



The Regional Municipality of Durham

Committee of the Whole Agenda

Wednesday, May 10, 2023, 9:30 a.m.

Regional Council Chambers

Regional Headquarters Building

605 Rossland Road East, Whitby

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 2097.

Note: This meeting will be held in a hybrid meeting format with electronic and in-person participation. Committee meetings may be [viewed via live streaming](#).

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1. Roll Call	
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3. Statutory Public Meetings	
There are no statutory public meetings	
4. Presentations	
There are no presentations	
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There are no delegations	
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a. Report #2023-COW-21	

Confidential Report of the Commissioner of Corporate Services – Labour Relations or Employee Negotiations with Respect to Collective Bargaining 2023-2026

Under Separate Cover

- b. Report #2023-COW-22
Confidential Report of the Chief Administrative Officer - A Position, Plan, Procedure, Criteria or Instruction to be Applied to any Negotiations Carried on or to be Carried on with Respect to the Development of Lands Removed from the Greenbelt

Under Separate Cover

9. Adjournment

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The Regional Municipality of Durham Report

To: Committee of the Whole
From: Chief Administrative Officer
Report: #2023-COW-19
Date: May 10, 2023

Subject:

Updated Regional Response to City of Oshawa Request for Cost Sharing for Dedicated Downtown Patrol Enforcement

Recommendation:

That the Committee of the Whole recommends to Regional Council:

- A) That Regional Council continue to decline the request for cost sharing for dedicated downtown security surveillance and guard services patrol enforcement in the City of Oshawa (Oshawa) on the basis that doing so is not aligned with the Region's core legislated service delivery requirements as the designated System Service Manager for housing services in Durham; and,
 - B) That the Region continue to assist those in our community who are most vulnerable by investing in social services, health, policing and other supports, such as communications and engagement, to address the complex challenges of homelessness, mental health and addictions.
-

Report:

1. Purpose

- 1.1 To report back on the issues outlined in the [June 22, 2022, Committee of the Whole referral motion](#), including:
 - a. The issues identified in Correspondence Items 6.A and 6.B of the [March 9, 2022 Regional Committee of the Whole meeting agenda](#) re: "Update on Security Surveillance and Guard Services Contract and Capital Project 11-04011 Security Technology Infrastructure" and re: "Safety and Security of Downtown Oshawa;" and,

- b. Input from Regional departments, Durham Regional Police Service (DRPS), and area municipalities on private security; and input from local Chambers of Commerce/Boards of Trade and Business Improvement Areas (BIAs) on their concerns.
- 1.2 To recommend that Regional Council continue to decline the request for cost sharing for dedicated downtown security surveillance and guard services patrol enforcement in Oshawa on the basis that doing so is not aligned with the Region's core legislated service delivery requirements as the designated System Service Manager for housing services in Durham; and,
 - 1.3 To recommend that the Region continue to continue to assist those in our community who are most vulnerable by investing in social services, health, policing and other supports, such as communications and engagement, to address the complex challenges of homelessness, mental health and addictions.

2. Background

- 2.1 At its meeting of February 28, 2022, Oshawa City Council adopted recommendations of its Finance Committee (see Correspondence Item 6.A of the [March 9, 2022 Regional Committee of the Whole meeting agenda](#)), including:
 - a. That the Region of Durham be requested to assist with the costs and enter into a Memorandum of Understanding with Oshawa to cover fifty (50) per cent of the cost of the Dedicated Downtown Patrol Enforcement Resource Option as selected by Oshawa City Council for the 2022 calendar year.
- 2.2 On June 22, 2022, Regional Committee of the Whole motioned to refer Report [#2022-COW-23](#) (City of Oshawa Request for Cost Sharing for Dedicated Downtown Patrol Enforcement – Regional Response), including the recommendation that Council deny the request for cost sharing for dedicated downtown patrol enforcement in Oshawa on the basis that coordinated action and supports were already being provided to address the complex challenges of homelessness, mental health and addictions, back to staff for additional analysis and to consult on concerns of the business community.
- 2.3 Regular discussions continued between the Region and Oshawa regarding concerns in the downtown and the request to cost share the City's private security program.
- 2.4 Regional and Oshawa staff identified fifty-one (51) actions as part of an integrated strategy to address escalating issues in downtown. Significant progress has been made on these action items. An update on the status of all actions will be included in a future committee report.
- 2.5 At its meeting on March 29, 2023, Regional Council [unanimously voted](#) to support the Association of Municipalities of Ontario (AMO) motion to call on the provincial

government to acknowledge the homelessness crisis, commit to ending homelessness in Ontario and work with AMO and other partners to develop, resource, and implement an action plan.

- 2.6 At its meeting on March 29, 2023, Regional Council [approved](#) the 2023 Property Tax Supported Business Plans and Budget, including expanded Regional investments totalling \$75.5 million in 2023 toward housing and homelessness support programs. The total funding from all sources is \$117.3M.
- 2.7 At its meeting on April 6, 2023, the Health and Social Services Committee [directed](#) staff to develop a provincial and federal engagement plan to address homelessness and related challenges in Durham Region (Report [#2023-INFO-32](#)).
- 2.8 An update on Durham Region's Homelessness Support and Coordinated Access System was provided at the May 4, 2023, Health and Social Services Committee (Report [#2023-SS-6](#)).

