

Prime real estate driving aboriginal development

Squamish, Tsawwassen and Osoyoos helping lead entrepreneurial awakening among B.C. native bands

JOEL MCKAY

Some B.C. First Nations are using their well-positioned land to set the standard for investment in aboriginal communities.

Native leaders from the **Squamish First Nation**, **Tsawwassen First Nation** (TFN) and **Osoyoos Band** believe their business developments are proof that aboriginals and business leaders can form profitable relationships.

For Squamish Chief **Gibby Jacob**, undeveloped real estate in the Lower Mainland equals opportunities.

"The land we have in the Lower Mainland is some of the most prime retail development land in the world," Jacob said.

Squamish assets include three reserves on the North Shore, 10 acres in Vancouver at the foot of the Burrard Street Bridge and land on the Sunshine Coast.

Park Royal, West Vancouver's major shopping centre, is a strong revenue source for the Squamish, but Jacob is keen to develop other band reserve land.

He said Squamish leaders have considered port development opportunities for their North Shore land. A band delegation even travelled to the Middle East to discuss it with investors, but Jacob is convinced the real money is in residential development.

"Residential by far outstrips everything else in regard to return for investment on lands."

That explains why the Squamish plan to build more residential towers on their North Shore land and

develop a mixed-use project in Vancouver.

Jacob believes the Squamish's previous experience with business development, which includes a **Real Canadian Superstore** and **Mosquito Creek Marina**, bodes well for future projects.

But the federal Indian Act remains a major hurdle.

For years, regulatory gaps in land ownership and management have discouraged potential investors, but new legislation from Ottawa could change that.

In December, the federal government announced legislation that would change the First Nations Commercial and Industrial Development Act (FNCIDA) to create provincial regulatory regimes on native land.

"Now we have a record ... in the business world you have to build a reputation and show people you can do good business deals"

- Clarence Louie, chief, Osoyoos Band

Jacob said the legislation could make it easier to attract investors, but the Squamish also want the power to levy property tax on their land.

"This revenue stream will provide us with the ability to pay for the creation and maintenance of the required infrastructure without the need of government dollars," Jacob said after the announcement.



Chris Hartman, CEO of the TFN Economic Development Corp.: "I think there's a real opportunity for First Nations to build on their assets, and by being self-sufficient ... they are able to see economic development"

What it's really about, he explained, is paring down the Indian Act to give the Squamish more control over reserve land.

Jacob said the Squamish have no plans to get rid of the act, but another First Nations community thinks that's the most effective route to success.

"Because of [our] municipal-like status, we have a development process that's very typical to other municipalities," said **Chris Hartman**, CEO of the **TFN Economic Development Corp.**

Last April, the TFN opted out of the Indian Act in favour of a self-governing treaty that effectively makes it a municipality.

The TFN's new community plan maximizes the value of its oceanfront property via industrial development agreements with **Deltaport**.

The treaty was the first of its kind in B.C., and Hartman said he's fielding many inquiries from investors that were previously hesitant about aboriginal development.

"Without that [treaty] being in place, there's uncertainty, and where there's uncertainty there's delays and loss in value," he said, adding that other First Nations should take note.

"I think there's a real opportunity for First Nations to build on their assets, and by being self-sufficient ... they're able to see economic development."

Dan Jepsen is the CEO of **C3 Alliance Corp.**, a go-between for business and aboriginal development. He said land location has afforded some B.C. aboriginal communities more opportunities than others.

But if investors are really eager to pursue aboriginal business development, Jepsen said they should pay attention to a small Okanagan band.

"If I was going to look at development on First Nations [land] I would automatically go and look at the template for the Osoyoos land."

With Chief **Clarence Louie** at the helm, the Osoyoos Band used its economic development corporation to handle investment opportunities.

Band reserve lands host businesses ranging from a golf course and vineyard to a campground and convenience store.

The four-star **Spirit Ridge Vineyard Resort and Spa** is also on Osoyoos land.

Chief Louie told *Business in Vancouver* that the band's

economic success has created a foundation for future development.

"Now we have a record," said Louie. "In the business world, you have to build a reputation and show people you can do good business deals."

He added that even the **Department of Indian and Northern Affairs** is starting to get the message that economic development should be a top priority for aboriginal communities.

Jepsen said investors also need to realize the benefits First Nations bring to the table.

"If Clarence Louie is standing beside you when you're trying to raise \$400 million for a development, the bank is going to like that."

But Jepsen added that the business community also needs to be aware of other issues connected with native bands and business deals.

"For every legitimate business opportunity that's presented to First Nations, they've probably had 99 not grounded in real sound business sense," he said. "That's had a big impact on the view of the council, elders and community."

He said First Nations can be powerful allies when businesses are trying to obtain government permits, but native communities also need to realize that profitability is an essential component to development.

"Profit isn't bad," he said. "If it's not profitable, investment in their traditional territories won't come." ■

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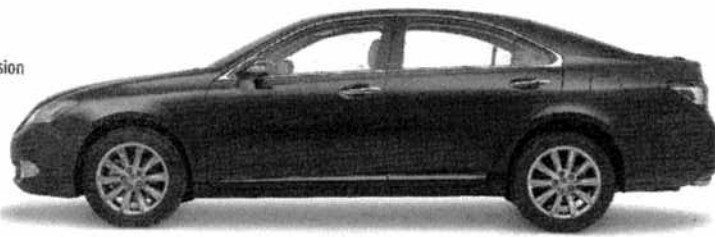
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