



**NORTH PICKERING
DEVELOPMENT
CORPORATION**

**Annual Report
2004-2005**

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Disponible en français :
Société d'aménagement de North Pickering (ISSN 1480-4182 ISBN 0-7794-8561-0)

ISSN 1480-4174
ISBN 0-7794-8560-2



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Ministry of Municipal Affairs and Housing Ministère des Affaires municipales et du Logement

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**TO THE HONOURABLE JOHN GERRETSEN,
MINISTER OF MUNICIPAL AFFAIRS AND HOUSING**

MINISTER:

On behalf of the Board of Directors, I am pleased to present to you the Annual Report and Statement of Financial Position of the North Pickering Development Corporation for the year ending March 31, 2005.

Respectfully submitted,

John S. Burke
Deputy Minister, Ministry of Municipal Affairs and Housing
Chair, North Pickering Development Corporation

Attachment

**TO THE LIEUTENANT GOVERNOR
OF THE PROVINCE OF ONTARIO**

MAY IT PLEASE YOUR HONOUR:

For the information of Your Honour and the Legislative Assembly, we have the privilege of presenting the Annual Report of the North Pickering Development Corporation for the year 2004-05

Respectfully submitted,

Hon. John Gerretsen
Minister of Municipal Affairs and Housing

ROLE OF THE NORTH PICKERING DEVELOPMENT CORPORATION

The North Pickering Development Corporation was created by statute in 1974, under the *North Pickering Development Corporation Act, 1974*, to be responsible for community planning and development of the North Pickering Land Assembly. The directors are senior civil servants from the Ministry of Municipal Affairs and Housing, and Management Board Secretariat. The Corporation's mandate is to promote business growth, leverage private investment and enhance job creation by marketing the provincially owned land for development and facilitating the land use planning process.

Background Information

In the early 1970s, the provincial government acquired approximately 8,100 hectares of land – which became known as the North Pickering Land Assembly – through expropriation and purchase. The original intent was to develop a community of approximately 250,000, in conjunction with a proposed federal international airport to the north. However, plans for the airport were discontinued and the Province did not proceed with development.

Parts of the original land assembly have since been allocated for the Rouge Park, the community of Cornell (located in the Town of Markham), and the Duffins Rouge Agricultural Preserve. The Seaton lands – approximately 2,800 hectares located in the City of Pickering – continue to be owned by the Province (see map entitled North Pickering).

In 1989, the Corporation was established as a Schedule II agency and was designated in the year 2000 as an Operational Enterprise agency. Funding for the Corporation was made possible through a loan from the Province of Ontario that is to be repaid to the Consolidated Revenue Fund. The loan advance and accumulated interest was repaid on March 31, 2005. Future expenditures are to be fully offset by an increase in the Recoveries from the Land Use Planning Capital Investment transfer payment for 2006-07.

In 2001, the Province acted to protect natural and water resource features on the Oak Ridges Moraine, preserve agricultural land and focus development in approved settlement areas. Following stakeholder and public consultation, the *Oak Ridges Moraine Conservation Act, 2001* was introduced on November 1, 2001 and passed on December 13, 2001.

While the legislation was being developed, the Minister of Municipal Affairs and Housing asked David Crombie to mediate an agreement between private landowners and the Province to protect key lands in Richmond Hill and Uxbridge that were subject to development applications and an Ontario Municipal Board hearing.

The resulting agreement protects certain sensitive lands on the Moraine through future land exchanges for provincially owned lands in North Pickering. To facilitate this exchange of lands, the Province created the North Pickering Land Exchange Team (NPLET) as part of the Ministry of Municipal Affairs and Housing. Consequently, the North Pickering Development Corporation, through the Ministry, has funded the team and the team represents the interests of the Province in the planning and development of the provincially owned lands in North Pickering.

Negotiations between the Province and the landowners took place throughout 2002 and 2003. On November 4, 2003, the newly elected Liberal government sought a moratorium on development on the Oak Ridges Moraine Richmond Hill lands until November 20, 2003. During this period a new agreement was negotiated with certain Richmond Hill landowners to protect additional Richmond Hill lands on the Moraine for a new park. This subsequent agreement will ensure that the Moraine lands are linked in a continuous corridor with lands to the east and west and create better protection of environmentally sensitive lands around kettle lakes, including Phillips Lake.

To acquire these additional lands in the Richmond Hill area, the government agreed to exchange additional lands in North Pickering.

On September 23, 2004, the Minister of Municipal Affairs and Housing announced that the government and the Richmond Hill landowners had signed an agreement that would result in the exchange of 1,057 acres of moraine lands for 1,275 acres of provincially owned lands in Seaton. Fairness Commissioner, Justice Lloyd W. Houlden reviewed the agreement and the process used to reach it. In his report, the Fairness Commissioner stated, “The process used to reach the agreement was fair and appropriate; and the agreement constitutes a fair and reasonable outcome from the perspective of the taxpayers of Ontario.”

