

Muskoka Regional Centre Lands Disposition Chronology



Over the last six years, the Town of Gravenhurst has been working with Infrastructure Ontario as part of the most recent effort regarding the disposition and redevelopment of the MRC property to provide economic growth and benefit to our community. That effort has included working with a Joint Venture “partner” for the last approximately 3 years.

Early 2012

- Optimal Use Study initiated by Infrastructure Ontario, followed by the establishment of a Municipal Steering Committee consisting of Town Councillors to ensure municipal interests were upheld. Extensive public consultation occurred as part of the development of the Study, although the resultant recommendation was not reflective of the community perspective.

August 2015

- Following many requests to see the results of the Optimal Use Study, Town Councillors and Administration attended AMO as a Ministerial delegation to advance the Town’s aspirations for the redevelopment of the site and highlight the need for economic and employment growth in the community. A copy of the briefing note was provided to Council in advance of the delegation in order to ensure there were no objections to the approach.

September 2015

- Optimal Use Study completed and publicized with a message that finding a buyer that fits the desires of Council and the Community was unlikely. The Province’s proposed disposition approach would not have created tangible results from the standpoint of permanent full time jobs or economic development opportunities.

October 2015

- Town responds to Optimal Use Study advising of its dissatisfaction with the recommended approach and requests that the Province partner with the Town in the marketing of this site, and investigate the concept of international real estate marketing (amongst other opportunities) as a means of generating attention to this site and much needed employment in Gravenhurst and Muskoka. The following resolution was passed by Committee of the Whole:

WHEREAS Infrastructure Ontario has publicly released the document entitled “Muskoka Regional Centre Lands – Optimal Use Study”;

AND WHEREAS Committee believes that the establishment of increased sustainable, year-round, employment opportunities is a high priority in the redevelopment of the site;

THEREFORE BE IT RESOLVED THAT this staff report BE RECEIVED, and that in the absence of a provincial interest in utilizing the property, staff be directed to work with the Ministry of Economic Development, Employment and Infrastructure to further the idea of more unique, aggressive and proactive approaches to find the most suitable employment generating redevelopment plan.



November 2015

- After hearing of escalated interest in the property, and to refute the Province's assertion that economic and employment opportunities were unlikely, Council authorizes Administration to continue efforts to find a suitable development opportunity inclusive of entering into a service contract to assess Chinese interests. The resolution read as follows:

WHEREAS Committee received a staff report on October 20, 2015 that acknowledged the public release of a report prepared for Infrastructure Ontario entitled "Muskoka Regional Centre Lands – Optimal Use Study" for Committee's information and to discuss next steps in the future use of the site;

AND WHEREAS Committee resolved that in the absence of a provincial interest in utilizing the property, staff is directed to work with the Ministry of Economic Development, Employment and Infrastructure (MEEI) to further the idea of more unique, aggressive and proactive approaches to find the most suitable employment generating redevelopment plan;

THEREFORE BE IT RESOLVED THAT the Director of Economic Development and Communications explore the opportunity for a fee-for-service contract with Invest Canada Alliance that would recruit suitable investors from China to undertake a redevelopment plan for the Muskoka Regional Centre that would stimulate the creation of long-term sustainable employment and report back to Committee.

December 2015

- The Province formally declares the MRC lands surplus and provides for the opportunity for the Town to have exclusive right to negotiate to acquire the land

January 2016

- Town submits expression of interest in the property based on existing policy direction in the Official Plan and to retain greater influence on future uses.

June 2016

- The Town is authorized and encouraged by Infrastructure Ontario to initiate a process to select development partner given that the Town did not have the financial means to acquire and develop the property itself. Council accepts that authorization and passes the following Resolution directing Administration to proceed:

THAT the Town of Gravenhurst enter into negotiations with the Province of Ontario through Infrastructure Ontario to acquire the property known as "The Muskoka Regional Centre; and,

THAT the Town enter into a non-disclosure agreement with Infrastructure Ontario to facilitate the negotiations; and

THAT the Town undertake a public process to secure a partner to acquire and ultimately develop the property; and

THAT the Mayor and Clerk be authorized to sign the Non-Disclosure Agreement on behalf of the Corporation.

