



City of Richmond

Report to Committee

To: General Purposes Committee
From: Joe Erceg, MCIP
 General Manager, Planning and
 Development

Date: November 12, 2008
File: 01-0185-01/2008-Vol 01

Re: **The Garden City Lands "Block Application" for Exclusion from the
 Agricultural Land Reserve – Status Update**

Staff Recommendation

That Council:

1. approve a modification to the Agreement of Purchase and Sale to extend the date limited for satisfaction of the Agricultural Land Reserve (ALR) Release Condition from December 31, 2008 to June 30, 2009;
2. authorize staff to provide additional information to the Agricultural Land Commission (ALC) on measures the City is prepared to undertake in Richmond to further benefit agriculture in the remainder of the Agricultural Land Reserve (ALR) in support of the "Block Application" submitted in April 2007 to exclude the "Garden City Lands" from the Agricultural Land Reserve (ALR) on behalf of the Musqueam Indian Band (Musqueam), the City of Richmond and the Canada Lands Company (CLC); and
3. advise the Agricultural Land Commission (ALC) that the City, subject to detailed review and discussion with the Agricultural Land Commission (ALC), is prepared to negotiate and enter into a Memorandum of Understanding, or equivalent documentation with similar legal standing, with the Agricultural Land Commission (ALC) to commit the City to carry out the proposed initiatives outlined in this report as part of the "Block Application".

Joe Erceg
 Joe Erceg, MCIP
 General Manager, Planning and Development

| FOR ORIGINATING DEPARTMENT USE ONLY | | | |
|-------------------------------------|---|-----------------------------|--|
| ROUTED TO: | CONCURRENCE | | CONCURRENCE OF GENERAL MANAGER |
| Law..... | Y <input checked="" type="checkbox"/> | N <input type="checkbox"/> | <i>Joe Erceg</i> |
| REVIEWED BY TAG | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> | REVIEWED BY CAO YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> |

Staff Report

Origin

Subsequent to the City "Block Application" submission to exclude the Garden City Lands from the Agricultural Land Reserve (ALR) in April 2008, Mayor Brodie made a presentation on behalf of the City, the Musqueam and the Canada Lands Company (CLC) to the Agricultural Land Commission (ALC) on August 14, 2008.

At the meeting, the Commission members raised issues specific to the Garden City Lands application and other issues relating more generally to Richmond ALR lands that staff believe should be more thoroughly addressed. Particularly, there was a strong interest from the Commission to know what the City is currently doing, and is prepared to do, to further improve and enhance the viability of remaining ALR in Richmond.

Based on the ALC meeting, and subsequent staff to staff discussions initiated by City staff, staff are of the opinion that if the City does not supplement the application to address some of the areas of concern, there will be very little chance of approval. Our MOU partners (CLC and the Musqueam) share this observation and have initiated an additional contribution of approximately \$5,250,000, over and above the \$10 M Agricultural Endowment Fund they have already committed to, in order to enhance and advance programs and initiatives to provide further benefits to agriculture. The City should cooperate with this effort to honour the spirit and intent of the MOU. Moreover, based on the nature of the discussion at the Commission meeting and subsequent staff discussions, City staff believe that if the City of Richmond is prepared to provide additional commitments in several key areas to further protect and enhance agriculture, then the City's chance for success on the "Block Application" will be significantly improved.

This report identifies a variety of initiatives and improvements that can be implemented within Richmond's ALR and recommends that the ALC be advised that the City of Richmond is willing to undertake these measures in support of the "Block Application".

Background

The City has contemplated the acquisition of the Garden City Lands for a considerable period of time to provide public amenities and has made multiple attempts to acquire the site from the Federal Government without success. The Federal Government is no longer the owner of the site. The CLC and the Musqueam each have an undivided 50% interest in the Lands. The CLC holds the 50% interest of the Musqueam in trust for the Musqueam. The Treasury Board of Canada Secretariat sold and transferred title of the Garden City Lands to the Canada Lands Company (CLC) after the CLC and the Musqueam negotiated a Joint Venture Agreement (JVA) between themselves for co-development of their portion of the site to resolve the injunction granted by the courts to the Musqueam. The City is not party to the JVA.

