



Staff Report

Report To: Council Meeting
From: Magda Badura, CAO/Treasurer
Date: 2024-12-19
Subject: Next steps for Port Glasgow Trailer Park lands

Recommendation:

That West Elgin Council receives the report from M. Badura, CAO/Treasurer re: Next steps for the Port Glasgow Trailer Park lands; and That West Elgin council chooses the following recommendations:

Recommendation #1 That West Elgin Council considers operating the park for the 2025 calendar year and directs staff to bring 2025 PGTP Fees and Charges By-Law for review and approval at the next meeting of council.

Recommendation #2 That West Elgin Council provide trailer park residents the opportunity to submit offers for consideration; and that the offer be submitted no later than June 30th, 2025.

Recommendation #3 If no satisfactory offer is received from trailer park residents, it is recommended that the property be advertised for sale on the open market to ensure the Municipality receives fair market value.

Recommendation #4 (Optional) Staff recommends that Council direct the procurement of a professional appraisal to determine the current market value of the trailer park.

Purpose:

The purpose of this report is to provide West Elgin Council with important background information on lands occupied by the trailer park and provide recommendations on the next steps after the land has been declared surplus.

Background:

At the November 14th Council meeting, West Elgin Council heard three delegations from residents of the Port Glasgow Trailer Park (PGTP), expressing concerns about the park's future. Some residents emphasized its role as their permanent residence, highlighting uncertainties surrounding potential sale discussions. However, Council holds the responsibility to prioritize decisions that benefit the entire West Elgin community. This report evaluates the current situation, future use, development potential, and the advantages of selling the trailer park, offering several recommendations aligned with municipal goals.

The Port Glasgow Trailer Park, located at 8650 Furnival Road, covers approximately 10 hectares (25 acres) and is part of the Lakeshore Area under the West Elgin Official Plan. Zoned as a

Recreational Vehicle Park (RVP) under the West Elgin Zoning By-law, it was acquired in 1986, and the Municipality assumed operational control on January 1, 2000.

Operating seasonally from May 1 to October 31, the trailer park is a significant municipal asset, hosting over 150 trailers and more than 300 residents. However, its operations divert municipal staff from essential functions and capital projects. Despite its scale, the trailer park has operated outside the Municipality's core responsibilities and offers limited benefits to the general community.

The trailer park is currently designated as a seasonal recreational use area under the Port Glasgow Secondary Plan. Any change to this designation would require an amendment to the Official Plan, reflecting the need for careful consideration of planning policies and development constraints.

Development Constraints

The proximity of the property to Lake Erie and existing ravines significantly limits redevelopment opportunities, particularly for permanent residential use. Approximately half of the land is unsuitable for redevelopment due to natural constraints, including environmental sensitivities and terrain challenges. While the property is serviced by municipal water, it lacks sanitary sewer infrastructure. The existing system in Rodney cannot accommodate additional load from the property, and relying on septic systems for a subdivision development would be unsustainable and potentially environmentally damaging.

Environmental Considerations

Environmental guidelines, informed by consultations with the Lower Thames Valley Conservation Authority, advise against significant development near the Lake Erie shoreline. The area is subject to environmental risks, such as erosion and flooding, further restricting the scope of feasible redevelopment.

Official Plan Guidance

The updated Official Plan prioritizes growth within settlement areas and promotes land use strategies aligned with this directive. A shift in land use to allow permanent residential development on the trailer park property would conflict with these goals and undermine the plan's broader objectives.

Economic and Tourism Value

As a seasonal recreational facility, the trailer park supports tourism and contributes to the Municipality's diversified economic base. Maintaining this use aligns with the Municipality's strategy to sustain a robust tourism industry while ensuring an appropriate mix of land uses. The park serves as a valuable asset for attracting seasonal visitors and bolstering local businesses.

Benefits of Selling the Trailer Park

Selling the trailer park presents several advantages that align with the Municipality's financial and operational priorities.

Increasing the Tax Base

Currently, as municipal property, 72% of the park's assessment value is excluded from taxation. Upon its sale, the property would be reassessed, generating a significant increase in annual taxation revenue, which could contribute to the Municipality's financial health.

Funding Critical Infrastructure Projects

The proceeds from selling the park could be directed toward critical municipal infrastructure projects, such as road repairs and utility upgrades. These improvements would directly benefit the community at large and enhance essential services.

Focus on Core Municipal Functions/ Municipal Jurisdiction

Owning and operating the trailer park places a strain on municipal resources, particularly during the active season. Selling the park would allow municipal staff to redirect their efforts toward core responsibilities, improving operational efficiency.

The operation of the trailer park benefits the residents of the trailer park but not the public at large. Ontario municipalities have a mandate to provide services for the public. The trailer park operations may reasonably be characterized as a commercial activity for the benefit of very few residents that do not have special needs. As such, the management of the trailer park could reasonably be characterized as outside the jurisdiction of the Municipality.

Equity and Sustainability

A sale conducted at fair market value would prioritize the interests of the broader community, ensuring equitable treatment and fostering long-term financial sustainability for the Municipality.

Reserve Funds

The PGTP Reserve Fund balance as of December 31, 2023, stands at \$741,506. These reserves were established to ensure the general tax base does not subsidize the park's operations or capital improvements. The funds belong to the Municipality, and only West Elgin Council holds the authority to redirect them.

Recommendations

The reason why there are four recommendations is to provide Council with multiple options while ensuring that trailer park residents are taken care of and given sufficient notice to prepare accordingly. The recommendations are as follows:

1. Operate the Trailer Park for 2025: That West Elgin Council considers operating the park for the 2025 calendar year and directs staff to bring the 2025 Port Glasgow Trailer Park (PGTP) Fees and Charges By-Law for review and approval at the next council meeting.
2. Offer Opportunity to Residents: That West Elgin Council provide trailer park residents the opportunity to submit offers for consideration, with a submission deadline of June 30, 2025.
3. Advertise for Sale if No Satisfactory Offers: If no satisfactory offer is received from trailer park residents, it is recommended that the property be advertised for sale on the open market to ensure the Municipality receives fair market value.

4. Obtain a Professional Appraisal (Optional): Staff recommends that Council direct the procurement of a professional appraisal to determine the current market value of the trailer park.

Conclusion

In conclusion, while the trailer park offers tourism and economic value in its current form, its environmental constraints, infrastructure limitations, and operational demands suggest that selling the property could provide significant benefits. By doing so, the Municipality can enhance its financial position, invest in critical infrastructure, and better focus on its core functions, all while aligning with its Official Plan and long-term goals.

Alignment with Strategic Priorities:

Infrastructure Improvement	Recreation	Economic Development	Community Engagement
☒ To improve West Elgin’s infrastructure to support long-term growth.	☒ To provide recreation and leisure activities to attract and retain residents.	☒ To ensure a strong economy that supports growth and maintains a lower cost of living.	☒ To enhance communication with residents.

Respectfully submitted by,

Magda Badura, CAO/Treasurer

Report Approval Details

Document Title:	Next steps for Port Glasgow Trailer Park lands - 2024-58-Administration Finance.docx
Attachments:	
Final Approval Date:	Dec 17, 2024

This report and all of its attachments were approved and signed as outlined below:

Terri Towstiuć