

1. TRANSFER OF FERRY LANDING - CUMBERLAND
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COMMITTEE RECOMMENDATIONS

That Council:

- 1. Approve the transfer of the ferry landing located in Cumberland, from Transport Canada to the Region, for the sum of \$1.00, subject to the structural restoration of the facility by Transport Canada, prior to the transfer;**
- 2. Approve the entering into of an operating agreement with Les Services de traversier Masson-Cumberland for the management and use of the landing to operate a ferry service between Masson and Cumberland, as per the general conditions contained in this report;**
- 3. Authorize the Regional Chair and Regional Clerk to execute all necessary legal documents and agreements to implement these recommendations.**

DOCUMENTATION

- 1. Executive Director, Economic Affairs report dated 25 Aug 00 is immediately attached.**
- 2. Extract of Draft Corporate Services and Economic Development Committee Minute, 05 Sep 00 immediately follows the report and includes a record of the vote.**

REGION OF OTTAWA-CARLETON
RÉGION D'OTTAWA-CARLETON

REPORT
RAPPORT

Our File/N/Réf.
 Your File/V/Réf.

DATE 25 August 2000

TO/DEST. Co-ordinator
 Corporate Services and Economic Development Committee

FROM/EXP. Executive Director, Economic Affairs

SUBJECT/OBJET **TRANSFER OF FERRY LANDING - CUMBERLAND**

DEPARTMENTAL RECOMMENDATIONS

That Corporate Services and Economic Development Committee recommend Council:

- 1. Approve the transfer of the ferry landing located in Cumberland, from Transport Canada to the Region, for the sum of \$1.00, subject to the structural restoration of the facility by Transport Canada, prior to the transfer;**
- 2. Approve the entering into of an operating agreement with Les Services de traversier Masson-Cumberland for the management and use of the landing to operate a ferry service between Masson and Cumberland, as per the general conditions contained in this report;**
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BACKGROUND

In December 1995, Transport Canada released its National Maritime Policy which contained provisions related to the divestiture by the federal government of a number of ports and ferry landings across the country.

The ferry landings located at Mohr's Landing in West Carleton and Quyon, Quebec and located in Cumberland and Masson, Quebec were part of the infrastructure that was being considered for divestiture.

The Township of West Carleton and Quyon negotiated a successful transfer of the ferry landings to a port authority at that crossing two years ago. With respect to the Cumberland-Masson crossing, the negotiations were complicated by the fact that the Cumberland landing requires structural repairs and that the current ferry operator was interested in the acquisition of the landings to support his ferry operation.

DISCUSSION

A number of meetings have been held over the past few years between the Region, the City of Cumberland, the Ville de Masson, Les Services de traversier Masson-Cumberland and Transport Canada to agree on the best approach to transfer the ferry landings.

The Region and the City of Cumberland consider the current ferry operations as an integral part of the transportation network and have always been of the view that, until such time as there is a new interprovincial bridge in the east of the Region, the ferry operations should be encouraged to continue to provide interprovincial access.

Eventually, when a new bridge is provided, the interprovincial transportation needs will be met in that part of the Region and the ferry landing can be used as a public access to the river and could eventually be developed to promote tourism, or for other uses.

The ferry operator's position is to protect the investment in his company which has been in operation for over thirty years. In his view, the acquisition of the ferry landings would provide greater stability and control over the future of the ferry service, especially given the recent discussion on the need for a new interprovincial bridge. It would also facilitate his longer term business financing options and would place total control of the crossing in his hands.

Transport Canada's mandate is to divest itself of these facilities but with the objective to facilitate the continued operation of the various ports or ferry operations. To that effect, a fund was set aside by the federal government to provide flexibility in the transfer of these facilities, primarily through the repair and upgrade of facilities prior to their transfer.

The Ville de Masson's position on this is similar to the Region and the City of Cumberland's position, that is, to support the ferry operations for the short to medium term, and protect the public access to the river for the long term.

Given the differing interests from the adjoining municipalities and the ferry operator, extensive discussions were held with all parties over a period of time. All parties have now agreed to a solution in principle and are securing formal approvals.

The agreements to be entered into by the Region are based on the following understanding:

Transport Canada

- immediately upon receipt of approval by Council to acquire the ferry landing at Cumberland for \$1.00, initiate the design work and repair of the landing structure to extend its life expectancy by 25 years.
- upon completion of the repair work, to the satisfaction of the Region, transfer the landing to the Region, on the condition that an operating agreement is entered into between the Region and Les Services de traversier Masson-Cumberland, based on general terms as described below.