The Musqueam, the City of Richmond and the CLC signed a Memorandum of Understanding (MOU) and Purchase & Sale Agreement (PSA) that provide the City of Richmond with the opportunity to obtain ownership of approximately half the site while they are in place. Without them, the City has no ownership right and its regulatory jurisdiction is in jeopardy. The PSA provides that:

- The City is entitled to purchase approximately 50% of the 136-acre site for \$4.77 M for public amenities subject to certain conditions, including the removal of the land from the Agricultural Land Reserve. This purchase price represents a per acre cost below \$70,000 per acre for a site in a City Centre location. Without the PSA, the City of Richmond has no legal claim to any of the Garden City Lands whereas the CLC/Musqueam have the option to pursue other means by which to achieve their goals concerning the Lands, without having to provide any opportunity for the City 's involvement or benefit;
- The City has regulatory control over the land use and will be able to levy property tax. Should the Musqueam gain ownership of the lands through means other than the MOU, it may be challenging to achieve municipal regulations and processes.

There has been much speculation, which continues to linger, about whether the Garden City Lands are available for sale. Since the purchase and sale of land cannot occur without a willing seller(s) and buyer(s) at the table, the City approached the owner of the Garden City Lands earlier this month on the possibility of a sale of all or part of the CLC/Musqueam interest in the Garden City Lands to the City of Richmond. As noted in **(Attachment 1)**, the CLC and the Musqueam have formally responded that the subject site is not for sale.

Analysis

This report is being presented to Council because at the ALC meeting on August 14, 2008, issues were raised that staff believe should be addressed. In addition, staff received a letter from the ALC dated November 12, 2008 providing all submissions received since the August 14, 2008 meeting and asking if the City has any additional comments to submit in relation to the "Block Application". The submissions have been placed in a binder which is circulated with this report. The City of Richmond has not commented on any submissions to date and has instead provided the ALC with copies. Therefore, it is not suggested that comment be made on the latest package of submissions. However, staff see this as an opportunity to advise the Commission about initiatives and programs to enhance agriculture in Richmond that the City is willing to undertake which were not specified in the "Block Application". The commitments contained within the staff recommendation are put forward on the understanding that upon more detail review that there will be no legal impediments.

The following is an outline of the programs and initiative that City staff believe should be undertaken in support of the "Block Application":

1. Improved Bylaw Enforcement, Policy and Program

1.1. ALR Regulation

The enforcement of the ALC Act is currently the sole responsibility of the ALC. The ALC has long expressed a desire for local communities to assist in the protection of the ALR by undertaking enforcement of the Act. This is a logical step, as municipalities are closest to the ALR and the Commission has limited enforcement staff.

City staff's understanding is that the ALC is looking for a partnering municipality to take over Bylaw enforcement at least to the level of service currently being provided by the ALC. Both Commission and City staff are reviewing detailed cost implications and legislative requirements for delegation of powers to a municipality.

The ALC only has two staff to look after enforcement for the entire province so it is looking for opportunities to enhance enforcement in the ALR. If Council supports the transfer of enforcement from the ALC to Richmond, we will be the first community to partner with the ALC in piloting this new approach. A preliminary review indicated that with the addition of approximately \$190,000 to the annual budget of Community Bylaws to support one dedicated Full Time Equivalent (FTE) position, equipment, expert resources, legal fees and related educational material, the City could provide a significantly enhanced level of enforcement and satisfy the expectations of the ALC.

Over time, as the community becomes aware of increased enforcement of the Act, the FTE position can also respond to other bylaw enforcement needs in the City and support agricultural initiatives. For example, this dedicated FTE position could proactively take on liaison responsibilities with the Commission staff and collaborate with the ALC to improve agricultural policies and programs that further strengthen the viability of agriculture in Richmond in consultation with the ALC. If the "Block Application" is approved in principle by the Commission, the Law and Community Safety Department will work in consultation with the ALC staff to better define the delegation details, programs and liaison processes to provide further clarity.

Based on discussion to date, it is anticipated that a portion of the estimated \$190,000 annual cost could be recovered in fines collected as a result of infractions. In addition, the Musqueam and the CLC have agreed in principle to provide an additional \$250,000 new cash contribution, upon removal of the land from the ALR, to share the costs with the City during the initial implementation years of this program. This contribution is separate from, and in addition to, the Agricultural Endowment Fund and any other new contributions towards agricultural improvements.

1.2. Coordinate Placement of Clean Fill for ALR Rehabilitation

The City can establish a program to direct clean fill from construction and development activities (and other activities) to agricultural sites that need fill. This can be accomplished through a pro-active, coordinated approval with the ALC by pre-approving sites to take on clean fill within the ALR. In addition, the City can make available clean fill from City capital works for agricultural uses in Richmond. Discussion with the ALC staff has indicated that such a program would likely significantly reduce unlawful soil/material dumping in the ALR.

