

# **Chapter 4:**

## Urban Reserves as an Own-Source Revenue for First Nations in Manitoba

Indigenous Contributions to the  
Manitoba Economy



» *Urban reserves provide opportunities to expand and diversify revenue sources for First Nations.*

## Introduction

This research report documents Indigenous economic contributions to the broader Manitoba economy. As an important piece of the Indigenous economy in Canada, urban reserves provide opportunities to expand and diversify revenue sources for First Nations. This chapter focuses on the process of creating urban reserves, profiles seven of the eight urban reserves in Manitoba that existed prior to May 2018,<sup>35</sup> and compares them with other established urban reserves across Canada. It aims to compile basic information to make it more accessible for First Nations, municipal leaders, the general public, and other interested stakeholders. Urban reserves are continuously being created under the ATR (Addition To Reserve) process, and this research project does not consider the most recently converted lands (after May 2018).

Southern Chiefs' Organization Inc. (SCO) and Manitoba Keewatinowi Okimakanak Inc. (MKO) have partnered with the Rural Development Institute (RDI) at Brandon University for this project. The research team would like to acknowledge the important contributions of the First Nations' representatives who provided crucial information on their business corporations and urban reserves. These individuals are Mr. Tim Daniels from Long Plain First Nation, Mr. Bob Green from Swan Lake First Nation, Chief Ken Chalmers from Birdtail Sioux First Nation, Mr. Randy Councillor from Peguis First Nation, Mr. David Kobliski from Nisichawayasihk Cree Nation (NCN), Onekanew Christian Sinclair from Opaskwayak Cree Nation (OCN), and Chief Nelson Genaille and Councillors Mary Lou Leask and Augustus Chartrand from Sapotaweyak Cree Nation (SCN). We also wish to acknowledge the special efforts and time invested by Gabriela Jimenez of SCO and Clyde Flett of MKO in researching and drafting this chapter.

In Canada, treaties are agreements negotiated between First Nations and the British Crown that state the rights, responsibilities, and relationships of First Nations and the federal and provincial governments.<sup>36</sup>

In accordance with the legal principles established by the Royal Proclamation of 1763,<sup>37</sup> the Numbered Treaties were signed to open the territory for immigration in exchange for treaty promises, such as the provision of a specified quantum of land to be set apart and reserved for the respective First Nations.<sup>38</sup>

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<sup>35</sup> The chapter also provides data on Birdtail Sioux's rural addition to reserve and Peguis' urban reserves which have not yet been converted, as of May 2018.

<sup>36</sup> Treaty Relations Commission of Manitoba. (2018).

<sup>37</sup> Royal Proclamation. (1763, October 7).

<sup>38</sup> Association of Manitoba Municipalities. (2017, April). p.15.

Out of the 63 First Nations in Manitoba, 58 of them entered into treaties with the Crown between 1871 and 1910. However, some First Nations did not receive all of the land that was agreed to, and they continued requesting the provision of the total area of land specified in the Numbered Treaties. To recognize the obligation, Canada signed Treaty Land Entitlement (TLE) Settlement Agreements with 29 First Nations in Manitoba from 1994 to 2008.<sup>39</sup>

Recently, the Crown established a process to progressively transfer land to the First Nations; it is called the Addition to Reserve (ATR) process.<sup>40</sup> There are three reasons to use ATR: (1) to transfer land that is outstanding under legal obligations such as TLE agreements; (2) for community additions for a variety of purposes, including cultural or social reasons; (3) to acquire land as compensation under a Specific Claims Tribunal decision.<sup>41</sup> If the land to be transferred is within or adjacent to an urban municipality, then it is called an urban reserve. Therefore, urban reserves are usually<sup>42</sup> additional lands that have been transferred to a specific First Nation following a governmental process and fulfilling certain required conditions, such as the signing of a Municipal Development and Services Agreement (MDSA), also known as a Municipal Service Agreement (MSA). As with any other piece of land, the manager (in this case the First Nation) can use it for economic, political, cultural, or social purposes. Due to their locations within or adjacent to urban municipalities, most urban reserves are used for economic development by establishing businesses to generate own-source revenues<sup>43</sup> for the First Nation.

While other authors, including the National Aboriginal Economic Development Board<sup>44</sup> and the Institute of Urban Studies,<sup>45</sup> have examined urban reserves in Canada, information remains limited about the existing urban reserves in Manitoba. What is available seems piecemeal and incomplete. To overcome this challenge, SCO has been bringing First Nations, municipal, provincial, and federal governments together to reduce information gaps, facilitate discussions, and promote urban reserves and other business opportunities. As part of these efforts, SCO hosted the Anishinaabe and Dakota Nations Business

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39 Association of Manitoba Municipalities. (2017, April). p.15.

40 The federal Additions to Reserve Policy was created in 1972 and updated in 2001 and 2016. See Indigenous and Northern Affairs Canada. (2016, July 27). Additions to Reserve.

41 Indigenous and Northern Affairs Canada. (2016, July 27). Additions to Reserve/Reserve Creation Policy.

42 The one exception in Manitoba is Opaskwayak Cree Nation adjacent to The Pas. See "ATR and MDSA (or MSA) processes" below.

43 Own-source revenues are non-government source of income for Indigenous communities.

44 National Aboriginal Economic Development Board (NAEDB) (2014, 2015, 2017) reports on Additions to Reserve.

45 Institute of Urban Studies (IUS) (2012).

» *These profiles signal the first time this information has been gathered and made accessible.*

and Partnerships Forum in May 2018. During a brief introductory presentation on this project,<sup>46</sup> some of the attendees showed interest in the urban reserves in Manitoba. As well, First Nations leaders clarified their collective desire for continued use of the term “urban reserve” over other less-clear terms like “economic development zone.” Firstly, “urban reserve” is the legal term used for the addition to the First Nation, expressing that the land is identified as an extension of the existing reserve. Also, due to the length of the ATR process, the term “urban reserve” is valued for representing the important relationship between leaders, staff, and the broader communities involved.

This chapter focuses on urban reserves in Manitoba. It provides a short background on the ATR process, examines case studies elsewhere in Canada, and describes and compares existing urban reserves in Manitoba. The chapter concludes by discussing growth trajectories of urban reserves in Manitoba, as described by representatives of respective First Nations. A wealth of information about today’s urban reserves is presented in the profiles, appended to this chapter. These profiles signal the first time this information has been gathered and made accessible.

## Research Methods

This research examines urban reserves in Manitoba to understand how they are structured and how they serve as engines for economic, social, and environmental development and growth. Primary data was collected through discussions with those with first-hand knowledge and secondary data was gathered by accessing online and printed resources. The project focuses on seven urban reserves in the province (as of May 2018) and recognizes the ongoing nature of the ATR process.<sup>47</sup>

First, we accessed available secondary data to identify the existing urban reserves and those in the ATR process. As well, we searched for case studies on various urban reserves in Canada, finding highlights on their economic contributions to First Nations economic development. Secondly, within the context of OCAP®<sup>48</sup> principles, and after receiving a Brandon University ethics certificate,<sup>49</sup> representatives from SCO and MKO met and discussed with leaders and representatives of First Nations with urban reserves in Manitoba. These discussions were audio recorded, transcribed, and analysed by the SCO and MKO researchers.

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<sup>46</sup> Ashton, Flett, and Jimenez (2018).

<sup>47</sup> Future research will add more urban reserves.

<sup>48</sup> First Nations Information and Governance Centre. (2018).

<sup>49</sup> Ethics certificate by Brandon University Research Ethics Committee, 22254, March 1, 2018.

The original recordings and transcriptions are safely stored at their respective organizations. The discussions and data form the basis of the profiles of each urban reserve. The draft version of profiles was validated by the interviewees. Finally, the profiles and the literature review were organized and analysed in this chapter.

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## ATR and MDSA (or MSA) Processes

A reserve is a parcel of Crown land that has been set apart for the use and benefit of a particular First Nation, and an Addition to Reserve (ATR) is a parcel of land that adds to the existing reserve or creates a new reserve.<sup>50</sup> An urban reserve (UR) is reserve land within or adjacent to an urban municipality. In many cases, the urban reserve was created through the ATR process. In other cases, the reserve existed first and a nearby community grew up alongside it or surrounded it via urban sprawl. Opaskwayak Cree Nation, which is adjacent to The Pas, is a Manitoba example of this latter type of urban reserve. In 2008, there were approximately 120 urban reserves across Canada,<sup>51</sup> and close to 50% of them were in Saskatchewan.

*The ATR process ◀  
is long.*

Urban reserves are initiated by a First Nation, usually with the acquisition of property in a municipality. Their initial investment signals a critical point in pursuing economic development, coupled with social and cultural development. The ATR process is long, and by many accounts too time-consuming—partly because property must be transferred from fee-simple ownership within a real estate market to a legally described part of the First Nation reserve. This process has challenges and benefits, none more important than the resulting trusted relationship between the First Nation and the municipality.

Indigenous Services Canada's new Additions to Reserve/Reserve Creation Policy Directive 2016 details the process and its requirements, including the Municipal Service Agreement (MSA) required for urban reserves. The MSA is the agreement (either formal or informal) between the First Nation and the municipality that sets out the terms for one party to purchase specified local services from the other.<sup>52</sup> According to Mr. Bob Green, specialist in TLE and member of Swan Lake First Nation (see Appendix B), the MSA may represent a barrier in the reserve

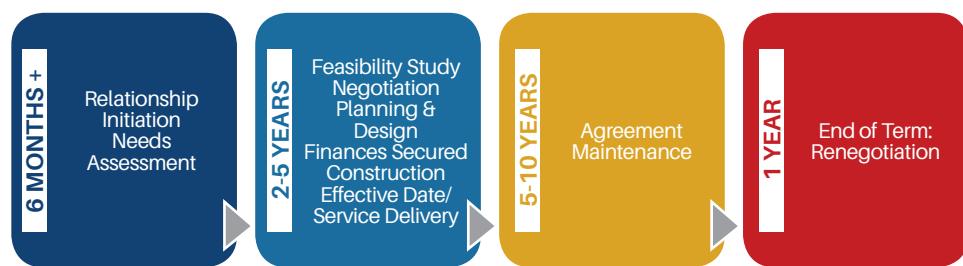
<sup>50</sup> Indigenous and Northern Affairs Canada (INAC). (2016, July 27). Additions to Reserve.

<sup>51</sup> Indigenous Corporate Training, Inc. (2018).

<sup>52</sup> Federation of Canadian Municipalities. (2011). p. 4.

» An estimated timeline for the MSA process, which could take more than 15 years.

**FIGURE 4.1: Process and timeline for creating a Service Agreement\***



\* Adapted from: Community Infrastructure Partnership Program (CIPP), January 2011

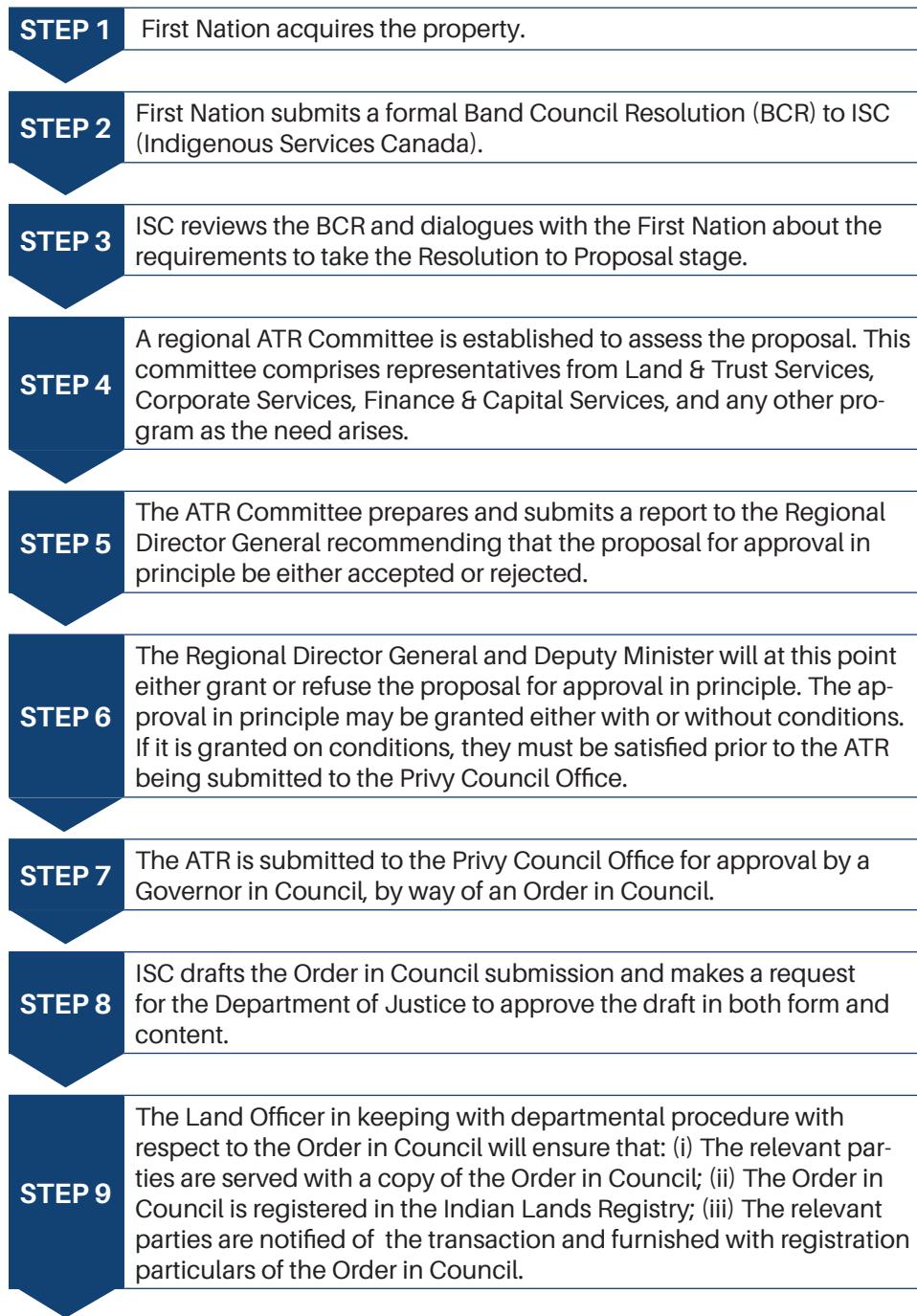
conversion process. The municipality reviews, approves, and signs off on the MSA, but because they are not obligated to reach an agreement, the review and approval process may take considerable time to complete. Figure 4.1 shows an estimated timeline for the MSA process, which could take more than 15 years, according to a study published by the Community Infrastructure Partnership Program (CIPP), January 2011.

Assuming that the First Nation has already acquired the parcel of land, the MSA process starts when the municipality and the interested First Nation begin conversations. The dialogue with municipal leaders and the needs assessment may take about 6 months. In the following two to five years, many other steps are completed, ranging from feasibility study to setting out the costs and effective dates for municipal service delivery. After the MSA is signed and maintained over multiple years, the First Nation and municipality may renegotiate the MSA, leading to a renewed agreement.

There are many MSAs in Canada, and some are publicly available. For example, Gambler First Nation and the City of Brandon committed to create an urban reserve by agreeing to the benefits and costs for each party.<sup>53</sup> Figure 4.2 lists the main steps of the ATR process with Indigenous Services Canada.

<sup>53</sup> City of Brandon. (2018).

## FIGURE 4.2: Overall steps for ATR process



Source: Land Management Manual, Chapter 10: Additions to Reserve/Reserve Creation - 2016

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» *Urban reserves are more than a win-win situation: they are purposefully creating benefits for both First Nations and municipalities.*

## Supplementary Resources for ATR Process

For the MSA to succeed, it must be grounded in a trusted relationship between the parties. Experiences across Canada show that there is more than one approach to support the ATR and MSA processes and make them easier to navigate. For example, the Federation of Canadian Municipalities offers online information on its website.<sup>54</sup> It also offers direct assistance under the First Nations–Municipal Collaboration Programs, such as the Community Infrastructure Partnership Project.<sup>55</sup> As well, many documents have been published by recognized institutions, like the National Indigenous Economic Development Board<sup>56</sup> and Fiscal Realities Economists Ltd.<sup>57</sup> These and many other organizations provide assistance and support to First Nations and municipalities to facilitate a successful MSA negotiation process. These resources foster reciprocal relationships which help to reduce costs, enhance economic and social development, and enhance capacity.

