to provide notice of the disposition of lands that were acquired through Section 39 funding to the Minister
- Section 21 (4) and (5) outlines requirements for the GRCA to conduct public consultation on the disposition of lands that were acquired through Section 39 funding for a minimum of 45 days
- Section 21 (6) provides exemptions to public consultation and Ministerial notification for municipal/provincial/federal dispositions related to infrastructure or utility purposes, where the municipal/provincial/federal agency or board/council/commission has approved the disposition, and the Minister is informed.

- Section 21 (7) provides that within 90 days of receiving the notice of disposition, the Minister may direct the GRCA to apply a specified amount of the proceeds of the disposition to support Category 1 Programs and Services.

Ontario Regulation 686/21: Mandatory Programs and Services outlines the following:

- Section 9(2), Programs and Services provided by an authority with respect to the conservation and management of lands... shall include the following:
 - vi. the development of one or more policies governing land acquisitions and land dispositions.

Objectives and Principles

1.0 Objectives

1.1 The following objectives defined in the [Conservation Areas Strategy](#) will be used to help guide and inform decision-making related to third-party rentals on GRCA lands outside of Conservation Areas:

- Manage GRCA landholdings in compliance with relevant Federal, Provincial and Municipal regulations, policies and guidelines.
- Consider watershed health and resilience when making land management decisions.
- Provide sustainable outdoor recreational and educational opportunities and connections with the natural environment.
- Enhance community partnerships on GRCA properties.
- Manage GRCA landholdings in a strategic, fiscally responsible and sustainable way.

2.0 Guiding Principles

2.1 GRCA will manage third-party rentals on its land outside of Conservation Areas in accordance with the following principles:

- Fairness: Ensure a consistent and transparent process.
- Financial Resilience: Ensure long-term sustainability of third-party users.
- Risk Management: Limit GRCA's exposure to risk and liabilities.
- Suitability: Ensure appropriate uses for GRCA lands that align with GRCA's mandate, support effective stewardship, environmental conservation and provide community benefit.

Policies and Procedures

3.0 General Policies

3.1 Generally, new third-party rentals outside of fee-for-use Conservation Areas are not permitted. Where permitted, third-party use shall be determined on a case-by-case basis, with consideration of this policy.

3.2 Third-party use must fulfill the objects of the GRCA in compliance with the Conservation Authorities Act and any other applicable provincial, federal, municipal regulations, policies or guidelines.

3.3 Any proposed change in land use that is a significant departure from the current or historical use or from the direction set out in a completed plan such as a Master Plan requires approval by the General Membership and a public process. The appropriate type and scope of public process will be determined on a case-by-case basis and confirmed by the Manager of Property. At minimum, immediately adjacent property owners and the municipality will be notified.

3.4 Leases and any renewal shall generally be less than five (5) years and will not exceed twenty (20) years. Leases over five (5) years must follow the [Land Disposition Policy](#).

3.5 Licences and any renewal shall generally be less than five (5) years and will not exceed twenty (20) years.

3.6 Lease rates will generally be established at fair market value, with annual increases applied, at minimum no less than the applicable consumer price index adjustment. Cost-recovery for any GRCA expenses may be incorporated where applicable. Consideration for a non-market rate may be given on a case-by-case basis for non-profit or charity organizations.

3.7 Licence rates will be established on a case-by-case basis, informed by comparable licences and at minimum include an administrative fee and the applicable annual consumer price index adjustment. Cost-recovery for any GRCA expenses may be incorporated where applicable. Consideration for a nominal rate may be given on a case-by-case basis for non-profit or charity organizations.

4.0 New Use Request

4.1 Generally, proposals that require significant new investment/infrastructure on GRCA lands will not be supported.

4.2 Upon receipt of an unsolicited request for a new third-party use of GRCA lands, an initial review will be undertaken by Property staff to determine the potential suitability of the proposed use and whether the request should proceed for further consideration or should be declined. The following criteria are to be considered in the review:

- a. Alignment – must not conflict with GRCA's conservation and watershed management mandate.
- b. Compatibility – must not conflict with GRCA services, programs or operations, or any Master Plan or future planned use for the property which may evolve over time. Consideration will be given to existing uses, existing neighbouring land uses, land designations, and terms of the original acquisition of the lands.
- c. Stewardship - shall not negatively impact significant natural assets and safeguard water source areas, natural hazards and reservoir sites.
- d. Financial Sustainability – shall demonstrate long-term financial viability of the proposed use and financial stability of the proponent.
- e. Risk and Liability – shall not expose the GRCA to unacceptable legal, financial, operations, environmental, health and safety or reputational risks.
- f. Direct or indirect benefit - deliver mutual benefit through community partnerships that offer recreational or economic opportunities that provide connections to the natural environment through responsible third-party use.

Using this criteria, the GRCA may identify categories of uses that are prohibited from consideration or restricted to certain locations and circumstances.

4.3 If deemed suitable for further consideration, staff will prepare and present a report to the General Membership seeking approval to proceed with a public process in accordance with Policy 3.3.

4.4. At the discretion of the Manager of Property, a Request for Expression of Interest (EOI) or other public process may be prepared by staff to solicit interest and select a prospective licensee/lessee. The original requestor will be invited to submit. Depending on the scale and scope of the requested use, the

submission of a Business Plan with a full cost analysis to demonstrate a self-sustaining business model may be required.

4.6 Following the public process, staff will prepare and present a report to the General Membership summarizing the public process, and seeking approval to enter into an agreement.

4.7 The licensee/lessee, and/or where applicable the proponent/bidder, shall bear all costs related to proposal feasibility assessments, supporting documentation, required approvals and any obligations arising from the executed agreement.

5.0 Major Expansion Request from Existing Licensee/Lessee

5.1 Generally, requests from an existing licensee/lessee to undertake substantial work such as a major renovation or addition, large new structure, new or expanded infrastructure that represents a significant investment on GRCA lands will not be supported.

5.2 If further consideration is given on a case-by-case basis, staff will follow Policy 4.0 (excluding 4.4).

5.3 A Business Plan with a full cost analysis may be requested to demonstrate the proposal is financially sustainable. This may, at the discretion of the Manager of Property, trigger a review of the rental rate.

6.0 New Use Request from Existing Licensee/Lessee

6.1 Upon receipt of a request from an existing licensee/lessee to modify their agreement to permit an additional use, staff will follow Policy 4.0 (excluding 4.4).

6.2 Upon receipt of a request to enter into a sub-agreement to permit another third-party to operate an additional use, staff will follow Policy 4.0.

6.3 A Business Plan with a full cost analysis may be requested to demonstrate the new use is financially sustainable. This may, at the discretion of the Manager of Property, trigger a review of the rental rate.

7.0 Revenue Generated

7.1 Revenue generated through third-party rentals is used as a source of funding for Category 3 programs and services.