Community Bylaws has confirmed that Richmond has a lack of fill sites to meet the demand from the community. A coordinated approach to manage clean fill will definitely be beneficial to address multiple concerns from enforcement issues to the need for clean fill for site rehabilitation.

An integrated component of this program is education about fill. The City could create educational brochures on the types of acceptable fills and situations where fill is required, as well as establishing a list of resources and contact, to be utilized when issues and questions regarding fill arise. This initiative can be achieved within existing staff and financial resources.

1.3. Soil Production by the City of Richmond

It is feasible for the City to help facilitate soil rehabilitation efforts by local farmers by implementing a new initiative. There is an opportunity to ramp up the soil production operation at the City Public Works facility to produce soil for local farming community at cost. The extra production costs can be recovered by the sale of the additional soil produced. The City currently produces soil for its own operation from clay, sand and peat feedstock at a City owned and operated facility with the feedstock largely coming from City operations. This facility is not being operated at full capacity and is in operation only part time. At full time operation, the City facility has the potential capability to produce up to 117,000 m³ of soil annually and provide the extra soil produced to agricultural uses on a cost recovery basis.

A preliminary analysis indicates that the City's soil production cost is less than half the cost of market rates. Depending on the availability of feedstock, the City could produce between 30,000 m³ to 100,000 m³ of soil for purchase, at less than market rates, to rehabilitate land for agricultural purposes.

2. **Improvements to Drainage and Irrigation in East Richmond**

The East Richmond Drainage and Irrigation Study was completed and adopted by Council in 2006. The Study concluded that \$11.1M (2006 Dollars – not including land) of drainage and irrigation upgrades were required to help support agricultural activities. The value of East Richmond drainage and irrigation improvement works completed to date is \$6.6M (including the 2008 tendered project). A further \$5.6M is proposed for expenditure over the next 5 years in the 2009-2013 Capital Program.

The viability of this project is dependent on the availability of funding within the City's Capital Budget process as well as the availability of funding from senior levels of government. Recent trends have indicated that grant funding from senior levels of government is falling and some programs may be eliminated. Given the recent significant global economic down turn, available of future funding through these sources are even less assured. On the other hand, timely improvement to drainage and irrigation in East Richmond is essential for the long term viability of agriculture in Richmond. To ensure that this important project is carried out in a more predictable manner, City staff have secured an additional commitment from the CLC and the Musqueam to increase their agricultural amenity contribution as part of the rezoning condition if the application to remove the Garden City Lands from the ALR is successful.

It is estimated that the additional commitment from the CLC and the Musqueam will generate at least an additional \$5M (over and beyond the existing Agricultural Endowment – estimated at \$10-\$12M) by raising the amenity contribution from \$2/sq. ft. to \$3/sq. ft. of buildable floor area. It is proposed that approximately \$4.5M of the total will be allocated by the City for advancing projects identified in the 2006 East Richmond Drainage and Irrigation Study to ensure that work continues on this important initiative to benefit agriculture in Richmond, while the \$500,000 would be used to fund initiatives to reduce the effects of small lot parcelization on the ALR described in the next section.

3. Minimize Effects of Small Lots on Agriculture

Much of the Richmond ALR exists as small lots, some as small as two acres or less in size. The ALC has in the past suggested re-plotting schemes within the ALR may be a viable vehicle to increase parcel sizes to over 2 acres in order to eliminate this jurisdictional ambiguity and to create larger land parcels that are more viable for stand-alone agriculture operations under a single ownership. The ALC feels that any movement to increase the minimum lot size in the ALR would send a strong signal to discourage speculation in small ALR lots.

Preliminary review by City staff has indicated that re-plotting schemes are cumbersome, impractical (due to the level of consent required amongst landowners) and expensive given the fragmented ownership, the legal obligation for compensation of an equivalent value as part of a re-plot, and the legal obligation to provide road frontage to the remaining land parcels with legal title along the same road. The ALC staff are in agreement with the City staff assessment.

