

Municipality of Lakeshore – Report to Council

Legal and Legislative Services

Legal Services



To: Mayor and Members of Council
From: Zachary Knox, Legal Counsel
Date: March 10, 2025
Subject: Municipal Restructuring of Monroe Island

Recommendation

Direct the Clerk to read By-law 25-2025, being a By-law to approve the annexation of the property municipally known as 440 Brighton Road and legally described in Appendix "A" ("Monroe Island") by the Town of Tecumseh ("Tecumseh") and authorize the execution of a Boundary Adjustment Agreement between the Municipality of Lakeshore ("Lakeshore"), Tecumseh, and the County of Essex (the "County"), that is satisfactory in content to the Corporate Leader – General Counsel; and

Authorize Administration to submit an application for municipal restructuring to the Minister of Municipal Affairs and Housing ("Minister") to facilitate the annexation of Monroe Island into Tecumseh, all as presented at the April 8, 2025 Council meeting.

Strategic Objectives

This report does not directly align with a Strategic Objective; however, it serves as follow-up to the previous Report to Council regarding this matter presented on February 16, 2021, and the associated By-law 18-2021.

Background

Monroe Island, as shown on the aerial map attached as Appendix "B", is a unique property which is geographically located in Lakeshore but has a single access via a bridge connecting to land located in Tecumseh. There is only one single residential dwelling on Monroe Island. Lakeshore and Tecumseh agree that it would be more efficient and cost-effective for services to Monroe Island to be provided by Tecumseh. As such, Lakeshore and Tecumseh have been working together to pursue the annexation of Monroe Island into the jurisdiction of Tecumseh through a formal municipal restructuring process, in accordance with the provisions set out under the *Municipal Act, 2001*.

Sections 171 to 173 of the *Municipal Act, 2001*, together with Ontario Regulation 216/96, establish a structured process for annexation that requires municipalities to pass a resolution detailing the lands to be annexed, the rationale, and the impact on residents and services. Affected municipalities, property owners, and stakeholders must be notified and given an opportunity to participate in a public meeting, which may be any open meeting where the public can address Council. For annexations within two-tiered municipal structures, such as Lakeshore, Tecumseh, and the County, each affected lower-tier Council and the upper-tier Council must hold a public meeting to gather input on the proposal. If an agreement is reached, the identical proposal must be approved by by-laws from each Council before being submitted to the Minister of Municipal Affairs and Housing (the “Minister”) for approval. If the Minister approves, an annexation order is issued.

Previously, on February 16, 2021, Council passed By-law 18-2021 which authorized the execution of a servicing agreement between Tecumseh, the registered owners of Monroe Island and Lakeshore (the “Interim Agreement”) to provide for the interim servicing of, and financial matters pertaining to, Monroe Island while it remains under the jurisdiction of Lakeshore. Resolution 60-02-2021 provided direction to Administration to “prepare a consultation plan and draft a municipal restructuring proposal for consultation with the community and stakeholders as required by Part V of the *Municipal Act, 2001*” (the “Proposal”).

The Interim Agreement further acknowledges the next steps to formalize the provision of services would include:

1. proceeding with the Proposal to bring Monroe Island formally into the jurisdiction of Tecumseh for tax purposes; and
2. collaboration of the parties to submit a formal application to the Minister.

Comments

Administration, in consultation with Tecumseh, has negotiated the terms of a Boundary Adjustment Agreement to facilitate the orderly transfer of Monroe Island to Tecumseh. The draft agreement is attached as Appendix “C”.

The Boundary Adjustment Agreement is in keeping with the terms and conditions set in the Interim Agreement. In brief, the Boundary Adjustment Agreement provides for the following:

1. **Litigation Matters:** Lakeshore does not have any knowledge of any applications or appeals under the *Planning Act* for Monroe Island prior to the effective date of the Proposal. Any private initiated applications or appeals existing after the effective date will be the responsibility of Tecumseh. Any existing matter before the effective date will remain the obligation of Lakeshore.

