

DATE OF MEETING February 26, 2024

AUTHORED BY NANCY SKEELS, PROPERTY AGENT, REAL ESTATE

SUBJECT PROPERTY DISPOSITION - DISTRICT LOT 9 LANDS

OVERVIEW

Purpose of Report

To obtain council approval to dispose of City-owned property located within the Regional District of Nanaimo known as District Lot 9 to the Province of British Columbia as represented by the Ministry of Indigenous Relations and Reconciliation for the purpose of transferring the land to Snuneymuxw First Nation.

Recommendation

That Council:

1. approve the disposition of District Lot 9 to the Province of British Columbia as represented by the Ministry of Indigenous Relations and Reconciliation for \$1,455,000; and
2. direct the Mayor and Corporate Officer to execute the necessary documents to affect the transaction.

BACKGROUND

The City owns 81ha (200 acres) of property known as District Lot 9 located within the Regional District of Nanaimo on the Southwest slope of Mount Benson, Attachment A, (the "Property"). Except for an unpaved gravel road for access, the Property is heavily forested, undeveloped and contains a series of wetlands. The Property is surrounded by Provincially owned land known as the Mount Benson Parcel (Attachment B).

The Property was originally purchased from the Esquimalt and Nanaimo Railway Company on 1889-JAN-19 for \$1,000. The purpose of the purchase was for diverting water from a wetland on the Property to the Chase River to supplement water supply. The pipes to divert the water were installed in the early 1900s; however, they have now been deactivated.

Snuneymuxw First Nation ("Snuneymuxw") and the City have jointly requested that the Province continue to advance the collective reconciliation efforts of the parties by the Province acquiring the Property for the purpose of transferring the Property to Snuneymuxw.

Staff are seeking Council's authorization to provide approval to dispose of the Property to the Province.

DISCUSSION

City Plan

City Plan recognizes the work to implement the guiding principles of the Truth and Reconciliation Commission's ("TRC") 94 Calls to Action, the United Nations Declaration on the Rights of Indigenous Peoples ("UNDRIP"), and the Government of British Columbia's Declaration on the Rights of Indigenous Peoples Act ("DRIPA") in all areas where the City has impact or influence.

City Plan also recognizes the Snuneymuxw Treaty of 1854 and the importance of Snuneymuxw village sites as identified in the Treaty. The City encourages efforts by the Crown to return land to Snuneymuxw and their Mustimuxw (peoples).

On September 19 and 20, 2020, the Province and Snuneymuxw entered into the Reconciliation Implementation Framework Agreement and the Land Transfer Agreement, which represent important next steps in reconciliation in a manner consistent with the DRIPA and UNDRIP and provides for the transfer of Provincial Crown lands to Snuneymuxw.

Through the Land Transfer Agreement approximately 212ha (523 acres) of the Mount Benson Parcel was transferred from the Province to Snuneymuxw in December 2023. The remaining 2,882ha (7,121 acres) of Mount Benson and Mount McKay are anticipated to be transferred soon.

An independent appraisal was prepared, and the raw land and net timber value combined have a market value of \$1,455,000. An environmental assessment of the Property was conducted which did not identify any areas of potential environmental concern.

Staff are requesting Council provide approval to dispose of the Property to the Province for the purchase price of \$1,455,000. Subject to approval being received, it is anticipated the Property will transfer on 2024-MAR-31.

Staff have published a Notice of Disposition as required under Section 26 and 94 of the *Community Charter*.

OPTIONS

1. That Council:

1. approve the disposition of District Lot 9 to the Province of British Columbia as represented by the Minister of Indigenous Relations and Reconciliation for \$1,455,000; and
2. direct the Mayor and Corporate Officer to execute the necessary documents to affect the transaction.
 - Advantages: Providing approval shows a commitment by Council towards reconciliation efforts with the Province and Snuneymuxw First Nation and the commitments set out within City Plan.
 - Disadvantages: Selling the Property to the Province will prevent Council from designating the land for another municipal purpose.
 - Financial Implications: If Council directs Staff to move forward with the property disposition, the City will receive \$1,455,000 from the sale. The proceeds of the sale will be returned to the Property Sales Fund to spur further acquisitions.

2. That Council deny the disposition of District Lot 9 to the Province of British Columbia as represented by the Minister of Indigenous Relations and Reconciliation for \$1,455,000.

- Advantages: Denying the disposition will allow Council to use the property for another municipal purpose should Council want to.
- Disadvantages: Denying the disposition shows a lack of commitment by Council towards reconciliation efforts with the Province and Snuneymuxw First Nation.
- Financial Implications: The City would not receive \$1,455,000. The Property will remain owned by the City.

SUMMARY POINTS

- The City owns 81ha (200 acres) of property known as District Lot 9 located within the Regional District of Nanaimo on the Southwest slope of Mount Benson.
- The Property is surrounded by Provincially owned land known as the Mount Benson Parcel.
- Snuneymuxw First Nation (“Snuneymuxw”) and the City have jointly requested that the Province continue to advance the collective reconciliation efforts of the parties by acquiring the Property for the purpose of transferring the Property to Snuneymuxw.
- Identified in City Plan the City encourages efforts by the Crown to return land to Snuneymuxw and their Mustimuxw (peoples).
- On September 19 and 20, 2020, the Province and Snuneymuxw entered into the Reconciliation Implementation Framework Agreement and the Land Transfer Agreement, which represent important next steps in reconciliation in a manner consistent with the DRIPA and UNDRIP and provides for the transfer of Provincial Crown lands to Snuneymuxw.
- Through the Land Transfer Agreement approximately 212ha (523 acres) of the Mount Benson Parcel was transferred from the Province to Snuneymuxw in December 2023. The remaining 2,882ha (7,121 acres) of Mount Benson and Mount McKay are anticipated to be transferred soon.
- Staff are requesting Council provide approval to dispose of the Property to the Province for the purchase price of \$1,455,000 for the purpose of transferring the Property to the Snuneymuxw First Nation.

ATTACHMENTS:

ATTACHMENT A: Location Plan (District Lot 9)

ATTACHMENT B: Mount Benson Parcel

Submitted by:

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Concurrence by:

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