

Green Door Alliance



To: Durham Region Planning Committee

Subject: Regional Response to Pickering's Release Of Ag. Preserve Easements.

April 12, 2005

In 30 years of involvement with public policy issues, no issue has upset me as much as Pickering's handling and release of the Ag. Preserve easements. Before explaining why and asking for Regional support, following is a bit of background.

Since the mid 1970's, apart from Pickering's change of heart in the last 2 years, the Province and all provincial parties, and Regional and Municipal governments have all supported and planned for an urban community on the Seaton lands and planned for the Ag. Preserve lands to remain in agriculture.

The NDP created the Duffin Rouge Agricultural Preserve in 1993 and when the Conservatives came to power shortly thereafter, they decided to sell the Pickering Ag. Preserve lands but retain them in agriculture. The organization I represent – the Green Door Alliance, (GDA), played an important role at this point by proposing to the Region that easements be placed on these lands before sale. The Region agreed and promoted this approach. Subsequently ORC and Pickering agreed as well. The GDA were parties in the Ontario Municipal Board process that led to the 1999 Memorandum of Understanding (MOU) between ORC, the Region, and the City of Pickering which required easements held by Pickering to be placed on the Pickering Ag. lands as a condition of their sale - easements which called for the land to remain in agriculture 'in perpetuity'. And although we were not signatories to that agreement, we signed off on the Minutes of Settlement on the basis that the MOU protecting the Preserve lands had been entered into.

In 2002 Pickering reversed itself, initiating a Growth Management Study that included the Ag. Preserve. They adopted its recommendations, and approved Official Plan, (OPA 13), allowing development in both the Ag. Preserve as well as Seaton. And to complete

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the history in Feb of 2005 the Liberals included the Duffin Rouge Agricultural Preserve within the greenbelt.

We were absolutely dismayed by the City of Pickering's recent action in settling a legal dispute with Ag. Preserve landowners to release agricultural easements on the Preserve. By releasing the easements the City has ridden roughshod over the MOU it signed with ORC and the Region. Not only that but, by releasing the easements, Pickering has given up development rights – a public asset that could be worth some \$300,000 per acre, if at some point in future the Greenbelt boundary were shifted and Pickering were to implement its plan to develop some 1500 acres in the Ag. Preserve. And in return Pickering tells us the City and its residents will receive some \$ 2.5 million with the additional promise of another 'minimum' \$60 million should the land ever be developed.

So after releasing a public asset that could net private interests over \$ 400 million for the 1500 acres in question, these private interests may give back \$ 60 million, a small fraction of what should have been the public's money in its entirety anyway, if the land is ever developed. I say 'may' because there are clauses in Pickering's legal settlement with these private owners, which seem to us to cancel any requirement to give Pickering any more than \$2.5 million! So even the \$60 million may be smoke and mirrors!

Given these lands are presently protected within the Greenbelt, one could argue the Region needn't care about Pickering's shenanigans. However given the immense amount of money involved, we have real concern that in future some provincial government is likely to blink. At the very least it will create a situation of continuing public unease and one where private interests will continue to employ very aggressive tactics in pushing to develop these lands. Also it will be in the interests of these private owners to let the land deteriorate, and resist any effort to encourage agricultural viability on these lands.

Pickering's unilateral decision then is contrary to the MOU the Region was a party to, requiring easements be registered on title protecting them in perpetuity and contrary also to the Regional Official Plan. And unless Pickering's OPA 13 were to be approved by the Region, the current Pickering Official Plan which designate the Ag. Preserve as agricultural still applies. And we wonder at the appropriateness of Pickering entering into a legal settlement that appears to contravene their own Official Plan.

An even more important reason for investigating Pickering's actions relates to what we feel is Pickering's financially irresponsible handling of the easements.

If Pickering had wanted to consider Ag. Preserve development, **before proceeding with the Growth Management Study**, and at a point when their bargaining power was greatest, **Pickering should have made it clear to the major Ag. Preserve land owners that they would only consider the possibility of Ag. Preserve development if the City received full value for the interest they held in the land.** Developers could still have made money on the building side, but not in the enormous increase in land value that the easement holder should have been entitled to. And if the owners weren't prepared to accept, Pickering should have refused to proceed with the Growth Management Study.

We made this point to Pickering again and again in briefs, before Council, and with individual councillors. We could get no answer from them about whether the public would be fully compensated for the interest they held in the Ag. Preserve land through the easements, should the land be developed. Instead they proceeded to take developer money to fund the entire Growth Management Study, and finally amended their plan to agree with its recommendations. And then guess what? After getting what they wanted out of Pickering – a Plan amendment that supported their objectives, thereby leaving Pickering with little bargaining power, this landowner group turned on Pickering, and took them to court to get the easements lifted!

Pickering then quickly capitulated, and agreed to a result that will give the vast lion's share, and perhaps virtually all of any of the massive increase in land value which should have accrued to them, to private interests, should greenbelt boundaries ever be shifted in future! And in a press release they characterized an agreement in which to put it very mildly, they and the public they represented got taken to the cleaners, as, "a phenomenal agreement for the City of Pickering and its residents."

Even if one were to accept Pickering's position that some development should take place there, I can see no conceivable justification for the manner in which they have squandered a public asset. If greenbelt boundaries are changed to exclude the Ag. Preserve in future, the Federal sponsorship scandal will involve far less frittering of public assets than Pickering's handling of the Ag. lands.

The March 11 National Post had an article with the headliner "**Greenbelt Plan will cost me \$ 240 M, developer says**". Sylvio De Gasperis, the President of TAAC Group the Post article reports, told them that, "the land is now worth as little as \$5,000 an acre because it can only be used for agricultural purposes." So lest you think those opposed are using scare tactics and grossly inflating the numbers - here you have it from the horse's mouth - those development rights Pickering gave up really will be big bucks if Pickering ultimately gets its way and the greenbelt boundaries are changed.

The reason the Province expropriated and land banked some 25,000 acres in the early 1970's to the south of the Federal airport land expropriation, was to protect against just this. It was to ensure that if some of these lands were developed, the increase in value would be captured by the Province not by speculators. And when the three levels of government signed the MOU in 1999 which placed easements on these lands, this primarily was aimed at providing permanent protection, but it also kept open the possibility that should these governments ever get together and have second thoughts about development, it would be the public not private interests that would gain from any increase in land value. So regardless of whether one thinks the public interest in the Ag. lands is to protect them as we do, or develop them, Pickering's actions have weakened the public's ability to benefit from and maintain control over this land – an ability which the public maintained for the past 30 years until Pickering's unilateral action.

As the senior municipal tier please don't let this go unexamined. Please direct staff to report on what has happened and what action can be taken.

And in light of all this, please never ever go far beyond this and approve Pickering's OPA 13. There are many other very strong arguments against it. To name just two it would remove a critical countryside corridor and urban separator linking to the Moraine, and increase urban area boundaries when there is absolutely no need, and at a time when intensification should be the priority.

In addition, and back to the issue being addressed here today, approval would place private interests one important step closer to receiving an enormous windfall from what should have remained a public asset – an asset that all levels of government have an obligation to protect. It would raise fundamental questions about who is protecting the public interest here, and turn the Region into Pickering's ally in this entire sorry affair.

We appreciate the opportunity to address this matter.

Sincerely,

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