

# PRSC

## Limited Partnership

An Overview of the Company and its Lands

May 21, 2009

# History of Partnership

- 2003:
  - The City (and PRREDS) and Sliammon Development Corp (SDC) separately approach NorskeCanada to purchase waterfront lands near the mill
  - NorskeCanada and SDC come together and approach the City about a possible joint venture
- 2004:
  - A memorandum of understanding is signed and the three parties begin working on making the venture a reality

# History of Partnership

- 2006:
  - After two years of hard work the three parties announce in August they have formed PRSC Limited Partnership to take ownership of approximately 800 acres of land no longer strategic to Catalyst Paper Corp's operations
  - In return for the lands PRSC Limited Partnership secured a mortgage of \$4.5 million due on August 1, 2011 at an interest rate of 5% which is applied against the selling price of the lands

# Partnership Structure

- Each of the parties purchased shares in the Partnership through wholly owned corporations or subsidiaries...
  - Powell River Waterfront Development Corporation (City of Powell River)
  - Tee'skwat Land Holdings Ltd (Tla'Amin First Nation)
  - 0606890 BC Ltd (Catalyst Paper Corp)

# Board of Directors

- Chief Councillor Clint Williams (Tees'kwat)
- Roy Francis (Tees'Kwat) – President
- Brian Hackett (Tees'Kwat)
- Lyn Brown (Catalyst Paper)
- Brian Baarda (Catalyst Paper)
- Kevin Sigouin (PRWDC) – Secretary/Treasurer
- Chris Roddan (PRWDC)

# Limited Partnership Goals and Benefits

- Mandate:
  - Keep the property under local control
  - Develop an inventory of lands for new investment attraction to create new employment opportunities and diversify the tax base
  - To be a community minded company that respects the traditional values of the region...
    - Sustainable forest practices
    - Creation of green spaces
    - Economic Development
    - Maintaining infrastructure

# Limited Partnership Goals and Benefits

- Benefits to the Partners
  - Tla'Amin First Nation:
    - Tla'Amin obtains a larger stake in the local economy with the potential to generate new economic activities and employment
    - The Tla'Amin First Nation provides leadership in the broader business and aboriginal community by partnering with the City and a major corporation in a mutually beneficial venture
    - Provides support to the City of Powell River in the spirit of the Community Accord reached in 2003 as well as starting a new, positive and meaningful relationship with Catalyst. This resulted in the signing of two new protocol agreements with the City of Powell River and Catalyst Paper

# Limited Partnership Goals and Benefits

- Benefits to the Partners
  - City of Powell River:
    - Established Millennium Park, a high priority for Council and the citizens of Powell River who believe the preservation of green space is essential
    - The City's property tax base is diversified thereby protecting the values of the community by stabilizing residential tax rates, keeping user fees reasonable and maintaining infrastructure
    - Responds to the demand by value-added enterprises seeking to locate in Powell River by establishing a marine business park
    - Creates space for relocation of existing marine facilities to a more appropriate marine business setting



# Limited Partnership Goals and Benefits

- Benefits to the Partners
  - City of Powell River:
    - Creates a substantial surplus land base within the city for future development in which the city retains a significant interest
    - Strengthens and diversifies the general economy of Powell River and provides for much needed basic sector jobs as well as significantly reduces the community's reliance upon Catalyst
    - It complies with the Official Community Plan for urban densification and industrial development

# Limited Partnership Goals and Benefits

- Benefits to the Partners
  - Catalyst Paper:
    - Catalyst's objective to divest its surplus real estate portfolio is resolved and converts a dormant asset of 804 acres of surplus land to a secured mortgage
    - Reliance upon Catalyst as a major tax revenue provider is reduced with the diversification of the city's tax base through new development
    - Catalyst's actions demonstrate support for the objectives of the City's official community plan and Powell River's efforts to diversify the local economy
    - Catalyst's actions are widely recognized to support aboriginal goals of capacity building and leadership