## Urban Reserves in Canada: Benefits & Challenges

Urban reserves have emerged as a key feature of economic success among First Nations across Canada. Wherever there is an effective, efficient urban reserve, there is a First Nation that controls its own affairs, separates business from politics, implements strong business partnerships, has appropriate long-lived business institutions, and grounds these business institutions and their attendant activities in Indigenous culture.<sup>58</sup>

In 2016, a research study on urban reserves and the ATR process used three case studies of urban reserves in Canada: Westbank First Nation Urban Reserve in Kelowna, British Columbia; Muskeg Lake Cree Nation Urban Reserve in Saskatoon, Saskatchewan; and Long Plain First Nation Urban Reserve in Winnipeg, Manitoba. After reviewing literature and interviewing key informants, the author concluded that urban reserves are more than a win-win situation: they are purposefully creating benefits for both First Nations and municipalities. Urban reserves further First Nations' development objectives on economic, social, cultural,

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54 See [www.fcm.ca](http://www.fcm.ca)

55 See Community Infrastructure Partnership Program at <https://fcm.ca/home/programs/first-nations-municipal-collaboration-programs/community-infrastructure-partnership-project.htm>

56 View their publications at <http://www.naedb-cndea.com/en/publications/>

57 View their publications at <http://www.fiscalrealities.com/publications-and-reports.html>

58 Institute of Urban Studies. (2012).

and political levels, both on and off reserves. They also benefit the local governments, which earn revenue from the service agreements, improve socio-economic dynamics around the urban reserves, and strengthen their relationships with First Nations' governments.<sup>59</sup>

Other highlights of well-established urban reserves in Canada: (1) all of them have independent corporations structured to oversee and manage the business; (2) their businesses are diverse and vary from VLTs and gas bars, to other innovative ideas; (3) community members are encouraged to be entrepreneurs and start their own businesses; (4) cultural and traditional activities are promoted by/on the urban reserves.

These findings highlight how urban reserves in Manitoba are poised for economic success. They may serve as useful examples for First Nations and municipalities of how to incorporate and maintain strong institutions of self-governance, approach urban reserves in a culturally appropriate way, and create a strategic orientation to attain economic, social, and cultural development.

Urban reserves bring multiple benefits to First Nations and local governments, but their formation continues to be a challenging process, especially for smaller communities with high potential but limited financial capacity. The benefits and challenges of urban reserves are listed below in order to provide a bigger picture and encourage involved stakeholders to engage in their formation.

## Benefits

Urban reserves have been established all over Canada bringing multiple benefits to all parties involved. These benefits include revenue generation for First Nations and municipalities, revenues from spending on and off reserve, jurisdiction over new reserve lands, increased job and development opportunities, positive relationships between First Nations and other levels of governments, improved quality of life, and increased economic self-sufficiency.<sup>60</sup>

Municipalities and local governments mostly benefit from urban reserves, as the MSA ensures that the service provider gets reimbursed for utility and service costs. As well, individuals working in urban reserves may reside and/or spend in the surrounding communities, contributing to the municipalities' economies.

For First Nations, urban reserves are opportunities to have continual own-source revenue streams, which are reinvested in the First Nations'

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members. The businesses on the urban reserve may generate millions of dollars, and the profits are returned to or reinvested directly in the First Nation. These revenues contribute to reserve services such as schooling, housing, youth development, Elder support and protection, sports competitions, music lessons, capacity building conferences, etc. In addition, some of these profits are reinvested into businesses on reserve or on the urban reserves, where the priority is to have Indigenous employees or to lease out to Indigenous businesses. People in the First Nations communities would always like to see their own community members working in those spaces, especially when they have high populations living in the big urban centres like Winnipeg, Brandon, and Thompson, where the urban reserves are located.

## Challenges

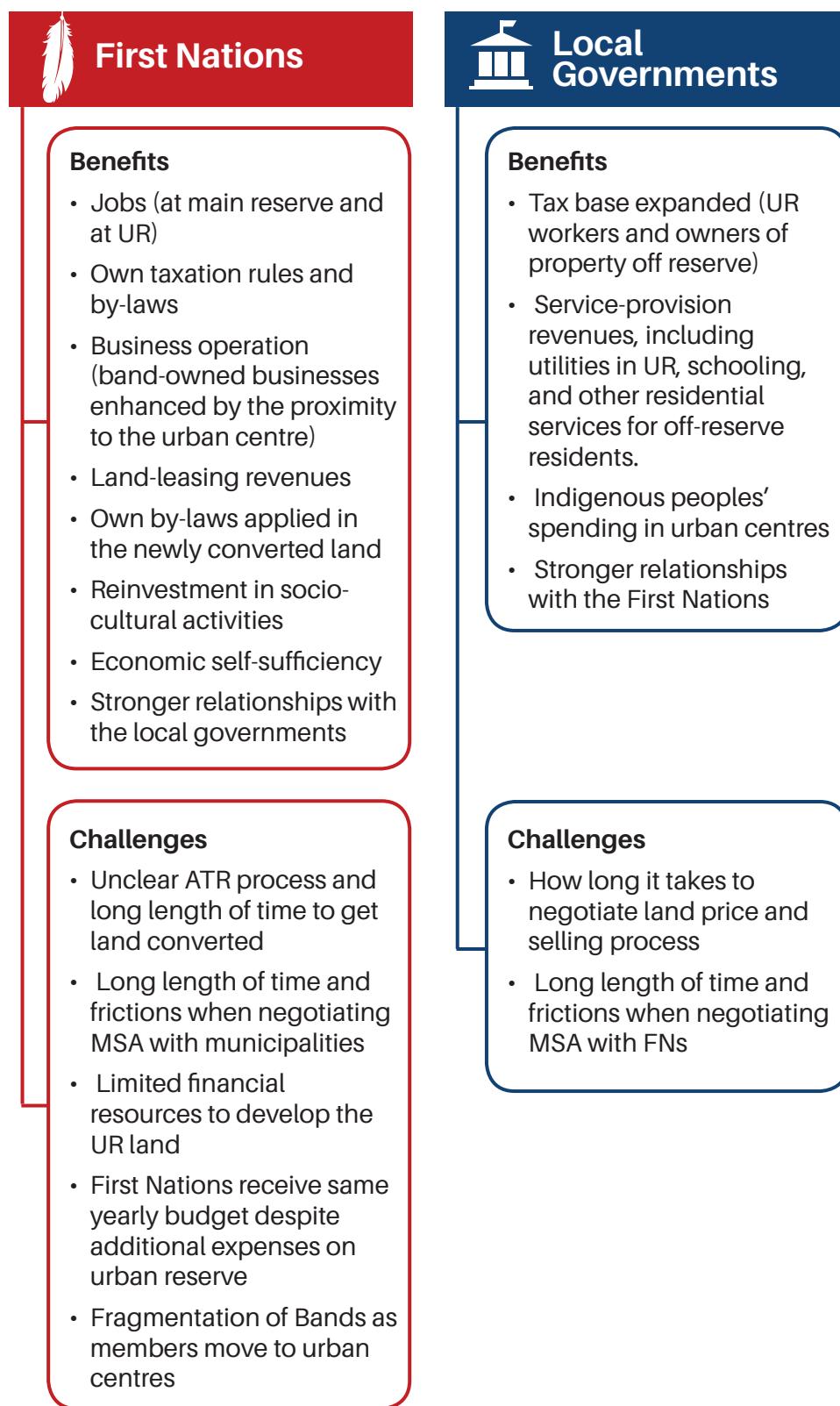
Although the ATR process could be streamlined by converting land through the TLE settlement process, the Crown is not considering it. In the creation of urban reserves, there are still many challenges, most importantly the MSA and the financial barriers.

The financial status of First Nations does not preclude them from engaging in the TLE or ATR process; however, establishing an urban reserve requires many resources from First Nations. Thus, financial stability is crucial as First Nations may incur high levels of debt when developing the acquired land. Another financial challenge is that First Nations do not receive any additional funds for the newly converted lands; thus, the development of the area, including providing education and other services, must come from the existing First Nations' budgets and the MSAs.

For example, Long Plain First Nation (see Appendix A) has an urban reserve with residential buildings in Portage la Prairie. The families living on the urban reserve send their children to the Portage la Prairie School Division; however, there is a disparity between the per-student funding Indigenous Services Canada (ISC) provides to First Nations for students living on-reserve and the funding provided by the province for students in the provincial system. ISC gives about \$4,500 per student to on-reserve schools, whereas the province gives about \$7,500 per student to schools in the cities of Winnipeg and Portage. The difference of \$3,000 per child is being paid by the Long Plain First Nation's corporation. This funding difference continues to be discussed with ISC, since they are responsible for education.

Figure 4.3 summarizes the benefits and challenges of urban reserves for First Nations and local governments.

## FIGURE 4.3: Summary of urban reserve benefits and challenges



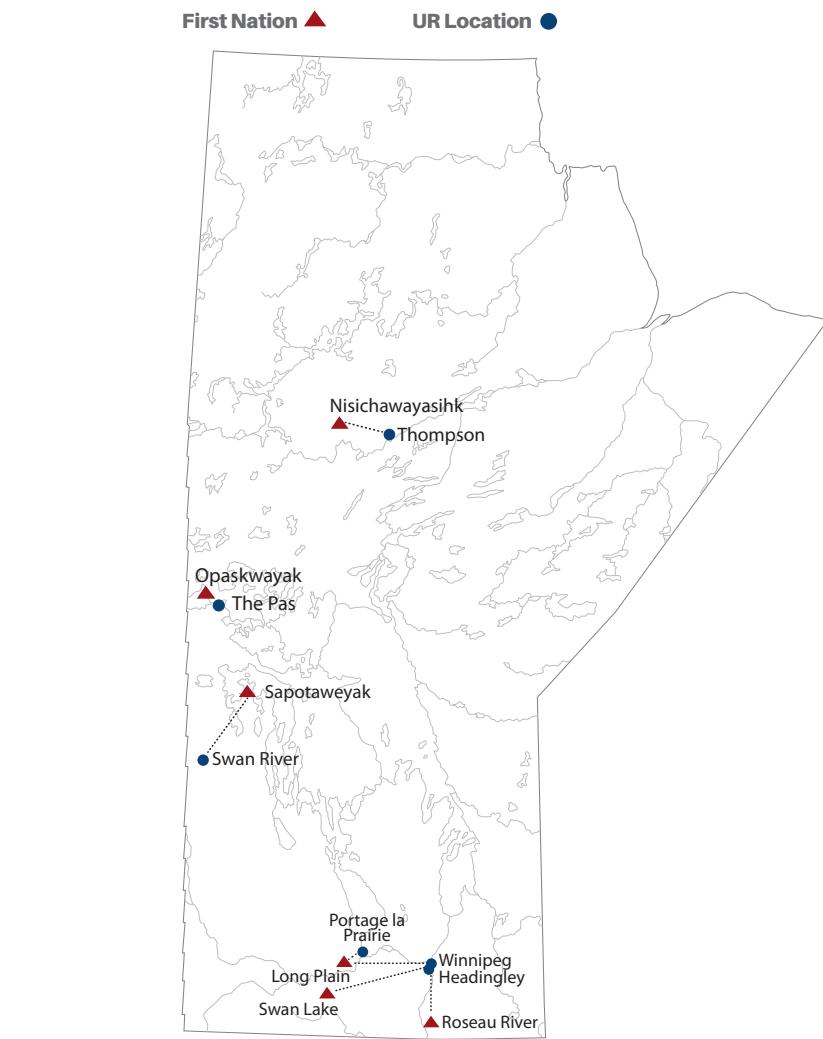
» *Urban Reserve: Land in or adjacent to an urban municipality that has been set apart by the federal Crown for the use and benefit of a First Nation.*

## Urban Reserves in Manitoba

First Nations are actively establishing urban reserves in Manitoba. By May 2018, there were eight existing urban reserves in Manitoba<sup>61</sup> and 17 proposed via the ATR process.

Figure 4.5 lists the First Nations that have urban reserves in Manitoba and the municipalities where they are located. From this list, the First Nations with existing urban reserves were approached to participate in this project. Researchers from SCO and MKO interviewed representatives from these First Nations. With the information gathered, the researchers developed the profiles of Manitoba's urban reserves. See Appendices A to E.

**FIGURE 4.4: Map of urban reserves**



<sup>61</sup> INAC. (2014). For this report, only reserves inside or adjacent to urban municipalities were considered urban reserves.

## FIGURE 4.5: Urban reserves in Manitoba by May 2018

Urban Reserves as of May 2018	Proposed to ATR by January 2018
<ul style="list-style-type: none"> <li>• Long Plain First Nation (2 locations)           <ul style="list-style-type: none"> <li>• City of Winnipeg</li> <li>• City of Portage La Prairie</li> </ul> </li> <li>• Nisichawayasihk Cree Nation           <ul style="list-style-type: none"> <li>• City of Thompson</li> </ul> </li> <li>• Roseau River Anishinabe First Nation           <ul style="list-style-type: none"> <li>• City of Winnipeg</li> </ul> </li> <li>• Sapotaweyak Cree Nation (2 locations)           <ul style="list-style-type: none"> <li>• Town of Swan River</li> </ul> </li> <li>• Swan Lake First Nations           <ul style="list-style-type: none"> <li>• R.M. of Headingley</li> </ul> </li> <li>• Opaskwayak Cree Nation           <ul style="list-style-type: none"> <li>• Town of The Pas</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Brokenhead Ojibway Nation           <ul style="list-style-type: none"> <li>• City of Winnipeg</li> <li>• R.M. East St. Paul</li> </ul> </li> <li>• Gambler First Nation           <ul style="list-style-type: none"> <li>• City of Brandon</li> </ul> </li> <li>• Long Plain First Nation           <ul style="list-style-type: none"> <li>• City of Winnipeg</li> <li>• City of Portage la Prairie</li> </ul> </li> <li>• Opaskwayak Cree Nation           <ul style="list-style-type: none"> <li>• City of Thompson</li> <li>• Big Eddy, outside The Pas</li> </ul> </li> <li>• Peguis First Nation*           <ul style="list-style-type: none"> <li>• 3 in City of Winnipeg</li> <li>• 1 in Selkirk</li> </ul> </li> <li>• Rolling River First Nation           <ul style="list-style-type: none"> <li>• R.M. Headingley</li> <li>• R.M. Elton</li> </ul> </li> <li>• Swan Lake First Nation           <ul style="list-style-type: none"> <li>• R.M. Headingley</li> </ul> </li> <li>• Tootinaowaziibeeng First Nation           <ul style="list-style-type: none"> <li>• R.M. of Dauphin</li> </ul> </li> <li>• Waywayseecappo First Nation           <ul style="list-style-type: none"> <li>• R.M. Elton</li> </ul> </li> <li>• Wuskwi Sipihik First Nation           <ul style="list-style-type: none"> <li>• Town of The Pas</li> </ul> </li> </ul>

\* Peguis First Nation and the City of Winnipeg signed an MDSA for the urban reserve at 1075 Portage Avenue in July 2018. Peguis has broken ground at the Portage site, as well as the Selkirk site. The land is still awaiting conversion.