2. **Transfer of Records:** Upon the request of Tecumseh, Lakeshore and the County, will transfer any records such as studies, designs or similar material that are associated with Monroe Island to comply with a Municipal Freedom of Information request under the *Municipal Freedom of Information and the Protection of Privacy Act*.
3. **Taxation:** Tecumseh shall apply to the Municipal Property Assessment Corporation (MPAC) for a new assessment roll number to identify the subject lands in Tecumseh within three months of the effective date.
4. **Emergency and Social Services:** Lakeshore will work with Tecumseh to update the Geographic Information System (GIS) mapping to revise and reflect the new municipal boundary. Both municipalities will work collectively with the County (EMS and social services), Windsor Fire and Rescue Services (fire dispatch) and the Ontario Provincial Police (police dispatch) to ensure that emergency medical services and social services are notified of the boundary adjustment.

The overall Proposal, which will contain the Boundary Adjustment Agreement, is expected to have minimal impact on the public, as it involves a small area with only one residential dwelling on Monroe Island. Additionally, the registered owners of Monroe Island support the Proposal. The primary objective is to streamline service delivery by transferring responsibility to Tecumseh, which already provides access to Monroe Island. All affected parties have been provided an opportunity to provide input during this public consultation, ensuring that their concerns are heard and addressed.

Administration is seeking approval for the Proposal to comply with the requirements under the *Municipal Act, 2001*. To coordinate with the municipal restructuring process, the Proposal is also being presented to Tecumseh's Council at their April 8, 2025, Council meeting for approval. If both Councils approve the Proposal, Tecumseh Administration will circulate the Proposal to the County for final approval prior to applying to the Minister for a Minister's Order to complete the restructuring process.

Others Consulted

Town of Tecumseh

Ministry of Municipal Affairs and Housing

Financial Impacts

Currently, Lakeshore collects property tax revenue for Monroe Island and pays Tecumseh annually for providing municipal services from such revenue pursuant to the Interim Agreement. Once the Minister's Order is issued, Tecumseh will apply to MPAC for a new assessment roll number for the lands, which will transfer the property tax collection responsibility from Lakeshore to Tecumseh.

Attachments

Appendix “A” – Property Description

Appendix “B” – Aerial Photo of Monroe Island

Appendix “C” – Draft Boundary Adjustment Agreement

Report Approval Details

Document Title:	Municipal Restructuring of Monroe Island.docx
Attachments:	- Appendix A – Legal Description.pdf - Appendix B – Aerial Photo of Monroe Island.pdf - Appendix C – draft Boundary Adjustment Agreement.pdf
Final Approval Date:	Mar 11, 2025

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

Prepared by Marco Villella

Submitted by Krystal Kalbol

Approved by the Corporate Leadership Team

Appendix "A"

PIN: 75001-0384 (LT)

Legal Description: Part of Lot 1, Concession East of River Peche, Maidstone; Part of Lot 1, Concession West of River Peche, Maidstone (St. Clair Beach) as in Instrument R857943; Municipality of Lakeshore/Town of Tecumseh.



**BOUNDARY ADJUSTMENT
AGREEMENT**

County of Essex
Town of Tecumseh
Municipality of Lakeshore

PREAMBLE

THIS BOUNDARY ADJUSTMENT AGREEMENT (this “**Agreement**”) made and entered into as of the Effective Date (as defined herein).

B E T W E E N:

MUNICIPALITY OF LAKESHORE

(“**Lakeshore**”)

– and –

TOWN OF TECUMSEH

(“**Tecumseh**”)

– and –

COUNTY OF ESSEX

(the “**County**”)

RECITALS

WHEREAS section 173 of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended (the “**Municipal Act**”), authorizes a municipality to make a restructuring proposal to the Minister of Municipal Affairs and Housing (the “**Minister**”) to annex part of a municipality to another municipality;

AND WHEREAS the lands described in Schedule “A” to this Agreement, municipally known as Monroe Island (“**Monroe Island**”), are located within the corporate boundaries of Lakeshore;