3. Context

- 3.1 Cities and towns across the country have seen an increase in mental health challenges, addictions and housing needs, impacting businesses, community safety and well-being.
- 3.2 The number of people experiencing homelessness in Durham is growing and is outpacing the ability to create new housing units and wrap-around support programs.
- 3.3 These challenges are understood to be impacting businesses, economic growth and recovery across the Region.
- 3.4 Governments and community organizations are investing resources and making positive impacts. Addressing these challenges is too complex for any one organization, requiring partnership between all levels of government and community organizations.

4. Additional Engagement and Analysis

- 4.1 Regional staff conducted additional engagement to address the issues outline in the June 22, 2022, [Committee of the Whole motion](#).
- 4.2 Staff from the Region's Economic Development and Tourism Division and the CAO's Office met with staff from three local Chambers of Commerce/Boards of Trade, two local Economic Development Offices, and two Business Improvement Area organizations. Key findings include:
 - a. The homeless population and incidences of criminal activity and property damage, especially in downtown centers, appear to be increasing.

- b. Based on conversations with local businesses and on the experience of economic development staff with business attraction and investment efforts, the view was expressed that private security patrols in downtown centres could mitigate negative impacts on the local business community, business investment and retention, and tourism attraction. It was also noted that increased private security presence could contribute to increased tensions in the community between individuals experiencing homelessness, mental health and addictions issues, and security guards, by-law officers and police.
- c. Those interviewed recognize that the issues are complex and that these concerns are not unique to Oshawa or Durham Region. It is generally understood that intervention through health, social services and economic programs are the preferred means of both reducing impacts on local businesses and assisting vulnerable residents. Suggestions offered by the business community include:
- provide one point of contact on how to refer issues and instances of criminal activity.
 - undertake joint advocacy to upper levels of government for increased funding and policy change.
 - invest in local economic development projects and program, beautification and improvement of private and public property.
- Note that work is currently underway on each of these items.

- 4.3 The Region understands that there are limits to the role and resources of police services.
- 4.4 Local area municipalities fund by-law enforcement officers to ensure compliance and respond to complaints and identify property use violations.
- 4.5 The use of Municipal Law Enforcement (MLE) and private security to surveil and patrol local public space is at the discretion of local area municipalities. MLE officers and private security guards hired by municipalities are limited to working on municipal (public) property and are not permitted to operate and engage on the private property of businesses and residents.
- 4.6 City of Oshawa private security officers patrol and provide guard services both inside City facilities, and on public outdoor spaces (e.g. streets and parks).
- 4.7 To enhance the security of Regional facilities, the Region employs private security inside Regional Headquarters and at Regionally owned and operated facilities, such as long-term care homes and community hubs.

5. Regional Investments

- 5.1 The Region funds police services, and invests in coordination activities, and direct services for vulnerable populations including homeless populations, those at risk of

becoming homeless, and those living with mental health and addictions issues. These investments include:

5.2 Durham Regional Police Service (DRPS)

- a. The Region funds DRPS through the Regional tax base to serve in all area municipalities.
- b. Downtown Oshawa is included in the DRPS Central East Divisional Community Safety Plan.
- c. Over 2021 and 2022, the DRPS Central East Division has committed extensive resources to downtown Oshawa, including over 29,000 proactive policing hours in the downtown core at a cost of over \$1.7 million.
- d. In addition to a full-time downtown team, multiple other officers have been reassigned to work in the downtown, including local School Liaison Officers. Additional officers are assigned to the downtown as need presents, including on weekends in an overtime capacity.
- e. DRPS officers conduct directed patrols primarily on foot and bicycle, with mobile support, to create a visible presence to reduce violence, decrease lawless behavior, increase safety and improve the enjoyment of downtown Oshawa for all members of the community.
- f. In 2021 and 2022, DRPS consulted downtown business owners and residents to better understand their concerns regarding crime and disorder. When possible, this was done in conjunction with Oshawa By-law and Corporate Security. Businesses and residents were provided with information packages including “See it – Report it” information on which agency to contact regarding specific concerns, contact information for local social services, a Durham 2-1-1 card and a generic trespass letter that could be provided to DRPS when necessary. Meetings with downtown businesses and residents to address their concerns continue on an as needed basis.
- g. As part of this work in 2021, DRPS consulted police services in other jurisdictions on their experiences.
- h. The Community Response Team (CRT) have also focused a substantial amount of time addressing drug sales and drug subculture in the downtown core. Significant arrests have been made by the CRT.
- i. Other DRPS initiatives include:
 - The DRPS Mental Health Support Unit (MHSU), a partnership with Lakeridge Health and Community Care Support Services Central East consists of five teams, each comprised of a Police Constable and a Regionally funded Registered Nurse from Lakeridge Health, with extensive experience in mental health. The teams allow for Regional coverage seven days a week, 17 hours a day. MHSU members reviewed mental health related reports and conduct proactive follow ups and well-being calls in person and over the phone. Teams also provide a reactive response to persons requiring immediate mental health support.