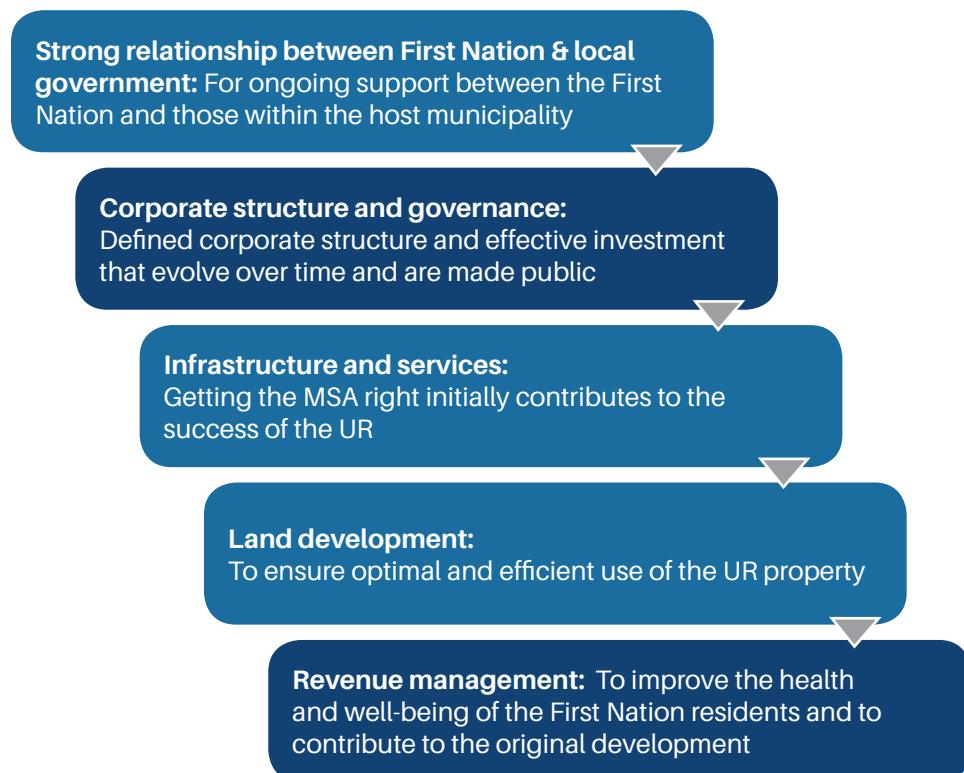
The First Nations with urban reserves represented by the Southern Chiefs' Organization (SCO) are Long Plain, Swan Lake, and Roseau River. Birdtail Sioux's converted land in the rural community of Foxwarren and Peguis' urban reserves which have not yet been converted were also profiled (see Appendices F and G). No profile was completed for Roseau River.<sup>62</sup> The First Nations with urban reserves represented by

<sup>62</sup> Roseau River was approached late in the project and information on their urban reserve just north of Winnipeg, near Highway 6 and the perimeter highway, is still forthcoming.

Manitoba Keewatinowi Okimakanak (MKO) are Nisichawayasihk Cree Nation (NCN), Opaskwayak Cree Nation (OCN), and Sapotaweyak Cree Nation (SCN). After conversations with the First Nations' representatives, in-depth profiles of seven of the eight urban reserves were written, validated, and compiled (see Appendices A to E). The profiles revealed interesting key findings and facts about the uniqueness of each urban reserve in Manitoba. They have similarities and differences that debunked basic assumptions, such as the assumption that only a highly populated reserve could sustain economic development or that urban reserve businesses are limited to VLTs and gas bars.

The profiled urban reserves exhibit five interconnected factors of success: (1) strong relationship with the local governments and surrounding communities, (2) corporate structure and governance, (3) infrastructure, (4) land development, and (5) revenue management.

### **FIGURE 4.6: Interconnected factors for urban reserve success**



Strong relationships with the surrounding communities and governments contribute to the formation of successful MSAs that provide appropriate infrastructure and services for the land development. Since both the corporate structure and the revenue management were recurring themes in the interviews with the First Nations' representatives, how these two factors contribute to urban reserves' success is explained in more detail.

## Economic Development Corporate Structure

In Manitoba, all urban reserves share a common economic development corporate structure. Out of the existing urban reserves, only SCN is still in the process of creating its corporation, and in the meantime, Chief and Council hold the board of directors' positions for urban development. Nonetheless, SCN's current structure is fairly similar to the majority of the other urban reserves' corporate structures. The Chief and Council of each reserve, except for Peguis, hold the board of directors' roles in their corporations and have a coordinator or CEO that runs the corporation and reports to the board.

Uniquely, Peguis separates its development corporation from the elected Chief and Council. The Peguis Development Corporation is under no obligation to comply with the council's wishes, and they have their own board and managers. The board of directors' positions of the other First Nations (Long Plain, Swan Lake, Birdtail, NCN, and OCN) are held by Chief and Council, but there are procedures in place to reduce conflict of interest and mismanagement. For example, Long Plain's Chief and Council are the board of directors of the Arrowhead Development Corporation.<sup>63</sup> They divide their time in half to ensure business matters and tribal government decisions are both handled. Another example is Swan Lake: the Chief and Council sit as board of directors when dealing with business matters, not as Chief and Council.<sup>64</sup> Birdtail Sioux has 100% equity over its corporation, and it is run by Chief and Council.<sup>65</sup>

First Nations have established strong standards to ensure appropriate management of profits. For instance, any money that is not used for reinvestment in the urban reserves is placed in a trust fund. If Council wants access to the money for a project, it should involve a lawyer and an auditor and have a First Nation's representative sign off on it. These corporate structures play a vital role in ensuring that the companies are reinvesting all revenue back to the First Nation. Chief and Council have intimate knowledge of the community and its needs; therefore, they can

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<sup>63</sup> See Appendix A.

<sup>64</sup> See Appendix B.

<sup>65</sup> See Appendix F.

» *The revenue generated from urban reserves is reinvested to improve the quality of life of First Nations' members and further the First Nations' economic development.*

best represent the community's interests and support an improved quality of life when they sit as board of directors of the economic development corporation.

## Revenue Management

The revenue generated from urban reserves is reinvested to improve the quality of life of First Nations' members and further the First Nations' economic development. Different reinvestment approaches are used to improve the components of quality of life including health, education, social and culture programming, housing, infrastructure, and employment opportunities (via capacity building and training).

For example, Long Plain First Nation has community members living off reserve; therefore, their Madison Indian Reserve, located between Madison and Kensington Streets in Winnipeg, employs urban Indigenous people, especially those that are registered to Long Plain First Nation. The Madison Indian Reserve has a gas bar with a convenience store that is open around the clock. Also, they are in the process of building an office building on the site. A construction company has already been hired, with the agreement that a percentage of the workers hired for the construction project will be Indigenous people, including Long Plain members.

Another example is Peguis First Nation.<sup>66</sup> Peguis employs about 372 people on various projects, such as Manitoba Hydro projects and pipeline projects with Enbridge. The Peguis Development Corporation (PDC) employs around 30 people. They have agreements and/or a priority to hire Indigenous people. This priority is important as it creates jobs for off-reserve members and urban Indigenous people.

For example, in the North, OCN is the largest employer in the surrounding area. Money generated from the businesses on the urban reserve and other reserves is reinvested in the community. OCN provides employment training, develops social programs, builds new infrastructure, updates existing infrastructure, and explores further economic and educational opportunities in the area and beyond. OCN believes education is paramount for the success of a nation.<sup>67</sup>

In general, the First Nations with urban reserves organize and implement social and cultural programming for their community members with the revenue generated from their businesses. Instead of applying for funding to operate culturally and socially appropriate programs, they are able to

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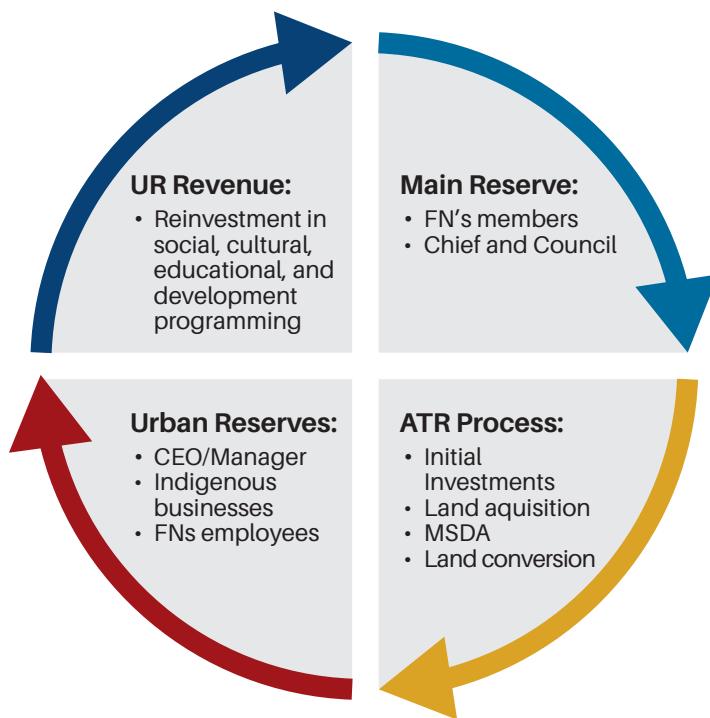
<sup>66</sup> At the time of publication, Peguis had signed an MDSA with the City of Winnipeg but were still in the process of converting their urban reserves.

<sup>67</sup> See Appendix F.

set aside a percentage of funding for programs that will socially benefit the community. Figure 4.7 simplifies the structure.

The economic development of urban reserves in Manitoba goes beyond the operation of VLTs. <<

**FIGURE 4.7: Revenue Management general structure**



The economic development of urban reserves in Manitoba goes beyond the operation of VLTs, whether in the present or in future plans. Despite having differences in their historical backgrounds, land sizes, and populations, the First Nations with urban reserves seem to share similar elements of economic development, including a variety of businesses and services offered within the urban reserves and in surrounding communities.

Table 4.1 presents key indicators and facts about the urban reserves in Manitoba. The profiles of First Nations with urban reserves reveal significant differences in population size, but all have established own-source revenues nonetheless. It would be easy to assume that only those with a larger population or large land size may be able to sustain an urban reserve, but this is not the case. For instance, Swan Lake First Nation has a total population of 1,252, while OCN's total population is 6,149.<sup>68</sup> Swan Lake's on-reserve population is 725, and it is able to manage several businesses on its urban reserve, such as a gaming centre, office building, gas bar, and convenience store. With regard to

<sup>68</sup> These population numbers include those living on and off reserve.

**» Urban reserve lands provide opportunities for business growth, as most businesses are based on walk-in or drive-by customer traffic; thus, location is critical.**

reserve land size, SCN has the largest reserve with 103,386 acres, but the smallest urban reserve at 0.35 acres. Roseau River, on the other hand, has the smallest reserve with 6,368 acres, 74 acres of which is in an urban setting. This fact reaffirms that both big and small communities can establish urban reserves. Furthermore, Long Plain has a total of 8,612 acres, with 137.81 acres in urban settings, showing that First Nations may start with small businesses and reinvestment may allow them to expand. Urban reserve lands provide opportunities for business growth, as most businesses are based on walk-in or drive-by customer traffic; thus, location is critical.

**TABLE 4.1: Indicators of urban reserves in Manitoba**

	Long Plain	Swan Lake	Roseau River	NCN	OCN	SCN
Registered population	4,200	1,252	2,689	5,243	6,149	2,581
Population on-reserve	1,232	725	1,194	3,016	3,350	921
Reserve land size (acres)	8,612	16,161	6,368	58,586	38,629	103,386
Existing urban reserves	2	1	1	1	1	2
UR in ATR	-	2	-	-	2	-
Location of UR	Portage la Prairie & Winnipeg	Headingley	North of Winnipeg	Thompson	Adjacent to The Pas	Swan River
UR land size (acres)	137.81	25	74	4.21	Unavailable	0.35
Businesses on UR	8	3	2	2	8	1
Jobs on URs	130	38	Unavailable	90	Unavailable	9-30

Source: Appendices A to E, except Roseau River. Roseau River sources: INAC First Nation community profile & CBC News. (Nov. 27, 2007).

As one might expect, the older the urban reserve, the more businesses tend to be established on it. Such is the case with Long Plain First Nation, which has eight businesses on its urban reserve, while the others in the south have two to three businesses each. Opaskwayak Cree Nation, which has eight businesses, is an urban reserve that grew up alongside an urban municipality, across the Saskatchewan River from the Town of The Pas. It is important to highlight that office buildings in urban reserves, such as Swan Lakes', support a number of other

Indigenous and non-Indigenous businesses, as the spaces are leased out to the public. So, while Table 4.1 may reflect only numbers, it represents bigger economic impacts in terms of promoting economic diversity. For example, First Nations with urban reserves in Manitoba operate office buildings, convenience stores, gas bars, and hotels, and lease out to entrepreneurs, colleges, restaurants, pharmacies, etc. Truck stops, residential lots, and cultural and tourism initiatives are planned for the future.

Undoubtedly, urban reserves promote economic development within and around a community and contribute to First Nations becoming more self-sufficient. They support the Indigenous mindset of planning for future generations by providing revenues to support services and cultural development. The First Nations with urban reserves continue to reinvest in sustainable holistic development with a variety of businesses.

## Moving Forward

The urban reserves examined in Manitoba have strategic plans for their future economic developments. They are envisioning growth which will further contribute to their communities and the communities that surround the urban reserves. By examining key growth facts in each of the urban reserve profiles in Appendices A to E and comparing the past (five years ago), the present, and the future (five years from now), significant growth can be observed. Almost all urban reserves have plans to double their property sizes, employment rates, and numbers of businesses. They are not planning on slowing down, but rather, envision continued growth and expansion of their urban reserves.

For instance, SCN has secured a second parcel of land, which was granted urban reserve status in May of 2018. According to SCN's profile, they may be building a gas station on this new piece of land, although other business options are also being discussed. Swan Lake went from having a gas bar and two VLT lounges to now having an office building, convenience store, and restaurant. Swan Lake has future plans for a second office building and a hotel and convention centre. These are only two examples of the intentions for growth on urban reserves in Manitoba.

The continuous growth of urban reserves provides the opportunity for First Nations to increase employment rates for their community members and surrounding populations, reinvest in socio-cultural programming, and increase economic self-sufficiency. Although the ATR process comes with its challenges, the benefits, including reinvestment into the community, seem to outweigh those challenges in the long

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**» The urban reserves also support meaningful relationships between municipalities and First Nations.**

run. The urban reserves also support meaningful relationships between municipalities and First Nations.

**TABLE 4.2: First Nations with urban reserves in Manitoba**

First Nation	5 Years Ago	Today	5 Years from Now
Long Plain	1 UR 23 Staff 1 Gas bar 30 VLTs	2 URs 7 Buildings 130 staff 60 VLTs 2 Gas bars 2 Convenience stores Residential lots	4 URs Business Centre Hotel & Meeting Centre Truck stop Cannabis stores
Swan Lake	1 UR Gas bar with smoke shop VLT lounge Office spaces	1 UR New office building Gas bar with Smoke shop VLT lounge Convenience store	2nd office bldg., Hotel and Meeting Centre Support start-ups More retail and ventures
Roseau River	1 UR 1 Gas bar with Smoke shop	1 UR 1 Gas bar with Smoke shop Gaming Centre	Car dealership Big box stores Medical clinic with dental & optical services as well
Nisichawayasihk	Land & business purchased	1 UR Hotel and tavern	Gas station, Office complex, Residential zone
Opaskwayak	1 UR Mall Hotel 2 Grocery stores Gas station & convenience store Gravel & sand business Casino (co-owned) Discount Store	2 additional lots purchased, including residential units Cannabis store	3 URs Upgrade residential infrastructure Expand business ventures
Sapotaweyak	Lot purchased No UR	2 URs Gaming centre	Development of 2nd UR Expand gaming centre

Source: Appendices A to E, except Roseau River. Roseau River sources: CBC News (Nov. 27, 2007) and Kiinu Oasis Gaming Centre website.

Table 4.2 demonstrates the growth trajectory of the urban reserves, along with other economic investments and activities of each First Nation. Continual growth was evident over the last five years and is anticipated to continue for the next five years. The expected business developments include everything from additional urban reserves, to business centres and hotels, to retail shops and cannabis stores, to trucking, ski resorts, and investments in mining. All will benefit First Nations people. These activities will generate prospects for those on reserve through job opportunities, skills development, and the launching of careers. These developments will also generate employment opportunities for others, increase government revenues from taxes, and contribute to the overall prosperity of the rural region.

