

# Staff Report



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To	General Committee
Subject	Municipal Restructuring Proposal
Date	October 1, 2025
Ward	All
From	K. Oakley, P. Eng., Director, Boundary Adjustment Team
Executive Member Approval	M. Prowse, Chief Administrative Officer
CAO Approval	M. Prowse, Chief Administrative Officer
Staff Report #	CAO001-25

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## **Recommendation(s):**

1. That the draft municipal restructuring framework agreements with the Township of Springwater attached as Appendix A, be endorsed.
2. That the draft municipal restructuring framework agreements with the Township of Oro-Medonte, attached as Appendix B, be endorsed
3. That the draft framework agreements and a copy of this Council resolution be provided to the Townships of Springwater and Oro-Medonte and Simcoe County, and that the Councils of those municipalities each be requested to hold public meetings and adopt endorsement resolutions of their own.
4. That the draft framework agreements and a copy of this Council resolution be provided to the Minister of Municipal Affairs and Housing, with a request to implement the restructuring proposal through a Minister's Order, in accordance with Sections 171-173 of the Municipal Act.
5. That staff create a new reserve titled "Boundary Adjustment Reserve" for the purpose of funding compensation payments in the amount of \$38,085,000 associated with the restructuring proposal, plus incidentals, and that this new reserve be funded from the Tax Capital Reserve.
6. That the CAO be authorized to negotiate a contribution of up to \$5,000,000 funded from the Boundary Adjustment Reserve to the County of Simcoe, towards a project that will drive economic development, and that the payment be subject to the issuance of a municipal restructuring Order by the Minister of Municipal Affairs and Housing.
7. That the City's restructuring proposal to the Minister of Municipal Affairs and Housing include a request to implement the proposed Barrie ward boundaries as noted in Schedules D1 of the Springwater and Oro-Medonte agreements, to take effect January 1, 2026.

8. That the City's restructuring proposal to the Minister of Municipal Affairs and Housing include a request to implement the proposed Barrie ward boundaries as noted in Schedules D2 of the Springwater and Oro-Medonte agreements, to take effect on the day the new Council is organized following the 2026 municipal election.
  9. That Barrie staff engage with Springwater, Oro-Medonte and County staff to begin transition planning to ensure continuity of service for all residents impacted by the municipal restructuring.
  10. That upon request from Springwater Township, staff enter discussions for cross border servicing lands at the north boundary of Barrie on either side of Bayfield Street, and that staff report back to Council for approval of the principles of a Springwater Township servicing agreement.
  11. That any identified natural heritage land within the lands annexed from Oro-Medonte and Springwater be conveyed to the planned conservation trust at the time of redevelopment.
  12. That a copy of this resolution be shared with all First Nations who have been engaged by the City to date, and that the City continue to engage with First Nations through future land use and infrastructure planning related to the annexed lands.
  13. That the Chief Administrative Officer be authorized to make minor housekeeping changes to the framework agreements prior to execution, for the purpose of providing additional clarity and consistency.
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### **Executive Summary:**

The purpose of this report is to recommend Council endorsement of draft framework agreements between the City of Barrie and Township of Springwater, and the City of Barrie and Township of Oro-Medonte, as the basis of a municipal restructuring proposal to be submitted to the Minister of Municipal Affairs and Housing.

In 2023 Barrie identified a need for additional employment land, and subsequent studies have determined additional community land is also required to accommodate provincially assigned population targets to 2051. Barrie is preparing a municipal restructuring proposal to address this shortage of land for housing and employment. The report also recommends other necessary measures to implement a restructuring proposal and bring new community and employment lands online.

To address Barrie's unmet growth land needs, the draft framework agreements propose to annex land from Springwater and Oro-Medonte into Barrie, in exchange for financial and other compensation.

**Key Findings:**

On November 6, 2023, Barrie Mayor Alex Nuttall presented to the Standing Committee on Heritage, Infrastructure & Cultural Policy identifying Barrie’s need for additional employment land. Subsequent to some locally initiated discussion, in 2024 the Office of the Provincial Land and Development Facilitator was tasked with facilitating discussions between Barrie, Oro-Medonte, Springwater and the County of Simcoe with the goal of finding mutually acceptable growth management solutions across the jurisdictions.

