

Municipality Of Chatham-Kent

CAO Office

To: Mayor and Members of Council
From: Don Shropshire, Chief Administrative Officer
Date: March 10, 2021
Subject: Rondeau Cottage Lots

This report is for the information of Council.

Background

Rondeau Provincial Park was established in 1894 and falls within the boundaries of Chatham-Kent. There are 279 private cottage lots within the Park, which are privately owned, but are located upon leased lands owned by the Province. The leases were set to expire in December, 2019, but were extended for three years to December 2022.

During the process of considering the lease extension, the Province undertook consultations through the Environmental Registry of Ontario, details of which can be found at: <https://ero.ontario.ca/notice/011-1300>.

The issue of lease renewal for cottage owners within Rondeau Provincial Park is a long standing issue that arises when lease periods come up for renewal. Under the terms of the leases, if the leases are not extended, the cottage owners would be required to remove their cottages from the Park.

Rondeau Provincial Park is an important natural heritage feature within Chatham-Kent and a significant economic and recreational contributor to our community. It includes beautiful beaches, camping, fishing, hiking and boating opportunities, which draw tourists to Chatham-Kent, and provides vital outdoor recreational amenities to our citizens. The cottage owners contribute to this landscape and are great ambassadors for the Park, while also contributing to the local economy.

Comments

Over the years, Councillors and municipal administration have been involved in discussions with both the cottagers and the Province about various items related to the Rondeau Provincial Park cottage lot leases.

In the past year, the Municipality has engaged in direct discussions with the Rondeau Cottagers Association to explore potential ways of addressing the longstanding lease

renewal situation in Rondeau Provincial Park. The Rondeau Cottagers Association represents over 90% of the cottage owners.

Municipal administration has also had discussions with representatives of the Province about the potential of removing the cottage lots from Rondeau Provincial Park and adding them to the Municipality's jurisdiction, obtaining a sale of the cottage lots to the Municipality and then a subsequent sale of those cottage lots to the cottagers. It is hoped that exploring a possible solution like this will resolve the long standing uncertainty that cottage owners face, while also ensuring that processes are in place for ongoing protection of the important natural heritage that Rondeau Provincial Park represents to our community.

While the Province has been open and willing to have discussions on this matter, Provincial representatives have made it clear that Indigenous and public consultation is required before any decisions can be made. The previous consultation process regarding the Rondeau leases did not expressly consider the possibility of a sale of the cottage lots, and as a result consultation on this option is required. This is in addition to various other approvals required for Provincial and Municipal governments to enter into a transaction such as this. Municipal administration will support this consultation as appropriate, and is also planning to seek public input for municipal decision making regarding these matters.

Discussions between the Municipality and the Rondeau Cottagers Association have been very positive to date, with both parties actively working to move this issue forward towards a resolution that works for all stakeholders. If, following consultation, the Province is prepared to pursue a transfer of the cottage lots, there will be costs incurred by the Municipality. In order to ensure that the financial resources of the citizens of Chatham-Kent are not impacted by this project, the Municipality has informed the Rondeau Cottagers Association that the Municipality will be expecting that the cottage owners will bear these direct costs of the Municipality. Considerable work and negotiations would still be required to establish a framework for how this will be accomplished. Further reports will outline any proposed agreements, zoning changes and service delivery plans, for consideration by Council.

The Municipality has received preliminary appraisal information from the Province regarding the value of the cottage lots. The Province has provided a total value for the cottage lots of \$29.2 million. Three categories of cottage lots have been identified: interior, waterview and waterfront. There are 45 interior lots, with an average value of \$52,000; 228 waterview lots, with an average value of \$114,500; and 6 waterfront lots, with an average value of \$129,000. The cottage lots were appraised by the direct comparison approach based on recent sales of comparable properties, and for valuation purposes, it has been assumed that the land use controls/zoning for the residential area north of the park would apply to the subject properties (i.e. low density residential development as well as seasonal cottages).

Preliminary communications are being sent to cottage owners asking that they confirm their interest in acquiring ownership of their respective cottage lots. Cottage owners will be given further details in the future regarding the transaction before being requested to make any binding commitments.

Part of the discussions to date have included the potential transfer of the woodlot area of Clearville Park to the Province, as an addition to the existing Clear Creek Conservation Area. This would ensure ongoing protection and stewardship of this woodlot by the Province, which will further protect natural heritage in Chatham-Kent. There is no intent to transfer the portion of Clearville Park containing the trailer park to the Province. However, decisions have not been made on this matter yet and administration would need to complete public consultation on this aspect of the proposed transaction in the near future if a decision is made to pursue it.

Areas of Strategic Focus and Critical Success Factors

The recommendation in this report supports the following areas of strategic focus:

Economic Prosperity:

Chatham-Kent is an innovative and thriving community with a diversified economy

A Healthy and Safe Community:

Chatham-Kent is a healthy and safe community with sustainable population growth

People and Culture:

Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community

Environmental Sustainability:

Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendation in this report supports the following critical success factors:

Financial Sustainability:

The Corporation of the Municipality of Chatham-Kent is financially sustainable

Open, Transparent and Effective Governance:

The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership

- Has the potential to support all areas of strategic focus & critical success factors
- Neutral issues (does not support negatively or positively)

Consultation

The Mayor, GM, Community Development and Director, Legal Services have been involved in the discussions regarding this matter to date.

Administration has consulted with Ontario Parks Staff regarding this matter. Consultations have also occurred with the Rondeau Cottagers Association President and select board members.

Financial Implications

As discussed above, it is anticipated that there will be costs related to this transaction, if approved. Administration is in the process of negotiating an agreement with the Rondeau Cottagers Association to address any direct costs of the Municipality. These costs may include items like external legal fees/costs, planning consulting work, and other similar types of work that would be necessary for this transaction. Administration is not intending to charge the Rondeau Cottagers Association for internal staff time, unless otherwise directed by Council. Further details on the financial implications of this matter will be provided to Council as this matter progresses.

Prepared by:

Don Shropshire
Chief Administrative Officer