



Date: 2026-04-29

Subject: **Budget Amendment – Heart Lake Rd Wetlands Connectivity Project: MECP Grant Transfer Payment Agreement – Ward 2**

From: Steve Ganesh, Commissioner, Planning, Building and Growth Management

Report number: Planning, Bld & Growth Mgt-2026-343

Strategic Focus Area: Environmental Resilience & Sustainability

Recommendations

1. That the report from Steve Ganesh, Commissioner, Planning, Building and Growth Management to the Committee of Council Meeting of April 29, 2026, re: **Budget Amendment – Heart Lake Rd Wetlands Connectivity Project: Ontario Grant Transfer Payment Agreement – Ward 2**, be received; and
2. That Council approve the establishment of a new capital project activity under account 257490 in the total amount of \$1,190,345.35 for the Heart Lake Rd Wetlands Connectivity Project, with funding in the amount of \$1,190,345.35 to be recognized from the Ministry of the Environment, Conservation and Parks (MECP) under the Wetlands Conservation Partnership Program (WCPP); and
3. That Council approve budget transfers in the amounts of \$200,000 from capital account 257490-001 (Road Ecology Program) and \$260,000 from capital account 244941-003 (Stormwater Asset Management Program) to the new project activity to support the City's contribution requirement for this initiative.

Report Summary

The Heart Lake Road Wetlands Connectivity Project advances the City's Road Ecology Program, endorsed by Council in 2024, to address flooding, habitat fragmentation, and wildlife movement challenges along the Heart Lake Road corridor.

In partnership with the Toronto and Region Conservation Authority (TRCA), the City secured \$1,190,345.35 in funding in December 2025 through the Ministry of the Environment, Conservation and Parks (MECP) Wetlands Conservation Partnership Program (WCPP). This funding will support the implementation of wetland restoration and enhancement works, stormwater infrastructure improvements, and road ecology measures within the Heart Lake Provincially Significant Wetland Complex.

On March 24, 2026, the City Treasurer executed the Transfer Payment Agreement (TPA) with MECP, enabling access to the approved funding.

This report recommends the establishment of a new project activity under account 257490 to receive and administer the grant funding, and to support project implementation in 2026 in accordance with the approved scope, timelines, and funding conditions.

Background

In 2024, Council adopted Resolution [C200-2024](#) to support the advancement of a city-wide Road Ecology Program, with an initial focus on Heart Lake Road. This direction recognized the need to address ongoing wildlife mortality, habitat fragmentation, and flooding challenges within the corridor. The resolution was informed, in part, by public delegations to Council highlighting these concerns and advocating for coordinated action.

Council directed staff to implement a comprehensive program that integrates long-term planning, infrastructure improvements, stakeholder coordination, monitoring, and public engagement.

The Heart Lake Road corridor is situated within the Heart Lake Provincially Significant Wetland Complex and provides critical habitat for a variety of species, including Species at Risk. The roadway bisects wetland features, disrupting natural hydrology and wildlife movement, and contributing to localized flooding during high precipitation events.

To support implementation of the Road Ecology Program, with Heart Lake Road as the first priority location, City staff in partnership with Toronto & Region Conservation Authority (TRCA) applied for funding in October 2025 through the Ministry of the Environment, Conservation and Parks (MECP) Wetlands Conservation Partnership Program (WCPP).

Current Situation

On December 24, 2025, City staff received notification that the City's application to the MECP's Wetlands Conservation Partnership Program (WCPP) was successful, with funding awarded in the amount of \$1,190,345.35. The funding will support stormwater infrastructure improvements, wetland restoration works, and road ecology enhancements along the Heart Lake Road corridor. A portion of the funding (\$9,820) will be allocated to support the hiring of a four-month Environmental Projects Assistant (student position).

As part of the City's application, existing capital funding of \$200,000 from account 257490-001 and \$260,000 from account 244941-003 will be contributed to the project, in accordance with MECP requirements for matching funds. Additionally, TRCA has committed \$231,000 of its own funds towards the project.

On March 24, 2026, the Treasurer executed the Transfer Payment Agreement (TPA), attached as Attachment 1 to this report, enabling the City to access the grant funding.

A new project activity under account 257490 is required to be established to receive and administer the grant funding. This account will support delivery of the project in accordance with the approved scope, timelines, and funding conditions. In accordance with MECP requirements, the project will be subject to financial audit and reporting to ensure compliance with the terms of the funding agreement.

City staff, in collaboration with the TRCA, are currently advancing detailed design and permitting, with construction anticipated to commence in June 2026. TRCA will act as the construction manager for the project.

Financial Implications

The recommendations in this report require a budget amendment to establish a new activity under Capital Project #257490 in the total amount of **\$1,650,345.35** for the Heart Lake Rd Wetlands Connectivity Project, subject to council approval.

Funding is comprised of:

- \$1,190,345.35 from the Ministry of the Environment, Conservation and Parks (MECP) Wetlands Conservation Partnership Program (WCPP);
- \$200,000 from the Road Ecology Program (257490-001); and
- \$260,000 from the Stormwater Asset Management Program (244941-003).

This results in a net zero impact to the City's reserves and no incremental tax levy impact, as all funding is either external or reallocated from approved capital budgets. The Toronto and Region Conservation Authority (TRCA) will contribute approximately \$231,000 directly toward project implementation. These funds will be administered by TRCA and are therefore not reflected in the City's capital budget.

Communications Implications

The public will be informed about the project and planned improvements and timelines through various communications tactics, such as mail letters, web content, digital and social media, media material and key messages.

Conclusion

The Heart Lake Road Wetlands Connectivity Project will deliver infrastructure and ecological improvements to address flooding, habitat fragmentation, and wildlife movement within a Provincially Significant Wetland Complex. In partnership with the TRCA, the City is advancing design and permitting to ensure construction can commence in June 2026.

This project represents the second successful funding award secured by the City through the MECP Wetlands Conservation Partnership Program, demonstrating alignment with provincial priorities and the City's capacity to deliver complex restoration projects.

Approval of the recommendations in this report will establish the financial framework to administer the grant and support project implementation in 2026.

Steve Ganesh, MCIP, RPP, Commissioner, Planning, Building and Growth Management

Marlon Kallideen, Chief Administrative Officer

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Attachments:

- Attachment 1 – Ontario Transfer Payment Grant Agreement
- Attachment 2 – Project Concept Map