The details of the facilitation process and conclusions arrived at through technical studies are more fully outlined in documents shared on the City’s Boundary Expansion page on barrie.ca, but are summarized here as follows:

- 1. Barrie requires approximately 500ha of community land and 300ha of employment land to support housing and jobs as the City grows.
- 2. Annexation of lands in Springwater and Oro-Medonte would address these needs.
- 3. Barrie’s infrastructure systems are well positioned to provide servicing to the proposed annexed lands

Barrie has taken the lead in drafting legal agreements that identify lands proposed to be annexed from both Springwater and Oro-Medonte for community and employment uses in exchange for financial and other compensation. The draft agreements are attached as Appendices A and B of this report and include maps showing the proposed annexed lands.

Proposed Annexed Lands	Hectares (ha)
Springwater	596
Oro-Medonte	274

Supported by extensive facilitated discussion, the legal agreements are grounded in the following key elements: environmental stewardship and protection, maintaining adequate supply of land for housing and community uses, creation of employment land to support job creation and a strong local economy, fairness for affected property owners, ensuring fair compensation for transfer of lands, and unlocking near-term opportunities for community development.

The agreements specify that the parties will create a Joint Economic Development Strategic Working Group to advance key employment areas beyond the proposed annexed lands. The working group would have representation from the County, both townships and Barrie, and be tasked with securing financial and other investment to support creation of economic opportunity and employment for the broader region.

Various mechanisms for environmental protection and stewardship are identified, including protection and preservation of lands around Little Lake, creation of buffers between developed areas to also serve as park land and trails, and dedication of large areas of natural heritage land to municipal ownership and stewardship through future development processes.

Specific to the Springwater agreement, the principle of cross border servicing at the north end of Bayfield Street is included, with the goal of advancing much needed seniors related housing and supports located in Springwater, but serving the larger area.

### **Financial Implications:**

The framework agreements include financial compensation for Springwater and Oro-Medonte at \$15,000 per developable acre of annexed land. The proposal for Oro-Medonte includes one lump sum payment of \$10,155,000 in 2026.

An additional payment of \$850,000 over 5 years, related to economic development initiatives was negotiated with Springwater, and the payment schedule is proposed as follows:

<b>Payment Schedule</b>	<b>Springwater</b>
January 1, 2026	\$ 5,000,000
July 1, 2026	\$ 3,586,000
January 1, 2027	\$ 3,586,000
January 1, 2028	\$ 3,586,000
January 1, 2029	\$ 3,586,000
January 1, 2030	\$ 3,586,000
<b>Total</b>	<b>\$ 22,930,000</b>

The agreement also proposes to reimburse the townships for direct costs associated with the transfer of annexed lands, from the date agreements are executed until the end of 2025. These expenses are anticipated to be minor relative to the overall compensation.

It is recommended that a commitment of \$5,000,000 be made to the County, towards regional economic development initiatives.

In anticipation of the issuance of a municipal restructuring order, the 2026 capital plan includes a project to undertake the land use and infrastructure planning work necessary to service and develop the annexed lands, including timelines for implementation and estimates of future capital and operating costs.

### **Alternatives:**

The following alternatives are available for consideration by General Committee:

Alternative #1 – General Committee could choose to not endorse the framework agreements. This alternative is not recommended as the City has a shortage of employment and community land to meet its targets for population and employment growth to 2051.

Alternative #2 - General Committee could alter the proposed recommendation by modifying components of the framework agreements. Although this alternative is available, several months of facilitated discussions have occurred between the municipal partners and modifying the proposals would jeopardize this work.

## Strategic Plan Alignment:

Affordable Place to Live	X	Supports diverse housing options improving attainability and ensuring supply keeps up with demand
Community Safety		
Thriving Community	X	Supports inclusive communities with diverse housing, services and amenities while supporting public spaces that foster wellness, equity and quality of life.
Infrastructure Investments		
Responsible Governance	X	Enables a strategic growth plan that supports efficient delivery of core services, promoting financial stewardship, and meeting community needs.

## Additional Background Information and Analysis:

Through the facilitation process, a number of expert consultants were retained to support the parties with technical studies including land needs assessment, delineation of land to accommodate urban expansion, environmental mapping and constraint analysis, infrastructure servicing feasibility, requirements and costing. The studies are available on the City's Boundary Expansion page at [barrie.ca](http://barrie.ca), with a high-level summary presented [here](#).