In April 2004, the Ontario Realty Corporation commenced a Category “C” Class Environmental Assessment for the acquisition of lands in Richmond Hill and the disposition and severance of lands in Seaton. This process would, once complete, facilitate the land exchange. This process has been supported throughout the term of this Report by the North Pickering Land Exchange Team’s oversight of consulting work dealing with archaeological investigations of the Seaton lands, land surveying and refinement of Seaton’s natural heritage system.

Also in April 2004, the Ministry of Municipal Affairs and Housing formally commenced work, through the consulting firm Planning Alliance, on the preparation of a proposed development plan for Seaton and the Duffins Rouge Agricultural Preserve. This proposed plan is being prepared under the authority of the *Ontario Planning and Development Act, 1994*. Two public open houses – on June 22, 2004 and October 6, 2004 - and more than 60 smaller meetings and workshops were held with members of the public, municipalities, agencies, First Nations and non-governmental organizations during 2004/05 to discuss the proposed plan.

Ministry staff, on behalf of the Corporation, continued to meet with the Uxbridge landowner during this time frame with the intent to try and conclude a fair and reasonable land exchange. As of March 31, 2005, no final agreement had been reached on a land exchange with this landowner.

MAJOR ACTIVITIES AND INITIATIVES FOR 2004/05

- **Agreement around land exchange with Richmond Hill landowners** – Minister of Municipal Affairs and Housing John Gerretsen signed a land exchange agreement on September 23, 2004. This agreement was reached after two years of negotiations and implements a November 2001 agreement to protect in public ownership sensitive Oak Ridges Moraine lands in Richmond Hill that were proposed for development, and subject to an Ontario Municipal Board hearing. The Richmond Hill lands being acquired by the Province are the only remaining undeveloped link between the eastern and western ends of the Oak Ridges Moraine.

The negotiated agreement means, subject to the completion of an environmental assessment, that 1,057 acres of sensitive lands on the Oak Ridges Moraine in Richmond Hill will come into public ownership to become a public park. In exchange, 1,275 acres of publicly owned developable land in the Seaton area of North Pickering would be provided to the Richmond Hill landowners.

The lands to be exchanged represent less than 25 per cent of the provincial land holdings in Seaton. Due to their significance, the Ministry of Natural Resources and the Toronto and Region Conservation Authority have already identified another 53 per cent of the government lands as priority environmental lands. These lands will remain in public ownership.

The exchange is subject to completion of a Class “C” environmental assessment.

- **Fairness Commissioner’s Report – Retired Justice Lloyd W. Houlden** – On September 5, 2002, Justice Lloyd W. Houlden was appointed to provide an independent and objective appraisal of the processes employed by the government and landowners in valuing and exchanging the private lands in Richmond Hill for the publicly held lands in Seaton. The government’s goal was to assure the public the processes and outcomes were fair, understandable, responsible and above reproach.

In his final report on the agreement with the Richmond Hill landowners, dated July 14, 2004, Justice Houlden stated that the process used to reach the agreement was both fair and appropriate; and that the agreement constituted a fair and reasonable outcome from the perspective of the taxpayers of Ontario.

- **Proposed Development Plan for North Pickering** – the Ministry of Municipal Affairs and Housing retained a consulting team, led by Planning Alliance, to prepare a proposed development plan under the *Ontario Planning and Development Act, 1994*. The plan would cover the lands in Pickering known as Seaton and the Duffins Rouge Agricultural Preserve. The consultant, identified through an open procurement process, formally commenced its analysis and plan preparation in April 2004.

Throughout 2004/05, two public open houses, each attended by more than 200 people, and more than 60 smaller meetings and workshops were held to gather input on the creation of the proposed plan. The proposed plan would address a balance between housing and employment creation, environmental and cultural heritage protection, efficient servicing and promotion of farming opportunities in an urban context. In early 2005, the Ministry, worked with various public sector partners and the owners involved in the land exchange to inform the preparation of a “joint” land use plan for Seaton.