# PRSC Lands



# Criteria for Land Sales

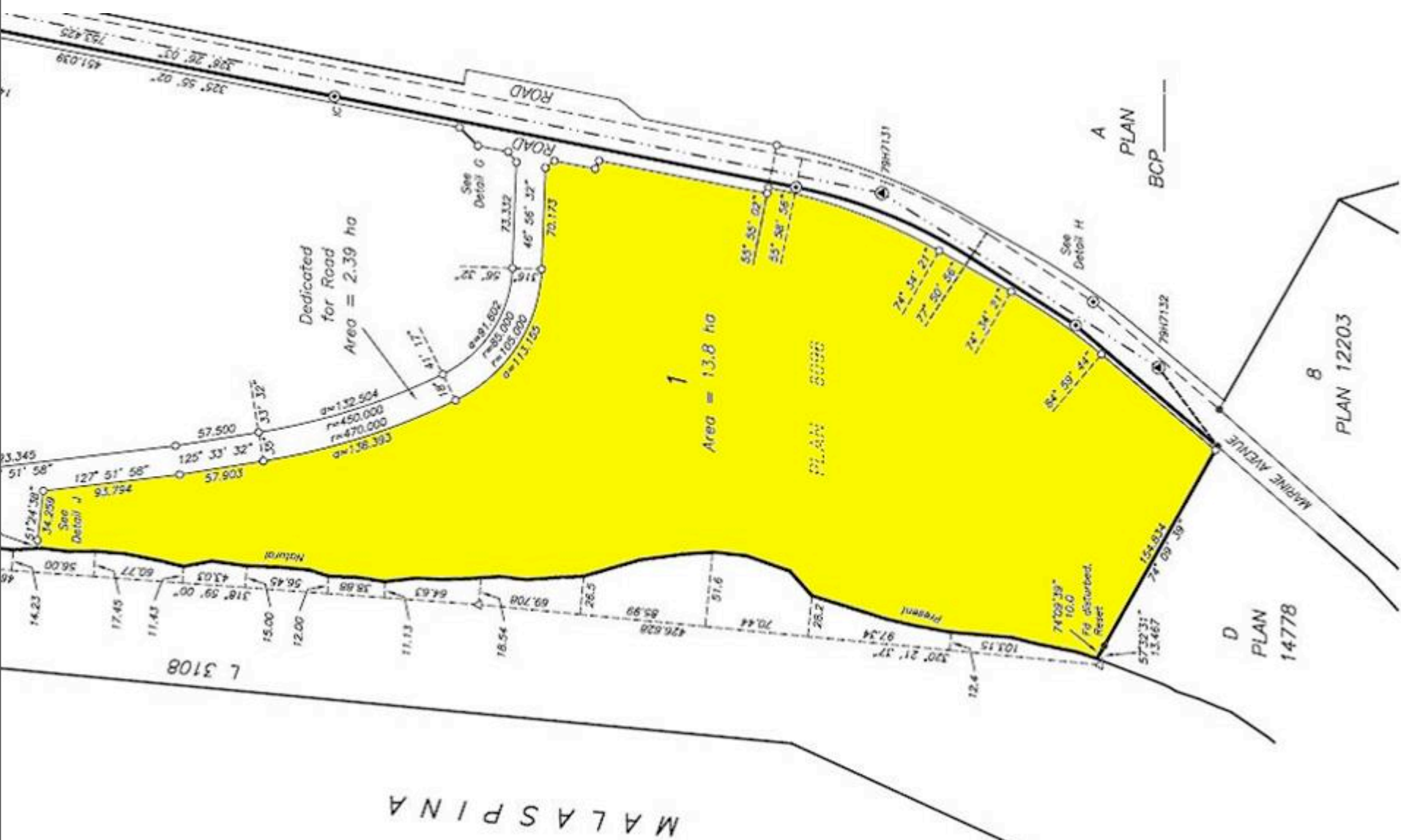
- Prospective Purchaser must:
  - Provide general plans for development
    - Assess Community Tolerance Levels for type of development
    - Assess Economic Impact (Jobs, Taxes)
    - Assess Sustainability of Development
  - Provide a history of past developments
    - Proven Track Record
  - Provide proof of financial capacity to move forward with development in a timely manner
    - No Speculators; Land must be developed