### Conclusions of Technical Studies

Hemson's work considered three scenarios to accommodate the spillover growth:

1. Expansion of the Midhurst secondary plan area (no boundary adjustment).
2. Barrie expanding boundaries into Springwater.
3. Barrie expanding boundaries into Oro-Medonte.

Challenges were identified with scenario 1, including that the available land supply would be insufficient to absorb all of the required spillover growth from Barrie. The feasibility of the servicing for scenario 1 was called into question, and the costs were significantly higher than the costs to service from Barrie.

North-South Environmental was retained to consider the developability of the lands, including examination of policies and mapping of environmental constraints. This work estimated the amount of developable lands available within the study area.

Engineering analysis to consider servicing was completed by RV Anderson, focusing on feasibility of servicing, as well as quantifying the incremental infrastructure requirements over and above the improvements already planned by the municipalities.

The conclusion from the Stage 3 Hemson Land Needs Analysis and Study is that annexation of land in both Oro-Medonte and Springwater is required to address the shortage of lands within Barrie's existing boundary. RV Anderson concluded that the Barrie servicing solution is feasible and that Barrie's infrastructure is well positioned to service the proposed annexed lands.

### Annexed Lands

Through the facilitated discussions and in parallel proposals, Barrie proposed lands to annex from both Springwater and Oro-Medonte. As noted above, maps depicting the proposed annexed lands are included in the draft agreements, which are Appendices A and B to this report. These areas do not align with the entirety of Hemson's study area, as the entire study area is not required to fulfil the stated need of approximately 300ha of employment use and 500ha of community use.

When delineating the proposed annexed lands, the City adhered to the principle of keeping individual parcels intact and not dividing private property with a municipal boundary. Splitting parcels would create confusion for property owners and municipal staff about all manner of issues, including which municipality has jurisdiction and provision of service.

Hemson identified the area north of Highway 11 and adjacent to Highway 400 as high potential employment lands, and this is represented as such in the draft Springwater agreement. Lands northwest of the Wilson Drive/Sunnidale Road intersection have also been identified as employment land. Combined the employment land meets the stated need of 300ha. All other lands proposed to be annexed from Springwater are identified as community land and there is no employment use identified in Oro-Medonte.

<b>Proposed Annexed Lands</b>	<b>Community (ha)</b>	<b>Employment (ha)</b>
Springwater	283	313
Oro-Medonte	274	
<b>Total</b>	<b>557</b>	<b>313</b>

Both agreements commit to implement buffers between new development and existing residential uses.

### Compensation

Through the facilitated discussions reference was made by all parties to a recent annexation in St. Thomas and Central Elgin. Barrie prepared compensation proposals to mirror that agreement.

The draft framework agreements propose compensation at the rate of \$15,000 per developable acre that is annexed. Further details are captured in the Financial Implications section. For the purposes of determining compensation, lands with no, or low constraints in the North-South Environmental work have been used to quantify the developable land. Lands identified as high and medium constraints were assumed to be non-developable. Through future land use planning efforts, and through the development process for individual parcels of land, further study will refine developable limits. No provisions for adjustment of compensation is considered in the proposals.

The City aimed for consistency between its offers to Springwater and Oro-Medonte wherever possible, in consideration of fairness to the municipalities and taxpayers. That said, both Springwater and Oro-Medonte represented the unique needs and desires of their constituents and that is reflected in the agreements.

While not a party to the framework agreements, the County is a key player in regional economic development which was a key theme of the facilitated discussions. It is recommended that a commitment of \$5,000,000 be made to their efforts in this regard.

#### Cross Border Servicing

Springwater and Barrie agreed to the principle of cross border water and wastewater servicing for lands on either side of Bayfield Street adjacent to Barrie's northern border. While this land would remain in Springwater, water and wastewater servicing from Barrie would enable key development applications which are proposed to include a variety of housing types, and senior-specific housing and services.

Further discussions will be required to put future agreements in place, specifying the volume of water and wastewater servicing provided, connection points, responsibility for construction, operations and maintenance of infrastructure and cost sharing for both the up front capital and ongoing lifecycle costs. A key principle of future cross border servicing agreements will be full cost recovery for the City of Barrie, with growth paying for growth to the greatest extent possible.