July 28, 2016

- The Town released a Request for Expressions of Interest (RFEOI) in an effort to seek partnership to purchase and redevelop the site.



September 2016

- A Steering Committee consisting of Council and Administration is struck to review proposals. The Committee was formalized through the following Resolution:

BE IT RESOLVED THAT Mayor Donaldson and Councillors Watson and Jorgensen be named as Council members of the Review Committee to consider proposals to acquire the property known as "The Muskoka Regional Centre;

THAT the C.A.O., the Director of Development Services, the Business Development Coordinator, and Renato Romanin be named as staff/consulting members of the same Review Committee; and

THAT staff be authorized to allocate funds as necessary to obtain appropriate advice (legal, economic, and otherwise) as part of the consideration and negotiations with proponents and Infrastructure Ontario.

October 2016

- Joint Venture group, consisting of Maple Leaf School Systems and Knightstone Capital Management, is accepted as the successful proponent resulting from the Request for Expression of Interest (RFEI) process. The Joint Venture had hired planners, architects and other experts to produce a master plan and design, protecting 30 acres of land for public park, public access to school facilities, small "for-sale" condo component to help finance school.

November 2016

- Site meeting with Infrastructure Ontario where the initial development concept was detailed and initial discussions around terms were introduced.

December 2016

- Meeting between the Town and Infrastructure Ontario initiating formal negotiations. This involved discussions around the notion of a nominal offer, establishment of "highest and best value/market value" based on independent appraisal, transfer alternatives, etc. The Town reiterated the importance of the site being redeveloped with employment and economic growth in mind.

February 2017

- Joint Venture hosts a well-attended public open house to aid in community understanding of the development concept.
- Memorandum of Understanding (MOU) entered into between the Town and the Joint Venture detailing the nature of the relationship and negotiation commitments. Authorization was provided by way of the following Council Resolution:

BE IT RESOLVED THAT the Town of Gravenhurst enter into the attached Memorandum of Understanding (MOU) with the Joint Venture group that consists of China Maple Leaf Educational Systems Limited (MLE) and Knightstone Capital Management Limited (KCAP), which details the individual obligations of the parties in acquiring and redeveloping the Muskoka Regional Centre;

AND THAT Council authorize Administration to enter into formal negotiations with the Province to acquire the MRC lands;

AND THAT the Mayor and Clerk be authorized to sign the MOU accordingly.



March 2017

- The Town contracts for an independent appraisal of the site using Cushman and Wakefield.

April 2017

- Offer was submitted to Infrastructure Ontario.
- Town meets with Minister Chiarelli at Queen's Park to discuss the Offer and context around asking price.
- Town receives the formal denial of the Offer from Infrastructure Ontario.

May 2017

- Town reconfirms interest with Infrastructure Ontario and asks for outstanding matters to be addressed in the Offer beyond price.
- Gravenhurst Chamber of Commerce starts a letter writing campaign, over 500 letters are sent in support of the project.
- Infrastructure Ontario confirms changes that would not be agreeable including the desired price.
- Town conferred with the Joint Venture and submitted a second Offer.
- Offer #2 is submitted to Infrastructure Ontario

June 2017

- Formal rejection of Offer #2 by Infrastructure Ontario is received by the Town.

July 2017

- Upon discussing outstanding matters with Infrastructure Ontario and the Joint Venture, Offer #3 is submitted.
- Minister Chiarelli responds to the letter writing campaign of the Gravenhurst Chamber of Commerce citing issues with the second Offer.

