



STAFF REPORT

REPORT OF THE CHIEF ADMINISTRATIVE OFFICER FOR THE CONSIDERATION OF COUNCIL

OBJECTIVE

To provide Council with information re. proposed disposition of municipal property known locally as the former MNR property on Highway 108.

RECOMMENDATION

That the report of the CAO re. disposition of the former MNR property be received

and that parcel 4602 A.E.S. 4.29 acres of municipal land known locally as the former MNR worksite on Highway 108 be sold for a nominal value or otherwise transferred to Serpent River First Nation in the interests of reconciliation, economic and community development and socio-cultural service delivery

and that staff be directed to prepare the necessary bylaw(s) to execute this direction as soon as possible.

BACKGROUND

In June 2018 the following motion was unanimously passed by Council:

Whereas the City of Elliot Lake wishes to pursue additional waterfront and rural land development within its municipal boundaries to stimulate economic development and job creation and

Whereas all of the City of Elliot Lake is within the Serpent River First Nation's traditional territory, lands equally covered under the Robinson Huron Treaty and

Whereas the City feels that reconciliation and engagement are roles that the municipality must lead wherever feasible rather than rely merely on senior levels of government and

Whereas the Serpent River First Nation has expertise and knowledge of land use, economic development and government relations that can assist Elliot Lake and the region's economic development Therefore, be it resolved that

The City pursue a full and equal partnership with the Serpent River First Nation in order to develop future waterfront and rural land based on the governing principles of equal revenue sharing, equal representation on the governing development board and processes that respect First Nation rights, and further that Municipal administration be tasked with researching and pursuing the legal and regulatory framework to proceed based on the direction in this motion.

Following that direction, the City of Elliot Lake and Serpent River First Nation resumed discussions towards long term partnerships in economic development, cultural tourism and land development. Election cycles in SRFN and other competing administrative priorities led to delays in resuming those discussions in 2019/20. The pandemic caused further delays as both parties were otherwise focused on managing their respective emergencies. However, more recently discussions have resumed and several opportunities for land development partnerships, tourism, economic development and cultural service sharing are being explored. In the coming weeks and months, more opportunities will be researched and will return to Council as needed.

ANALYSIS

The city has had some difficulty over the years with securing a vision for the former MNR property and it remains vacant. Arranging for the disposition of that land to the SRFN is viewed by administration as a mutually beneficial arrangement with a net positive to the ratepayers of Elliot Lake as outlined below:



- Sends a message to SRFN and the Province and the Nation that Elliot Lake is serious about the broader concepts of reconciliation. As exhibited in the motion language in 2018, Council has a chance to be a leader in this and not rely on the often slow moving and ineffective senior levels of government. This could be a pilot project in Ontario for a municipality transferring land within its municipal boundaries for FNs use.
- More immediately demonstrate to SRFN that Elliot Lake is serious about the emerging partnerships to the point the city is willing to return some high value land that is controlled by the city. Demonstrating this level of commitment by the City can only be positive to the emerging concepts and partnerships to come in the future. The land was acquired from the Crown by the City in 2003 when the MNR worksite was decommissioned and is now proposed to be returned to a First Nation. As with all the land in the Robinson Huron Treaty area, the FNs have had absurdly low compensation for government use of traditional lands. This disposition is a small gesture by a municipal corporation to address that wrong on a local level.
- SRFN and the City will continue to work together and discuss opportunities for the highest and best use of that parcel of land. But the narrative will be flipped, with SRFN having the lion's share of the control of the future of that land. Proposed changes to land use and impacts to the Zoning Bylaw and Official Plan will be nuanced in an appropriate fashion by both parties as the picture clarifies in the future.
- The inclusion of a First Nations property also provides an economic benefit to the City. Both through increased traffic to the municipality and dependent on SRFN's use of the property, it could further add to the municipality's inventory of tourism draws. First Nations Tourism is a quickly growing segment and there may be mutually beneficial financial outcomes.
- Any structures ultimately built on the land will meet at a minimum the Ontario Building Code (and may likely be more environmentally friendly and modern than the minimum standards in the OBC).

FINANCIAL IMPACT

There is negligible financial impact to this immediate transaction (some modest legal fees less than \$5000).

Admittedly, there would be an opportunity cost of not having that lot contributing to the municipal tax base. The lot has been vacant for decades so has never contributed to the municipal tax base.

That said, the rationale is that this important first step will facilitate future opportunities with SRFN that will directly contribute to municipal coffers in revenue and economic spin-offs in the community for years to come. (In fact, the underlying principle of the Elliot Lake SRFN discussions is to make positive contributions to both communities that will span 7 generations).



It unlikely that tax revenue will ever result from the parcel. But any future water and sewer servicing would be paid for by the SRFN on a typical fee for service for water/sewer rates.

LINK TO STRATEGIC PLAN

Strengthening our FN relationships will only support the following strategic goals:

- Initiate outreach to neighbouring communities to achieve common goals.
- Support the local business community
- Develop a strategy to advance the Cottage Lot Program
- Explore eco-tourism and geo-tourism possibilities and challenges as part of a tourism package
- Capitalize on opportunities for diversification and community growth.

SUMMARY

It is recommended that Council arrange for the disposition at a nominal cost to the SRFN of the former MNR worksite on Highway 108 in the interests of reconciliation and economic development.

