



STAFF REPORT ACTION REQUIRED

Master Licence Agreement with the Province for Parks, Forestry and Recreation Use of Hydro Corridors

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| Date: | July 27, 2010 |
| To: | Government Management Committee |
| From: | Chief Corporate Officer |
| Wards: | 1, 2, 3, 5, 8, 10, 11, 17, 24, 26, 31, 34, 37, 38, 41 |
| Reference Number: | P:\2010\Internal Services\RE\Gm10064re - (AFS#12556) |

SUMMARY

The purpose of this report is to obtain authority to enter into a Licence Agreement with Ontario Realty Corporation, acting as agent on behalf of Her Majesty the Queen in right of Ontario as represented by the Minister of Energy and Infrastructure (“the Licensor”), for the use of lands on various hydro corridors for various parks uses. The proposed licence agreement is for a five (5) year term, commencing retroactively on January 1st, 2010.

RECOMMENDATIONS

The Chief Corporate Officer recommends that:

1. City Council authorize a licence agreement (the “License”) with the Licensor for non-exclusive use of approximately 315.064 acres of lands as outlined in Appendix "A" and substantially on the terms and conditions as set out in Appendix “B” attached hereto and on such other terms and conditions as approved by the Chief Corporate Officer, or his or her designate, and in a form acceptable to the City Solicitor.

2. City Council authorize relevant City authorities to administer and manage the Licence including the provision of any consents, approvals, amendments, notices and notices of termination provided that they may, at any time, refer consideration of such matters (including their content) to City Council for its determination and direction.

Financial Impact

The proposed agreement will require the City to pay a five dollar (\$5.00) fee for the five (5) year term commencing on January 1, 2010 and ending on December 31, 2015. The City will also be responsible for 50% of all taxes, rates or grants in lieu levied against the lands for each year during the term. The City's share of taxes is estimated to be \$321,787 annually and is subject to changes in applicable acres levy rates which are applied to all parks using hydro corridors.

The City's share of the estimated property taxes for 2010 will be absorbed within the Parks, Forestry and Recreation Division's 2010 Operating Budget. Additional funding for the City's share of the estimated property taxes for 2011 and beyond will be requested as part of the 2011 and future PF&R operating budget submissions.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agree with the financial impact information.

DECISION HISTORY

The City has a number of licence agreements on hydro corridors for parks and recreation purposes, including bike paths, pedestrian walkways, recreational sports fields and garden plots. The forty-three (43) license agreements outlined in Schedule "A" were entered into with the Licensor at various times over the past thirty (30) years, as authorized by pre-amalgamation Councils, City Council and delegated approvals. All lands described in Schedule "A" are currently used by the City under over-holding licenses where the terms and conditions have expired.

ISSUE BACKGROUND

Considering the quantity of agreements with the Licensor for Parks, Forestry and Recreation's use of hydro corridors, the City and the Licensor have agreed to enter into a master agreement for all forty-three (43) expired licenses. This will provide for standard terms and conditions to be applied to all land parcels describe in Schedule "A," providing for easier administration and organization of the portfolio. Other licenses with the Licensor for similar uses may be included in the master agreement in the future, subject to approval by relevant City authorities.

COMMENTS

Real Estate Services, in consultation with Parks, Forestry & Recreation, propose that the Licence be authorized substantially on the terms and conditions outlined in Appendix “B” and on such further and other terms and conditions acceptable to the Chief Corporate Officer and/or City Solicitor. Real Estate staff consider the terms and conditions to be fair and reasonable, and at market rates.

CONTACT

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SIGNATURE

Bruce Bowes, P. Eng.
Chief Corporate Officer

ATTACHMENTS

Appendix “A” – Site Locations
Appendix “B” – Major Terms and Conditions