

Section I – Items for Board of Directors Action

TO: Chair and Members of the Board of Directors
Friday, June 25, 2021 Meeting

FROM: Michael Tolensky, Chief Financial and Operating Officer

RE: **MEMORANDUM OF UNDERSTANDING WITH CITY OF PICKERING FOR ACQUISITIONS AND DISPOSITIONS NEAR FRENCHMAN’S BAY IN SUPPORT OF WATERFRONT TRAIL AND SHORELINE RESTORATION OBJECTIVES**
Disposition of 805 & 809 St. Martins Drive & acquisition of portions of 501 Marksbury from the City of Pickering

KEY ISSUE

The establishment of a Memorandum of Understanding (MOU) with the City of Pickering for the acquisition of 501 Marksbury Rd and 520 West Shore Blvd, parceling and sale of surplus lands, and funding from the sale of TRCA surplus lands at 805/809 St. Martins Rd to be utilized to acquire lands in support of Waterfront Trail and shoreline restoration objectives near Frenchman’s Bay.

RECOMMENDATION

WHEREAS TRCA has undertaken acquisitions to create contiguous land holdings along the lakefront in the City of Pickering for the establishment of the Pickering Waterfront Trail;

AND WHEREAS recent erosion of TRCA property that provides access to 501 Marksbury Road has provided the opportunity to discuss acquisition of 501 Marksbury Road and 520 West Shore Boulevard by the City of Pickering to complete the trail construction and local erosion works within the immediate area;

AND WHEREAS the disposition of two surplus non-environmentally sensitive TRCA properties east of Frenchman’s Bay provide the revenue to contribute to the potential acquisition of 501 Marksbury Road and 520 West Shore Boulevard by the City of Pickering;

AND WHEREAS the City of Pickering has the ability to facilitate lot creation in keeping with their Official Plan and taking into account Zoning By-law requirements;

AND WHEREAS the City of Pickering and TRCA desire to establish a working relationship, through the execution of a non-binding MOU, in order facilitate the completion of this project;

THEREFORE, LET IT BE RESOLVED THAT TRCA approve the MOU in principle, subject to execution once Ministerial approval of the project has been obtained from the Ministry of the Environment, Conservation and Parks;

THAT following Ministerial approval, the final MOU for execution may incorporate such further minor amendments as required and agreed to by the Chief Executive Officer and or City Manager of Pickering;

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THAT TRCA declares that the acquisitions of the remainder of 501 Marksbury Road and 520 West Shore Boulevard provide ecological, erosion, and trail connection pursuant to the Greenspace Acquisition Project 2021-2030;

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

BACKGROUND

On August 21, 1992 the Board of Directors Meeting approved resolution #125/92 to enter into an agreement with the Fairport Beach Ratepayers Association to acquire approximately 7.01 acres of shoreline property within the City of Pickering (the "City"). This historical acquisition was to facilitate the construction of waterfront trails within the City. Part of this conveyance restricted public access until remaining properties are purchased by the TRCA, namely:

"...The Purchaser will not create any right of way or easements for public access, or enlarge any existing right of way for public access, over the waterfront (the "waterfront") between Marksbury Road and West Shore Boulevard, nor will it permit public use or access over any private routes of the Purchaser on the Waterfront, until such time as the Purchaser has acquired the remaining private residential properties situated on the Waterfront."

Since this time, staff has been attempting to acquire the final two houses required under the Fairport Beach Ratepayers Association agreement, namely 501 Marksbury Road ("501") and 520 West Shore Boulevard ("520"). In late 2020, the City conducted emergency relocation of the roadway access to 501 to provide safer winter maintenance. Through the discussion with the City, the topic of the City facilitating the acquisition and parceling was discussed and at the Board of Directors Meeting held on January 29, 2021, Resolution #A230/20 was approved as follows:

AND FURTHER LET IT BE RESOLVED THAT staff proceed to investigate the highest value for disposition, required measures to achieve this enhanced value, and potential projects for furtherance of trail development within the Frenchman's Bay watershed and report back to the Executive Committee with a proposed approach and draft MOU with the City of Pickering once this is determined.

RATIONALE

Through the discussions with the City, the following proposed solution is recommended. The City and TRCA execute a non-binding Memorandum of Understanding ("MOU") for this project. The MOU leverages the benefits of both the City and TRCA. Under this MOU, the City shall acquire 501 & 520 from their current owners, through friendly acquisition, for approximately \$2.4 million dollars. The City shall acquire up to 450 square meters, more or less, from TRCA property located at 503 Marksbury Rd ("503"). The City shall demolish the two houses located on 501 and 520, then combine 503 along with portions of 501, 520 to create a new lot, and apply residential zoning to develop a marketable residential building lot for public sale. The revenue derived from the sale of this lot will be used to offset the acquisition cost of 501 and 520. To maximize the value of the new lot, and hence the offset the cost of acquisition, two potential lot lines are provided to afford the City flexibility in zoning requirements.

Under the MOU, the TRCA shall dispose of two surplus properties located at 805 and 809 St.

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Martins. Road within the City of Pickering. These properties are vacant lands in an approved subdivision historically acquired when a park was envisioned in the area. Since that time other parks have been developed in the community making these lands surplus. The revenue from these dispositions will be used to fund the remainder of the purchase price of 501 and 520. In the event that a shortfall exists, TRCA shall fund 50% of the shortfall amount. In the event of excess revenue, the excess shall be retained for conservation efforts within the City of Pickering, including any local trail/erosion improvements. Upon the transfer of revenue, the City shall transfer the remaining portions of 501 & 520 to TRCA for nominal consideration, completing the final acquisition required for the establishment of public access for the Pickering Waterfront Trail.

This initiative requires approval from the Minister of the Ministry of the Environment, Conservation and Parks ("MECP"), namely the overall project, powers to dispose, and allocation of revenue. There is no request for additional funding from the Provincial Government for this project, just redistribution of previous provincial investment. As the acquisition of 501 and 520 is a considerable financial obligation, the City will likely not acquire 501 and 520 until MECP approval is obtained in advance. TRCA staff have formally requested approval and have been recently meeting with Ministry staff regarding approval of this project and are awaiting a response.

This proposed project has many potential benefits for TRCA, the City, the Province and stakeholders including Great Lakes Waterfront Trail, who have been advocating for completion of the trail and restoration of the shoreline. The first benefit is the removal of the immediate roadway access concerns for 501 from erosion threats. The second public benefit is the continuation of the Pickering Waterfront Trail and open access to the public. Finally, TRCA may provide future erosion mitigation along the waterfront, protecting municipal road and utility infrastructure along with private and public property interests.

Relationship to Building the Living City, the TRCA 2013-2022 Strategic Plan

This report supports the following strategies set forth in the TRCA 2013-2022 Strategic Plan:

Strategy 3 – Rethink greenspace to maximize its value

Strategy 4 – Create complete communities that integrate nature and the built environment

Strategy 7 – Build partnerships and new business models

FINANCIAL DETAILS

It is envisioned that this project will not require additional funding sources. In the event that a shortfall does occur through disposition and revenue generation, TRCA shall be required to fund 50% of the potential shortfall. As the lands acquired are part of the Greenspace Acquisition Project, potential shortfalls may be funded from the land reserve account.

DETAILS OF WORK TO BE DONE

The future work to be provided is obtaining explicit consent and approval from the Minister of MECP on the project scope, disposition, and use of funds. Following said approval, work to properly position and market 805/809 St. Martins will commence involving the City of Pickering.

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