August 2017

- Mayor and Administration meet with Minister Chiarelli at the AMO conference to discuss the most recent Offer and to reiterate how critical the project is to the community.
- The solicitor and staff from Infrastructure Ontario meet in Gravenhurst to discuss Offer #3 and to clarify a couple final items. Administration leaves confident that a deal is imminent.

October 2017

- Interpretation of single clause in the agreement creates the impasse regarding the ability to make profit on the site for a 20-year period.
- A Special Council meeting was held describing the single impasse that was holding up finalization of the deal, with Council directing Administration to seek political intervention at the provincial level.
- Mayor Donaldson shares an open statement through media conference - Disheartened by news of an impasse.
- The Mayor sends a letter to the Premier requesting assistance in getting the project back on track.
- Staff reach out to different political ministries to elicit support for the project, are continually deferred to Minister Chiarelli.



- MPP Norm Miller speaks with the Premier and Minister Chiarelli, the problem is again deferred to Minister Chiarelli and his staff, who's position remains unchanged.
- The Mayor receives a response from the Premier formally deferring the discussion to Minister Chiarelli.

November 2017

- Council directs that negotiations cease due to the lack of political will at a provincial level to rectify the impasse, leaving the next step for the property to be offered on the open market. Council directs further aggressive approaches to ensuring economic development and employment stay top of mind in the future use of the property.

November 2017-June 2018

- Various letters, phone calls and meeting requests were made regarding the property and the timeline to place this property on the open market. No responses were received until early June when the town was told that response was unable to be provided by existing Minister's due to the election.

August 2018

- The CAO provided a verbal update on the Town's activities, including the MRC lands. Council questioned cited frustration over the delay by the Province in advancing the matter.

November 2018

- The Mayor, in conjunction with Administration, met with Norm Miller and the relevant Minister's at Queen's Park. At this meeting it is discovered that the Province is in negotiations with another party.

April 2019

- The Town received notification that Infrastructure Ontario (IO) was no longer in discussions with another party interested in the MRC lands. At that time IO provided the municipality with approximately 60 days to advise in interest in the site.

June 2019

- Council approved a resolution directing staff to continue work as a broker between the Joint Venture and the Province of Ontario.
- Following the resolution the Joint Venture further considered their ability to meet the terms expected by the Province and advised they were not in a position to proceed under the required terms, more specifically the increased asking price and required participation agreement.
- As a result Council passed a resolution directing administration to conclude discussions with IO as a means of expediting the sale of the property.

July 2019

- The District Municipality of Muskoka passed a resolution requesting the Province of Ontario delay listing the MRC lands for a period of 6 months to provide time to discuss alternative disposition methods.
- Council at the Town provided direction to staff to prepare an Interim Control By-law for the period of one year to allow for an assessment of current policy and potential changes.



August 2019

- The District Chair, The Mayor and CAO of Gravenhurst, in conjunction with mayors from other area municipalities met with Premier Ford to discuss this site. In discussions with the Premier the District was granted a period of one year prior to the property being placed on the open market.

November 2019

- Administration brought forward a report seeking direction to collaborate with District as they negotiated with Infrastructure Ontario with the following resolution:

The Chief Administrative Officer recommends:

THAT Report No. ADM 2019-04 re: Muskoka Regional Centre – Update be received for information;

AND THAT Administration be directed to collaborate with the District of Muskoka as they negotiate with Infrastructure Ontario relative to the MRC lands.

AND THAT the collaboration reflect efforts to further the idea of more unique, aggressive and proactive approaches to find the most suitable employment and economic development generating redevelopment plan for the identified lands

January 2020

- Officials from the Town of Gravenhurst and District of Muskoka met with Minister Lisa Thompson, responsible for the Ministry of Government and Consumer Services at the Rural Ontario Municipal Association Conference to discuss the next steps regarding the land
- The Minister and ministry staff informed the District and Municipality that a market sounding exercise has begun which includes reaching out to potential investors and interested parties.

