

March 7, 2004

In regards to: Earl Creek Properties Proposed Crown Land Acquisition Assessment Report – Sept. 2003

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Lands and Water BC
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Surrey, BC
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Dear Sir:

I am writing this letter as a part time resident of the south shore of Skookumchuck narrows. The land on Egmont Point proposed to be purchased by Pacific Northwoods Company (PNR) through the process of direct buy of Crown Land directly contacts our property.

This letter does not comment on the desirability of the direct buy but does critique the review performed by Lindros Project Development titled “Earle Creek Properties Proposed Crown Land Acquisition Assessment Report – Sept. 2003”. In particular it addresses the apparent bias in the review, the questionable linkage of the native village that is highlighted as a major positive of the PNR proposal to the direct buy and the attempt to define a direct buy process that makes public interest secondary to the interests of PNR.

The review presents a very narrow and biased assessment. It discusses only the positive aspects of the PNR proposal and downplays or ignores issues that bring into question the viability of the proposal. It also presents a sales presentation in the section titled “Tourism Development Opportunity” that is inconsistent with the role of providing an unbiased assessment. Some specific issues are:

- ✍ Egmont is the gateway to natural wonders such as Skookumchuck Rapids, Hotham Sound (Friel Falls and Harmony Islands) and Princess Louisa Inlet that have significant tourism potential. For Egmont to be able to realize the potential economic benefits of tourism its setting must be scenic and reflect the wilderness that attracts tourists. Logging or major development of Egmont Point is inconsistent with this requirement. The assessment does not consider the impact of development or logging of Egmont Point on the tourism potential of the area. Instead it sells a vision of a Salish Village living museum.
- ✍ It makes the unstated assumption that spending five million dollars on the construction of a traditional Salish Village living museum is the best expenditure of public and private funds to increase tourism in the area. The document provides no indication as to the basis for this assumption.
- ✍ It does not describe why the identified location is the best location for a native center. There are many locations in the area that would be excellent candidates for a native center that have better access, greater historical context and have similar funding potential.
- ✍ The assessment suggests that the direct sale of Egmont Point to PNR is a prerequisite for the creation of the Salish Village. It is unclear how the Tourism Development Opportunity

- as described in the assessment is linked to the direct buy. There is limited commitment of funding by PNR and no indication of other consideration being supplied by PNR. Given the lack of details in the assessment document it appears that the opportunities for a Salish Village do not require the selling of Egmont Point. The implicit, but unsubstantiated, suggestion made by the assessment that the Tourism Opportunities of the area are dependent on the direct buy indicates that Lindros Project Development was biased in favor of PNR.
- ✍ The assessment identifies that the village would be a major tourist attraction because the scale, quality and marketing of the facility would be first class. Unless there was significant work by Lindros that was not documented in the assessment it is not clear how this judgment was arrived at. This appears to be more sales propaganda that is completely inconsistent with an unbiased review.
 - ✍ The recommendations and assumptions in the assessment focus on the Salish village and its benefits while the meeting notes with the Sechelt Indian Band do not identify that the topic was raised. It appears that the Salish village was added later to improve the optics of the direct buy. If this is true, it again demonstrates the unacceptable bias of the report and raises a concern regarding PNR's commitment to the Salish village concept.
 - ✍ As a consideration, the assessment identifies that "PN would support a plan that incorporates public access to the development providing it does not conflict with the proposed resort or residential uses.". The assessment does not document that the public now has full access to the site without the limitations proposed by PNR. Furthermore, the consideration as drafted suggests that public access will be fully at the discretion of PNR. If public access is inconvenient to PNR and the development then it would not be allowed.
 - ✍ The assessment makes the assumption that "both SIB and the SCRCD would respond well to a development that incorporates a high degree of sensitivity to environmental issues.". An unbiased and complete assessment would not recommend direct sale without a review of PNR's past environmental record.
 - ✍ There is no evaluation of the impact on property values of residents in the area. Property values of the residents are positively impacted by increased tourism and negatively impacted by increased logging and inappropriate development. The assessment should have clearly identified PNR plans to use and develop the land and evaluated its impact on property value in the area. The assessment is clearly deficient in this area. It does make the assumption that the LWBC would only consider the direct sale to PNR if it was deemed to be in the best public interest. Reduced property values and reduced employment for Egmont residents through loss of tourism are not in the best public interest.
 - ✍ The assessment identifies that a major justification for the direct sale is that it would avoid a fragmented development scenario. This is based on the invalid assumption that development is the only option for the area. It ignores other valid uses for the area that may provide a larger economic return to the area as a whole through improved tourism.
 - ✍ The assessment states as an assumption that "PN would be willing to accommodate public, local community, and First Nations interests providing the resort plan is not compromised and the bottom line is not significantly altered.". Again the presence of this assumption suggests a strong bias in the assessment supporting PNR. Sale of public lands should follow a process which evaluates the public interest of a sale and then identifies the terms under which that public interest is maximized. The purchaser can then evaluate the economics of his project in light of those requirements and make a decision to proceed or not. To accept

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the assumption that public input will only be allowed if it does not impact PNR's interests is a gross dereliction of duty by the Public Servants reviewing the proposal.

As the responsible agency representing the public, LWBC's focus must be on maximizing public interest. In light of significant failings in the assessment and its clear bias in favor of PNR, LWBC should withdraw this assessment and undertake a process that truly evaluates the public interest of selling Egmont Point to private parties. This assessment should evaluate the full range of options including turning the point into a Provincial Park, maintaining the status quo, direct sale and public sale.

Sincerely,



Glenn Krahulic

cc: Harold Long, MLA Powell River
Judy Skogstad, Sunshine Coast Regional District
Joy MacPhail, Leader of the Opposition
Friends of Egmont