

In-Camera Report

Date October 4, 2022

File: 0930-20 CAT

Subject Land swap for use of North Cowichan property by Catalyst for existing waterline

PURPOSE

To authorize the terms of a proposed disposition of North Cowichan property to Catalyst Paper Corporation in exchange for the acquisition of adjacent property from Catalyst for an existing waterline.

BACKGROUND

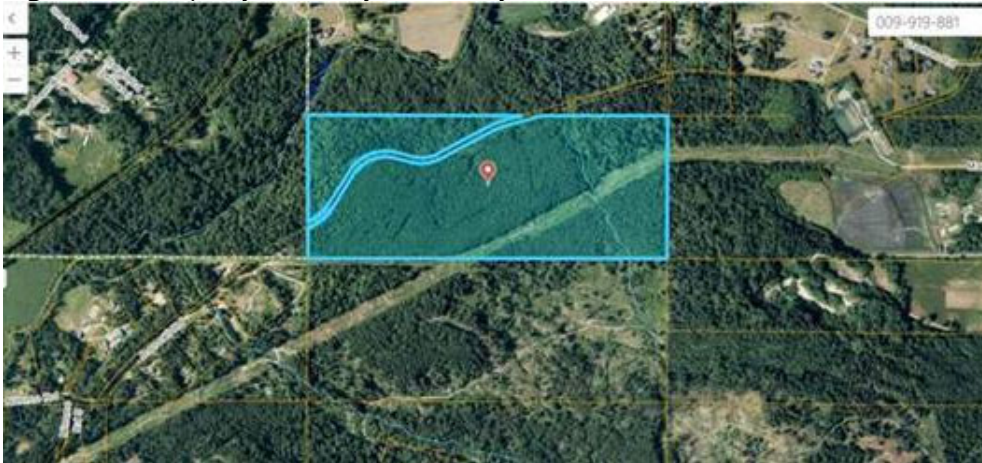
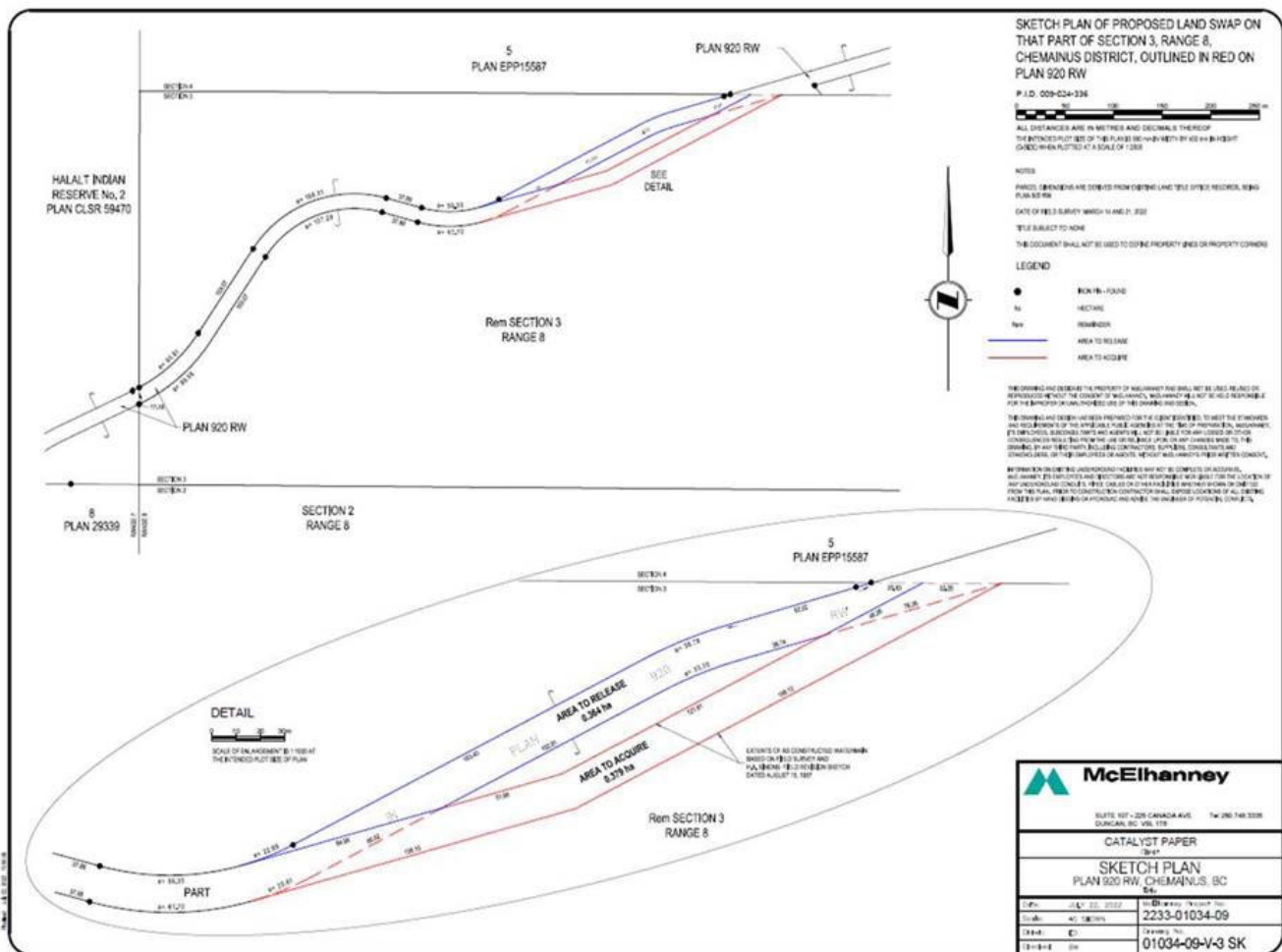
Catalyst Paper Corporation ("Catalyst") owns the property outlined in blue in **Figure 1** that is currently used as a waterline to facilitate the flow of water to the Crofton Mill. Catalyst acquired this property in the 1950s in connection with the construction of the existing waterline. North Cowichan owns the surrounding property outlined in blue in **Figure 2**.

