



City of Terrace and Kitselas First Nation Repurchase 1,187 Acres of Skeena Industrial Park Lands from Taisheng International Investment Services

Ensuring timely development of SIDP remains the City's goal

The City of Terrace and Kitselas First Nation have exercised their option to repurchase the 1,187-acre lands located in the Skeena Industrial Development Park (SIDP) that had been purchased for development by Taisheng International Investment Services (Taisheng) in 2014.

Pursuant to a memorandum of understanding and joint venture and revenue sharing agreement between the City of Terrace and Kitselas First Nation, lands in the SIDP were purchased from the provincial government in 2005, and have been sold or leased for the purpose of development of the lands to grow industry to support long-term economic sustainability for the Kitselas First Nation and the City of Terrace.

Under the terms of Taisheng's 2014 purchase and sale agreement, Taisheng was required to construct an industrial park and to meet certain development milestone deadlines, and the City held an option to purchase back the land for the purpose of securing Taisheng's obligations to meet the milestone deadlines.

Taisheng failed to meet the first two milestone dates of 2016 for the development and building permits, and 2017 for the pouring of a building foundation, despite the City's agreement to extend the latter deadline to 2019, and despite the City's many efforts over the years to assist Taisheng to meet its contractual milestone development dates.

"It is very unfortunate that Taisheng has not been able to move forward with the development in a timely way as was envisaged when the contract was entered into in 2014. The City and the Kitselas First Nation have determined that it was necessary to exercise the option under the agreement to ensure that progress is made in the development of the lands," said Kris Boland, CAO for the City of Terrace.

Following the City's notice to exercise the option, Taisheng failed to meet its contractual requirements under the option for conveyance of the lands to the City. Therefore, the City will be taking all necessary steps to enforce its rights under the option and the purchase and sale agreement with Taisheng.

Moving forward, the City of Terrace and the Kitselas First Nation will be looking to ensure a diversity of development on the SIDP lands, in accordance with the City of Terrace's Official Community Plan's goal of developing a diverse economy to strengthen the community's position as a hub for Northwest BC.

"Ensuring timely development of the SIDP has always been our goal. While the current circumstances are not what we envisioned for this property, we will strive to develop a suitable new direction for the SIDP

alongside the Kitselas First Nation. Our partnerships with First Nations are so valuable, and working together is vital for mutually beneficial success in our communities.” said Mayor Carol Leclerc.

Kitselas Chief Councillor Glenn Bennett, who signed the original memorandum of understanding in 2005 during his previous tenure as Chief, said he is pleased that the City and Kitselas are on the same page. “Kitselas is pleased that the City of Terrace has chosen to exercise this right, as it will ensure development at the SIDP can move forward in a timely manner, which Kitselas will benefit from. We certainly look forward to continuing our relationship, a relationship built on mutual respect. Kitselas wants to be participants in the local economy and this is a step in that direction,” said Bennett.

Media Contact:

Kate Lautens
Communications Advisor
City of Terrace
klautens@terrace.ca

###