

DATE: June 13, 2019

FILE: 5360-20/CR

TO: Chair and Directors
Comox Strathcona Waste Management Board

Supported by Russell Dyson
Chief Administrative Officer

FROM: Russell Dyson
Chief Administrative Officer

R. Dyson

**RE: Campbell River Waste Management Center
Sponsored Crown Grant Application – Board Support**

Purpose

To submit a Sponsored Crown Grant (SCG) application to the Ministry of Forests, Lands and Natural Resource Operations to secure Block M and J of the Campbell River Waste Management Centre for solid waste purposes.

Recommendation from the Chief Administrative Officer:

THAT the Ministry of Forests, Lands and Natural Resource Operations and Rural Development (the Ministry) be advised that the Comox Strathcona Waste Management (CSWM) Board endorses a Sponsored Crown Grant application on Block M and Block J of District Lot 85, Sayward Land District for waste management purposes;

AND FURTHER THAT the Board Chair send a letter to the Ministry confirming that the CSWM Service cannot effectively utilize existing land holdings other than Block M and Block J for the waste management uses;

AND FURTHER THAT the Board direct staff to submit an application to the Ministry for a Sponsored Crown Grant on Block M and Block J for the purpose of waste management uses;

AND FINALLY THAT the Chair and the Corporate Officer be authorized to execute a Sponsored Crown Grant agreement between the Comox Valley Regional District and the Ministry over Block M and Block J.

Executive Summary

The Campbell River Waste Management Centre (CRWMC) is composed of two properties, Block M and Block J. These properties are not owned by the Comox Strathcona Waste Management (CSWM) service and are Crown leases.

Staff recommends to apply for a SCG to transfer the ownership of Block M and J to the CSWM service. The reasons for this are as follows:

- According to Crown Land Use Operational policy, disposition of Crown lands for the purpose of waste disposal sites are preferably by Sponsored Crown Land, and disposition of Crown lands for the purpose of waste collection sites is preferred lease or license tenure.
- Block M will be used for waste disposal up to the year 2023. Environmental monitoring of the landfill will be required after that.

- Block J may be used for waste disposal or composting in the future.
- Securing the two identified blocks provides the strongest form of tenure and will help rationalize long-term investments within the CRWMC.

Board support of this application is the first step towards securing Block M and Block J for solid waste purposes in the future.

Prepared by:

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Background/Current Situation

The Campbell River Waste Management Centre (CRWMC) is composed of two properties, Block M and Block J. Currently waste disposal, recycling and transfer of waste activities take place in Block M, and ancillary services such as storm water management and gravel extraction take place in Block J.

In the year 2023, it is expected that the current landfill in Block M will be closed and the area will be used for transferring waste to the Comox Valley Waste Management Centre (CVWMC) for final disposal. After this, post-closure care will be required for at least 50 years.

Proposed future uses for Block J could include a regional compost facility and/or landfill expansion. An application has been submitted to the Agricultural Land Commission to use the property to operate a compost facility.

Both Block M and Block J are Crown Land and are operated under lease agreements with the Province. This form of tenure gives the CSWM service exclusive use of the Crown land for 30 years, requiring multiple tenure applications for the life of the landfill. Current lease expiry dates are as follows:

- Block M lease expires on January 8, 2049
- Block J lease expires on May 17, 2021.

Staff recommends to apply for a SCG to transfer the ownership of Block M and J to the CSWM service. This will avoid having to return the land and any improvements to the Crown on the expiration of the lease agreements.

A SCG would allow the CRWMC property to become fee simple private land. This type of Crown land allocation is the strongest form of tenure as there is no expiry date. It will help rationalize long-term additional capital infrastructure projects, and it will avoid having to make additional applications for the development of the land. This would be conditional to the purposes established in the application, i.e. waste management uses.

A summary of the main process steps are as follows:

- The Authorizing Agency advises applicant on general eligibility and whether the application requires a sponsor ministry.
- The applicant will provide an application, development plan, application fee and a letter requesting sponsorship.

- The Authorizing Agency may request additional information that is required during the decision-making process.
- The Authorizing Agency and the sponsor ministry will notify the applicant and provide a letter of offer.
- The Sponsoring Ministry determines the Fair Market Value of the potential Crown Grant. Land Title and Survey Authority (L TSA) creates title and issues to Applicant, notifies CG Unit and Authorizing Agency, Sponsoring Ministry, etc.

Policy Analysis

The Comox Strathcona Waste Management Board management report from the June 2018 meeting states:

THAT staff provide a report regarding the submission of a sponsored Crown land grant for Block J at the Campbell River Solid Waste Management Centre site.

The updated 2019 City of Campbell River and Comox Valley Regional District (CVRD) Host community agreement states:

4.2. The parties further agree to meet to discuss the function and impacts of the CRWMC within the City in relation to any future updates of the Comox Strathcona solid waste management plan.

