

**CHANGES TO THE
HYDRO CORRIDOR LANDS
MUNICIPAL INFORMATION
PACKAGE**

February 2004



Ontario
Realty
Corporation

Société
immobilière
de l'Ontario

CHANGES TO THE HYDRO CORRIDOR LANDS

What's changed?

The Province of Ontario has assumed ownership of Hydro One Networks transmission corridor lands.

On December 31, 2002, the Government of Ontario assumed ownership of approximately 50,000 acres of Hydro One Networks transmission corridor lands. The purpose of this transfer is to protect corridor land so that it remains available for uses that benefit the public, while recognizing the primacy of transmission and distribution uses.

While electricity transmission and distribution will remain the first priority, the government believes that there are opportunities for continued secondary land uses. Municipalities across the Province have been primary users of corridor lands for transit, parks, trails, road crossings, parking lots and other secondary uses.



PROVINCIAL SECONDARY LAND USE PROGRAM (PSLUP)

What's changed?

A priority of public uses has now been established.

Most municipalities across the Province are already familiar with the secondary land use program administered in the past by Hydro One. Under the new Provincial Secondary Land Use Program (PSLUP) to be managed by the Ontario Realty Corporation (ORC), a revised process has been introduced for the review of secondary land use applications.

Under the new process, secondary uses that optimize the public benefit of the corridor lands will be encouraged. The Program establishes the priority of public uses, especially those relying on contiguous use of corridors (keeping in mind the primacy of use will always be the transmission and distribution of electricity).

Key to this process is a hierarchy of public land use principles for the management of the corridor lands that were transferred. These principles include:

- New public uses requiring contiguous integrity of the corridor (e.g. linear uses) have priority over other uses. Land uses requiring corridor integrity might include the following examples of linear uses: roadways, bus ways, light rail, recreational trails and pipelines as well as other utilities.
- New public linear uses that serve provincial or inter-regional purposes (e.g. transportation) have priority over local uses.

- New non-linear public infrastructure uses have priority over private uses. Some examples of a non-linear use are: road crossings, commuter parking lots, parks and playing fields.
- Multiple uses will be promoted whenever possible, especially the coexistence of surface and sub-surface uses, including storm water pipelines.
- Interim uses (e.g. soccer fields or parking lots) will be allowed on contiguous corridors that may be required for future uses.
- Non-linear public recreational uses will have priority over private uses only in those municipalities where this principle is consistent with local practice regarding utility corridors owned by that municipality.

Subject to meeting existing and future transmission and distribution needs of Hydro One, and all technical, operational and safety requirements, public land uses generally will have priority over private land uses.

The PSLUP applies only to those lands previously owned by Hydro One and used for the transmission of electricity. This program does not apply to other provincially owned lands, surplus corridor lands or private lands over which Hydro One has an easement to run transmission lines.



ROLE OF THE ONTARIO REALTY CORPORATION

What's changed?

The Ontario Realty Corporation will manage matters such as licensing, easements and surplus lands pertaining to the transmission corridor lands previously owned by Hydro One.

The Ontario Realty Corporation (ORC), acting as the exclusive agent for the government of Ontario, has a very specific scope and mandate with respect to the PSLUP. The ORC will be the agency responsible for administering all secondary land use agreements, including: leases, licences and easements. The ORC will also manage the corridor lands not currently bound by secondary land use agreements. The ORC is responsible for working with municipalities and Ministry of Municipal Affairs and Housing (MMAH) on secondary land use applications.

All inquires related to the provincial secondary land use program, such as information requests, educational or seminar demands and requests to assist municipalities through the PSLUP process will be the responsibility of the ORC.

In addition, the ORC will manage the sale of surplus corridor lands.



MUNICIPAL PLANNING PERIOD

What's changed?

Municipalities have an opportunity to provide input regarding future linear secondary land uses on corridor lands.

Municipalities are in a two-year planning period, which commenced June 1st, 2003, and ends May 31st, 2005, to identify existing uses and propose new potential linear public uses on contiguous corridor lands. **This planning period *does not apply to corridor lands that Hydro One has designated as “surplus” to the transmission needs of Hydro One.***

The Province is also undertaking a provincial planning exercise to identify secondary land use interests of a provincial and inter-regional nature on corridor lands. Where possible, identified municipal linear, public interests will be accommodate in conjunction with any provincially identified corridor interests.