AND WHEREAS Monroe Island abuts Tecumseh and access to it is provided via Brighton Road, a highway located in, and under the exclusive jurisdiction of, Tecumseh;

AND WHEREAS Monroe Island is registered as a single, entire parcel in the land registry office for the County of Essex;

AND WHEREAS Lakeshore and Tecumseh previously entered into the “Servicing Agreement” (as defined herein) regarding Monroe Island and have agreed to work cooperatively to draft a restructuring proposal for the annexation of Monroe Island to Tecumseh;

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AND WHEREAS the Tecumseh, Lakeshore and the County have negotiated this Agreement in order to facilitate the orderly transfer of Monroe Island and protection of the interests of their respective residents;

AND WHEREAS the Parties have negotiated this Agreement to facilitate the orderly annexation of Monroe Island in accordance with the *Municipal Act*;

NOW THEREFORE, in consideration of the mutual covenants and other terms and conditions herein contained, the Parties agree as follows:

1. RECITALS & SCHEDULES

- 1.1. The Parties to this Agreement represent warrant and agree that the recitals above are true and accurate.
- 1.2. The Parties agree that the schedules attached to this Agreement (including their respective attachments, if any) form an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein.

2. DEFINITIONS

- 2.1. Throughout this Agreement, Lakeshore, Tecumseh, and the County may each individually be referred to as a “**Party**” or collectively as the “**Parties**”.
- 2.2. The Parties agree that, whenever one of the following words is used in this Agreement with its first letter capitalized, the term is being used as it is defined below:
 - (a) “**Agreement**” shall have the meaning set forth in the preamble.
 - (b) “**Assessment Roll**” shall mean the tax roll prepared in accordance with the *Municipal Act*, as defined by the *Assessment Act*, R.S.O. 1990, c. A.31.
 - (c) “**County**” shall mean the County of Essex and, where context so requires, the corporate boundaries thereof.
 - (d) “**Development Charges**” shall mean the fees collected by the Parties in accordance with the *Development Charges Act*, 1997, S.O. 1997, c. 27, as amended.
 - (e) “**Effective Date**” shall mean the date that the Minister’s Order comes into force.

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- (f) “**GIS**” means the geographic information system used by the Parties for the storage, retrieval and spatial and logical analysis of geographically based data.
- (g) “**Lakeshore**” shall mean the Municipality of Lakeshore and, where context so requires, the corporate boundaries thereof.
- (h) “**Minister**” shall mean the Minister of Municipal Affairs and Housing.
- (i) “**Minister’s Order**” shall mean an order issued by the Minister in accordance with s. 173(4) of the *Municipal Act* regarding the annexation of Monroe Island to Tecumseh.
- (j) “**Monroe Island**” shall mean the lands described in Schedule “A” to this Agreement.
- (k) “**Municipal Act**” shall mean the *Municipal Act, 2001*, S.O. 2001, c. 25.
- (l) “**Servicing Agreement**” shall mean the agreement, entitled “Monroe Island Servicing Agreement”, made between Lakeshore, Tecumseh, and the registered owners of Monroe Island, dated February 17, 2021.
- (m) “**Tecumseh**” shall mean the Town of Tecumseh and, where context so requires, the corporate boundaries thereof.

3. AGREEMENT

- 3.1. The Parties agree that Monroe Island shall be annexed to Tecumseh as of the Effective Date.
- 3.2. The Parties acknowledge and agree that Tecumseh shall have complete jurisdiction over Monroe Island, to the exclusion of Lakeshore, and the by-laws and resolutions of Tecumseh will apply to Monroe Island upon the Effective Date. All assets of Lakeshore located on Monroe Island shall vest in Tecumseh on the Effective Date, including, but not limited to, any easements, rights, or restrictive covenants.
- 3.3. The Parties agree that it is in the best interests of the property owners of Monroe Island and all other property owners in the corporate boundaries of Lakeshore and Tecumseh to ensure an efficient and cost-effective and orderly annexation of Monroe Island.