- Durham Connect is a partnership of 45 multidisciplinary agencies and community-based organizations, as well as local, regional and provincial governments. Each member has the mandate to serve and support vulnerable individuals in Durham Region. The Durham Connect Situation Table has traditionally been a single use resource for acutely elevated risk (AER) cases for individuals and families in the Region of Durham. When necessary, a multidisciplinary team of member organizations, specific to the identified risks, is assembled to provide rapid mobilization of services to “wrap around” the AER individual or family, ultimately to mitigate or reduce their associated risk. DRPS has dedicated a full-time liaison officer for Durham Connect and Divisional Information Officers for each platoon, which is responsible for education and promotion internally of Durham Connect. This position has generated an increase in the number of referrals to Durham Connect, and in turn, the number of individuals receiving services.
- In collaboration with the Town of Whitby, Oshawa, Oshawa Power and Utilities Corporation (OPUC), the Town of Ajax, Elexicon Energy, DRPS and the Region supported applications for provincial funding in support of the purchase and installation of Closed-circuit Television (CCTV) throughout the Region.
 - In 2020-2021, DRPS applied for \$83,748 to create a CCTV program, which allowed for the purchase of four overt DRPS owned cameras at two locations identified by crime-analyst reports and installed in Oshawa in partnership with OPUC.
 - In 2022-2023, DRPS applied for \$24,124 to increase Oshawa CCTV program. The province funded this amount at 50%. A portion of this funding was used to support seven existing Oshawa locations.

5.3 Regional Strategies and Collaboration

- a. [The Strategic Plan](#) identifies Social Investment as one of our key goals. The Region tracks and reports on key performance measures quarterly. These measures are reported publicly.
- b. [At Home in Durham](#) is the Region’s Housing Plan for 2014-2024 which aims to improve affordability and access to housing, protect the existing affordable housing supply, encourage housing diversity and build capacity in the housing system.
- c. The [Community Safety and Well-being \(CSWB\) Plan](#), includes homelessness and basic needs, mental health and substance use among its seven priority risk factors, along with criminal involvement, experiences of racism, social isolation, and victimization.
 - An Area Municipal Working Group includes members from all local municipalities to identify and address local priorities.
 - In March and April 2023, the Region conducted workshops with over 100 participants, including Regional and municipal staff and a wide range of community partners, to identify actions, outcomes and

- indicators for each of the seven CSWB Plan priority risk factors. Further engagement with the public, including those with lived or living experience, will also take place.
- Through the Innovation Fellowship program, the Region has retained six students, full-time for four months, from two local post-secondary institutions to support the development of evaluation metrics, tools, and methodologies to measure progress within each of the seven CSWB priority risk factors.
- d. The Downtown Oshawa Working Group includes staff from the Region, Oshawa, DRPS and Lakeridge Health. This Working Group is focused on addressing the complex issues facing the Oshawa.
- An ongoing project of this group is to develop a “How can I help?” factsheet to provide information about available supports should one witness someone struggling with complex needs including mental health, substance use, and homelessness, and regarding criminal activity. It will also provide more information about where to call when witnessing criminal activity.
 - This factsheet is developed in response to feedback from local businesses and is an interim measure as work continues to develop an overarching strategy to address the complex issues of homelessness, mental health and addictions, and safety.

5.4 Regionally Operated Programs and Services

- a. The Health and Social Services Departments partner to deliver the [Primary Care Outreach Program \(PCOP\)](#), a mobile unit including an Advanced Care Paramedic and Social Worker, that provides outreach services, including service navigation and medical and mental health support, to vulnerable populations including individuals who are homeless or at-risk of homelessness in the community. PCOP has recently expanded to include two teams that provide support seven days a week with expanded hours.
- b. The Mental Health Outreach Program (MHOP) is a mobile unit that consists of a social worker and a psychotherapist providing mental health outreach and counselling to individuals experiencing or at risk of homelessness. MHOP now operating at full complement and provides support Monday to Friday in various locations across Durham.
- As noted in 5.2. the Region supports the DRPS Mental Health Support Unit (MHSU), a partnership with Lakeridge Health and Community Care Support Services Central East.
- c. The Region has a clear mandate as the Service System Manager under the Housing Services Act to plan and deliver housing and homelessness services. This includes implementation and oversight of provincially funded and/or mandated programs as well as locally developed and funded programs and services to address homelessness. In carrying out this responsibility the Region is required to conform to the provisions of the Act and provincial policy statements and ensure that programs and services intended to address homelessness are consistent with the principles expressed in those provincial mandates. The programs and services and recommendations in this report are consistent with the provincial mandates regarding homelessness from the Housing Services Act.

