

# SNUNEYMUXW FIRST NATION

## INFORMATION DOCUMENT FOR DESIGNATION FOR LEASING

### **BACKGROUND**

Chief and Council are proposing that Snuneymuxw First Nation (“**Snuneymuxw**” or “**the Nation**”) designate lands under subsection 38(2) of the *Indian Act* in the Te’Tuxwtun Reserve, so that the lands can be developed and leased for residential, commercial, light industrial, institutional, recreational/park and mixed use purposes.

This document will explain the designation process and provide information about the proposed project.

### **WHAT IS A DESIGNATION?**

A designation is a process under sections 37 to 41 of the *Indian Act* and the *Indian Referendum Regulations* to allow reserve lands to be leased to non-members (usually a company, including a company owned by Snuneymuxw). Rent paid under leases (and fees paid under any other instruments) will be held by Canada for our use and benefit as part of our revenue account.

Designated lands do not lose reserve status. They remain part of the reserve and are only leased for certain purposes and for certain limited periods. Snuneymuxw by-laws apply to designated lands and income earned by Snuneymuxw or its members on designated lands is usually not taxable.

### **THE DESIGNATION PROCESS**

Chief and Council have asked the Minister of Indigenous Services to call a referendum under the *Indian Referendum Regulations* to vote on the proposed designation.

Through this Information Document and the materials included in the Referendum Notice, eligible electors are being provided with information about the designation process and the proposed development or uses of the lands. Electors who live off-reserve are also entitled to vote. Information packages are sent to each eligible elector for whom an address is known. These packages contain information about the designation and a mail-in ballot.

An information meeting will be held (see below), where electors may ask questions about the proposed designation so that they can make an informed decision about voting for or against it.

At the vote, the designation must be agreed to by a majority of eligible votes cast to be successful.

## **DETAILS OF THE PROPOSED DESIGNATION**

The proposed designation is attached to the Referendum Notice and included in the mail-out package to electors.

### ***Lands Being Designated***

The proposed designated lands are shown on the map attached to this Information Document, as Attachment “A” (the “**Designated Lands**”). The legal description for the lands is included in the designation.

### ***Term of the Designation***

Assuming the designation vote is successful, the designation will take effect when the Minister of Indigenous Services accepts it and will continue for 120 years.

### ***Use of the Designated Lands***

The Designated Lands are to be leased for the purposes set out in section 3 of the designation.

The Designated Lands may be leased for the following purposes:

- a) Residential;
- b) Commercial;
- c) Light industrial;
- d) Institutional;
- e) Recreational/park;
- f) A mix of the above uses (a) to (e)

The above uses are intended to be broad to give Snuneymuxw the flexibility to attract the best possible developments for the Designated Lands. Once a more specific proposal for leasing the Designated Lands is known, Council will communicate this proposal and obtain consent from Snuneymuxw membership under Snuneymuxw’s member consultation process. Council will advise Canada of Snuneymuxw membership consent to any specific proposal.

Chief and Council will determine which of the Designated Lands will be used for which particular purposes, the tenant who will lease the lands, the term of the lease, and the rent to be paid. With Snuneymuxw’s advisors, Chief and Council will negotiate the lease terms with Canada and the tenant. Snuneymuxw intends to enter into a pre-paid lease with an entity 100% beneficially owned by Snuneymuxw (“**Nation Entity**”).

Snuneymuxw will be a party to leases and other instruments entered into between Canada and the tenant or others under the designation, which means that we will be able to directly control most aspects of the contractual relationship rather than have Canada as an intermediary for all of it.

### ***Rent & Fees***

An appraisal of the Designated Lands was prepared by the Altus Group on January 27, 2025. It appraised the fair market value of the Designated Lands for the highest and best use of the purposes authorized by section 3(a) at \$8,220,000.

Each lease will require that fair market rent be paid by any tenant that is not a Nation Entity, but a Nation Entity may pay less than fair market rent, at the discretion of Chief and Council. Chief and Council will also be able to decide whether rent will be fully prepaid, paid annually, or paid by some other method.