# Lot A, DL450, Group 1, Plan BCP 238887

- **Property Size: 188 acres** (Approximately 134 without Millennium Park)
- **Currently Zoned A2 – Large Lot Rural**
- **Parcel is in Agricultural Land Reserve**
- **Island Timberlands owns the rights to the trees on this parcel**
- **Development Possibilities:**
  - Upper Portion of Millennium Park
  - Small acreages
  - Agricultural education programs
  - Commercial greenhouse production

# Lot 1, DL450, Plan BCP23888





# Lot 1, DL450, Plan BCP23888

- Property Size: 34.1 acres
- Currently Zoned M3 – Millsite Industrial
- Island Timberlands owns the rights to the trees on this parcel
- Site of Lower Millennium Park (Oceanside)

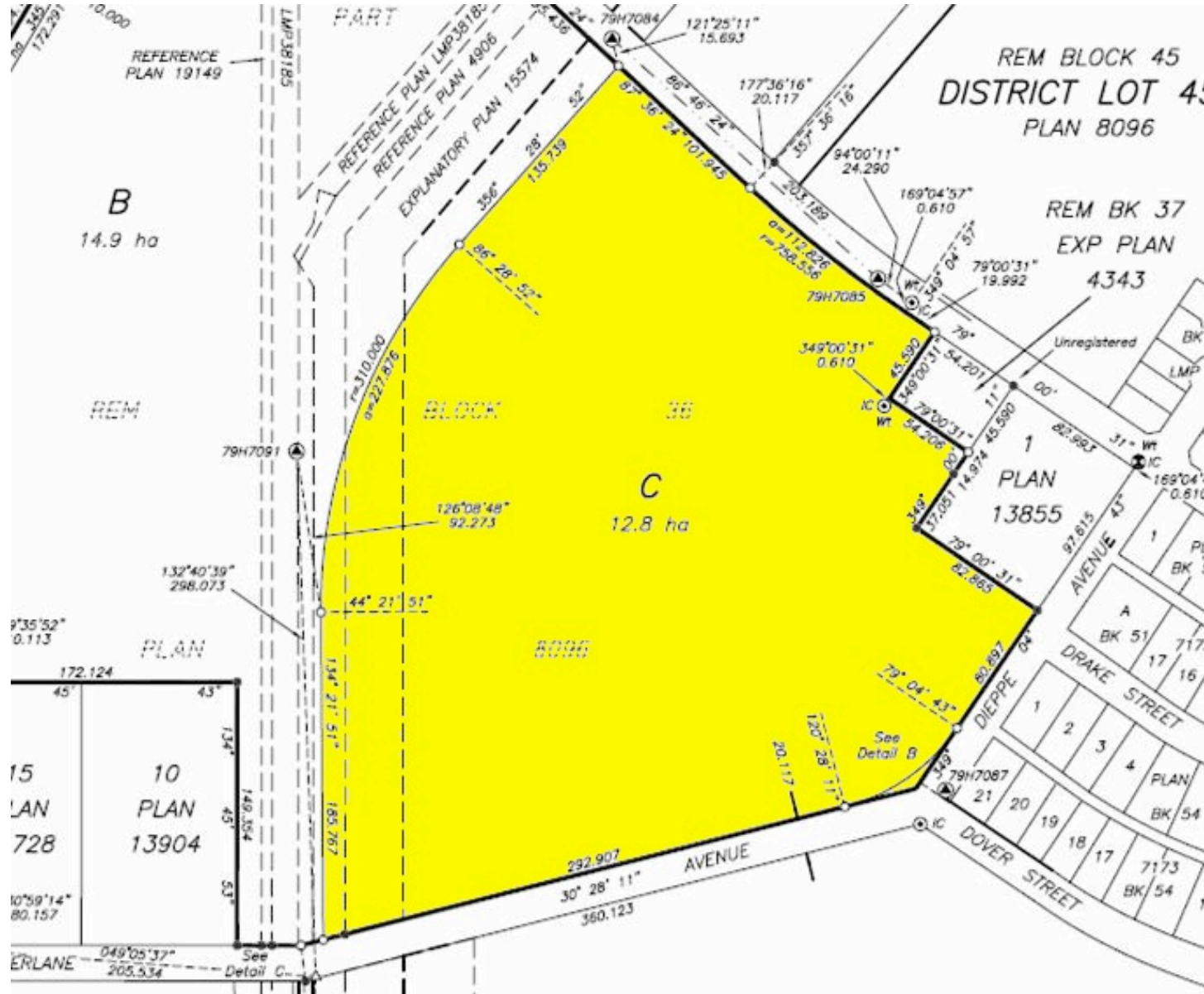
# Lot B, DL450, Plan LMP 25234



# Lot B, DL450, Plan LMP 25234 (Accepted offer on Property for \$260,000)

- Property Size: 7.9 acres
- Currently Zoned A2 – Large Lot Rural
- Parcel is not in Agricultural Land Reserve so could be rezoned
- Island Timberlands owns the rights to the trees on this parcel
- Development Possibilities
  - Residential
  - Institutional

# Lot C, DL450, Plan BCP23887



# Lot C, DL450, Plan BCP23887 (Listed for \$279,000)

- Property Size: 31.6 acres
- Currently Zoned A2 – Large Lot Rural
- Parcel is in Agricultural Land Reserve
- Development Possibilities:
  - Small acreages
  - Commercial greenhouse production
  - Institutional