The ORC has been working very closely with the Association of Municipalities of Ontario (AMO) and MMAH to ensure that this planning period is managed smoothly. This planning period presents an opportunity for municipalities to identify future infrastructure plans and projects related to transportation, recreation and any other locally significant linear uses.

Municipalities are advised to check their Tax Assessment Rolls in order to identify which corridor lands were owned by Hydro One prior to December 31, 2002, and are therefore subject to the PSLUP and the municipal planning period.

Under the PSLUP, a hierarchy of public use principles is established. Proposals for public linear uses serving provincial and inter-regional purposes will have priority over those for local use. Following the local and provincial planning period, there will be an opportunity to identify areas of interest that can later be incorporated into regional and local infrastructure plans and subsequently into official plans.

The planning period will not place a moratorium on applications for secondary land uses on the corridor lands. This planning period will help to ensure that no new licences or permanent easements will be granted which may impede future linear uses.

During this planning period, the ORC, as agent for the Province, will continue to consider secondary land use applications, especially those that provide inter-regional or critical transportation and infrastructure uses such as road crossings, sound barriers, and water or sewage mains. Private uses will also be given consideration provided that they have approval/support from the local municipality and the province. No licences or leases will be granted for periods longer than five years.

It should also be recognized that all proposed uses by municipalities will be subject to technical review by Hydro One to ensure compatibility with transmission and distribution uses.



EXISTING, NEW AND PENDING LICENSING AGREEMENTS

What's changed?

Existing secondary land use agreements will remain in force while any pending and new agreements will be subject to the new process.

Existing secondary land use agreements, which contain option(s) to renew, will remain in force and in effect with Hydro One in accordance with the renewal terms and conditions of these agreements. Agreements that do not contain an option to renew will be renegotiated by ORC staff upon expiry of the existing term under the new PSLUP development review guidelines. Existing agreements will not have to be renewed through the new PSLUP process.

Hydro One will negotiate new agreements and the ORC will give final approvals based upon recommendations by Hydro One staff. New public recreational uses with little or no potential for generating revenue such as a playground or hiking trail, may be charged a nominal rent of \$1 per year plus property tax and maintenance costs.

Any agreements that were in the process of being negotiated when the transfer of lands took place on December 31, 2002, will be subject to the new process and hierarchy of uses of the PSLUP.

Uses for approved provincial ministry program initiatives will not be charged. The rent for other public and private uses will be calculated at fair market value, plus recovery of the property taxes for the area required by the secondary land use.



SURPLUS CORRIDOR LANDS

What's changed?

The disposition process of surplus corridor lands will now be completed by the ORC – this differs from the previous process used by Hydro One.

The disposition process for surplus corridor lands is now the responsibility of the ORC. Municipalities should be aware that the ORC's process is different from the process formerly administered by Hydro One.

Surplus corridor lands will now be disposed of in the same manner as other provincial surplus properties in accordance with the ORC's current guidelines and procedures. Surplus corridor land will be circulated to municipalities and other public bodies on a priority basis, as is the current ORC practice. These guidelines and procedures can be found on the ORC Web site at: www.orc.on.ca.



ROLE OF HYDRO ONE

The ORC has retained Hydro One as its service provider to deliver selected professional real estate management services during a transitional period following transfer of the corridor lands.

Hydro One will handle all inquiries relating to existing tenant matters and electrical transmission issues. All existing agreements with Hydro One will remain in effect, and the current schedule of real estate charges and rates will continue to be used.



HYDRO ONE NETWORKS CONTACT INFORMATION:

FOR EXISTING TENANT MATTERS, PLEASE CALL THE 24-HOUR TOLL FREE LINE AT HYDRO ONE, 1-888-231-6657.



CONTACT INFORMATION:

FOR MORE INFORMATION ON THE PROVINCIAL SECONDARY LAND USE PROGRAM, PLEASE CALL 1-877-863-9672 OR VISIT THE ORC'S WEB SITE AT WWW.ORG.ON.CA AND FOLLOW THE LINK TO "CHANGES TO HYDRO CORRIDOR LANDS".



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