- **Land Surveying** – Throughout 2004/05, five survey firms selected through a vendor of record list, undertook surveying work to delineate the boundaries of potentially developable lands in Seaton and the Duffins Heights Secondary Plan area from lands to be included in a Natural Heritage System. As part of this work, field investigations to ground-truth earlier iterations of the Natural Heritage System were undertaken with the assistance of the Ministry of Natural Resources and the Toronto and Region Conservation Authority. Once complete, these land surveys will provide input to the Ontario Realty Corporation’s Class Environmental Assessment.
- **Establishment of a Vendor of Record (VOR) List for Archaeological Assessment Services** – in April 2004 the ministry issued an invitation to prospective proponents to submit proposals for the provision of archaeological assessment services with the intent to create a VOR of qualified archaeologists. The purpose of creating this list of vendors was to facilitate archaeological assessments required for the Class Environmental Assessment process, specifically with respect to the potential disposition of certain provincially owned lands in the Seaton portion of North Pickering. The archaeological assessments would also be required to inform the preparation of a development plan for North Pickering under the *Ontario Planning and Development Act, 1994*. As a result of the Request for Proposals, four (4) archaeology assessment firms were identified and entered into a VOR relationship with the Ministry.
- **Archaeological Assessments** - approximately 3,100 acres of land in Seaton and the Duffins Heights Secondary Plan area is currently undergoing archaeological assessments. This represents all of the provincially owned lands in Seaton that may be disposed of, except for lands that have previously undergone archaeological assessments (these assessments were completed in the 1970s and 1980s). The results of the archaeological assessments carried out in 2004/05 demonstrated the presence of both aboriginal artifacts (including village sites) and

early European homesteads. The Ministry will continue to work closely with the Ontario Realty Corporation and the Ministry of Culture in regard to the protection of these cultural heritage elements.

- **Built Heritage Consultant** - in March 2004, the services of a built heritage consultant were secured to provide information on the built heritage features of certain properties in Seaton. This analysis will support the requirements of the Class Environmental Assessment and provide background information for the land use planning exercise for the North Pickering lands. The information will also be used to address tenant, resident, First Nation or municipal concerns about the impact of development on the cultural heritage of Seaton.
- **Class Environmental Assessment** - The Ontario Realty Corporation (ORC) has responsibility for conducting a Category "C" Class Environmental Assessment (Class EA). The Class EA commenced on April 28, 2004 and covers both the acquisition of the Richmond Hill lands and the disposition and severance of provincially owned Pickering (Seaton) lands. Given the importance of the land exchange, ORC voluntarily chose not to complete a lower level Category "B" assessment, instead choosing to carry out a more comprehensive assessment - the Category "C" Class EA undertakes a higher level of public consultation and study of the undertaking. To date, a number of public open houses have taken place to explain the Class EA process. Public meetings took place throughout August, September and October 2004 in Richmond Hill and Pickering. The consulting firm Marshall Macklin Monaghan has been retained to undertake this work for ORC.

In addition, ORC has engaged an archaeological firm with specific expertise in aboriginal issues to augment its consultation program with First Nations. In 2004/05, this work included focused meetings with a number of First Nations. The goal behind the First Nations consultation program is to develop a "consensual management" approach so that aboriginal concerns related to the Seaton lands are addressed in an appropriate manner.

- **Richmond Hill Trail** – In 2004/05, the Ministry of Municipal Affairs and Housing and the Toronto and Region Conservation Authority (TRCA) agreed that management of the lands in Richmond Hill that are part of the land exchange would be the responsibility of TRCA. As part of this management role, the TRCA agreed to assume responsibility for completion of a master environmental plan for the park, which would allow for the construction of a trail by the current landowners and regeneration and other improvements to the lands over the long term.

Also during 2004/05, discussions about the future of the Bathurst Glen Golf Course occurred (these lands are part of the land exchange) between the government, the current owner/operator and TRCA. In response to considerable interest from Richmond Hill citizens and the local municipality, a decision was made to allow the golf course to continue operating in 2005, and possibly beyond,

depending on the outcome of the master environmental planning exercise being led by TRCA.

- **Judicial Review** – a judicial review application was launched against the Ministry of Municipal Affairs and Housing in November 2004 in respect to the OPDA process being followed by the ministry. The application was brought by a landowner in the Duffins Rouge Agricultural Preserve. In December, the ministry had the motion adjourned and rescheduled to May 2005. On May 19, 2005, the Division Court ruled that the application was premature and dismissed the judicial review application.
- **Freedom of Information Requests** – the *Freedom of Information and Protection of Privacy Act (FIPPA)* provides individuals with a right to access certain records and personal information under the custody or control of institutions covered by the Act. In 2004/05, the North Pickering Land Exchange Team received and responded to two major requests for information under the Act.

The Corporation continued to monitor and provide due diligence on the outstanding advance to the Corporation. On March 31, 2005, the accumulated loan advance to Corporation was repaid to the Consolidated Revenue Fund.

FINANCIAL SUMMARY

The loan advance and accumulated interest was repaid on March 31, 2005. Future expenditures are to be fully offset by an increase in the Recoveries from the Land Use Planning Capital Investment transfer payment for 2006-07.