# DL4070 & Lot 2, DL450, Plan BCP23888

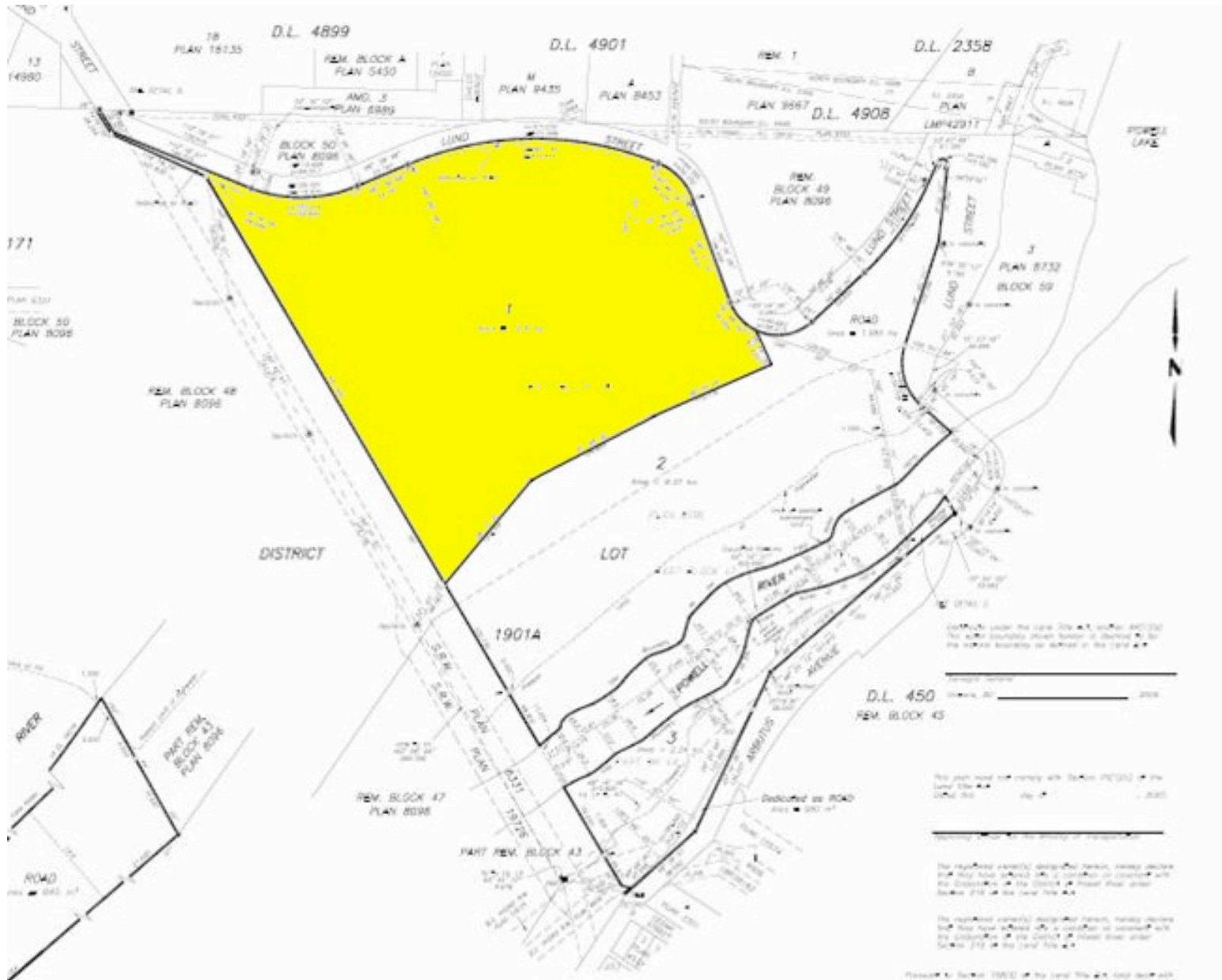


# DL4070 & Lot 2, DL450, Plan BCP23888

(Listed for \$3.1 Million)

- Property Size: 117 acres
- Currently Zoned M3 – Millsite Industrial
- Island Timberlands owns the rights to the trees on this parcel
- Development Possibilities:
  - Marine Business Park
    - Manufacturing facilities
    - Marine transportation services
    - Service Industrial
    - Fuel storage and sales
    - Warehousing
    - Extension to Willingdon Beach Trail/ Buffer Zone
  - Residential – Eastern edges by Marine Avenue