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4. EFFECTIVE DATE

- 4.1. This Agreement shall take effect on the Effective Date and shall be of no force or effect unless and until the Minister's Order comes into force.
- 4.2. Lakeshore and Tecumseh acknowledge and agree that, pursuant to section 15(d) of the Servicing Agreement, the Servicing Agreement is deemed void and of no further force or effect as of the Effective Date.

5. LITIGATION MATTERS

- 5.1. The Parties agree that any legal proceedings or causes of action existing as of the Effective Date in relation to Monroe Island shall remain the sole obligation and responsibility of Lakeshore. Lakeshore shall have the exclusive right to continue, defend, settle, or discontinue such litigation at its sole and unfettered discretion, without the requirement for consultation with or approval from Tecumseh.
- 5.2. The Parties agree that any legal proceedings or causes of action arising in connection with Monroe Island after the Effective Date shall be the sole responsibility of Tecumseh, which shall have full authority to manage, defend, settle, or otherwise resolve such matters at its sole and unfettered discretion.

6. TRANSFER OF RECORDS

- 6.1. Lakeshore and the County shall, at each of their own expense, upon the request of Tecumseh, transfer to Tecumseh any studies, plans, records, designs or similar material and documentation that are public in nature and are associated with Monroe Island subject to compliance with the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. M.56.

7. TAXATION

- 7.1. For the purposes of the Assessment Roll prepared for taxation in the year the Effective Date occurs, the Parties agree that Monroe Island shall be treated as part of Tecumseh and it shall be assessed in the same manner as other properties within Tecumseh.
- 7.2. Within 90 days following the Effective Date, Tecumseh shall amend, or cause to be amended, its Assessment Roll to identify Monroe Island as a property located within the corporate boundaries of Tecumseh. Tecumseh shall, to the extent permitted by applicable law, ensure that such amendment to the Assessment Roll takes effect retroactively as of the Effective Date. In the event that the adjustment to the Assessment Roll cannot be made retroactively to the Effective Date,

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Lakeshore agrees to remit to Tecumseh and the applicable school boards any real property taxes it receives for Monroe Island for any period after the Effective Date.

- 7.3. Within 90 days of the Effective Date, Tecumseh shall apply to the Municipal Property Assessment Corporation for a new Assessment Roll number to identify Monroe Island as a property within the jurisdiction of Tecumseh.
- 7.4. Pursuant to the terms of the Servicing Agreement, Lakeshore covenants and agrees to pay or remit to:
 - (a) Tecumseh any Development Charges and real property taxes assessed on Monroe Island from the date of occupancy up to and including the date of the Minister's Order; and
 - (b) the applicable school boards any outstanding education portions related to the Development Charges and real property taxes assessed on Monroe Island for the same period as noted above in subsection (a).

Any Development Charges or real property taxes collected by Lakeshore shall be paid or remitted forthwith to Tecumseh in accordance with this Section. This Section shall survive until all such Development Charges and real property taxes are paid in full, notwithstanding the provisions of Section 4.2 of this Agreement.

8. EMERGENCY SERVICES

- 8.1. Tecumseh will work with Lakeshore to ensure GIS mapping is revised to reflect the boundary adjustment prior to the Effective Date and Tecumseh will provide Windsor Fire and Rescue Emergency Communications Services with an updated map of its corporate boundaries.
- 8.2. As of the Effective Date, Tecumseh shall assume full responsibility for the provision, coordination, and associated expenses of all police and fire services for Monroe Island, including all related dispatch services and requirements.
- 8.3. The Parties acknowledge and agree that the County is responsible for providing ambulance and social services to the residents of Lakeshore and Tecumseh. The Parties agree to work cooperatively to ensure that their staff are aware of the boundary adjustment and any necessary changes are made.
- 8.4. In the event any members of the Lakeshore Fire Department are requested or required to respond to an emergency or other event at Monroe Island after the Effective Date, Lakeshore shall issue an invoice to Tecumseh for the costs associated with such services. Tecumseh agrees to remit full payment of any such invoice within ninety (90) days of receipt.