Les Services de traversier Masson-Cumberland

- upon the transfer of the ferry landing to the Region, enter into an operating agreement with the Region detailing the conditions for the utilization of the landing for its ferry operations.
- generally, the lease will be for one dollar per year for a period of twenty years, and the operator will be responsible for all costs related to the maintenance and operation of the landing for that period.
- the lease can be extended on a yearly basis after the twenty year period, can be cancelled, or can be re-negotiated under new terms, at the sole discretion of the Region.
- the ferry operator will commit not to expand its operation beyond its current size and will commit to provide year round, twenty-four hour per day ferry service for the life of the lease.
- a right to terminate the agreement is available to the operator in the event that the construction of a new bridge prevents the operator from operating on a year round basis.
- the agreement removes any right of compensation caused by the termination of the ferry service as a result of the construction of a bridge in the area.

Region of Ottawa-Carleton

- will become the owner of the ferry landing for \$1.00, upon completion of the repair work.
- will enter into a twenty year operating lease with the ferry operator, as described above.
- will have the ability to use the ferry landing for other uses, as long as it does not compromise the ferry operations.
- will protect the long term public access to the river.
- during the period of the lease, provide a right of first refusal to the ferry operator if the Region should decide to sell the ferry terminal.

City of Cumberland

- supports the transfer and the conditions of the operating agreement as described above.

Ville de Masson

- will become the owner of the landing in Masson for \$1.00; in Masson the landing is in good condition and requires only very minor repairs.

- will enter into an operating agreement with the ferry operator, essentially on the same terms as the Region.

A number of legal documents and agreements will need to be executed to implement the direction of this report. Some minor land agreements with the Province of Ontario may also be necessary to access or acquire the water lot and adjoining property. It is recommended that the Regional Chair and Regional Clerk be authorized to execute these documents and agreements, subject to the Regional Solicitor's approval of the form and content of the documents and agreements.

PUBLIC PARTICIPATION

As this report addresses the transfer of a federal asset to the Region and will not have any effect on the general public, no public consultation was carried out.

FINANCIAL COMMENT

This agreement does not commit the Region to any expenditure as the landing will be repaired prior to its transfer and the ferry operator will assume all maintenance and operating costs.

Since this report has long-term implications for the new City of Ottawa, it will need to be approved by the Transition Board prior to implementation.

*Approved by
Réjean Chartrand*

ECONOMIC AFFAIRS

TRANSFER OF FERRY LANDING - CUMBERLAND

- Executive Director, Economic Affairs report dated 25 Aug 00

Councillor A. Loney, commenting on the operator having the right of first refusal, asked why the Region would want to sell land that could be used for park land or for other public amenities. The Director, Economic Affairs, Réjean Chartrand, clarified that this clause only applies to the 20-year period of the lease, after which time the Region owns the property. Councillor Loney suggested a clause be inserted stating that, if at any time the ferry operation is terminated, the Region retains the property. In reply to further questions from the Councillor, Mr. Chartrand said the Region would need to entertain an offer to purchase from a third party in order for to consider selling the property. If there were such an offer, the property would need to be first offered to the ferry operator. He added that, presumably, the lease would only be terminated if the profitability of the service became uninteresting for the operator. Councillor Loney posited there was a way to amend the agreement to ensure that the lands are not precluded from being kept for public use. Mr. Chartrand indicated that a distinction could be made between other private sector interests and not-for-profit organizations with a public interest.

Councillor R. van den Ham pointed out that these negotiations have gone on for a number of years. He said he was pleased to see the matter come to fruition and he cautioned against the agreement being amended, expressing the view that the Region has done well to get what it got. Councillor van den Ham said his understanding was that, if the agreement is terminated for any reason, the Region owns the property and until it is offered for sale, there is no need to grant the operator the right of first refusal. He sought assurances from Mr. Chartrand that the agreement would contain clauses allowing other uses of the dock, specifically by the tour boat industries, as he felt this is an untapped resource.

The Committee then considered the staff recommendation:

That Corporate Services and Economic Development Committee recommend Council:

- 1. Approve the transfer of the ferry landing located in Cumberland, from Transport Canada to the Region, for the sum of \$1.00, subject to the structural restoration of the facility by Transport Canada, prior to the transfer;**

Extract of Draft Minute
Corporate Services and
Economic Development Committee
05 September 2000

2. **Approve the entering into of an operating agreement with Les Services de traversier Masson-Cumberland for the management and use of the landing to operate a ferry service between Masson and Cumberland, as per the general conditions contained in this report;**
3. **Authorize the Regional Chair and Regional Clerk to execute all necessary legal documents and agreements to implement these recommendations.**

CARRIED