#### Environmental Stewardship and Protection

A stated objective of all parties throughout the process, and in the draft framework agreements, is environmental stewardship and protection.

On April 22, 2025, Mayor Nuttall directed staff to consider creation of a land trust to protect lands in the area of Little Lake. Barrie owns approximately 260ha of lands around Little Lake, most of which are currently located within Springwater's municipal boundary and are proposed to be annexed through this restructuring proposal. The draft framework agreement reinforces Barrie's commitment to long-term preservation of these lands.

As part of the City's development approvals process, when individual development applications are processed, any identified natural heritage lands are conveyed to the City for stewardship. In the case of lands annexed through this restructuring proposal, it is recommended that all natural heritage lands conveyed to the City, will in turn be conveyed to the land trust ensuring protection and preservation.

Much of the eastern half of the lands proposed to be annexed from Oro-Medonte were identified as being environmentally constrained and likely undevelopable. This extensive swath of natural heritage lands will serve as a buffer to Oro-Medonte lands to the east. Additionally, a park land buffer is proposed at the southern edge of the annexed lands, adjacent to the existing Baycrest Drive subdivision.

The Springwater agreement also commits to a linear buffer, to minimize impacts between existing and future land uses, and also to be implemented as a linear park, and active transportation trail. This linear buffer will be identified as parkland through policy in the City's Official Plan.

#### Economic Development and Strong Local Economy

Creation of employment land to support job creation and a strong local economy was a theme throughout the facilitation. Barrie has proposed annexation of lands from Springwater along Highway 400 to Partridge Road, to serve as a future employment area within Barrie's municipal boundary.

Hemson's report identifies an opportunity for a regional approach to employment lands, along Highway 400 from Partridge to Forbes Road. This is considered a high potential, strategically located opportunity for employment land within Springwater and the County to benefit the region. This area has been identified as one of three key economic zones that would be the focus of a proposed Joint Economic Development Strategic Working Group. With representation from all four municipalities, the working group is proposed to support coordinated growth strategies and investments for the benefit of all parties. In addition to Highway 400/Forbes area, the working group would prioritize initiatives related to the growth of the Lake Simcoe Regional Airport (LSRA), and a smaller zone in Craighurst.

### **Consultation and Engagement:**

The City held a statutory Public Meeting on September 29, 2025, to gather public input, and to satisfy the requirements of the Municipal Act as it relates to restructuring proposals.

Aligned with the broader outreach and Public Meeting, the City initiated engagement with First Nations with interest in the area. Meetings were held with those who requested them and any input received has been incorporated into the recommendations of this report.

Nineteen (19) people spoke at the Public Meeting and a number of others submitted written correspondence. All feedback has been considered in the development of this report.

Several themes emerged through the public feedback:

1. Challenges with lack of certainty around servicing from Springwater and inability to advance employment areas and housing/community uses.
2. Support for the restructuring proposal and the provision of servicing to enable development.
3. Concerns about potential industrial use in Oro-Medonte.
4. Environmental protection and concerns for wetlands and habitat.
5. Importance of First Nations engagement.
6. Tax impacts on new and existing Barrie residents.

Springwater is holding a Public Meeting on October 8, 2025, and Oro-Medonte is holding a Public Meeting on October 15, 2025. The County's Public Meeting was not scheduled at the time this report was drafted.

The consultation to date is intended to inform the restructuring process. Further consultation will be required during subsequent phases, including the development of land use and servicing strategies. This will include environmental analysis and additional engagement with indigenous communities and stakeholders.

### **Environmental and Climate Change Impact Matters:**

Environmental stewardship and protection were key themes throughout the facilitation process and in the proposed agreements. The lands proposed to be annexed contain significant natural features that require protection and Barrie has addressed that through commitments to preserve lands around Little Lake, to receive and protect natural heritage land conveyed through future development agreements, and to create buffers between developments that will serve as parkland and active transportation routes.



Following a municipal restructuring, and in advance of development on the annexed lands, the City's future land use and infrastructure planning efforts will include further study and consideration of environmental and climate change impacts.

**Appendices:**

Appendix A – Draft Springwater Framework Agreement

Appendix B – Draft Oro-Medonte Framework Agreement

**Report Author:**

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**File #:**

D17

**Pending #:**

Not Applicable