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cancel this Agreement or any part hereof shall not be binding and shall be of no effect unless and until it has been executed and delivered by the Parties.

- 13.2. The failure of any Party at any time or times to require performance of any provision hereof by any other Party shall in no manner affect the right of such Party to require such performance at a later time. No act or omission of any Party, other than an express written waiver signed by such Party, shall constitute a waiver by such Party of any breach of this Agreement or of the provision of this Agreement so breached. No waiver by a Party of the breach of any provision hereof, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of such breach or as a waiver of the provision hereof so breached.

14. SEVERABILITY

- 14.1. In the event that any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, those provisions to the extent enforceable and all other provisions shall nevertheless continue to be valid and enforceable as though the invalid or unenforceable parts had not been included in this Agreement and the remaining provisions had been executed by the Parties subsequent to the expungement of the invalid provision.
- 14.2. If there is a conflict between any provision of this Agreement and the Minister's Order, the applicable legislation of the Province of Ontario, or the federal laws of Canada applicable in that Province, such order or legislation will prevail and such provisions of this Agreement shall be amended or deleted as necessary in order to comply with such order or legislation. Further, any provisions that are required by such order or legislation are incorporated into this Agreement.

15. GENERAL INTERPRETATION

- 15.1. Each obligation expressed in this Agreement, even though not expressed as a covenant, is considered to be a covenant for all purposes.
- 15.2. Time shall always be of the essence of this Agreement. Any time limits specified in this Agreement may be extended with the consent in writing of all the Parties, but no such extension of time shall operate or be deemed to operate as an extension of any other time limit, and time shall be deemed to remain of the essence of this Agreement notwithstanding any extension of any time limit.
- 15.3. In this Agreement words importing the singular number only shall include the plural and vice versa, words importing one gender shall include the other genders and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations, and corporations.

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- 15.4. The headings in this Agreement identifying various sections, paragraphs, subsections and clauses are inserted for convenience or reference only and are in no way intended to describe, interpret, define, affect the construction of or limit the scope, extent or intent of this Agreement or any provision of this Agreement.
- 15.5. Any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section and all regulations thereunder or in connection therewith as amended, revised, re-enacted and/or consolidated from time to time and any successor statute thereto.
- 15.6. It is the intention of the Parties that this Agreement and the performance under this Agreement, and all suits and special proceedings under this Agreement, shall be construed in accordance with and governed, to the exclusion of the law of any other forum, by the laws of the Province of Ontario and the federal laws of Canada applicable in that Province, without regard to the jurisdiction in which any action or special proceeding may be instituted.
- 15.7. All references to currency in this Agreement shall be deemed to be in reference to Canadian dollars.

16. COUNTERPARTS AND DIGITAL EXECUTION

- 16.1. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Signatures provided by electronic means, including but not limited to facsimile, email (in PDF format), or through any electronic signature service, shall be deemed to have the same legal effect as original signatures. Each Party agrees that the delivery of this Agreement by electronic means shall be effective for all purposes as if it were delivered in physical form with original signatures.
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IN WITNESS WHEREOF, the Parties, intending to be legally bound, have executed this Agreement by their duly authorized representatives.

MUNICIPALITY OF LAKESHORE:

Date

Tracey Bailey
Mayor

Date

Brianna Coughlin
Clerk

TOWN OF TECUMSEH:

Date

Gary McNamara
Mayor

Date

Robert Auger
Clerk

COUNTY OF ESSEX:

Date

Hilda MacDonald
Warden

Date

Katherine Hebert
Clerk

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SCHEDULE "A" – LEGAL DESCRIPTION OF MONROE ISLAND

Legal Description:

Part of Lot 1, Concession East of River Peche, Maidstone and
Part of Lot 1, Concession West of River Peche, Maidstone (St.
Clair Beach) as in R857943; Lakeshore/Tecumseh, being all
of the Property Identifier Number 75001-0384 (LT)

SAMPLE