With a view to minimize effects of small lots on Richmond agriculture in the long term, City staff have had discussions with the ALC staff to investigate the possibility of a joint planning exercise, on a quarter section by quarter section scale, within the ALR, which could produce many of the benefits of re-plotting schemes while avoiding their shortcomings. The ALC is willing to commit staff resources and time to work with the City on a pilot study to examine areas with concentrations of small ALR lots in Richmond:

Based on preliminary discussions it is recommended that a pilot project be undertaken within the six quarter sections bounded by Westminster Highway, No. 5 Road, Francis Road and No. 4 Road for a feasibility study to explore ways to:

- encourage lot consolidation of adjoining small properties with common ownership;
- explore long term leases of un-constructed roads to adjacent farmers to increase productive land base;
- assess feasibility of road closures where required road frontage can be maintained;
- investigate the probability and legal implications of registering a covenant on title with the owners' consent to prevent small lots currently under single ownerships from being sold individually; and
- establish formal ALC consultation process with respect to new road construction within the ALR.

It is estimated that each quarter section study will require a City commitment of approximately a 0.5 FTE for a period of one year. Salary and other costs could total approximately \$80,000 per quarter section. Few opportunities for cost recovery potential have been identified; however, this remains a worthwhile initiative to examine further with the ALC. Approximately \$500,000 will be required from the approximately \$5M additional contribution from the CLC and the Musqueam described earlier in this report to complete a review of all six quarter sections.

4. Discourage Uses Other than Bona Fide Agricultural Uses Within the ALR

The City has had preliminary discussions with the ALC to implement changes to various bylaws and policy areas to further strengthen and protect agriculture in Richmond. The main purpose for the suite of bylaw and policy improvements described below is to enhance agricultural practices and discourage uses that may displace or negatively impact agricultural uses.

4.1. Control Lands Speculation in the ALR for Estate Homes by Tightening the Existing Zoning Bylaw

Staff have conducted a preliminary review of the issue of limiting the size of homes within the ALR to discourage "estate homes" that do not contribute to agricultural activity. For example, staff are in the preliminary stage of exploring limiting the size of houses based on property size, as described in the following table. The proposed graduated scale of range of lot size to maximum house size is believed to be conceptually acceptable to the ALC.

| Lot Size (acres) | Proposed Maximum House Size |
|------------------|-------------------------------|
| 5-10 | 560 m ² (6,027 sf) |
| 10.1 -20 | 570 m ² (7,212 sf) |
| > 20 | 840 m ² (9,042 sf) |

4.2. Tighter Control of Uses Associated with Houses in the ALR

Preliminary review suggests that agriculture would benefit by tighter control of uses typically associated with houses in the ALR. Ancillary uses such as tennis courts, accessory buildings, auto courts, septic fields (where possible), etc., could be required to locate within the front 50 m of ALR lots. A more thorough review is required and greater controls can be introduced via the Zoning Bylaw.

4.3. Formalize the Consultation Process with the ALC for Road Construction within the ALR

The City has an informal referral arrangement with the ALC to review road construction requests within the ALR. It is believed that by setting up a formal referral process, the City can provide the ALC assurance that it will be involved as part of any request for road construction in the ALR and its jurisdiction can be more clearly communicated to

the public. The City can undertake the production of brochure material, in consultation with the ALC, to reflect the ALC's authority in this area.

4.4. Work With the Commission to Explore Conservancy of Land for Agricultural Purposes

Staff will continue working with the ALC and interest groups to explore other avenues for conservancy of land for agricultural purposes including land trust and covenants on sites to limit use on agricultural land. This will be an on-going project as opportunities arise.

5. Urban Agriculture

The City has a proven track record as an active supporter of urban agriculture and commercial agriculture in the urban settings. However, it was apparent at the August 14, 2008 meeting that more can be done to apprise the ALC of initiatives that the City has undertaken. Staff suggest that the Commission be provided with information regarding the following initiatives.

5.1. Encouraging Community Gardens in City Centre Developments

The new City Centre Area Plan has a specific strategy to increase the provision of landscaped outdoor amenity space and the ability of residents to make use of it for garden plots and related activities. Accordingly, the provision of an additional 10% (minimum) of the net development site is required for these activities, the purpose of which is to provide for a combination of potential uses including urban agriculture. It has been estimated that this would be roughly equivalent to 25 - 40 ha (62 - 99 ac), calculated based on City Centre-wide residential and mixed-use net development site area. The new City Centre Area Plan also continues to require that parking podiums incorporate significant planting and related landscape features, which could be used for a variety of purposes including rooftop agriculture.