- d. As the System Service Manager for the Provincial Homelessness Prevention Program and the Community Entity for Federal Reaching Home funding, the Region is required to maintain a [By-Name List \(BNL\) and to operate a Coordinated Access System](#).
- To operate Durham's [Homelessness Support & Coordinated Access System](#), the Region partners with more than 20 community agencies and over 30 programs to deliver frontline services. The Coordinated Access System is a shared information system used by service providers who work together to triage, assess, and connect people with supports to help end their homelessness.
 - The BNL is a list of all known people experiencing homelessness across the Region who have consented to receiving support. This list is used to support people on their journey from homelessness to housing. At the end of 2022, there were 273 people on Durham's BNL, of which 180 were experiencing chronic homelessness. In 2022, 218 people (of which, 131 were chronically homeless) were housed through the BNL. Of the people housed in 2022, there were 35 instances of people becoming homeless again (30 people total); eight of those people were re-housed by the end of 2022.
 - Eligibility criteria for the BNL is low barrier. There are [Community Access Points](#) across Durham through which people can be added to the BNL. People must consent to being added to the BNL and to receive supports. There are people experiencing homelessness who have significant health challenges and/or other barriers that can impact their ability or decision to provide consent or access services.
- e. During winter months (below -15°C and/or a wind chill of -20 or colder), the Health Department will initiate a Cold Weather Alert. When this alert is initiated, the Region's Homelessness Coordinator issues a notice to applicable partner organizations/contacts to expand their services by adding additional mats/cots and using hotel space to ensure no one is turned away. During Cold Weather Alerts, housing-focused shelters remain open during the day.
- f. The Region supports access to programs and services throughout the day. Service providers across Durham also offer different daytime programs and services. The Hubs & Daytime Services Sector Table & the Street Outreach Table, each co-chaired by Regional staff, are currently creating a calendar of all daytime programs available across Durham. This will assist with identifying gaps and improve services.
- g. The [10-unit Microhome Pilot](#) in Oshawa offers temporary, transitional housing with supports to bridge the gap from homelessness to permanent housing. It offers residents structure, supports, life skills, and education and training. Occupancy can be time-limited and is dependent on residents' participation in the program. The Region uses the BNL to help match residents who will most benefit from this program. The Region, and its partner NRB Modular Solutions received the 2022 Ontario Public Works Association (OPWA) Project of the

- Year award for Structures Less than \$2 Million, recognizing excellence in the management and administration of the project.
- h. Regional Social Services case coordinators are on-site at Mission United (Back Door Mission) and public libraries to provide support with accessing financial assistance, service navigation and referrals for unsheltered residents who are seeking support and assistance.
 - i. The Region is completing a review of Durham's Homelessness Support System. Throughout 2022, OrgCode Consulting Inc. conducted a review of Durham's Homelessness Support and Coordinated Access System with a goal of improving the overall system (see Report [#2023-INFO-11](#)). A systems planning committee consisting of Regional staff and community stakeholders participated in this review. Various engagement methods were used, including a community survey, key informant interviews, interviews with people experiencing homelessness, as well as report and data reviews. Through this review, 24 priority areas were identified for improvement within Durham's homelessness support and coordinated access system categorized into three themes: 1) System Integration, 2) Homelessness Prevention & Emergency Response, and 3) Housing and Support Activities.
 - j. The Region is exploring the development of a [Non-Police Led Mental Health Crisis Response Service](#). This unit would be led by mental health experts, such as social workers, mental health nurses, and/or peer support workers. Goals of this program include, improving the perceived stigmatization service users, reducing emergency department visits, and increasing referral rates for follow-up supports. This response is intended to address the unmet needs identified through community engagement phase of the project's development. A report outlining community feedback received to date will be provided to the Committee of the Whole in fall 2023.
 - k. The Health Department co-chairs the [Durham Region Opioid Task Force](#) which is focused on leveraging existing services to address identified gaps, at the local level, or advocacy options and other strategies when funding and resources are constrained. The Region continues to partner with Task Force members on the actions identified in the [Durham Region Opioid Response Plan](#), which addresses areas of prevention, treatment, harm reductions, and enforcement.
 - In Ontario, Public Health Units do not oversee or provide substance abuse treatment programs. Instead, addiction treatment services are funded by Ontario Health and the Ministry of Health and delivered by health professionals within the community, including primary care providers, community agencies, hospitals, treatment facilities such as Pinewood, Rapid Access to Addiction Management (RAAM) clinics, methadone clinics and service hubs, such as Mission United.
 - In 2022, the Opioid Task Force members carried out discussions regarding the large volume of calls to DRPS related to public disruption/non-chargeable offences in downtown Oshawa. As a result, DRPS, Social Services and the PCOP planned additional strategies and service connections for downtown Oshawa. A secondary area of focus

for the Task Force was related to individuals recently released from custody and their reintegration into the community. Ongoing discussions and planning continue.