Options

The Board has the following options to consider:

1. Submit an application for a Sponsored Crown Grant to the Ministry of Forests, Lands and Natural Resource Operations (Ministry).
2. Do not submit an application for a Sponsored Crown Grant and, provide alternative direction to staff to renew lease agreement as required if approved.

Staff recommend option 1 because it provides the strongest form of tenure, which will help rationalize long-term investments within the CRWMC.

Financial Factors

While the value of the land is expected to be covered through Ministry sponsorship, any additional costs identified during the application process will have to be covered by the CSWM service. Examples include legal, surveying and advertising costs.

The application fee for a SCG is \$262.50 (including taxes) which can be covered under the 2019 budget for professional or engineering fees, out of Function 391, using the uncommitted allowance for other engineering services.

Legal Factors

Land Act, s.51 addresses the granting of Crown Land to a government body for a specific public purpose.

Ministry of Forests, Lands and Natural Resource Operations Community and Institutional Land Use Operational Policy

- Section 5.1 states that disposition of Crown lands for the purpose of waste disposal sites are preferably by SCG, with a restrictive covenant limiting the use to waste disposal purposes.
- Section 5.1 also states that disposition of Crown lands for the purpose of waste collection sites is preferred lease or license tenure.

- Section 7.1 states that Ministry sponsorship is required for all SCGs regardless of the fair market value of the land. A letter requesting sponsorship is required at the time of application.
- Section 7.3.1 states that applications must include a letter from the Board to confirm that the applicant cannot effectively utilize existing land holdings for the intended public use.
- Section 7.3.2 states that the sponsoring ministry or applicant is responsible for the financial obligations associated with any First Nation accommodation resulting from a SCG.
- Section 7.4.1 states that for all SCG dispositions, land use is limited to a specified public purpose.

A draft letter addressing section 7.3.1 requirement above is attached as Appendix A.

The application for a Sponsored Crown Grant must correspond with the selection criteria of the Province and sponsoring Ministry and must fit within that Ministry's available budget. Board support of this application is the first step to securing Block M and Block J for solid waste purposes in the long-term.

Intergovernmental Factors

The Comox Valley Regional District regularly updates the City of Campbell River regarding the status of the CRWMC operations as part of the 2019 City of Campbell River and CVRD Host Community Agreement.

Interdepartmental Involvement

The CRWMC SCG application is led by Engineering Services, with project support provided from Corporate Services regarding planning and communications needs.

Citizen/Public Relations

Working with Corporate Services, a communication plan will be developed if the Board decides to move forward with this application.

Attachments: Appendix A – Draft letter addressing Board confirmation regarding the possibility of using existing land holdings.

Office of the Chair

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File: 5360-20/CR

June , 2019

Sent via email only: FLNR.Minister@gov.bc.ca

Honourable Doug Donaldson
Minister of Forests, Lands, Natural Resource Operations and Rural Development
PO Box 9049
Stn Prov Govt
Victoria BC V8W9E2

Dear Minister Donaldson:

Re: Campbell River Waste Management Centre – Sponsored Crown Grant

On behalf of the Comox Strathcona Waste Management (CSWM) service, I would like to inform the Ministry of Forests, Lands, Natural Resource Operations and Rural Development that the CSWM service cannot effectively utilize existing land holdings other than Block M and Block J for waste management uses.

The CSWM service area covers the Comox Valley and Strathcona regional districts' geographical areas, and is operated by the Comox Valley Regional District (CVRD) under letters patent. The CSWM service is operated following the long term vision established in the Comox Strathcona Waste Management Plan, which establishes the following objectives:

- Expand the landfills at the Comox Valley Waste Management Centre and the Campbell River Waste Management Centre to provide future disposal capacity.
- Reach a 70% diversion target through waste recycling including diversion of organic waste.

The Campbell River Waste Management Centre (CRWMC) Block M has been in operation since early 1970s with final closure planned by the year 2023. Approximately 26,000 tonnes of waste were landfilled in Block M in 2018. Block J is used for ancillary services related to waste disposal such as storm water management and gravel extraction.

The CSWM service intends to continue providing waste management services at the CRWMC and does not have an alternative location to undertake these services outside Block M and J of District Lot 85, Sayward Land District.

The CSWM service would be grateful if the Ministry of Forests, Lands, Natural Resource Operations and Rural Development would consider our application for a Sponsored Crown Grant at the CRWMC.

Thank you for your consideration. If you have further questions or concerns, please contact Andrew McGifford at 250-334-6025 or via email at amcgifford@comoxvalleyrd.ca.

Sincerely,

Bob Wells
Chair

cc: Russell Dyson, Chief Administrative Officer
Marc Rutten, General Manager of Engineering Services Branch
Andrew McGifford, Senior Manager of CSWM Services

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