Recently, Catalyst's surveyors determined that portions of the waterline were inadvertently constructed on a portion of North Cowichan's property and not Catalyst's property. The portion of North Cowichan's property recently found to contain the waterline, as shown, is outlined in red in **Figure 3** (the "Subject Property"). This Subject Property is the area that Catalyst is requesting to purchase from North Cowichan in exchange for the sale of the portion of Catalyst property shown outlined in blue in Figure 3 that does not contain the waterline.

In the interim, Catalyst is requesting a short-term license to use the Subject Property until the property disposition/acquisition is complete. The CAO may approve the proposed licence under the Delegation of Authority Bylaw for a term of up to 1 year.

Figure 1 – Property currently owned by Catalyst for waterline



Figure 2 – Property currently owned by North Cowichan**Figure 3** – Area outlined in red ("Subject Property") containing pipeline and proposed to be acquired by Catalyst from North Cowichan in exchange for the property outlined in blue to North Cowichan.

DISCUSSION

This report is intended to inform Council's deliberations on the subject matter and recommendations contained within this report, and those deliberations have been closed to the public under *Community Charter*, section:

- 90(1)(e) the acquisition, disposition or expropriation of land or improvements, which the council considers that disclosure could reasonably be expected to harm the interests of the municipality.

Catalyst is requesting a land swap to rectify this historical waterline placement error by swapping the areas in red and blue as shown in **Figure 3**.

If Council approves this land swap, North Cowichan would be disposing of a portion of the Subject Property (PID: 009-919-881) to Catalyst and by way of payment, would be acquiring the portion of Catalyst property not used for the waterline. To proceed with any property disposition, North Cowichan is required to publish a notice of property disposition in the paper in accordance with section 26 of the *Community Charter*.

While North Cowichan Council has delegated the authority to publish notices of property disposition to the Corporate Officer under section 5(1)(a) of the Delegation of Authority Bylaw, direction from Council is needed in order to confirm the terms to be included in the notice (e.g. Catalyst property to be received as payment for the North Cowichan property).

After the public notice has been published, Council will have an opportunity to consider a resolution to approve the disposition of property to Catalyst. This is expected to be included on the November 16, 2022 regular Council meeting open agenda.

OPTIONS

1. **(Recommended Option)** THAT Council authorize the terms of a proposed disposition of North Cowichan property (a portion of PID: 009-919-881) to Catalyst Paper Corporation in exchange for the acquisition of adjacent property from Catalyst (a portion of PID: 009-024-336) that is not used for the waterline, be included in the notice of property disposition.
2. THAT Council refer the property disposition to the Committee of the Whole in camera meeting for further recommendations.

IMPLICATIONS

In terms of financial implications, Catalyst has agreed to pay for all legal document preparation, survey work, notice advertising costs, and land title registration costs associated with this property transfer. This includes North Cowichan's reasonable legal fees and expenses (up to \$2,500). As a result, staff do not anticipate any financial costs to North Cowichan in proceeding with this property transfer.

RECOMMENDATION

THAT Council authorize the terms of a proposed disposition of North Cowichan property (a portion of PID: 009-919-881) to Catalyst Paper Corporation in exchange for the acquisition of adjacent property from Catalyst (a portion of PID: 009-024-336) that is not used for the waterline, be included in the notice of property disposition.

Suggested action for Releasing Decision to the public: Decision to be released to the public

Report prepared by:

Alyssa Meiner

Alyssa Meiner
Information Management Officer

Report reviewed by:



Jason Birch
Chief Information Officer

Approved to be forwarded to Council:



Ted Swabey
Chief Administrative Officer