As mentioned in the “Supplementary resources for ATR process” section above, there have been several documents published, such as Addressing Barriers to Economic Development on Reserve, which increase understanding of the challenges Indigenous communities face while in the process of creating urban reserves. These documents also promote critical thinking around improvements that can be made by the federal and local governments. Along with the published documents, there are other sources that can help in creating meaningful relationships and partnerships between First Nations and municipalities, as well as providing other useful and important information regarding MSAs and ATRs.

Through this research, particularly the urban reserve profiles, it has become clear that First Nations are greatly benefitting from the economic endeavours taking place on urban reserves; these endeavours allow First Nations to gain control over their own affairs while establishing and maintaining strong relationships with other governments. As well, urban reserves contribute to surrounding and nearby urban centres through the income spent on local businesses, maintenance services, and utility services. Based on the strategic economic development plans and the number of proposed urban reserves in the ATR process, the future trajectory of urban reserves is promising.

*Further research is <<  
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## Conclusion

Urban reserves are a critical aspect of the First Nations economy in Canada. First Nations with strong and transparent institutions of governance are gaining control over their own affairs, setting up long-lived business institutions, and ensuring that those institutions and systems are deeply rooted in their culture. Urban reserves are also places for leadership, including collaboration with other leaders on and off reserve. Urban reserves demonstrate a long-term commitment to associated municipalities through MDSAs, and allow First Nations to pursue incremental investment beginning with the purchase of a property for an urban reserve.

The urban reserve profiles and other information compiled in this chapter are significant first steps in making this knowledge accessible to all; however, considering the integral and holistic Indigenous approach to well-being and economic development, further research is needed to better understand how urban reserves are contributing to the social and cultural aspects of communities. What is clear is that the existing urban reserves in Manitoba will continue to grow, as will the benefits. Certainly, First Nations are benefitting from urban reserves as an own-source revenue, as are host municipalities and governments. The increasing number of urban reserves in the ATR process, the ongoing and future activities reported in the profiles, and the summary of the positive impacts to these First Nations support one conclusion. That conclusion is that urban reserves are contributing and will continue to contribute to the economy of the province in both urban and rural regions.

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## Appendix 4A: Long Plain First Nation Urban Reserves

Source: Interview with Arrowhead Development Corporation's Chief Executive Officer, Tim Daniels and information on the website: <https://www.lpband.ca/>

### General information

**Population:** 4,484 people

**Treaty # 1**

**Interview Participant:** Arrowhead Development Corporation's Chief Executive Officer, Tim Daniels

**Information from website:**

"Long Plain First Nation is a proud Ojibway and Dakota community in the central plains region of Manitoba, situated on a land base of 10,800 acres. Long Plain is comprised of a main reserve and urban economic zones, situated along the city limits of Portage la Prairie, and in the city of Winnipeg.

The First Nation community is governed by an elected Chief and four Councillors. The First Nation Council is elected under its own Band Custom Election Act and hold office for a three-year term. Council Members are responsible for all funds and programs, administrative and services areas, however each of Council Members are assigned and responsible for certain portfolios. The First Nation Tribal Office is located on the main reserve and Band Council meetings are held every week."

### Historical background

The basis of Long Plain First Nation's economic development success goes back to their treaty land entitlement (TLE).

**May 1981** - By Band Council resolution, the Band government at the time requested surplus Crown lands from the Department of Indian and Northern Affairs Canada (INAC) in recognition of the outstanding TLE. Chief Daniels requested land in the City of Portage la Prairie, which was formerly the Portage la Prairie Presbyterian Indian Residential School. The school closed in the 1970s.

**August 1981** – Manitoba transferred 45 acres of federal Crown land adjacent to the City of Portage la Prairie to Long Plain Reserve. The

lands included a two-story brick building of approximately 2,058 square meters. The process predated the federal Additions to Reserve policy as laid out in 1987, so this urban reserve was created within 6 months of the time of the agreement, Band Council Resolution, and order of Council.

**1984** - The building was renovated into Yellowquill College Inc. The College was there until 1999, when it moved to Assiniboine Avenue in Winnipeg in the year 2000. Now it is back on Long Plain land, at the urban reserve called Madison Indian Reserve #1.

**1992** - The First Nation held a referendum for designating the lands, and it was approved by a majority of the electors of the First Nation.

**1994** – The TLE settlement agreement was done, and the trust agreement was set up. To satisfy the outstanding land in question, Canada compensated Long Plain \$16 million to purchase a minimum of 4,169 acres. So, some of the first land purchases were the extension of the existing urban reserve of 45 acres. However, the land was situated a short distance from the Number 1 Highway.

**1996** – Arrowhead Development Corporation was created. The Corporation worked with the economic development officer (EDO) of the day, as a kind of committee to guide the economic development officer in projects for the First Nation. They also guided the EDO in awarding small Indian Affairs-funded grants to Long Plain entrepreneurs.

**1998** - Chief Dennis Meeches was elected. He decided to create Band-owned businesses and that was how Arrowhead Development Corporation (ADC) really got going. Chief Dennis Meeches and his council took over Arrowhead Development Corporation, made themselves the Board of Directors for the Corporation, and hired two people to run the businesses.

**1999** - Long Plain purchased more land to extend the urban reserve to the Number 1 Highway. This land has been in the ATR process for 19 years. It extends the original 45 acres of land by another 90 acres, so the urban reserve in the City of Portage la Prairie will have an area of about 135 acres of land.

**2000** – The Long Plain First Nation Council entered into a ground or head lease with Arrowhead Development Corporation for 50 years. The lands were designated for education and training purposes.

**2004** – Long Plain First Nation requested to amend the purpose of the lease to allow for an educational training and office facility with commercial leasing ancillary purposes.

**2006** - Long Plain First Nation Trust purchased 2.81 acres of prime property in the City of Winnipeg from Manitoba Hydro. The purchase included a 29,427 square foot building, a 48,130 square foot asphalt parking lot, and an additional gravel parking lot of 42,500 square feet. The property is situated along the 400 block of Madison Street between Silver Avenue and St. Matthews Avenue, west of the Polo Park Shopping Mall.

**2008** - A referendum was held to amend the existing designation for the Yellowquill site, which is now called Keeshkeemaquah Reserve. The amendment was to extend the ground or head lease term for an additional 75 years, making the term expire in 2119. The lands are now subleased to the Keeshkeemaquah Conference and Gaming Centre, Miskwaanakwadook Place, Arrowhead Gas Bar, Rufus Prince Building, White Cross Drugs and Walk-in Clinic, and Long Plain Housing Authority.

**2008** - The First Nation held a referendum vote to seek the assent of the majority of electors of the First Nation to designate the property. On July 12, 2012, the First Nation received pre-designation. The purpose of the designation was to lease the land and building to generate revenues for the First Nation. An additional purpose was to allow for granting such easements, permits, right of way, licenses of occupation, and amendments of such interests as may be necessary or ancillary to the primary purposes of any lease entered into respecting the property.

**2010** - The First Nation and the City of Winnipeg entered into a Municipal Service Agreement (MSA) to extend services to the Madison Avenue property.

**2011** - A major portion of the Madison Avenue building was renovated and leased to Yellowquill College Inc.

**2012** - The remaining space was renovated and made into office space. It is now leased to Aboriginal Peoples Television Network Inc., Manito Ahbee Inc., Eagle Vision, and the Manitoba Treaty Commission Office.

**2013** - The Madison Avenue site officially attained reserve status and became Winnipeg's first urban reserve. This was a significant milestone, and it allowed Long Plain First Nation to unlock the true economic potential of the site. As a result of the conversion, Long Plain successfully secured financing for the future development of the gas bar located at the corner of Madison St. and St. Matthews Ave. The conversion also allowed Long Plain to move forward with their plans to renovate the south side of Yellowquill College and lease it out to commercial tenants.

## Arrowhead Development Corporation structure

The Arrowhead Development Corporation (ADC) Board of Directors is the Chief and Council, as elected by the people. As leadership changes in Long Plain, so does the leadership on the Board of Directors. The Chief becomes the President of the Corporation, and the councillors become the Directors.

In Long Plain's history, there were three-year terms. But in the summer of 2017, Long Plain had a referendum and adopted a new election code stating that the new term of office would be for four years.

"There's two sets of minutes: there's a set of minutes for tribal government decisions that affect the programs, but then there's another set of minutes for the Corporation, that speaks about the businesses and the decisions made under those corporations. ADC is the parent company of several other corporations. For instance, Madison Reserve has its own corporation, and it's a limited partnership agreement."

## Indigenous Way / Indigenous Approach to Economic Development

All the revenues produced by the businesses are used for tribal government programs. The financial statements of ADC show very little cash at the end of the year because everything is given to the First Nation. Revenues come from the tobacco tax rebate, VLT centres, and from the sale of confectionary and gas. It all goes into the First Nation, in areas of education, health, housing, and so forth. For example, if kids want to play hockey, football, baseball, soccer, fine arts like dancing, or even art lessons or guitar lessons, the corporation helps them. Long Plain does not have organized sports on reserve, but there is an arena and a gym for more recreational-based sports.

Revenues help Long Plain afford social programming for upwards of 4,500 citizens. There are about 2,400 people living on the main reserve, and the rest are living off reserve.

For the most part, the on-reserve programs are getting the profits. For people living off reserve, there are resources that they can tap into, but the on-reserve people are benefitting from the profits first. People off reserve benefit from businesses in the urban reserves. For instance, the gas station in Winnipeg employs 47 people. About 80% of those people are Long Plain members, and the rest are members of other First Nations in Manitoba.

Approximately 130 people are employed on both Long Plain urban reserves, and this isn't counting those employed by businesses on the main reserve. In addition, there are seasonal jobs, like construction, so the number employed on the urban reserves increases once construction starts.

### **FIGURE 4A.1: Key growth facts**



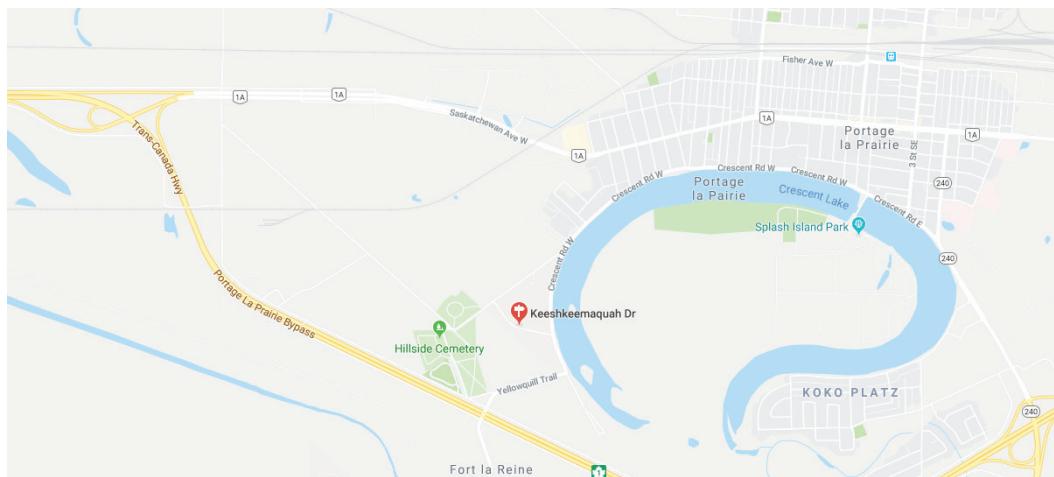
# Keeshkeemaquah Urban Reserve

**Location / Municipality:** Portage La Prairie

**Date of ATR:** August 1981

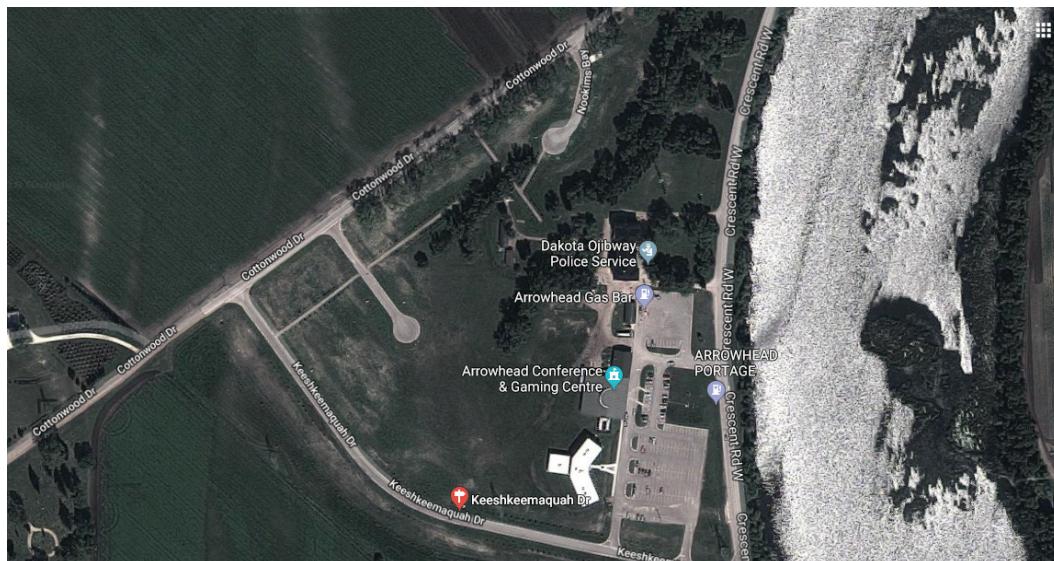
**Figure 4A.2:** Location of Keeshkeemaquah Urban Reserve Business

**FIGURE 4A.2:** Location of Keeshkeemaquah Urban Reserve



Source: Google Maps

**FIGURE 4A.3:** Satellite view of Keeshkeemaquah Urban Reserve



Source: Google Maps

## Business Development Over Time Narrative

On the main reserve, the gas station and convenience store were opened. This was Arrowhead's first business. Later on, some VLTs were added to the mix in this building. So, it became a small VLT centre. They started off with 12 VLTs in the community. Having 12 VLTs on their reserves did not represent much growth. Because Long Plain has a provincial highway, Provincial Highway 305, that cuts through it, there's a lot of traffic that goes through the community. So, a second gas station was built.

The building containing the VLT centre on the main reserve was kind of old. It had 12 machines, and it turned into 20, which was the maximum it could accommodate. So, a second gaming centre was established on the main reserve on the highway site, and now they had 30 machines. And 30 machines turned into 40 machines. VLTs are a good source of revenue: the First Nation gets to keep 90% of the revenues generated from VLTs, and the Province of Manitoba keeps 10%. But if a hotel anywhere in Winnipeg gets VLTs, the hotel is only keeping 20%, and the province is taking 80%. So, it's good for First Nations to have that as a source of revenue.

In 2003, an old building that was part of the residential school was converted into a gas station, where First Nations people with a status card could get a discount at the pump—14 and a half cents discounted at the pump. The Tribal Government of Long Plain has agreements with the province to sell tobacco. There are rebates on tobacco purchases, so per carton, Long Plain is getting about a \$50.00 rebate from the province for every carton of cigarettes we buy. So, revenues start spiking.

With those revenues, a small building was built on the Portage reserve to accommodate 25 VLTs moved from the main reserve. Attached to that building was a small restaurant. So, the Portage urban reserve had a restaurant and a VLT site now, and it really exceeded expectations because these 25 VLTs were full all the time. And this was around the time too that the Province's no-smoking legislation kicked in. But it doesn't apply to First Nations' sites. So, another plus for the Long Plain's VLT sites is that you can smoke. It may chase some people away, but it attracts more because to play VLTs in a hotel somewhere: (1) you're not allowed to smoke and (2) you could buy yourself an alcoholic drink. There's no drinking at Long Plain's sites.