# Lot 1, DL1901A, Plan BCP23889



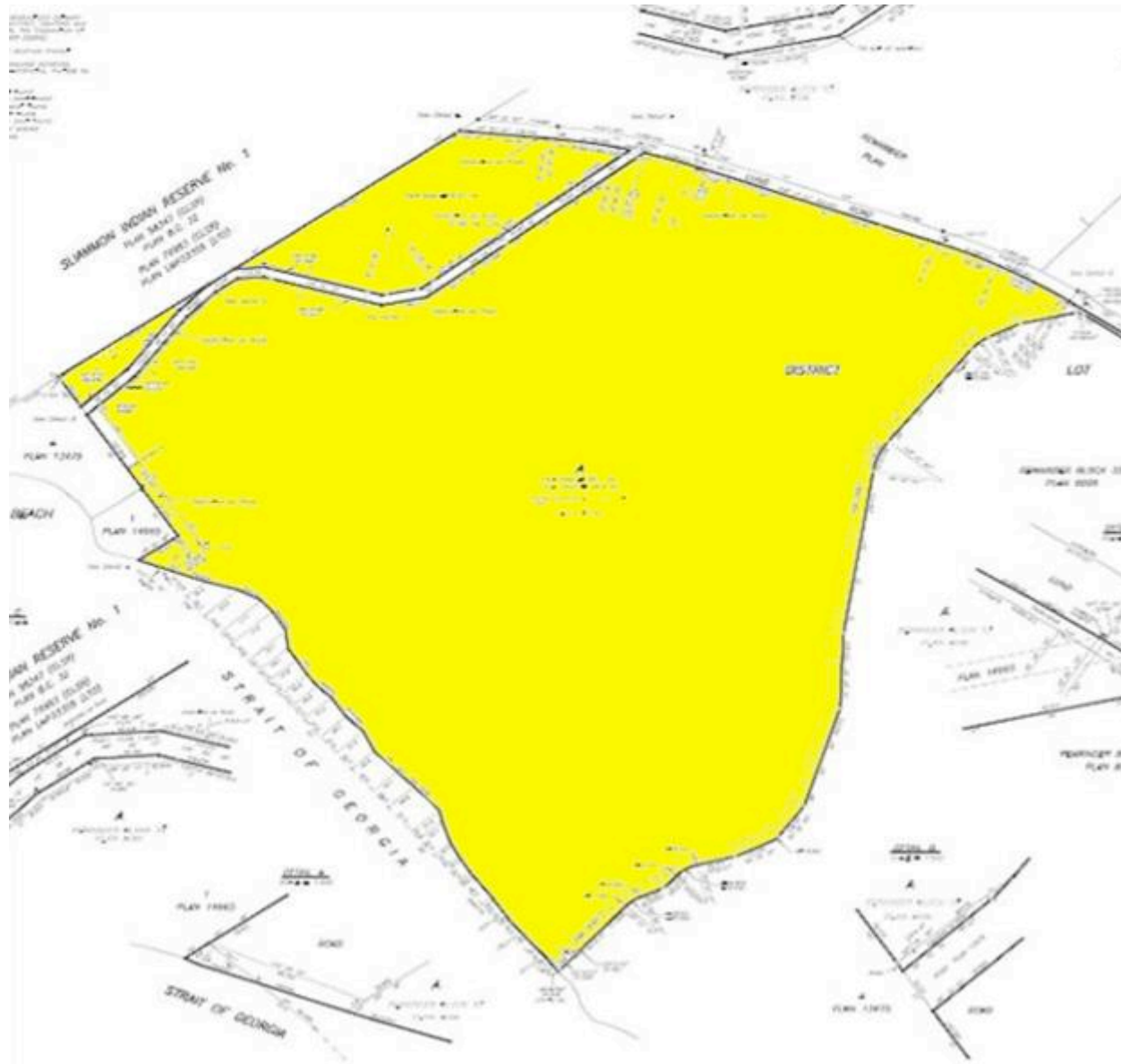


# Lot 1, DL1901A, Plan BCP23889

(Listed for \$349,000)

- Property Size: 30.6 acres
- Currently Zoned M3 – Millsite Industrial
- Development Possibilities:
  - Protect Wildwood Hill Trail through easement or park dedication
  - Residential
  - Commercial
  - Institutional

# Lot A, DL450, Plan BCP23890



# Lot A, DL450, Plan BCP23890

(Listed for \$3.1 million)

- Property Size: 245.6 acres
- Currently Zoned A2 – Large Lot Rural
- Parcel is within the Agricultural Land Reserve
- Development Possibilities:
  - Tourist Commercial – Resort
  - Commercial
  - Residential
  - Institutional
  - Agricultural
  - Industrial
  - Parks and Trails

# Block 56, DL450, Plan 8096



# Block 56, DL450, Plan 8096

(Listed for \$649,000)

- Property Size: 115 acres
- Currently Zoned A2 – Large Lot Rural
- Parcel is in the Agricultural Land Reserve
- Development Possibilities
  - Agricultural
  - Residential
  - Commercial
  - Industrial
  - Parks and Trails

# PRSC Activites

- Wildwood Hill Selective Harvest
- Catalyst Poplar Farm
- Negotiations with Island Timberlands
- Phase One Environmental Assessment of Marine Business Park Lands
- Facilitating the sale of Millennium Park
- Appraisal of Properties
- Listing of Properties
- Communications Strategy
- Working with developers interested in PRSC Lands

# Contact Us

- Mailing Address:  
201A 7373 Duncan Street, V8A 1W6
- E-Mail: [srandolph@prreds.com](mailto:srandolph@prreds.com)
- Phone: (604) 485-0325
- On the web: [www.prreds.com/prsc.htm](http://www.prreds.com/prsc.htm)