

2016 Decision Note Advice to Minister

Date: January 08, 2016

Cliff #: 103761

Issue: It is expected that in the coming weeks a consortium made up of the Squamish, Tsleil-Waututh and Musqueam First Nations will extend an offer to purchase the Jericho Lands.

Recommendation / Next Steps (if any):

Recommendation: Accept in principle an offer to purchase from First Nations (contingent on negotiation of acceptable terms including offer based on appraised value).

Pros

- Confirming the sale and transfer of the Lands to the First Nations is a further step towards reconciling the Nations' and the Province's interests in respect of assertions of rights and title to the traditional Territories and confirms the settlement of all of the Nations' claims to the Jericho Lands.
- Obtaining stewardship of the lands would represent a significant economic development opportunity for First Nations.
- Releasing the land for potential development could help improve the affordability of housing in Vancouver by increasing the supply of inventory available for potential development.
- s.16,s.17
- Selling the Lands now reduces government expenditures on maintenance and debt servicing, increases tax revenue for federal, provincial and municipal governments and creates construction and ongoing jobs due to redevelopment.
- The Province and City would benefit from increased economic activity as a result of potential development.

Cons

- The real estate market in Vancouver could continue to be volatile and the value of the property could increase further in coming years. However this is not certain and would be offset by increased economic activity and revenues for the Province in the interim period.

Next steps

- Staff will proceed with closing the sale if option 1 is accepted. Communication plan would be developed accordingly.

Background / Facts:

- Since the early 1990s, the Squamish, Tsleil-Waututh and Musqueam First Nations have consistently expressed their Aboriginal interest in the Jericho Lands to the Province, and have recently expressed an interest in acquiring stewardship.
- The Province is now engaged in formal discussions with the First Nations regarding the future of the Jericho Lands; during the course of those discussions, the First Nations have advised the Province they intend to present an offer to purchase the lands.
- The Province has stated it will only consider an offer that represents fair market value based on two comprehensive independent appraisals. Other conditions would also be considered during

negotiation.

- The lands have not been in active use by the Province since closure of the provincial school for the deaf in 1992.

Analysis:

- As part of the consultation, First Nations have expressed clearly that acquiring these lands would represent an important economic development opportunity for them.
- The initial draft summaries of appraisals supplied to First Nations have an average value of \$559 million; net proceeds for the Province are estimated at \$470 million.
- s.16,s.17
- Having certainty with regards to both parcels (federal & provincial) would enable First Nations to consult with the community in a meaningful and effective way, as well as meet the City's stated desire for planning and development to occur collectively for both parcels, and ensure a coherent plan for the entire area (see attached correspondence from Mayor Gregor Robertson).
- There is currently shortage of housing supply in the Vancouver real estate market as a result of a lack of new inventory. Releasing these lands for potential development could help alleviate some of this pressure and help to improve affordability of housing in the region.
- The Deputy Minister of Finance has reviewed the options and supports the recommended option.

Other Options:

Option 2: Reject offer to purchase from First Nations

Pros

- Province could gain from potential future price increases, but there is no certainty about these.

Cons

- The Province's relationship with First Nations would be significantly damaged.
- Economic development benefits would not materialize for First Nations, the community or the Province.
- The First Nations have entered a treaty claim on the lands, and would likely pursue legal action against the Province, including but not limited to filing an injunction to prevent any future sale and or any land use decisions e.g. extension of current leases.
- Provincial costs would not reduce, and opportunity to increase tax revenues and jobs will not be realized in the foreseeable future.

Approved/Not Approved

Minister to specify if the recommendation has been approved or one of the other options or simply not approved.

Honourable Amrik Virk

Date

Attachment: Letter from Mayor Robertson on Jericho Lands consultation

Contact: DM Finance Kim Henderson 250 387-3184, Associate DM MTICS Sarf Ahmed 250 387-0315, ADM MTICS Brian Fellows 250 387-8280

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We watch over the land and sea and in turn they watch over us.

September, 2015

Dear Vancouver resident,

I am writing to update you on the latest developments regarding the future of Jericho Lands, located between 4th and 8th Avenue, west of Highbury Street.



The Jericho Lands present a unique and rare opportunity, both for local residents and for the city as a whole, and I would like to take this opportunity to provide you with an update of what the City knows about the site and the intentions of the owners.

At this time, there has been no proposal for the site from the property owner, the Canada Lands Company (CLC), which is a federal Crown corporation. The City's understanding is that the CLC is still undertaking preliminary analysis of the property based on the shared objectives between the CLC and the Musqueam, Squamish and Tsleil-Waututh First Nations, who are the development partners of CLC. To date, the City has not received a preliminary inquiry from CLC; however, they have expressed support for providing funding to help enable an enhanced planning and public engagement process to shape the future of the lands.

Until the City receives an indication from the CLC about when they plan to proceed with development of the site, it is not possible to initiate a public planning process, as the City requires and expects the landowner to engage as a constructive partner in any site-specific planning exercise.

There is also a provincially owned parcel of land adjacent to the one owned by the CLC. At this point, while provincial staff has met with City staff to determine what would be involved in the CLC planning and consultation, they have not provided the City any indications of their intentions for this site. If the Province does move forward, even with different developers and owners the Jericho Lands, both provincial and federal, need to be planned and developed collectively to ensure that there is a coherent plan for the whole area.

Given the size and location of the Jericho Lands, the City is excited about the possibility of how this area can help to address important city-wide goals, such as affordable housing, our goal to become the greenest city in the world, and providing services that benefit both the local community and the city at-large, including young children, families, and seniors.

I would like to stress that the City does not have any preconceived plans for the Jericho Lands in terms of building heights or densities. While we believe there is an opportunity to strive for a greater level of affordable housing on the site, what the future of the site looks like will be up to the community engagement process to help shape.

The City will keep you informed on the status of the Jericho Lands as information becomes available.

If you have any questions for us at the City of Vancouver, contact us by phone at **3-1-1** or online at **vancouver.ca**.

Sincerely,



Mayor Gregor Robertson

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