There's Municipal Service Agreements (MSAs) between Long Plain First Nation and the cities that Long Plain's reserves are attached to. However, Long Plain built the gas station and the VLT site without the

MSA, because we wanted to develop right away. But because of the high volume of traffic, and because the holding tanks for water and sewage septic tanks that Long Plain built were not sufficient, we were running out of water or the sewage tanks were filling up. So, Long Plain sat down with the City of Portage la Prairie to develop a MSA to access their water, their sewer lines, and all the services that go into a MSA, and determine how they are going to be paid for. While this was going on, the very successful little VLT site in Portage la Prairie wasn't even paved; it was just a gravel site, but that didn't stop people from coming.

Long Plain started planning for a larger gaming centre that would be attached to the little building. So they built an 18,000 square foot gaming centre. One year later, the business was only a year old, but Long Plain already had a brand-new building, with room for 60 VLTs.

Long Plain went from 12 VLTs, to 20, to 30, to 40, and now they are up to 70. Ten VLTs are kept on the main reserve, on the highway location, and 60 machines are now in the new Keeshkeemaquah Conference and Gaming Centre, along with a bingo hall. Bingo is kind of big in the area, so the bingo hall was losing money because it was a new entrant in the market. But eventually, all the other competing bingos shut their doors. Now Long Plain has a monopoly on bingo in Portage la Prairie because it had the largest hall for Bingo and could fit 500 people and also because of the smoking allowance. The combination of bingo and VLTs was a big success for Long Plain, and they went from managing \$5 million in gross revenues a year, to \$25 million in one year.

In 2003, Arrowhead Corporation had 23 employees, including full- and part-time employees, some administration staff, some janitorial staff, and security or night-watchmen. They went from a total of 23 employees to probably employing about 170 people in their businesses and administration today.

The Portage reserve has done well, and it has certainly improved the lifestyle of Long Plain's employees. The reserve provides jobs and wealth creation. It also contributes to the city of Portage la Prairie because Long Plain is buying services from Portage businesses, and those businesses also provide employment, whether it's repair work, like electrical, plumbing, lights, or even linen. There's a lot of business transactions between Long Plain and Portage la Prairie businesses. Mr. Daniels shares: "Of course, we all spend our money in Portage, so Portage has certainly benefited from us moving in to their market."

In 2006, Long Plain built an office complex on the Portage reserve. It's about 20,000 square feet and contains the head office of the Dakota Ojibway Tribal Council and the head offices of other organizations that

are looking to establish offices on the main reserve, or a reserve. So, Long Plain is also into property management.

From building that little gas station in December 2003, to May 2006, the development went on. It had phenomenal growth in those years, and it's a beautiful site. We have it paved now, so it looks really nice.

Also in 2006, Long Plain looked at residential subdivision on this property because it has a commercial front end on a crescent, but on the back end of the property, there are 39 service lots. It was initially intended to be for private home ownership, but it took a long time to take off. Today those lots are pretty much all filled up. There's a lot of people living there now.

Getting ready for that, Long Plain amended the Municipal Service Agreement with the City of Portage la Prairie to allow for residential development and provide water and fire and police protection for the urban reserve.

A challenge about members moving to Portage la Prairie is the cost of sending Long Plain kids to the Portage la Prairie School Division. Long Plain has its own school on the main reserve. A lot of the people that have moved to the Portage reserve have come from the main reserve, and the school in Long Plain is now at its maximum. So, it makes sense to send the kids to the Portage School Division because the residents are part of Portage la Prairie. But there is a disparity between the tuition that Indigenous Services Canada (ISC) provides to the First Nation for its students living on-reserve and what the province provides to students in provincial schools. ISC gives about \$4,500 per student to an on-reserve school, whereas the province gives schools in the City of Winnipeg and the City of Portage la Prairie \$7,500 per student. The difference of \$3,000 per child is being paid by the ADC. It is something that is in the works with ISC because it is the role of government to provide education to kids.

#### **FIGURE 4A.4: Long Plain Reserve**





## Future Plans

Long Plain is planning to build a hotel on the Portage reserve. Attached to this hotel would be a conference centre. It would help Portage La Prairie to go after the bigger conferences. Currently, Long Plain hosts a lot of conferences in the conference and gaming centre in Portage, but the space is shared with the bingo hall. It's a challenge to hold conferences because the bingo is seven nights a week. After each conference day, they must get ready for bingo, and then they have to get everything set back up again in the morning for the conference.

Another project is a major truck stop on the Highway #1. It's a significant project, probably about \$10M. It will be a truck stop to service the cardlock truckers and drive-by traffic. It should have a gas station, convenience store with tobacco sales, a restaurant, and a trucker's lounge. Truckers want to have really good home-cooked food, so that kind of restaurant. As well, they want a space to chill out, watch TV, or just relax. The lounge should have a gym, laundry facility, shower facilities, even a kiosk to rent vehicles, in case they want to rest in Portage la Prairie. This is a big project because it needs the cooperation of Manitoba Infrastructure (the highways department), the municipality, and the city, as well as investors. This wouldn't be an Arrowhead gas station or Arrowhead truck stop. It could be any other brand. People travel, and they recognize brands, so branding this gas station is important.

The big player in this is the highways department, because right now, their view is that they want to keep traffic going all the time. ADC wants traffic to stop; the businesses want traffic to stop. So they have to put up a set of traffic lights, which will make truckers stop and pull into the truck stop. As well, a slow-down lane needs to be built. Typically, the developer pays for it, and it has to be included in the costs of the project. What's unique about this truck stop is that Long Plain wants it to be off the grid by having solar panels and geothermal heating and cooling. Subsidiary businesses would be a Tim Hortons and a washing and light maintenance station.

### FIGURE 4A.5: Future projects



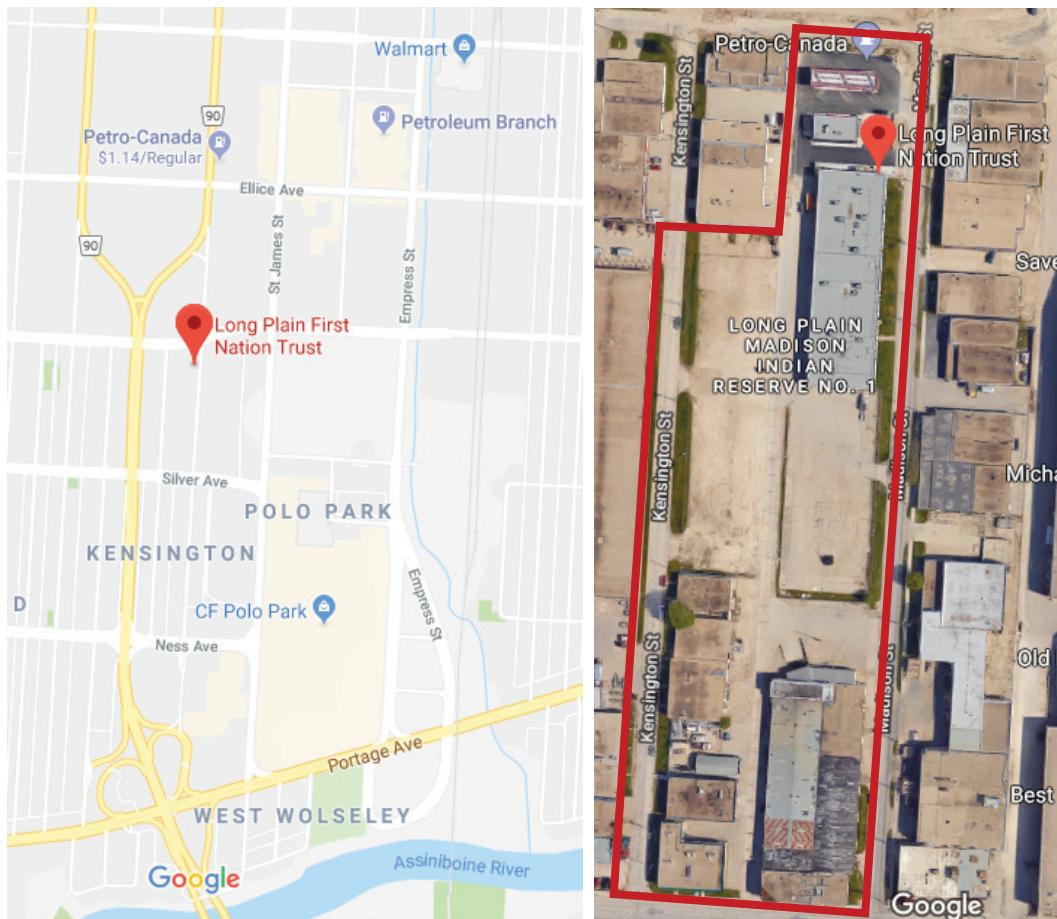
Source: <http://www.longplainfirstnation.ca/future-projects/>

# Long Plain Madison Indian Reserve #1

**Location / Municipality:** Winnipeg

**Date of ATR:** May 23, 2013

**FIGURE 4A.6:** Location of Long Plain Madison Indian Reserve #1



Source: Google Maps

## Business Development Over Time Narrative

The Winnipeg mayor of the day, Sam Katz, and the Assembly of Manitoba Chiefs (AMC) Grand Chief Ron Evans agreed to establish an urban reserve in the City of Winnipeg. They realized the importance of economic zones and doing business on urban reserves. The piece of land where Madison Indian Reserve is located formerly belonged to Manitoba Hydro. Only a First Nation on a Treaty Land Entitlement (TLE) can use the ATR process to buy land. So AMC was looking for a host community to buy land for their control. The business plans were

created to build a ten-story office building for the AMC on the site. The business plan was done by the AMC, but it didn't have any benefit to Long Plain First Nation. Everything above the first story of the ten-story building wasn't really benefitting Long Plain. So in 2009, Long Plain and AMC agreed to part ways, and Long Plan started developing the reserve by themselves.

Long Plain started looking at gas stations. Gas stations are important, as they are revenue generating for the First Nation. Also, the building on this property, which was previously owned by Manitoba Hydro, was inspected by an engineer to see if it was worth keeping or just demolishing. The engineering report approved the structure but recommended some renovations because it was built between 1950 and 1980. Long Plain Chief and Council decided to keep the building and get Yellowquill College back onto reserve land by hosting them in this building. As well, Long Plain wanted to have their offices here to conduct business on the First Nation.

In 2009 to 2010, the development plan was developed in order to get the MSA with the City of Winnipeg. The development plan identified three projects on this reserve: (1) the gas station, (2) the former Manitoba Hydro building, and (3) the office building to be built in 2018. The MSA and the development plan were approved in July of 2010. After that, it took three years for Indigenous Affairs to create this reserve.

There are a lot of parties involved in the ATR process. On the First Nation side, you have a project officer, the Chief and Council, and a lawyer, in addition to other people like architects and engineers. On the city side, there is someone like the business director, who is their point of contact, as well as their council, in-house legal team, and city planners. Also, representing Canada, there is the Department of Justice Canada. So, there are a lot of players involved in developing a reserve and getting that plan together.

The building was finished by the end of 2011, and Yellowquill College moved in here in 2012. In 2015, the gas station was built. It was a \$2 million-dollar project, with contributions by Indigenous Affairs and a loan by the First Peoples' Economic Growth Fund. In the first year, it made the money back because of the tobacco tax rebate and the fuel sales. It's an award-winning business. It got an award from Suncor for business excellence and continued growth and the Visionary Indigenous Business Excellence Award from the University of Manitoba. It's a successful gas station, open 24 hours a day, with 75,000 Indigenous or Status people looking to buy tobacco and cigarettes. The businesses in Portage la Prairie and on the main reserve are getting about \$1M in

terms of the tobacco tax rebate and the one in Madison gets \$2M a year. The First Nation benefits from those tobacco tax rebates because it goes right to the tribal government, housing, housing repairs, roads and infrastructure, economic development lands, etc.

The MSA was a key part of how to manage the urban reserves and it also shows how Indigenous people do business. At the initial stage of conversations for the MSA, Long Plain First Nation was treated like a third level of government, ignoring that Long Plain had a relationship with the Crown and the treaties. First Nations are their own nations, with their own governments, and their own set of rules. Long Plain was treated like it was asking for permission instead of asking for an agreement. Once the MSA is created, it is a federal piece of property. There is an agreement with the municipalities, but it is ruled by Long Plain's own law. For example, provincial health, services, and construction by-laws and codes will still apply on this reserve.

While working on the development plan and the MSA, the ADC Executive Chief approached all the neighbours in St. James. He wanted to engage them, introduce the plans, and personally invite them to the presentation of the development plan:

*"I'm from Long Plain First Nation. We've bought land in the City of Winnipeg, in the St. James area. This is what we're planning to do, but I'm inviting you to a Town Hall meeting that we're hosting on July 19, at Polo Park, to present our plan. You'll learn about Long Plain, and what we've done, and what we plan to do.... We're not building houses there; it's a small piece of land. It's only three acres, and it's zoned for commercial, red-light commercial, and it's going to be an economic zone; it's not a residential place."*

This strategy helped with the city approving the development plan and the MSA. Around June 2009, the development plan was approved, and in July 2010 we signed the MSA. It was the ATR process that took three years after that.

There's a movement right now within CANDO, the Council for Advancement of Native Development Officers; they're pairing up First Nations and municipalities to work together. One of the common issues that the municipality shares with a First Nation is waste removal, for example. They can work together to tackle common issues, but also, the citizens within those municipalities and their elected officials, reeves, or council members need to be educated on the history of First Nations. Going back to the Royal Proclamation, the King said that the land is the First Nation's, and the Crown will not take it over unless there is a treaty. Also, people need to understand the treaty-making process and even

the Constitution where it reaffirms our inherent right, treaty rights, and Aboriginal rights. Canadian citizens need to understand that Indigenous Peoples have rights to this land. It will certainly help with MSAs and in establishing urban reserves.

Long Plain has good relations with Portage la Prairie and Winnipeg. Long Plain keeps in contact with an economic development officer in Portage la Prairie, their planning department, as well as business leaders and the mayor. When there's something going on in Portage, and they need to talk to Long Plain, they usually go through the ADC CEO. They recognize the importance of Long Plain as a partner in their community. Long Plain sponsors things in Portage as well, such as Portage Cancer Care and sporting teams.

Long Plain has also been growing hemp since last year, about 600 acres of hemp. It is sold to this one supplier, who has it all, and they turn it into products.

## Future Plans

PCL Construction has already been hired for the construction of the hotel and business centre on the Madison reserve. In all ADC's contracts, they insist that a certain percentage of Indigenous people are hired, and Long Plain Indigenous people as well. This is Long Plain's biggest project to date: it is a \$16M project with 75,000 leasable square feet, and it will be like a business centre. Not everyone wants 3,000, 5,000, or 8,000 square feet. Some people just want a small office, or a couple offices, to have a place to work out of on reserve. They want that because there's a benefit to status people if they work on reserve: their income is tax exempt. So Long Plain wants to fill up the building with a lot of those professionals, whether they be lawyers, dentists, doctors, or psychologists.

Another plan for this year is to start the two cannabis sites. Long Plain signed an agreement with National Access Cannabis to have two sites: one in Madison Reserve and another in Portage La Prairie. To start, there will be temporary cannabis sites until the stores in those buildings are built.