5.2. Adoption of a Green Roof Bylaw

Council adopted the "Green Roofs and Other Options Involving Industrial and Office Buildings Outside the City Centre Bylaw 8385" on October 14, 2008. This Bylaw allows for a variety of options including green roof, vertical farming and intensification of ground oriented systems. The Bylaw applies to industrial and office building permits outside the City Centre which are received after January 1, 2009 that occupy a gross floor area of 2,000 m² (21,529 ft²) or more. One of the options the building permit applicant can choose to meet under Bylaw 8385 is to install an intensive green roof, which could be used for local food production (community or commercial). In another option, the building permit applicant can choose to provide enhanced landscaping on the ground which could be used for local food production. Both of these options are assigned a greater weighting than other options and are viewed very favourably by the City as a means to potentially increase the amount of space for agriculture outside the City Centre.

5.3. Community Initiatives to Promote Urban Agriculture

The City has been proactive in supporting community initiatives such as the Terra Nova School Yard Project and Fruit Tree Sharing Farm Project to support the local Food Bank. In addition, the City has already provided over 200 community gardening plots throughout the City to promote viable, sustainable food production in the urban and urban-rural interface area in its efforts to identify and support opportunities to increase community garden sites.

Aside from community food growing, the City also encourages independent initiatives in support of urban agriculture such as educational and research programs with the goal to ultimately establish an urban agriculture research and education centre in Richmond through partnership with Kwantlen Polytechnic University. A modest pilot educational program has already become a reality as a result of this initiative. It is anticipated that as the program build success and demand increases that funding will become available through the university and other fund raising efforts to expand the program and research.

On the Garden City Lands, Council has endorsed the following uses to ensure that there will be no significant structures (other than the provision for the Trade and Exhibition Centre) on the City's portion of the Garden City Lands. The emphasis will be on open space uses to address the following needs in the community:

Community Wellness and Enabling Healthy Lifestyles

Richmond is committed to maintaining and improving community wellness and healthy lifestyles. Therefore, the provision of a variety of outdoor public amenities passive and active parks and open spaces, trails and pedestrian connections, play spaces for all ages and abilities, gathering places for community celebration, and youth oriented activity zones, as well as a range of outdoor community sport amenities and playing fields are envisioned to provide increased capacity for community use.

Urban Agriculture

The interest for urban agriculture is demonstrated by the demand for community gardens in Richmond. The City has constructed community gardens in four locations across the City and maintains lengthy waitlists for garden plots. The Garden City Lands could be a model for meeting the need for urban agriculture. The Garden City Lands and its location at the urban/agricultural interface presents a tremendous opportunity to engage the community in awareness building and active programming related to agriculture and food security. Richmond is committed to determining how best to do this.

Showcasing Environmental Sustainability

The Garden City Lands could play a significant role in showcasing environmental sustainability. This could both mitigate the impacts of urban development and integrate environmental resources into urban areas. The size and location of the Garden City Lands could present a unique opportunity to develop other environmental showcases such as the establishment of wetlands for stormwater management and habitat, the creation of an urban forest which would contribute to improved air quality, alternative energy technologies and improving the city's resilience to climate change.

6. Memorandum of Understanding with the ALC and Potential Process

In the event that the City's "Block Application" is successful, it is likely that a conditional preliminary approval will be issued and that final approval will be withheld until all conditions have been satisfied. Between the preliminary and final approvals, a MOU between the City of Richmond and the ALC (or similar legal instrument) will likely be required to ensue that the conditions/commitments are complied with over time. If the application proceeds to this stage, a MOU outlining the City's obligations would be presented to Council for consideration once details have been negotiated. Staff recommend that the City advise that the ALC that it is willing to enter into such an arrangement regarding the initiatives outlined in this report.

