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Section I - Items for Board of Directors Action

TO: Chair and Members of the Executive Committee

Friday, September 13, 2024 Meeting

FROM: Kathryn Lockyer, Director, Legislative and Property Services

RE: AGRICULTURE LEASE FOR PASTURE USE IN GLASSCO

PARK

4816 Major Mackenzie Drive, City of Vaughan, Regional Municipality of York, Humber River Watershed (CFN 22159)

KEY ISSUE

Seek authority to enter into a new agricultural lease with Gordon Colbourne on a portion of the Ontario Heritage Trust (OHT) owned lands known as 'Glassco Park', currently managed by Toronto and Region Conservation Authority (TRCA), located north of Rutherford Road, and west of Pine Valley Drive, municipally known as 4816 Major Mackenzie Drive, in the City of Vaughan, Regional Municipality of York, Humber River watershed (CFN22159).

RECOMMENDATION:

THAT pursuant to a lease agreement for agricultural use, Gordon Colbourne is the current tenant of the lands located on a portion of the OHT owned lands (hereinafter the "Land");

AND FURTHER THAT TRCA is in receipt of a request from Gordon Colbourne to for a new lease agreement for agricultural use of certain OHT lands currently managed by TRCA, located north of Rutherford Road, and west of Pine Valley Drive, municipally known as 4816 Major Mackenzie Drive, City of Vaughan, Regional Municipality of York, Humber River watershed;

THEREFORE LET IT BE RESOLVED THAT TRCA enter into a new agricultural lease with Gordon Colbourne for the use of 0.979 hectares (2.42 acres), more or less, said land being Part of Lot 21, Concession 7, municipally known as 4816 Major Mackenzie Drive, City of Vaughan, Regional Municipality of York;

THAT the lease with Gordon Colbourne be subject to the following terms and conditions:

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- (i) that the term of the lease be for one year, together with an annual renewal option for the next three years at the sole option of TRCA;
- (ii) that consideration be \$363.00 per annum, plus HST, as per the 2022 farmland appraisal;
- (iii) that the tenant be responsible for all approvals required for construction and operation of the agricultural operation;
- (iv) that the tenant be responsible for all costs associated with the development and operation of the agricultural operation;
- (v) that the tenant be solely responsible for all costs associated with the removal of any fixtures/infrastructure on the lands under lease, at the end of the term, and to the satisfaction of TRCA;
- (vi) that the tenant be required to obtain at his cost, all necessary licenses and permits, and comply will all applicable by-laws, rules, regulations, and laws governing the conduct and operation of the farm operation or anything in connection therewith;
- (vii) that the tenant provide access to TRCA and its partners for restoration efforts including but not limited to erosion control and restoration work for Purpleville Creek and species recovery work; and
- (viii) any other terms and conditions deemed appropriate by TRCA staff and solicitor;

AND FURTHER THAT authorized TRCA staff be directed to take the necessary action to finalize the transaction, including obtaining any necessary approvals and the signing and execution of documents.

BACKGROUND

Glassco Park is approximately 194 hectares in size and has been successfully managed by TRCA since 1969. Further, in 1999, TRCA's Boyd North and Glassco Park Management Plan (Management Plan) was approved by the Board, and has allowed for the preservation, protection and enhancement of the natural, cultural and heritage resources of the area, while directing the kinds of compatible and appropriate uses that may occur within them. Glassco Park contains significant forests and reforested areas, archeologically significant areas, trail systems, and lands under lease for both residential and agricultural use.

At TRCA's Board of Directors meeting held on Friday June 21, 2019, TRCA received approval to enter into an updated agreement with the Ontario Heritage Trust (OHT) for ongoing management, maintenance and stewardship of Glassco Park (Res. #A126/19). Currently, these lease negotiations are nearing final revisions for both organizations' consideration.

TRCA has administered agricultural leases on TRCA owned and managed lands since the 1950s and continues to manage these agreements as per its Agricultural Land Use policy. TRCA is currently in receipt of a request from Gordon Colbourne for a new agricultural lease on OHT owned lands managed by TRCA, within the area known as 'Glassco Park', and located at 4816 Major Mackenzie Drive, City of Vaughan, Regional Municipality of York, Humber River watershed. TRCA has also received funding from senior levels of government including the Department of Fisheries and Oceans Canada and is in engaged in discussions with the City of Vaughan on remedial and restoration strategies for Purpleville Creek to improve habitat for sensitive aquatic cold-water species found in this tributary of the Humber River passing through this portion of the Glassco Park lands. In addition, other portions of the Glassco lands have also been identified by MECP as opportunities to support Endangered Species Act and species recovery objectives involving TRCA and its agency and non-governmental organization partners.

Since 1998, Gordon Colbourne has leased these TRCA managed lands within Glassco Park under two leases: one for residential, and one for agricultural use. Gordon Colbourne's current farm operation (the agricultural lease) utilizes the outbuildings as well as pasture areas and has historically incorporated best management practices into his farm operation to encourage sustainability and good stewardship of these TRCA-managed lands.

The terms and conditions of the lease (the agricultural lease) and the governance of this farm operation would continue to be in accordance with TRCA's Agricultural Land Use Policy, and in alignment with the Ontario Heritage Trust Stewardship Agreement, endorsed by the Board on June 21, 2019, and currently under negotiations with OHT.

Attachment 1 is a site plan illustrating the location of the subject lands. Attachment 2 is an orthophoto illustrating the location of the subject lands.

RATIONALE

TRCA supports agriculture within Glassco Park, while in alignment with the Management Plan, and governing OHT Stewardship Agreement. Entering into a new lease with Gordon Colbourne provides continuity of Vaughan's historical agricultural landscape.

Relationship to TRCA's 2023-2034 Strategic Plan

This report supports the following Pillar and Outcome set forth in TRCA's 2023-2034 Strategic Plan:

Pillar 4 Service Excellence:

4.4 Transparent decision making and accountable results

FINANCIAL DETAILS

As per TRCA's Agricultural Land Use Policy, TRCA will establish and maintain fair market rent for agricultural land under lease within TRCA's management portfolio and will complete a fair market assessment by an independent appraisal company every five years.

The most recent fair market assessment was completed at the end of 2022 and has recommended a rent increase from \$110 per acre, to \$150 per acre.

Further, the market evidence considered for leasing agricultural properties reflect that leasing arrangements are typically gross in nature where no expenses associated with the property outside of agricultural operations, are paid in addition by the tenant (i.e. Realty taxes). This is in alignment with current TRCA practice and TRCA will continue to absorb the property taxes at an annual cost of \$127 (2023 rate).

The annual revenue generated from this lease will be applied towards the management of the OHT Glassco Park lands and as dictated by the Stewardship Agreement with OHT.

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Date: May 10, 2024 Attachments: 2

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Attachment 1: Site plan - 4816 Major Mackenzie Drive, Vaughan Attachment 2: Orthophoto - 4816 Major Mackenzie Drive, Vaughan