## FIGURE 4A.7: Plot plan for future development



Source: ADC Future Projects. <http://www.longplainfirstnation.ca/future-projects/>

# Appendix 4B: Swan Lake First Nation Urban Reserve

Source: Interview with Robert (Bob) Green, Special Projects, Swan Lake and information on the website <http://kw08.weebly.com/index.html>

## General Information

**Population:** 1,252 people

**Treaty # 1**

**From Swan Lake's website:**

*“Swan Lake First Nation is located in south central Manitoba along Highway junctions 23 & 34. Swan Lake First Nation Ojibway people are proud and prosperous. We are rich in culture and beliefs and have strong ties to our land. Signatory to Treaty 1, Chief Yellowquill followers settled along Swan Lake in the Pembina Valley, better known as “Gaubiskiigamaug,” which means curve in the lake. Confined to a reserve, our people faced many hardships and had to adapt to changes in their traditional ways of hunting and trapping.*

*In recent years, through a Treaty Land Entitlement (TLE) settlement with the federal government, we have increased the land base for future development for our people and future generations. Swan Lake First Nation is made up of 1,252 members, of which 725 live on reserve and 527 live off reserve.”*

**TABLE 4B.1: Land base details**

Description / Location:	Acres:
#7 - Main Reserve - Swan Lake	8,982
#7a - Forest Hills - Carberry	6,514
#8 - Indian Gardens - Rathwell	640
#8a - Headingley	25
<b>In ATR:</b>	
Additional lot in Headingley	20
Additional lot for cultural development	241

## Addition to Reserve (ATR) Process and its Challenges

Technically, there are two types of Crown land. There is provincial Crown land and federal Crown land. Municipalities can own land as well, but it is owned by the municipal corporations and it is not Crown land. Two good examples are the Kapyong Barracks site, which is unoccupied federal Crown land, and Riding Mountain National Park, which is federal Crown land. There are provincial Crown lands all over the province, too. For example, a lot of it is in the Whiteshell area. Up north, there is another unoccupied Crown land lot, which the First Nations are converting to reserve status. The term “unoccupied” comes into play when the Crown land is not leased to anyone. It is still in the Crown’s possession, without any lease or occupation tied to it.

If a First Nation wants to convert land of any municipality with Treaty Land Entitlement, there is a requirement to develop a Municipal Development and Services Agreement (MDSA) between the First Nation and the municipality. The MDSA should not have to exist as the Treaty Land Entitlement says the reserve land should have always been reserve land. The MDSA represents a blockage in the reserve conversion process because the municipality does not have to approve and sign the MDSA. If they do not sign it, Indigenous Services Canada (ISC) will not convert the land to reserve status. The MDSA is one of the major stumbling blocks on getting a reserve created.

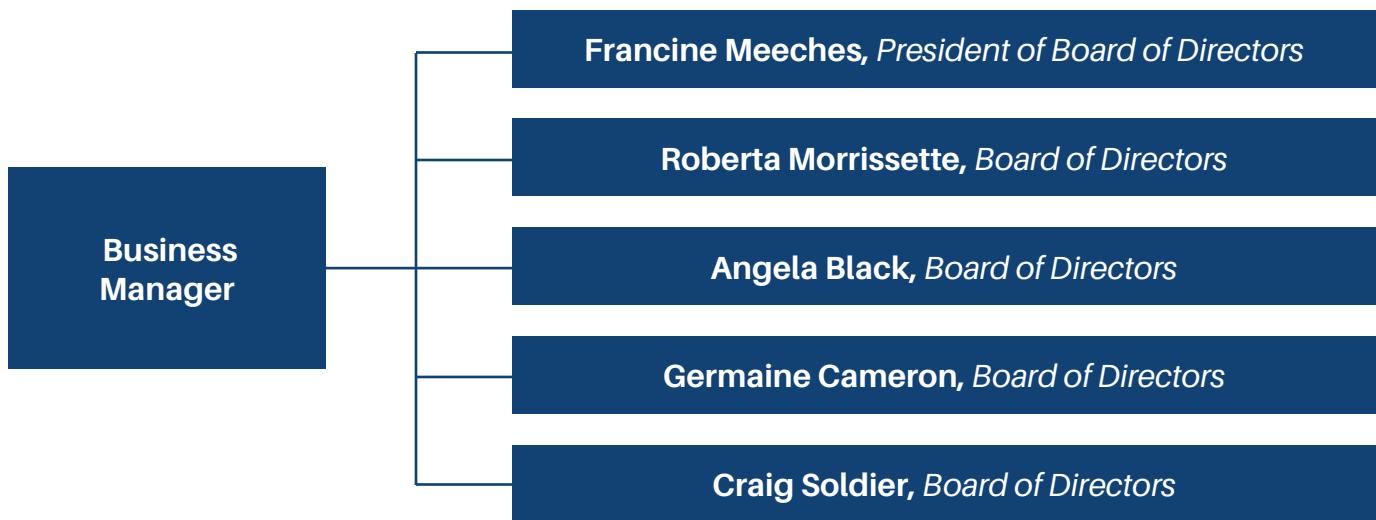
The Crown is way behind on TLE land conversion in Manitoba, and the Addition To Reserve (ATR) process could be streamlined to get everything converted. There are still obstacles in the way, and the biggest one comes back to the MDAs. Additionally, there are also financial challenges. The First Nations should be financially stable, especially to get support from financial institutions for the development of land. The First Nation will get into a high level of debt with the construction contracts, for example. Therefore, they need to be stable in order to make sure that the buildings are paying for themselves and the businesses are making money. However, the financial status of the First Nation does not preclude them from the TLE or ATR processes. Another financial challenge is that ISC does not provide any additional money for the newly converted lands; thus, all the development of the area, including providing education and other services, must come from the First Nation’s budget.

## Swan Lake Enterprises Development Corporation Structure

Swan Lake has its own TLE corporation. All that corporation does is buy land and then transfer it to Canada once the land is going to be converted to reserve status. All the holding corporation does is hold the land until the land is converted. Swan Lake has a separate corporation to manage the businesses, and there is a business manager in place who oversees all of the businesses.

Management reports to the board of directors of Swan Lake Enterprises, which at the moment is Chief and Council; however, when they sit on the board, they sit as the directors, not as Chief and Council. They are also looking at other things that could be put in place. For example, they might hire a staff person with a financial and/or business background in order to advise on financial decision-making processes.

**FIGURE 4B.1:** Board of Directors of Swan Lake Enterprises



## Indigenous Way / Indigenous Approach to Economic Development

Swan Lake First Nation works for the social and economic development of the community. One thing is to make sure that the businesses are profitable, and then that the employees are Indigenous. People would like to see their own community members in those businesses, especially because Swan Lake has a number of people living in Winnipeg. Thus, the main benefits of the urban reserves are that jobs are created and the

profits are turned over to the First Nation to be able to do other things.

All the revenue of Swan Lake's businesses is invested back in the First Nation. It is invested in different things and programs, and some of the profits are used at the main reserve for the school, housing, and other things. For example, some of the money is invested in the youth, some is invested in the Elders, and some of it is reinvested back into additional businesses. To put all of the resources into Headingley would not be fair to the members of Swan Lake because there has to be some funds going to developing businesses on the local reserve, where all the people are living.

Swan Lake has an educational training department. The coordinator looks after the high school and post-secondary students and searches for jobs and training opportunities. Soon they will be focusing on the growing businesses—technology-based and environmental. For example, a lot of work has been done lately on environmental issues. One of the things Swan Lake has been talking about is starting an environmental company to do hiring and monitoring work. Some of the non-Indigenous companies Swan Lake works with say that they do not have time for environmental assessments or monitoring and mitigation strategies. The monitors will be watching the construction and the environment, and if the contractor hits any heritage sites, the monitor will make sure that appropriate care and practices are used to deal with them.

Headingley's by-laws do not apply to the Swan Lake reserve; Swan Lake has their own by-laws in place. Swan Lake can change them the same way the municipality can, by advertising that they are going to be changed. For example, Swan Lake does have an official smoking by-law, so Chief and Council can decide whether they want to smoke here, there, or wherever. Health first, of course. There are a number of buildings that do not have smoking but there are some that do. The only area where the province's rules are applied is where the VLTs are. At Swan Lake's VLT Lounge, there is a smoking area, so people do not have to go outside to smoke. They just have to go into the room and smoke there, but it does not affect the other areas as there is a good air system in place.

One of the things within the Indigenous community is that people aren't judged by the amount of money they make, or people think they make, but rather, whether they are happy or not. The businesses have to make money in order to provide some employment; however, it would be nice if everybody was employed doing what they want to do, rather than what somebody else says they have to do.

## FIGURE 4B.2: Key growth facts

### 5 Years Ago

- Four Corners Gas Bar
- 2 VLT lounges with 35 VLTs each
- Bison ranch

### Present

- Headingley office building
- Gas bars at Headingley and main reserve
- Convenience store
- Restaurant (space leased to individual owner)
- Casino in Carberry
- 2 VLT lounges with 35 VLTs each.
- RV park
- Cabin rentals
- Bison ranch

### Future

- Second office building
- Hotel and convention centre
- Support to community members for own businesses
- Expansion of Buffalo ranch
- Kapyong
- More developments: Retail space, venture, etc.

## FIGURE 4B.3: Swan Lake main reserve pictures



This information is useful to understand Swan Lake's general profile.

**TABLE 4B.2:** Swan Lake First Nation's indicators

Indicators	Swan Lake	Comments
Registered Population	1252	Estimate
Population on-reserve	725	Estimate
Reserve Land Size (acres)	16,161	Not including land in ATR
Number of converted Reserves	1	-
Number of Reserves on ATR process	2	-
Location of converted Reserves	Headingley	-
Converted Reserve Land Size (acres)	25	-
Number of own businesses on converted reserves	3 (Office building, Gas bar, and VLT lounge)	Office building is leased out to multiple private businesses. Swan Lake has many more businesses on their other lands.
Initial investment on the converted land	Cost of land: \$1.4M Land development: \$13M	Estimate. Including lot 8A and additional lot to be converted.
Number of Swan Lake employees on converted reserve	38	Office building is leased out to multiple private businesses, generating many more jobs on this piece of land.
Cost of agreements with municipalities	Costs for water, sewer, and other services	
Off-reserve spending by reserve residents	\$7M leakage in Band programs. A high percentage of household expenditures leak out of Swan Lake First Nation	Leakage report performed by Swan Lake First Nation in 2011.

# Urban Reserve in Headingley and the Additional Portion of Land

**Location / Municipality:** 4820 Portage Avenue

**Date of ATR:** April 28th, 2006

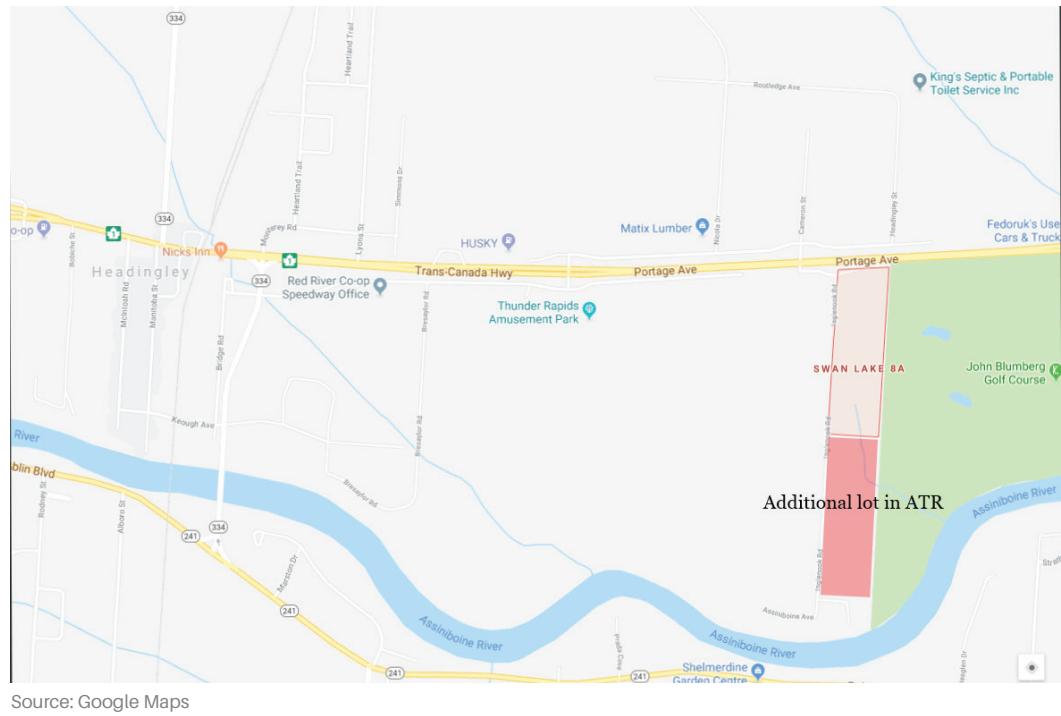
## Description of the Location

Swan Lake has 25 acres of reserve land at 4820 Portage Avenue. There are approximately 20 acres to be added to that parcel to the south.

Swan Lake purchased that land through an agreement with the R.M. of Headingley and Manitoba Infrastructure.

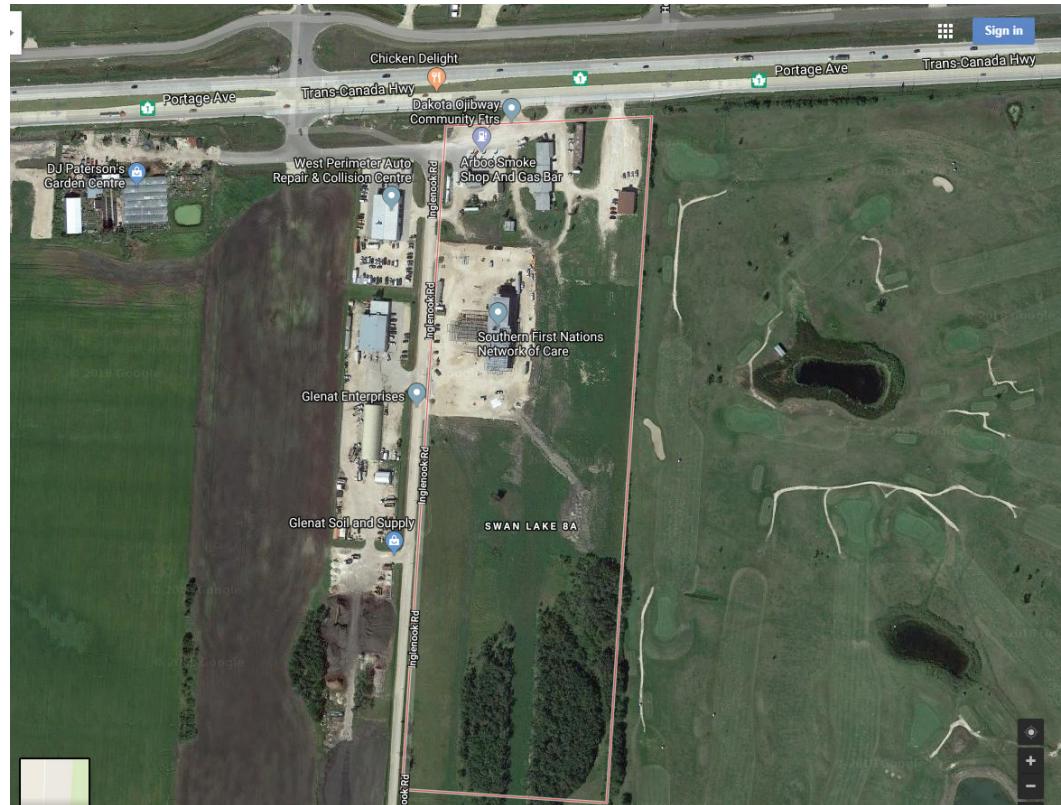
Even though it is on Manitoba Infrastructure (highways) land, the MDSA is signed between the Province of Manitoba, the R.M. of Headingley, and Swan Lake. In that agreement, it states that the additional 20 acres will become reserve status and that the present MDSA that Swan Lake has for the front part of the site will also apply to the new land once it becomes reserve. The sales agreement between Swan Lake and the R.M. has that clause in it as well. However, ISC will not convert the remaining 20 acres to reserve status until they get an amendment to the MDSA stating that very fact. There is a problem with the whole process of ATR. The conversion should have been automatic when it was stated in two agreements already, including the sales agreement, that the original MDSA was to apply to the new land. But ISC wants a third agreement signed before converting it to reserve status.