- l. The Health Department establishes Opioid Overdose Early Warning and Surveillance systems to identify and track the risks posed by illicit opioids in Durham, including the sudden availability of illicit opioids and opioid overdoses. The [Durham Region Opioid Information System](#) provides the latest opioid overdose-related statistics, including Region of Durham Paramedic Services calls, emergency department visits and opioid-related deaths, to inform community partners' situational awareness and service planning.
- m. The Health Department is a naloxone distribution lead/hub for eligible community organizations, as specified by the province, which aims to increase dissemination of kits to those most at risk of opioid overdose. Currently, naloxone kits are distributed to 23 eligible organizations within Durham.
- n. The Health Department, in partnership with the John Howard Society of Durham Region, delivers the Needle Syringe Program, Project X-Change, dedicated to protecting the public from contamination caused by indiscriminate disposal in public areas and use of infected items. The program provides access to sterile needles and other single-use sterile items, helps with referrals to a variety of services, and shares information.
- o. The Region also supports On Point, in partnership with the John Howard Society. On Point is a needle clean-up project in Oshawa that involves the removal of needles and drug paraphernalia from parks. The program provides employment and support to people currently experiencing homelessness or with a history of homelessness; participants receive supervision, safety kits and training to assist with the clean-up and are paid for their work.
- p. The Ongoing Regional Revitalization Program, in partnership with local area municipalities, supports the long-term revitalization and redevelopment across Durham, including several projects in downtown Oshawa.
 - As referenced in the Master Housing Strategy (Report [#2020-COW-27](#)), a recommended approach for the potential redevelopment, intensification, and regeneration of four Durham Region Local Housing Corporation (DRLHC) sites in Oshawa continues to be developed.
 - The aging DRLHC portfolio and the buildings of social housing providers continue to require significant capital investments to maintain and housing units. A recommended approach for the potential redevelopment, intensification, and regeneration of four DRLHC sites in Oshawa is in development.
- q. Through a Memorandum of Understanding, the Region and Oshawa agreed to share the cost of [an enhanced cleaning program](#) in Downtown Oshawa and the surrounding area between 2021 and 2022.

5.5 The Region partners with community organizations and support services.

- a. Organizations funded by the Region to deliver services and supports in the community must report on performance indicators defined by provincial and federal funders. Funded service providers are held accountable to service delivery standards. Regional staff attend service sites and assess compliance with funding and service requirements.
 - b. In 2022, \$22 million in federal, provincial and Regional funding was allocated to support 39 community agencies working to address homelessness, housing, mental health, human trafficking, youth services, and food security. One such housing focused program includes the [Street Outreach Teams](#), delivered by local service providers. Street Outreach Teams seek to connect with people experiencing unsheltered homelessness with the goal of developing trust, meeting basic needs and to obtain their consent to be added to the BNL, and provide intensive housing-focused case management to help people end their homelessness.
- 5.6 While not funded by the Region, the following community-based initiatives have received support from the Region:
- a. The Ontario Shores' request to the province to create an Emergency Psychiatric Assessment Treatment and Healing Unit (EmPATH) model at Ontario Shores in Whitby to provide emergency mental health service to those in crisis.
 - b. The Lakeridge Health [Durham Mental Health Services \(DMHS\) Mobile Crisis Intervention Team \(MCIT\)](#), a partnership between Durham Mental Health Services and Durham Regional Police Service, which provides non-emergency, non-police led, and non-medical response. The Team consists of two police officers working with a DMHS Community Mental Health Registered Nurse and a DMHS Case Manager.
- 5.7 Gaps in services and programs remain. Additional support is required from the federal and provincial governments to increase the local capacity to respond to growing complex challenges.
- 5.8 The Region, with local partners, continues to address issues surrounding homelessness, mental health and addictions, and community safety, including strategic coordination, advocacy, communications and engagement.
- 6. Conclusion**
- 6.1 Providing security surveillance and guard services in downtown Oshawa is not aligned with the Region's core mandate described above and therefore should not be cost-shared by the Region.
- 6.2 Responding to illegal activity is the responsibility of police services and by-law enforcement. The Region provides funding to DRPS to undertake police work in all area municipalities.

- 6.3 DRPS dedicates a unique concentration of services in downtown Oshawa. DRPS and the Region continue to work together to address increasing challenges in downtown Oshawa and other areas of the Region.
- 6.4 Regional staff will continue to work with Oshawa, Whitby, Ajax and other local partners to address short-term action items, performance metrics, communications and intergovernmental advocacy to address these complex issues surrounding homelessness.
- 6.5 This report was reviewed by the Health, Social Services, Planning and Economic Development, and Finance Departments, the CAO's Office, and DRPS.

Prepared by: Sarah Hickman, Manager, Corporate Initiatives, at 905-431-4873.

Approved by: Sandra Austin, Executive Director, Strategic Initiatives, at 289-404-2279.

Recommended for Presentation to Committee

Original signed by

Elaine C. Baxter-Trahair
Chief Administrative Officer

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 3540.



