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**Headline:** **Pickering** called deceptive

**Subhead:** **Lifted protection on agricultural land Province says it was kept in the dark**

**Story Label:**

**Reporter/Byline:** By Phinjo Gombu and Laurie Monsebraaten Toronto Star

**Captions:**

**Dateline:**

**Text:** The City of **Pickering** deceived the province and failed to honour a public trust when it quietly lifted legal restrictions that protected hundreds of hectares of agricultural land from future development, according to senior government officials.

The allegations were included in letters sent last week to **Pickering** Mayor Dave Ryan from Tony Miele, head of the Ontario Realty Corp., and cabinet minister Gerry Phillips, the chair of management board.

The letters show the province is considering court action against the municipality and that it is making plans to fight both the City of **Pickering** and landowners to prevent development in the Duffins Rouge Agricultural Preserve.

In one of the letters obtained by the Star, Miele says **Pickering** misled the province when it settled a lawsuit filed against the city by landowners over restrictions on the agricultural preserve, which runs west of Duffins Creek, northeast of the Toronto Zoo.

Miele's letter says the province wanted to get involved in the city's legal battle with the landowners, but **Pickering** officials and lawyers purposely kept the province in the dark about their intentions until the day the suit was settled. Ryan defended **Pickering**'s actions yesterday, saying it had the legal right to lift the development restrictions and called allegations of deception and failure to honour commitments "political positioning" on the part of the province.

"Our position and the province's position have been different," he said.

"This is just an acknowledgement of that."

Phillips said yesterday that the province sent the letters to make it clear that provincial, regional and local governments have been committed to maintaining the area as an agricultural preserve for many years.

"This is a priority of the government," he said. "It's a letter that says, make sure there is no confusion."

"There's a lot at stake here," said Linda Pim, of Ontario Nature, which supports the province's efforts to halt urban sprawl.

"This is the first challenge to the Golden Horseshoe greenbelt."

The issue stems from a 1999 agreement in which **Pickering**, Durham Region and the Ontario Realty Corp. (which manages provincial land for the government) agreed to protect the Duffins Rouge Agricultural Preserve from urbanization "in perpetuity."

The agricultural preserve is part of a larger area expropriated in the 1970s for a future **Pickering** airport.

When those plans were downsized, the province decided to sell the agricultural preserve back to the original owners, who were mostly farmers.

But first, the three levels of government agreed to protect the land from development by attaching agricultural easements - restrictions that prevent commercial development, and apply no matter who owns the land.

Under the 1999 deal, **Pickering** was responsible for holding the easements.

On Feb. 28, **Pickering** lifted the agricultural easements on some of the land in the preserve - one day before the province announced the area was to become

part of a 720,000-hectare greenbelt that stretches 325 kilometres from Niagara Falls to Peterborough.

The land, originally sold at agricultural prices of between \$4,000 and \$8,000 a hectare, is potentially worth hundreds of millions to developers and landowners, with the bulk of the properties owned by developer Silvio De Gasperis.

Other landowners include Jerry Coughlan, the Burkholder family of Stouffville, and the Hollinger family of **Pickering**.

With the easements gone, De Gasperis and other landowners have cleared a major hurdle in their quest to develop the **Pickering** property.

The letters from Queen's Park set the stage for a courtroom showdown next month, when a lawsuit launched by De Gasperis challenging the province's greenbelt legislation will be heard. It is also the strongest indication yet that the province intends to fight both **Pickering** and the developer over the preserve. De Gasperis did not respond to a request for an interview yesterday.

Even if De Gasperis loses this court battle, **Pickering**'s controversial decision to lift the agricultural easements still allows him and other landowners to one day develop the land, should a future government at Queen's Park change the greenbelt boundary as part of a mandatory 10-year-review.

"This is what you would call the province's first shot across the bow at the City of **Pickering**," said Pim, of Ontario Nature, applauding the province's stand on the issue.

"The letter is clear that the province is displeased with the city's actions."

As part of the settlement with De Gasperis and the other landowners, **Pickering** received \$2.5 million to cover the city's legal costs and \$1.7 million more to create a park on land the owners will donate.

The city stands to gain at least \$60 million more from the settlement if the developers succeed in overturning the greenbelt designation on their lands.

In his letter, Miele says the province wanted to intervene in the lawsuit brought by the developers on the grounds that there was a public interest to protect the easements.

Even as late as midday Feb. 28, (the same day city council approved the settlement in a special evening meeting) lawyers for **Pickering** promised material about the municipality's intentions but never delivered it to provincial lawyers, the letter says.

"Such materials were never delivered, for reasons which are now only too apparent," Miele wrote.

Miele says his review since then has shown that the negotiations between **Pickering** and the developers were complex and lengthy and "perhaps even finalized prior to midday Monday, Feb. 28, 2005, without the knowledge of the Ontario Realty Corp."

"It (the lifting of the easements) was certainly a surprise to the Ontario government and the Ontario Realty Corp.," spokesperson Karen Ras said yesterday.

Miele says that the agricultural easements - imposed under the Conservation Land Act - were the result of complex and lengthy negotiations between the province, the municipality and the region.

The province considers **Pickering** to be a conservation body under the Land Conservation Act with a duty to honour the public trust, he says.

**Pickering** did not honour that public trust when it removed the easements for financial gain, Miele added.

"We, for our part, certainly consider it to be far offside the spirit of the negotiations between **Pickering** and the Ontario Realty Corp.," Miele said in the letter.