



THE DISTRICT MUNICIPALITY OF MUSKOKA

LEGAL DEPARTMENT
70 PINE STREET, BRACEBRIDGE, ONTARIO P1L 1N3
Telephone (705) 645-2231 FAX (705) 645-5319 - 1-800-461-4210 (705 area code)
www.muskoka.on.ca

TO: Chair and Members
Muskoka District Council

FROM: David G. Royston
District Solicitor

DATE: October 8, 2008

SUBJECT: Bala North Falls – Muskoka Road No. 169 – Swift River Energy Ltd. – Our File: DR-169-014

REPORT NO.: 17(2008)-2

RECOMMENDATIONS

None. For information only.

ORIGIN

Ongoing matter.

ANALYSIS

Attached is a copy of a draft resolution that may be considered by Council under “New Business” on Monday, October 14, 2008 if Council, after having the opportunity to a site visit as well as receiving a presentation from Swift River Energy Ltd., wishes to deal with the matter. The attached resolution is more explanatory than the one previously tabled by Council. As the extent of the changes is significant, introduction of a new resolution is preferred over attempting to amend the tabled resolution.

Under the Muskoka District Council procedure by-law, resolutions that are tabled and not taken up from the table within six (6) months automatically expire. Accordingly, if Council considers the attached resolution, the tabled resolution may remain on the table and be permitted to automatically expire.

Respectfully submitted,

David G. Royston,
District Solicitor

DGR:sb
Encl.

WHEREAS the Province of Ontario is the owner of the Bala Falls Dam and a parcel of land immediately south of the Bala North Falls (the Crown Land site);

AND WHEREAS the Province of Ontario in 2004, in accordance with its Competitive Site Release Program, identified and released the Crown Land site for the purposes of developing the site as a small generation facility;

AND WHEREAS the Province requested proposals for the development of the small generation facility on the Crown Land site and Swift River Energy Ltd. was the successful proponent;

AND WHEREAS The District Municipality of Muskoka (Muskoka) is the owner of a parcel of land (the Muskoka District site) immediately south of the Crown Land site;

AND WHEREAS Swift River Energy Ltd. is investigating the possibility of using the Muskoka District site as a possible alternative to the Crown Land site to address public concerns;

AND WHEREAS development of either the Crown Land site or the Muskoka District site require certain environmental assessments as well as compliance with the Muskoka River Water Management Plan;

AND WHEREAS the environmental approval processes require the identification of possible alternative sites to the Crown Land site for the proposed facility;

AND WHEREAS use of the Muskoka District site in lieu of the Crown Land site may be of assistance in reducing the impacts of the proposed facility, preserve public access to the Bala North Falls, result in improvements to the park system in Bala as well as establish a modest tourist attraction;

AND WHEREAS a refusal by Muskoka to consider the use of the Muskoka District site as an alternative site will indirectly result in confirming the Province's selection of the Crown Land site as the ultimate and preferred site for the facility;

THEREFORE BE IT RESOLVED THAT:

- 1) The District Municipality of Muskoka advise Swift River Energy Ltd. and the Province of Ontario that use of the District site as an alternative to the presently selected Crown Land site will be considered by Muskoka District Council, subject to the conditions in section 2 of this resolution.
- 2) The consideration in section 1 is conditional upon:
 - (i) the Muskoka District site being identified in the ongoing environmental approval process as a preferred alternative to the presently selected Crown Land site;
 - (ii) compliance with all applicable approvals by the proponent; and
 - (iii) on completion of 2 (i) and (ii), an agreement satisfactory to Muskoka.