The Regional Municipality of Durham Report

To: Committee of the Whole
From: Commissioner of Planning and Economic Development and
Commissioner of Works
Report: #2023-COW-20
Date: May 10, 2023

Subject:

Project Woodward – Disposition and Development of Regional Lands for Economic Development

Recommendations:

That Committee of the Whole recommends to Regional Council:

- A) That the properties described Firstly as Part Lot 28 Concession Broken Front Darlington, Part 1 on plan 40R-29418, Municipality of Clarington and identified with PIN 266050139; and Secondly as Part of Lots 27 and 28 Concession Broken Front Darlington, Parts 9 and 10 on plan 40R-29418, Municipality of Clarington and identified by PIN 266050114, be declared surplus to Regional Municipality of Durham requirements;
- B) That Regional Municipality of Durham, as the expropriating authority, approve the disposition of lands without offering the expropriated owners the first chance to repurchase the lands on the terms of the best offer received, therefore approving a waiver of the requirement under s.42 of the *Expropriations Act, R.S.O. 1990, c. E.26*;
- C) That the plan outlined in this report be endorsed, which is to market the lands declared surplus in Recommendation A to potential buyers, and execute a purchase and sale agreement that obligates the prospective purchaser to develop the lands in a manner consistent with the Region's, and the Municipality of Clarington's, vision to

create a clean energy business and industrial park, and attract users from the clean energy and/or advanced automotive sectors; and

- D) That staff return to Council for approval of the agreement of purchase and sale in the event a suitable buyer is identified.
-

Report:

1. Purpose

1.1 The purpose of this report is to:

- a. declare land owned by the Regional Municipality of Durham (the "Region") surplus to Regional requirements;
- b. inform Committee of the Whole and Regional Council of the completion of early-stage development activities for the subject lands; and
- c. to obtain authorization to commence a process to market and sell the subject lands based on terms and conditions designed to realize the economic development vision for these lands. (The terms and conditions are provided in the confidential attachment to this report.)

2. Background

- 2.1 The lands described in Recommendation A that are the subject of this report, (herein referred to as the "subject lands") were expropriated by the Region when the subject lands were acquired as part of the Durham York Energy Centre (DYEC) project.
- 2.2 The Host Community Agreement between the Region and the Municipality of Clarington stipulated that the Region was to acquire the lands north of the CN Railway, and complete construction of Energy Drive from Courtice Road to Osbourne Road, complete with all applicable services; and dedicate Energy Drive to Clarington as a public highway. The Region's obligations under the Host Community Agreement have all been satisfied.
- 2.3 The subject lands, approximately 8 hectares (20 acres), are now a surplus remnant of these activities. They are located south of Highway 401 and east of Courtice Road; they are triangular in shape and are situated between Megawatt Drive and Energy Drive in the area generally known as the Clarington Energy Park. (See Attachment #1 for location map.).

- 2.4 Regional staff have considered potential future internal needs for the subject lands and have identified no Regional use for them other than for economic development purposes. Staff have concluded that due to the economic development potential, a Clean Energy / Next Gen Mobility business and industrial park would be the most beneficial use of this site from an economic development perspective.
- 2.5 To permit the development of the lands for economic development purposes, it is staff's recommendation that the subject lands now be declared surplus to the Region's future needs so they can be marketed on the open market and sold to a party that is willing to commit to developing the lands in a manner consistent with the Region's and the Municipality of Clarington's vision for the Clarington Energy Park.
- 2.6 Conditions can be imposed on the sale of the property to ensure it is developed in keeping with established terms, for example: that the site contain certain structures with minimum amounts of advanced manufacturing, office, and laboratory space; that end users are companies that operate within the clean energy and/or advanced automotive sectors; and that the design of the buildings reflect urban design standards acceptable to the Municipality of Clarington.
- 2.7 The clean energy sector and its supporting industries carry immense potential for economic growth in the Region. The existing Regional assets and expertise of this cluster can attract new investment and generate new employment, bringing opportunities for innovation in clean energy generation and associated industries.
- 2.8 In 2020, staff began exploring the future development potential of the subject lands and assigned the name "Project Woodward" in honour of Henry Woodward, the Canadian inventor of the incandescent lamp who later sold his patent to Thomas Edison in 1875. Funds were approved in the 2021 and 2022 Regional budget for early-stage development work including environmental site investigations and conceptual designs.
- 2.9 The Economic Development and Tourism Division (Invest Durham) has been actively focusing on growing the clean energy, engineering, and environment sectors of the economy as well as the autonomous, connected, and electric automotive sector (Next Gen Mobility). Combined, these sectors present an enormous opportunity for job growth in Durham given our existing economic base, unique talent pool, and supportive ecosystem with research and development assets such as the world class ACE research and development facility at Ontario Tech University.

- 2.10 Given Durham's exceptionally strong value proposition for new investment in the Clean Energy and Next Gen Mobility sectors, Invest Durham has been dedicating significant efforts toward promoting this value proposition to key target audiences, and generating prospective investment leads in these sectors.
- 2.11 For the Region to be competitive and investment ready, particularly for prospective investment leads in the Clean Energy and Next Gen Mobility sectors, staff identified an opportunity to launch a project that would see a Region-owned real estate parcel developed to offer employment lands or building space exclusively to users from those high priority, complementary sectors. Project Woodward was initiated to develop a vision for the lands that reflects our desired uses and economic development outcomes and seek a buyer that shares that vision. The Region would include provisions in an agreement to sell the lands that ensure development proceeds in accordance with the vision, and that end users are exclusively within those sectors. This would limit the potential for large warehousing facilities and similar uses with low employment densities.