7. Staff Observations and Potential Strategy

- As indicated in their letter of November 6, 2008, the Musqueam and the CLC are not a willing seller – their intention is not to sell the land.
- Notwithstanding the Musqueam and the CLC's contention that they will not sell, should the City intend to continue to pursue efforts to acquire the site, our position would be significantly improved if the ALR application is approved and the MOU/PSA are satisfactorily completed. Under this scenario, the City would only have to try to acquire one half of the site, as opposed to the whole site. Strategically, it is better to secure ownership of half of the site before taking action to increase the City's ownership stake, than to relinquish the opportunity for the City of Richmond to own half of the site before pursuing ownership of the whole site.
- Should Council's goal be to keep as much as possible of the Garden City Lands in the ALR, this may also more likely be achieved if the application is successful. Staff recognize that removal of the Garden City Lands from the ALR is not supported by all members of Council and has become an important public issue. As previously noted, some members of Council would prefer the City take ownership of the full Garden City Lands site by acquiring Musqueam and the CLC's share, either before the ALC makes its decision on the application or after the decision on the application, regardless of the outcome. Staff have on more than one occasion analyzed these options and held discussions with the Musqueam and the CLC, due to the fact the City would gain title to approximately half of the lands and could choose to place Richmond's share back into the Reserve. The City could then attempt to acquire some or all of the Musqueam/CLC share, as well.
- If the City fails to meet the obligations made through the MOU and PSA, attempts to obstruct the process or negatively influence the ALC decision on the "Block Application", the Musqueam and the CLC may seek to recover lost financial benefit from the City.
- The CLC and the Musqueam are prepared to increase their contribution to agriculture – the City can also make a considerable contribution.

Potential Strategy:

- improve the opportunity for success by enhancing the application;
- utilize the most certain and expedient means (MOU and PSA) through which to gain control over as much of the Garden City Lands as possible and subject those lands to uses that are consistent with Council's goals; and
- negotiate through the rezoning/development process, green uses for a portion of the Musqueam/CLC share of the lands if the full site cannot be purchased.

Financial Impact

The cost of one time initiatives proposed within this report will be recovered from the new agricultural amenity contribution agreed to by the CLC and the Musqueam as follows:

| | |
|---|---------|
| Acceleration of Drainage and Irrigation Capital Works | \$4.5 M |
| Review of small lots in the ALR | \$0.5 M |

The ongoing cost of Bylaw enforcement in the ALR is estimated at \$190,000 annually. The CLC/Musqueam will contribute \$125,000 annually for two years and fine revenue (not known at this time) can also be used to offset city costs. Additional external legal costs are also anticipated.

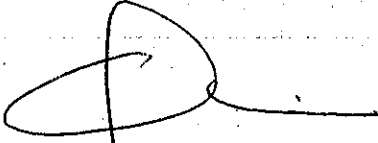
Conclusion

Many of the initiatives outlined in this report to benefit agriculture in Richmond have been contemplated by the City at various times in the past. Staff believe that Council's endorsement of these initiatives will enhance the "Block Application" to exclude the Garden City Lands from the ALR. The Garden City Lands proposal provides an opportunity for creating lasting legacy that will benefit agriculture in Richmond in the future by moving many of these worthwhile initiatives forward.

The additional agricultural amenity contribution from the Garden City Lands, which is outlined in this report, will enable the City to undertake, and perhaps accelerate, some on-going infrastructure work without relying on the availability of senior government funding. It will also create the capacity to collaborate with the ALC and the agricultural community to explore initiatives and improve bylaws and regulations to further protect and benefit agriculture. Equally as important, subject to the success of the "Block Application", the Agreement with CLC and the Musqueam makes it possible for the City to finally own approximately 50% of the site for a modest cost of \$4.7 M, to address community needs and to provide public amenities as outlined in this and previous reports related on the Garden City Lands.

Staff believe that the "Block Application" will be enhanced by the measures outlined in this report. Approval of the Application is necessary in order for the City of Richmond to obtain

ownership of 50% of the property and regulatory control over the entire site. The success of this project will also provide long term legacies that benefit agriculture in Richmond.

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Cecilia Achiam, MCIP, BCSLA
Senior Program Manager, Corporate Programs Management Group
(604-276-4122)

Attachment 1: Letter from the CLC dated November 6, 2008



Thursday, November 6, 2008

Mr. George Duncan
Chief Administrative Officer
City of Richmond
6911 No.3 Road,
Richmond, BC V6Y 2C1

Dear Mr. Duncan:

Re: Garden City Lands

In preparing a response to the City's recent question regarding the possibility of a sale of all or part of the CLC/Musqueam interest in the lands to Richmond, I took the question up with our joint venture partner. I can confirm that at this point in time there is absolutely no interest on the part of either party to stray from the present course which includes the legal and binding agreements between us. The subject land is not for sale. I trust that this clarifies our position and intentions.

Yours truly,
CANADA LANDS COMPANY CLC LIMITED

Doug Kester
Vice President, Real Estate, Western Region

cc: Ken McGregor, Band Manager

Filename: Letter (G.Duncan) Nov. 6, 2008