

COUNCIL REPORT

To: Mayor & Council

Date: December 21, 2009

From: Bill Preisenz, CAO

Re: Town Island

Background

Council will recall at the August 10 2009 Council meeting a recommendation was ratified by Council with respect to Town Island

*“That Council of the City of Kenora hereby direct administration to commence discussions with the Ministry of Natural Resources to investigate the potential transfer of Town Island to the Ministry in exchange for Crown land of equal value within or adjacent to the City boundaries for municipal purposes, as well as residential and recreational land development; and further
That in the event a successful exchange of property is negotiated, it is understood that MNR would add Town Island to the Lake of the Woods Conservation Reserve to ensure its long term protection.”*

Since that time there has been a series of meetings and correspondence between Administration and MNR concerning preferred MNR lands for consideration in exchange for Town Island and the appraisal process required to evaluate the subject properties. The appraisal process will be coordinated in 2010 with MNR on the basis that the costs be shared equally between the City and MNR.

The most recent correspondence from MNR indicates they will commence their public notification process in January 2010 advising of the MNR properties being considered for the exchange for Town Island. Ultimately, if this process proceeds to completion, the City of Kenora also has a public notification process in place when disposing of City property. The process is not as onerous and only requires a declaration by way of Council resolution in advance of any transfer of property.

For Council, the option is whether to make the declaration now or at a later date once the MNR public process is over and prior to any transfer of lands. Making the declaration now simply keeps the process moving forward in unison with the MNR process.

Recommendation:

**That Council of the City of Kenora hereby declares property described as Parcel 948, Island D72 unsurveyed territory situated in Lake of the Woods south of Devils Gap, more commonly known as Town Island, to be surplus to its needs; and
That funding for appraisal services for the planned exchange of MNR lands and Town Island be included in the 2010 budget; and further
That the appraisal costs be cost-shared on an equal basis with MNR.**