3. Project Status

- 3.1 The project would advance through three phases:
- a. Phase 1: Development Framework
 - b. Phase 2: Surplus Designation, Council Approval, Design and Marketing
 - c. Phase 3: Implementation and Investment Attraction
- 3.2 A multidisciplinary team of staff have completed the Phase 1 activities. This work included preparing a development framework, conducting site studies and due diligence, identifying user types and an ideal mix of building types, and performing a market sounding to inform a business case. This work was completed through consultants Urban Strategies Inc. and CBRE Limited.
- 3.3 Considerable work was undertaken to understand what types of employment spaces, and what quantity and configurations would meet the needs of the high priority sectors. This work informed a preliminary vision for office, industrial, laboratory, parking, and amenity spaces. It also informed whether there will be demand from fewer, larger users, or more numerous, smaller users.

- 3.4 The development framework considered potential business models. It was concluded that the lands should be sold to a developer who, through the Agreement of Purchase and Sale, would agree to develop the property in accordance with the Region's vision and desired uses for the property. The main objective is not necessarily to get the highest return; rather, to use the property to help achieve the overall vision for the Energy Park lands.
- 3.5 The environmental site studies and due diligence include such activities as an Environment Impact Study, Phase One and Two Environmental Site Assessment, Stormwater Management Report and Hydrological Evaluation. These studies were required prior to any new development activity and have addressed and removed many development risks.
- 3.6 Municipality of Clarington Staff have offered and are supportive of recommending to Clarington Council that the zoning of the lands be amended to provide flexible permissions for the range of uses contemplated by the Region in their vision. Combined with the various completed environmental site studies and existing site servicing, this would further reduce the perceived development risks to prospective developers.
- 3.7 The project has reached Phase 2, which includes Council approval for the project, declaration of the land as surplus to the Region's requirements in preparation for sale, and marketing of the property.
- 3.8 To maximize market exposure and ensure the opportunity is shared as broadly as possible throughout the development community, a third-party real estate firm will be engaged to assist with marketing the property. The Region has recently selected Avison Young as its representative in marketing and listing the property. The Region is currently working on the details of this engagement agreement.

4. Property Disposition

- 4.1 The *Expropriations Act, R.S.O. 1990, c. E. 26* requires that where lands have been expropriated and are deemed to no longer be required by the expropriating authority, in this case being the Region, the lands should be first offered to the owners from whom the land was expropriated on the terms of the best offer received by the Region. Under s.42 of the *Expropriations Act, R.S.O. 1990, c. E. 26*, the Region, as the approval authority, can waive this requirement and approve the disposition of the lands directly to a party outside of the original expropriation proceedings.

- 4.2 As Project Woodward is now entering Phase 2, the subject lands must be declared surplus to Regional requirements in accordance with Regional By-law #52-95 which establishes the procedures governing the sale of real property. Section 2 of the by-law states that Council shall declare the real property surplus to its municipal requirements prior to offering the property for sale.

5. Financial Implications

- 5.1 Through the approved 2021 and 2022 Annual Business Plans and Budget, approximately \$182,000 has been spent to-date on early-stage development costs including environmental site investigations, studies and reports, conceptual designs and marketing materials, and the development of a business case.
- 5.2 Since the planned course of action is the conditional sale of the lands, future Regional financial requirements are expected to be limited to promotional and marketing activities which will be financed through existing budget allocations.

6. Relationship to Strategic Plan

- 6.1 This report aligns with/addresses the following strategic goals and priorities in the Durham region Strategic Plan:
- a. Environmental Sustainability Goal #1.1: Accelerate the adoption of green technologies and clean energy solutions through strategic partnerships and investment.
 - b. Economic Prosperity Goal #3.1: Position Durham Region as the location of choice for business.
 - c. Economic Prosperity Goal #3.4: Capitalize on Durham's strengths in key economic sectors to attract high-quality jobs.

7. Conclusion

- 7.1 Regional staff recommend that the property noted within this report be declared surplus to Regional requirements, that s.42 of the *Expropriations Act, R.S.O. 1990, c. E. 26* be waived to facilitate the disposition of the subject lands in accordance with the strategy outlined in this report, and that staff return to Council for approval of the agreement of purchase and sale in the event a suitable buyer is identified that meets the vision for the lands.

- 7.2 The clean energy sector and its supporting industries carry immense potential for economic growth in the Region. This project is expected to help the Region attract new investment and generate new employment, bringing opportunities for innovation in clean energy generation and associated industries.
- 7.3 This report has been reviewed by Legal Services – Office of the CAO, and the Finance Department.
- 7.4 For additional information, please contact Jenni Demanuele, Director of Corporate Infrastructure and Strategic Business Services, at 905-668-4113, extension 3456, and Simon Gill, Director of Economic Development and Tourism, at extension 2611.

