



## NOTICE OF MOTION

### **Authorization to Enter into a Land Exchange at Donalda Club (12 Bushbury Dr, 1413 Don Mills Rd and Don Valley Parkway W/S) for the Future Expansion of the East Don Trail Network**

**Moved by:** Councillor Burnside

**Seconded by:** Councillor Ainslie

### **RECOMMENDATIONS**

1. City Council authorize the Executive Director, Corporate Real Estate Management, in consultation with the General Manager, Parks and Recreation, to enter into a land exchange constituting approximately nine hectares with Donalda Club for lands located at the addresses municipally known as 12 Bushbury Dr, 1413 Don Mills Rd and Don Valley Parkway W/S, on terms and conditions that are acceptable to the Executive Director, Corporate Real Estate Management, in consultation with the General Manager, Parks and Recreation, in a form satisfactory to the City Solicitor.
2. City Council authorize the Executive Director, Corporate Real Estate Management and/or the General Manager, Parks and Recreation, to enter into associated ancillary agreements to the above-noted land exchange agreement including collateral security agreements, lease termination agreements, indemnity agreements, agreements relating to easement acquisitions and easement dispositions, all on terms and conditions that are acceptable to the Executive Director, Corporate Real Estate Management, in consultation with the General Manager, Parks and Recreation in a form satisfactory to the City Solicitor.
3. City Council authorize the Executive Director, Corporate Real Estate Management, in consultation with the General Manager, Parks and Recreation, to enter into agreements with the Toronto and Region Conservation Authority for the acquisition of lands in fee simple as well as easement acquisitions and dispositions, on terms and conditions that are acceptable to the Executive Director, Corporate Real Estate Management, in consultation with the General Manager, Parks and Recreation in a form satisfactory to the City Solicitor.

## SUMMARY

This motion seeks to provide City staff authority to transact on a land exchange with Donalda Club (Donalda) in order for the City to receive ravine land for a future East Don trail expansion and Donalda to have ownership of portions of their golf course currently leased from the City. The proposed terms include the City receiving new parkland in the Don Valley and securing post-closing obligations from Donalda to support future expansion of the East Don Trail. The proposed terms comply with Official Plan policies regarding City-owned parks and natural areas.

Donalda has operated a golf course and other facilities on land at 12 Bushbury Dr, 1413 Don Mills Rd and Don Valley Parkway W/S since 1960. While Donalda owns most of the land required for golf operations, the course includes two parcels of City-owned parkland and one Toronto and Region Conservation Authority-owned parcel (under City management). All three parcels are under lease from the City to Donalda. The current lease has been in effect since 1986 and expires in 2035.

Donalda approached the City with a request to assess a proposed land exchange to provide greater certainty to members and support capital investment decisions, while meeting the City's Official Plan requirements regarding parkland disposal (Policy 4.3.8).

The Official Plan permits the exchange of City-owned parkland for "other nearby land of equivalent or larger area and comparable or superior green space utility". City staff have negotiated proposed terms of a land exchange with Donalda that satisfy the requirements of the Official Plan by delivering land to the City for the future East Don Trail extension and bringing additional natural areas into City ownership.

Under the proposed terms, the City would receive natural areas from Donalda that are not required for golf operations. This enables the City to close a current gap in the East Don Trail in the future, between the Charles Sauriol Conservation Area and the Betty Sutherland Trail, subject to funding approval through a capital budget submission. Addressing this gap supports the City's delivery of the Loop Trail as well as connections to the Meadoway, Rouge Park and Lake Ontario. In exchange, Donalda would receive ownership of land required for golf course operations.

Under the terms of the land exchange agreement, Donalda will receive two parcels of land from the City, reduced to exclude natural areas the City will retain and an existing local trail. The City will receive two new parcels of ravine land and additional easements to enable the trail. Easements for Toronto Water infrastructure will be maintained. A restrictive covenant will be placed on the lands given to Donalda to prevent any future redevelopment.

Post-closing obligations will also be secured to avoid any undue risk to the City related to future trail delivery. These include the City providing notice of trail project commencement to Donalda, which will trigger their participation in the detailed trail design process to develop solutions that balance trail safety and golf quality in areas adjacent to three golf holes. Donalda will implement the identified design solutions on their course and pay for required safety features on the trail. Donalda will also provide a construction license and insurance indemnities. The City will secure these future obligations through a collateral security agreement to be negotiated as part of the land exchange agreement.

The proposed land exchange would result in ending the current lease between the City and Donalda. The City would forgo the remaining nine years of lease revenue for the period of the lease ending in 2035. Current annual rent is equal to \$96,740 plus HST and is indexed annually for inflation. This impact is offset by the City receiving additional land area through the exchange plus securing post-closing obligations from Donalda to pay the cost of infrastructure required for future trail delivery.

This motion also seeks authority for the City to enter into agreements with the Toronto and Region Conservation Authority for the acquisition of lands in fee simple as well as easement acquisitions and dispositions, for nominal consideration. Transaction costs are expected to be minimal and will be funded through approved funding in Parks and Recreation's 10-year Capital Plan, drawing from City-Wide Section 42 Parkland Acquisition Reserves.

As part of the land exchange framework, TRCA and Donalda are negotiating a separate transaction at fair market value for Donalda to purchase the TRCA lands west of the river where the golf course is located (currently managed by and leased from the City). This transaction is proposed to occur concurrently with other City and Donalda transactions but is subject to approval by the TRCA Board.

Date: June 17, 2026