**FIGURE 4B.4: Location of urban reserve in Headingley**



Source: Google Maps

**FIGURE 4B.5: Satellite view of urban reserve in Headingley**



Source: Google Maps

## Business Development Over Time Narrative

The offer to purchase was accepted in December of 1999, and Swan Lake took possession of the land on March 1st, 2000. A Band Council Resolution was at the ISC one week later, on March 8, 2000. However, it took until April 28th, 2006 to get it converted to reserve status. That was when the minister signed off on it. It took 6 years and that was faster than normal. But it should not take that long.

On that land, Swan Lake member Larry Arboc owns the gas bar. He just got rid of the original building where people paid and there was a smoke shop, and he built the new building with a canopy over the pumps. So that business has expanded substantially. He did not have a restaurant there before, and now he has a Chicken Delight as part of the operation.

The office building was a motel when Swan Lake purchased it. Swan Lake converted it from a motel to an office building with a VLT lounge with 35 VLTs in it. They rented out all the office space until the new office building was completed. There is a 3-story, 53,000 square foot office space, and it was fully leased prior to opening its doors.

There are 22 tenants in the office building—everything from Southern Network of Care, Ma Mawi Wi Chi Itata Centre Inc., an engineering and energy firm, Dakota Ojibwe Health, TLEC, AMIK, and three different law firms. So, there is a wide variety of businesses renting space.

Swan Lake contracts out the management of the office building because the one building is not quite enough for one full-time position. But at the VLT lounge, there are about 10 employees, and they all likely qualify to have status. Even the project manager for the new building is Indigenous. Also, there are a number of Indigenous people doing construction for the building that is being built.

## FIGURE 4B.6: Headingley urban reserve pictures



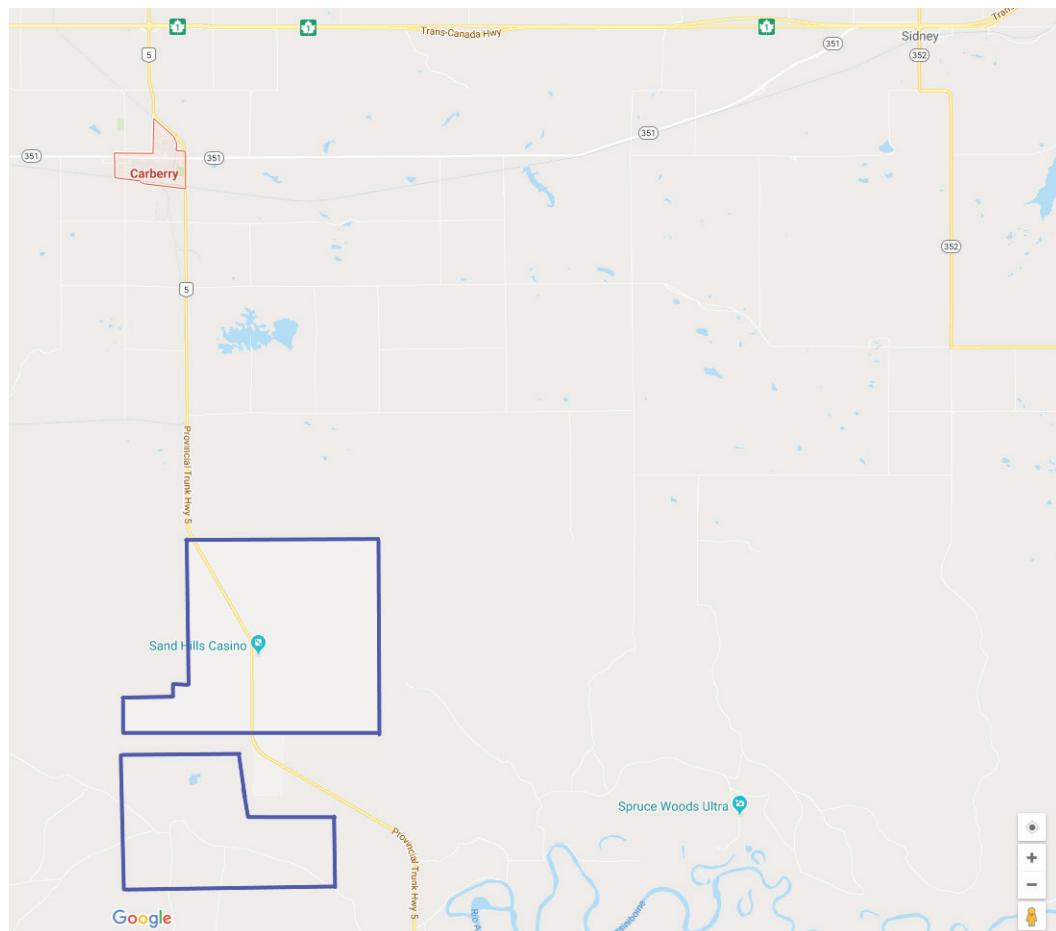
These pictures show the buildings and businesses on the Headingley converted land, as well as the end corner of the additional lot that is still to be converted to reserve.

# Other Converted Land (Not in an Urban Setting): Carberry

**Date of ATR:** November, 2006

**Description of the Location:** This piece of land was acquired from private and provincial Crown lands and was converted through ATR and TLE.

**FIGURE 4B.7:** Map of converted land near Carberry



## Business Development Over Time Narrative

The businesses operating on this land are a casino, a recreational vehicle (RV) park, cabin rentals, a water and wastewater system, and farm buildings. As well, there are residential homes (about 11) in this area. Water and sewage are managed by Swan Lake First Nation. The casino at Carberry is owned by all 63 First Nations, and it is the only business owned by all 63 First Nations in Manitoba. The building is owned by Swan Lake and rented out to all 63 First Nations for the casino.

## Future Plans for Swan Lake

Swan Lake will be constructing another office building. There is a waiting list for space in the current office building. Some tenants that are in there now want to expand, so Swan Lake can move them into the new space and put other people into the present building. Meanwhile, Swan Lake can start doing the study for the hotel and conference centre as well.

There are also some plans to expand some of the other projects at Carberry and at the main reserve. There is a plan to expand the buffalo ranch, as well as to add a small grocery store to the gas bar and convenience store on the main reserve, so people can buy their products close to home.

Swan Lake is looking at other things, such as other businesses that could open here. There are other band members that are starting up little businesses. Mr. Green shares:

*“So it is just a matter of where they want to go with some of their businesses. It is not necessarily how much money is made whether you are successful or not, it is what you are doing with that. When you hear the outline of this, that they have to make so much money, some people are happier doing what they do than making a lot of money. If they are making some money, and they are living and they are happy, who says that that is wrong?”*

# Appendix 4C: Nisichawayasihk Cree Nation Urban Reserve

Information obtained from the following websites:

<http://www.ncncree.com/ncn/> - accessed March 19, 2018.

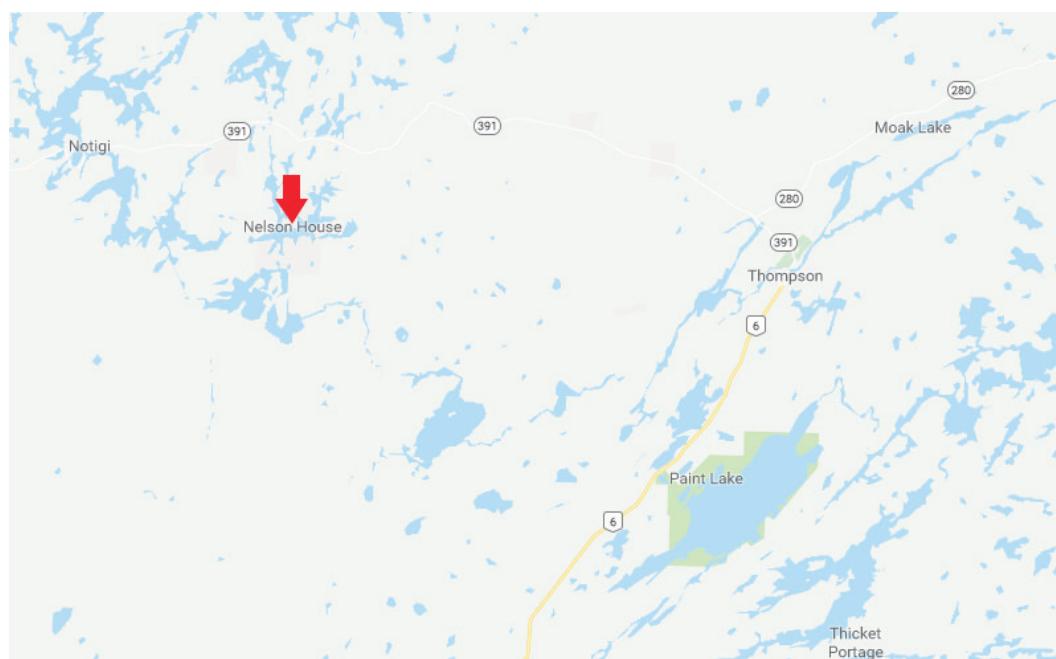
[http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FNMain.aspx?BAND\\_NUMBER=313&lang=eng](http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FNMain.aspx?BAND_NUMBER=313&lang=eng) - accessed March 30, 2018.

## General Information

**Population:** 5,243 registered, and 3,016 people living on reserve.

Nisichawayasihk Cree Nation (NCN) is a First Nations band reserve (Number 313) located in northern Manitoba, approximately 690 kilometres north of Winnipeg. NCN is based in Nelson House, MB. NCN is approximately 67 km west of Thompson and is 10 km south of provincial trunk Highway 391 (See Figure 4C.1). Nelson House is located on the north shore of Footprint Lake, where the Burntwood, Footprint, and Rat Rivers meet. The Cree name Nisichawayasihk means “where the three rivers meet.” There are 18 reserves assigned to NCN, four located in Nelson House and one in Thompson, MB.

**FIGURE 4C.1: Location of Nelson House (Nisichawayasihk Cree Nation) in northern Manitoba**



Nisichawayasihk Cree Nation is governed by the Chief and Council. The chief is Marcel Moody and the councillors are Bonnie Linklater, Pat Linklater, Shirley Linklater, Willie Moore, Joe Moose, and Ron Spence.

*“Nisichawayasihk Cree Nation is developing governance and laws to strengthen its independence and the ability for its people to determine their future in a way that is based in Cree culture and traditions. A General Assembly April 25, 2018, is a historic day for NCN. It marks the review of the first laws to be passed under NCN’s own Constitution. NCN is taking a major step forward to assert sovereignty and to ensure there is accountability and transparency in the decision-making processes. Good governance is critical for the success of any Nation. Economic development requires stable, effective governing institutions.”<sup>35</sup>*

Nisichawayasihk Cree Nation has a registered population of 5,243 people as of June 2018.<sup>36</sup> The registered population living on reserve is 3,016. Members of NCN live in Nelson House, South Indian Lake, Thompson, Brandon, and Winnipeg.

Nelson House has a wide range of services and infrastructure within the community. They include Atoskiwin Training and Employment Centre, Gilbert Macdonald Arena, Medicine Lodge, Nelson House Education Authority, Family and Community Wellness Centre, NCN Administration, Personal Care Home, and FM 98.1 community-owned NCN Achimowin Radio Station. Other companies out of NCN include, Mystery Lake Motor, Nisichawayasihk Construction Limited Partnership, Taskinigahp Power Corporation, and Nelson House Development Corporation.

## Nelson House Development Corporation

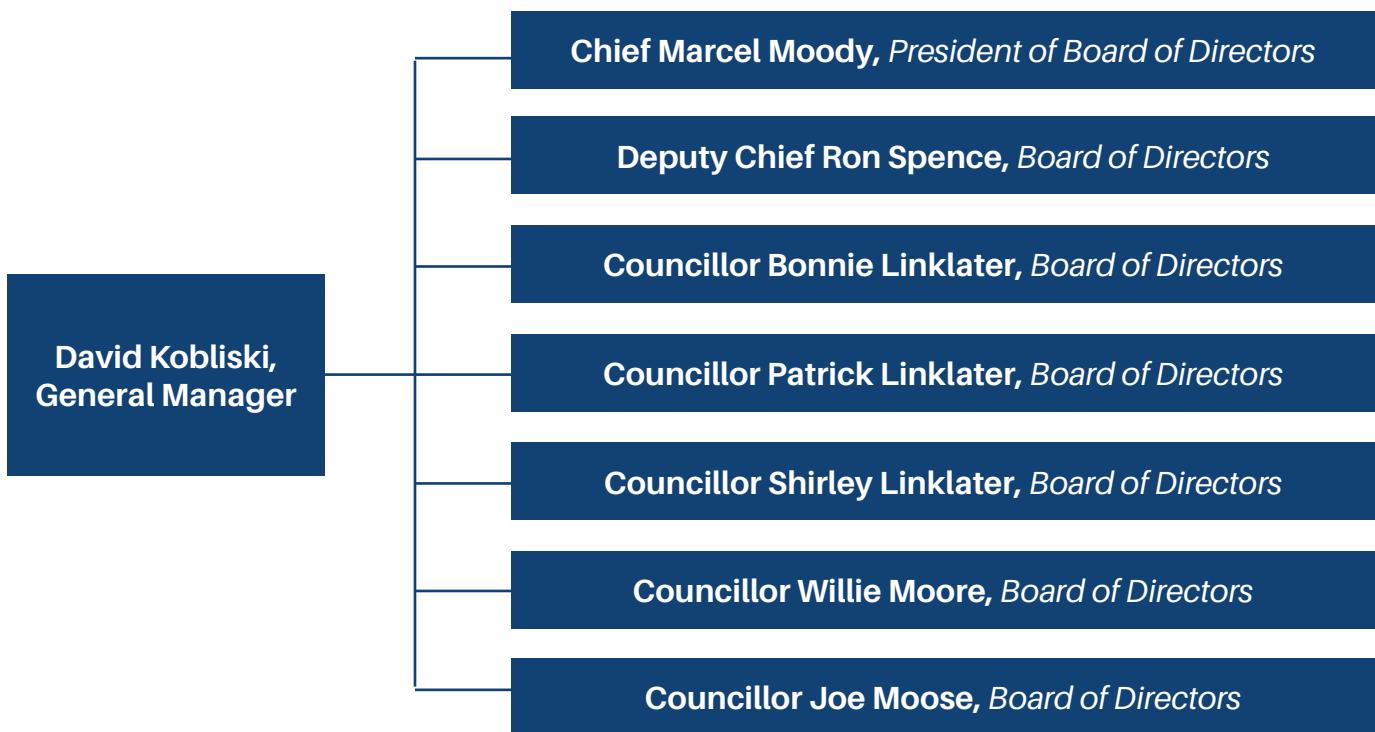
The Nelson House Development Corporation oversees and manages NCN-owned businesses, including those in the urban reserve (See Figure 4C.2). The Development Corporation was created in 1992 and is governed by the NCN Chief and Council, with a general manager and staff for day-to-day operations. The Development Corporation is motivated to fulfil NCN’s vision of sovereignty, self-sufficiency, and self-governance. The Development Corporation office employs three full-time staff to manage several existing NCN companies and businesses, which have tens of millions of dollars in assets and employ upwards of 100 workers.

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35 Nisichawayasihk Cree Nation. (2018).