8. Attachments

Attachment #1 – Project Woodward Location Mapping

Attachment #2 Project Woodward Price Expectation and Negotiation Position
(under separate cover)

Respectfully submitted,

Original signed by

Brian Bridgeman, MCIP, RPP
Commissioner of Planning and
Economic Development

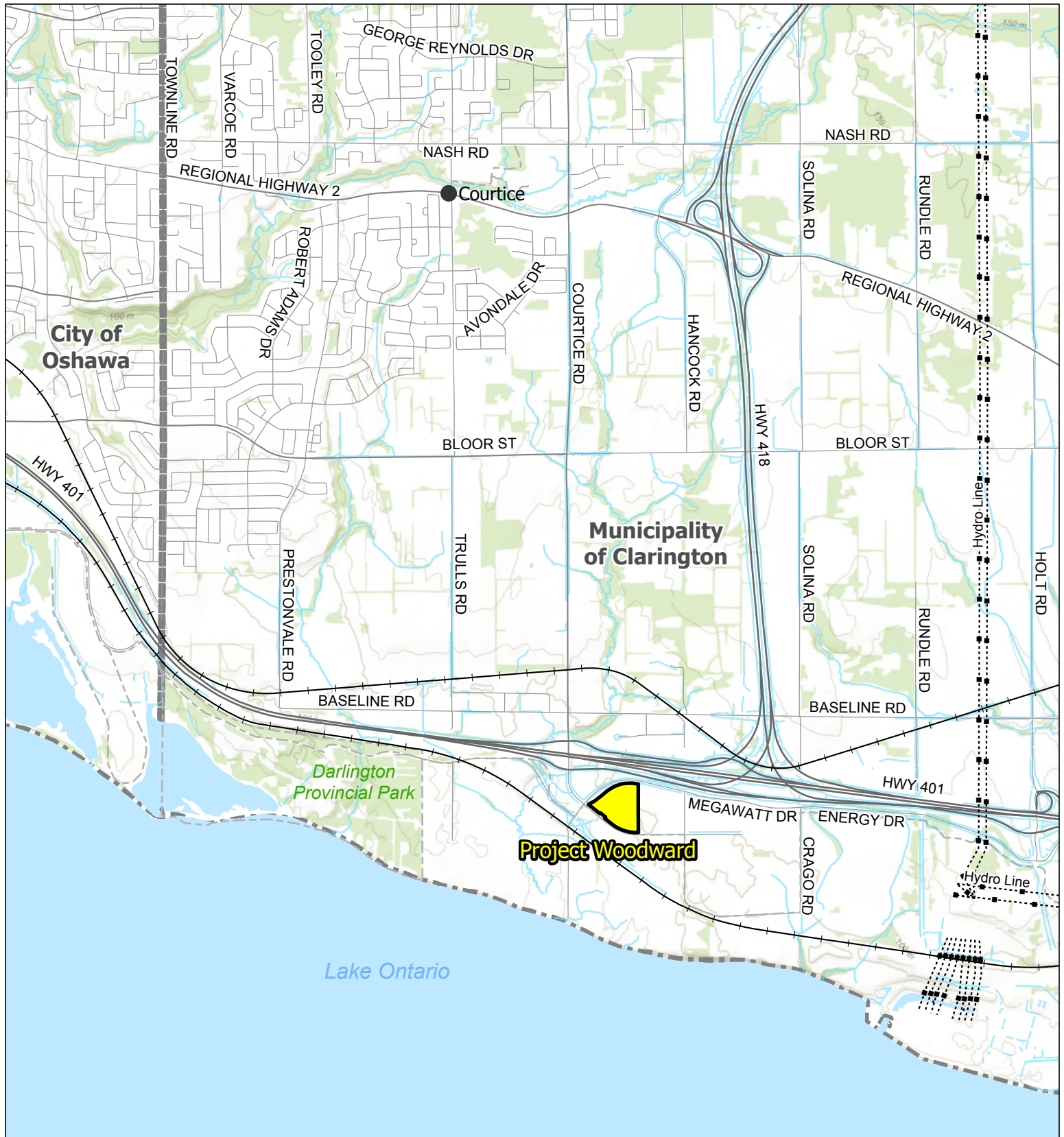
Original signed by

John Presta, P.Eng., MPA
Commissioner of Works





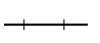


Recommended for Presentation to Committee

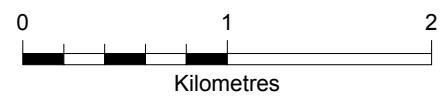
Original signed by

Elaine Baxter-Trahair
Chief Administrative Officer



Legend

-  Project Woodward
-  Community
-  Municipal Boundary
-  Utility Line
-  Railway
-  Trail
-  Watercourse



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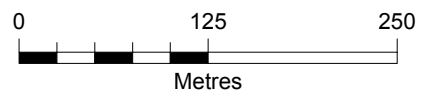
Legend



Project Woodward

—+—+— Railway

----- Trail



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