If a lease is granted to a Nation Entity for less than fair market rent, then:

- subleases are required to charge fair market rent, except that Chief and Council may authorize a sublease to a Nation Entity, which may be for less than fair market rent. The Nation Entity that is the landlord under the sublease is responsible for setting and collecting any fair market rent without any oversight from Canada; and
- if a person or entity other than a Nation Entity becomes the tenant, then that person or entity will be required to pay fair market rent for the remainder of the lease term.

Other instruments providing an interest in or right in relation to the Designated Lands must be for fair market value (either fully prepaid, paid annually, or paid by some other method at the discretion of Chief and Council), unless Chief and Council, by a resolution, determine that it is in Snuneymuxw's best interest to accept less than fair market value.

Canada will collect market rent payable under leases and fees under other instruments and credit those amounts to our revenue account. Canada will not collect rent payable under any subleases, which is the Nation Entity tenant's responsibility to negotiate and collect. Section 6 of the proposed designation sets out some of the risks involved with this arrangement.

### ***Environmental Aspects***

The following environmental site assessments have been conducted on the Designated Lands:

- Environmental Disclosure Report, Canadian Forces Base Esquimalt Detachment Nanaimo by Defence Construction Canada dated October 2000
- Environmental Site Assessment, Canadian Forces Base Esquimalt – Nanaimo Detachment by EBA Engineering Consultants Ltd dated April 2002

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- Phase 1 Environmental Site Assessment, Camp Nanaimo Lands, 901 Fifth Street by Franz Environmental Inc dated March 2014
- Limited Phase II Site Investigation, Former Nanaimo Military Camp, 901 Fifth Avenue, Nanaimo BC by SNC Lavalin dated March 31, 2021
- National Contaminated Sites Classification System Scoring Work Plan, Former Nanaimo Military Camp, 901 Fifth Street by SNC Lavalin dated February 1, 2022
- File Review: Former Nanaimo Military Camp (901 Fifth Avenue) Nanaimo BC by Venn Environmental Ltd. dated May 12, 2023

The reports can be reviewed by making a request to Chief and Council.

Before any construction starts on the Designated Lands, an environmental impact assessment for the proposed project on those lands must be conducted and reviewed to determine what, if any, mitigation measures may be required.

### ***Impacts & Benefits***

Chief and Council anticipate the following impacts to the reserve and community from the proposed designation:

Chief and Council anticipate the following benefits from the proposed development:

Enhanced economic development on the lands, which will benefit the Nation, and its members through:

- (1) increased revenue to Snuneymuxw, providing the Nation with greater resources to serve its members;
- (2) new employment and career development opportunities for Snuneymuxw members;
- (3) new entrepreneurship and business opportunities for members and vendors of Snuneymuxw;
- (4) improved development of amenities and services including, for example, the expansion of Casino Nanaimo, Snuneymuxw-owned gas stations, sports arena, parks, grocery stores, clinics, coffee shops, retail and hospitality outlets; and
- (5) greater commercial visibility and leverage of Snuneymuxw.

## **NEXT STEPS**

### ***Information Meeting***

An information meeting for members will be held from noon to 3pm on March 14, 2026, as set out in the Notice of Referendum, to assist the electors in making an informed decision on the designation.

### ***The Vote***

The designation vote will be held on April 11, 2026, as set out in the Notice of Referendum.

### ***Further Information***

For further information about the proposed designation contact:

Erralyn Joseph, Councillor and Executive Advisor to the Chief, 668 Centre Street, Nanaimo, BC V9R 4Z4. Phone: 250-740-2300. Email: [erralynt@snuneymuxw.ca](mailto:erralynt@snuneymuxw.ca).

Patricia McCourt, Electoral Officer, Indigenous Services Canada, 600 – 1138 Melville Street, Vancouver, BC V6E 4S3. Phone: 236-335-8118. Email: [patricia.mccourt@sac-isc.gc.ca](mailto:patricia.mccourt@sac-isc.gc.ca).

# Attachment "A" Map of the Designated Lands



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