36 INAC. (2018).

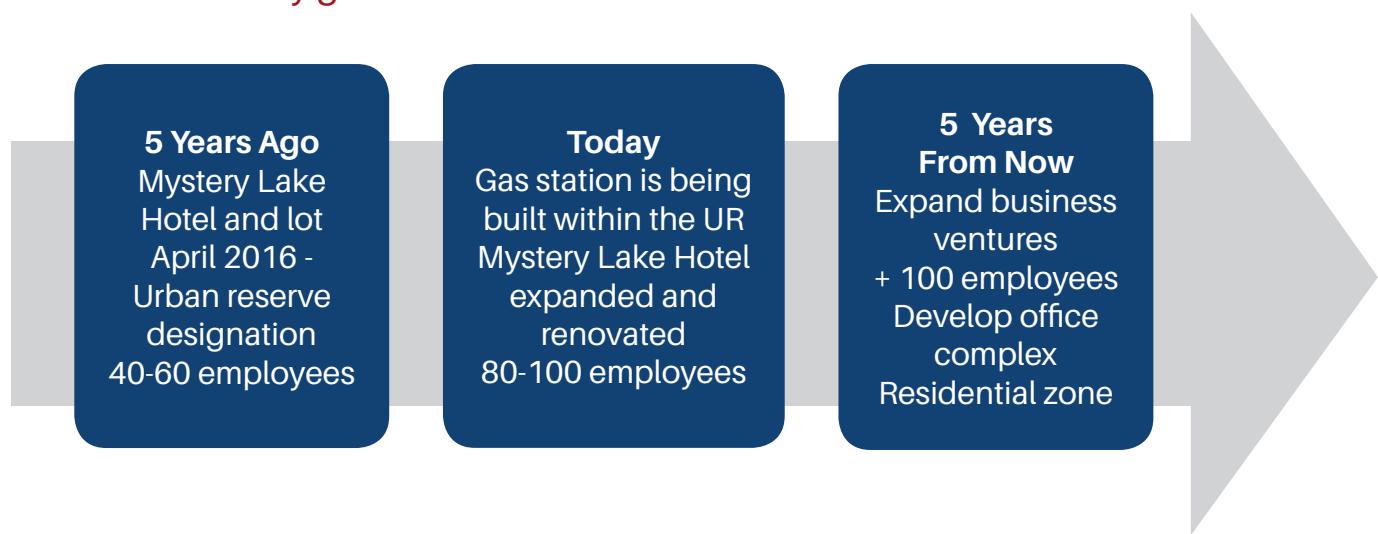
## FIGURE 4C.2: NCN Board of Directors organizational chart



## Indigenous Way / Indigenous Approach to Economic Development

Nisichawayasihk Cree Nation is benefitting greatly from pursuing, acquiring, and developing urban land space inside the City of Thompson, MB. Creating and establishing a progressive Development Corporation and striving for sovereignty, self-sufficiency, and self-governance will enable NCN to enjoy increasing success in economic development for the community and its members. These successes are evident in the businesses they own within the community and beyond, their development of their own laws and governance, and their development of an urban reserve. Money generated by the Development Corporation is put into capital, business development, and NCN government-run programs. The search continues for viable economic opportunities to create a foundation for future success (See Figure 4C.3).

### FIGURE 4C.3: Key growth facts

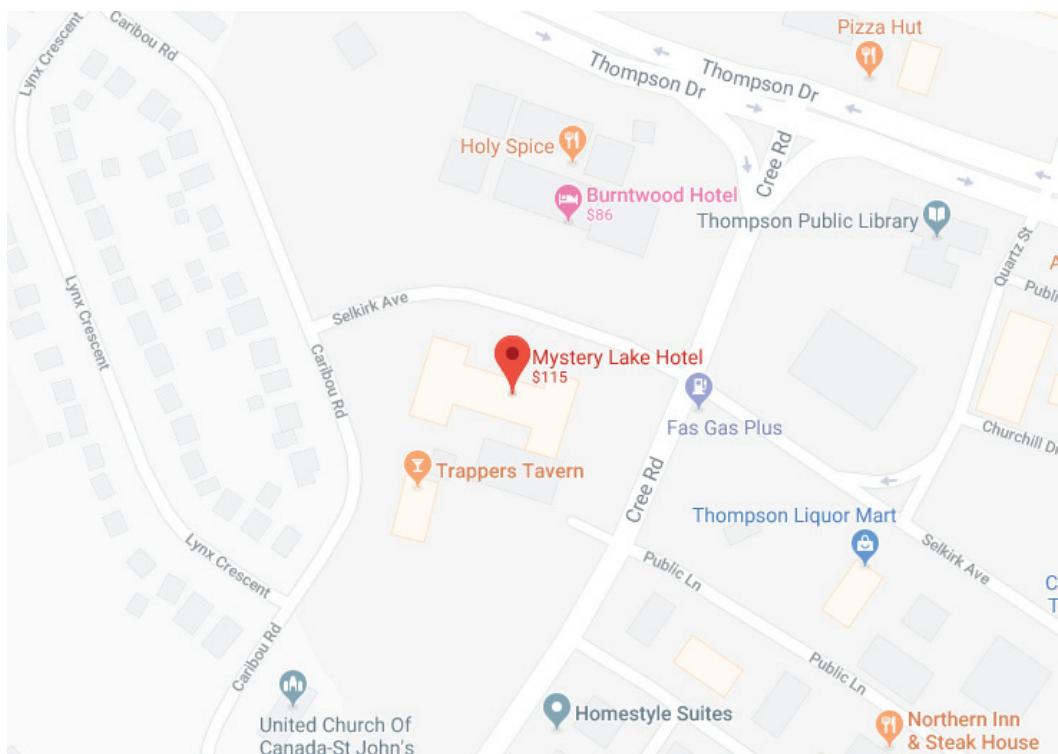


## Urban Reserve in Thompson

**Location / Municipality:** 58 Cree Road in the heart of Thompson, MB

**Date of ATR:** In 1997, the Treaty Land Entitlement (TLE) Agreement was signed with NCN.

### FIGURE 4C.4: Location of NCN Urban Reserve



Source: Google Maps

## Description of the Location

The TLE Agreement entitles NCN to an additional 80,000 acres of reserve land in Treaty 5. In March 1998, NCN purchased the land and business where the Mystery Lake Hotel complex in Thompson, MB, is currently located (See Figure 4C.5). A Municipal Services Agreement was developed with NCN and the City of Thompson in 2005 and updated in 2010. On May 20th, 2016, NCN announced that the Addition to Reserve (ATR) in Thompson was completed. On September 20, 2016, the land was converted to urban reserve.

The NCN Urban Reserve is located at 58 Cree Road in the heart of Thompson, MB. It is 4.21 acres in area. The Mystery Lake Motor Hotel and the Trappers Tavern are currently located on the land. A gas bar is also being constructed there. There are 90 individuals employed at the urban reserve. NCN provides training in hospitality, management, and accounting to their community members for work at the urban reserve and NCN's other companies. Revenue generated within the urban reserve aids in funding NCN programs and services. Future developmental of the remaining lot in the area has yet to be determined.

**FIGURE 4C.5:** Front of NCN Mystery Lake Hotel



## Appendix 4D: Opaskwayak Cree Nation Urban Reserve

### **Information obtained from the following websites:**

[www.opaskwayak.ca](http://www.opaskwayak.ca)

[http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FNMain.aspx?BAND\\_NUMBER=315&lang=eng](http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FNMain.aspx?BAND_NUMBER=315&lang=eng) - accessed March 31, 2018.

<http://www.opaskwayakcreenation.ca/index.html> - accessed July 20, 2018.

### General Information

**Population:** 6,149 people, registered as of June 2018, with 3,350 people living on-reserve.

Opaskwayak Cree Nation (OCN) is a First Nations band reserve (Number 315) located in west-central Manitoba. Provincial Trunk Highway (PTH) 10 passes through parts of OCN (See Figure 4D.1). OCN is located at the junction of the Saskatchewan and Pasquia Rivers, and Reader Lake lies near the northern part of the reserve. The Town of The Pas is directly adjacent to OCN on the south bank of the Saskatchewan River. There are 21 reserves assigned to OCN, 8 of which are adjacent to The Pas.

Opaskwayak Cree Nation is governed by a Chief and Council. The Onekanew (Chief) is Christian Sinclair, the Vice Onekanew (Vice Chief) is Jennifer Flett, and the 7 councillors are Omar Constant, Edwin Jebb, Lori Lathlin, William Lathlin, John Martin, John Nesacapow, and Jeremy Sinclair. OCN is a self-governing Cree Nation. Elections are held every two years for a Chief and 12 councillors. They establish policy and provide direction for the administration of OCN public and community services.

From the OCN website:

*“OCN is a thriving community, which, since the 1960s, has pursued the road to autonomy through the development of strategies that enhanced its economic base while controlling its own commercial enterprises, education and health services, community works, and finances. This has allowed OCN to expand and prosper. OCN continues to develop this economic base by selecting and acquiring many new goods and service providers.”<sup>37</sup>*

Opaskwayak Cree Nation has a wide range of services and infrastructure within the community including the OCN Housing Authority, OCN

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<sup>37</sup> [www.opaskwayak.ca](http://www.opaskwayak.ca)

**FIGURE 4D.1: Location of OCN and The Pas in west-central Manitoba**

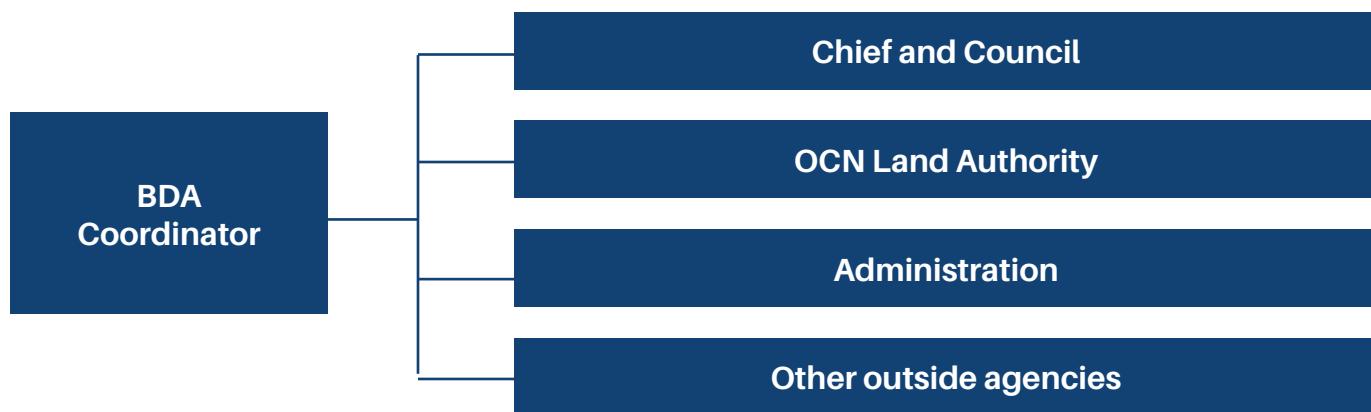
Source: Google Maps

Membership Office, OCN Recreation Services, Gordon Lathlin Memorial Center, OCN Parks, OCN Youth Centre, OCN Fire Department, Animal Control services, OCN Community Works and Operations, OCN Septic Services, Beatrice Wilson Health Centre, Rod McGillivray Home Care, Hilda Young Child Day care Centre, Faith Services, OCN Social Services Department, OCN Social Assistance, OCN Employment and Training Centre, Opaskwayak Education Authority, Kindergarten Cree Immersion, John A. Ross School, Oscar Lathlin Collegiate, OCN Police Services, OCN Child and Family Services, Natotawin free newspaper, and the Lands Department. Other notable establishments by OCN include the Otineka Mall, which was built in 1975 and was OCN's first major contemporary economic achievement, the Aseneskak Casino, and the Kikiwak Inn. Lastly, OCN purchased the right to operate a Manitoba Junior Hockey League team, the OCN Blizzards.

## Band Development Authority Corporate Structure

The Band Development Authority (BDA) is the legal entity in OCN that oversees operations of the following departments: the Membership Department, Treaty Land Entitlement Agreement, Claims, and OCN Gaming Commission. The BDA—under the direction of the Board of Directors, Chief, and Council—manages the development and implementation of by-laws and seeks and refers legal opinions.

**FIGURE 4D.2: Band Development Authority**



The BDA Coordinator is responsible for the representation and management of the above-mentioned departments, the OCN Land Authority, Chief and Council, Administration, and other outside agencies (See Figure 4D.2). In addition, the BCA Coordinator develops and monitors annual budgets for each department in BDA and the OCN Land Authority. Issues and concerns are submitted to the BDA Board of Directors and/or OCN Land Authority, which then provides a recommendation and/or approval to Chief and Council and Administration. The OCN Land Department conducts rigorous community consultations to educate, inform, and obtain approvals or disapprovals from the community members.

OCN is the largest employer in the surrounding area. Money generated from the activities discussed goes back to the community. OCN provides employment training, develops social programs, builds new infrastructure, and updates existing infrastructure, further exploring opportunities in the area and beyond, as well as educational opportunities. OCN believes education is paramount for the success of a nation (See Figure 4D.3).

## FIGURE 4D.3: Key growth facts



## Future Urban Reserves

On January 22, 1999, OCN executed the Treaty Land Entitlement (TLE) Agreement, thereby setting aside 56,068 acres of land to be converted to reserve land. In addition, compensation money, approximately \$1.3 million, was provided for community projects. TLE trustees, who are elected by members living on reserve, manage and administer the compensation money. When TLE money is requested for funding through the Chief and Council, members in the community take a vote.

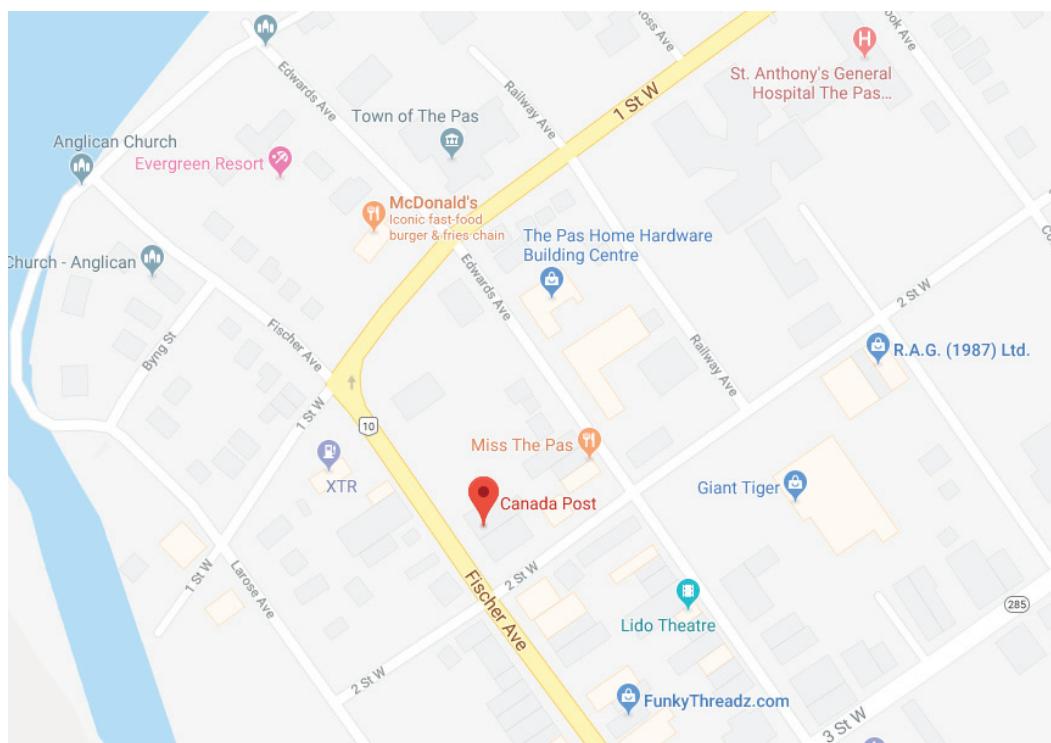
On June 20, 2002, OCN developed the OCN Land Code, with amendments ratified in 2005 and 2012. The Land Code allows OCN to manage their own lands. The OCN Land Code applies to lands converted to reserve land from TLE, Crown land, and other/3rd party land. A community approval vote is required to accept any additional land where management and jurisdiction of the OCN Land Code will apply.

Crown lands have been identified by OCN for conversion to reserve land. As of 2018, a total of 29,685 acres of Crown land was converted to OCN reserve land. As early as July 17, 2017, one reserve was converted to OCN.

The TLE agreement also provides approximately \$2.2 million for purchase of up to 8,410 acres of other land. Several parcels and land lots have been identified by OCN. Full conversion to urban reserves has yet to be completed. On April 12, 2010, OCN acquired surplus federal land in the City of Thompson. OCN and Thompson signed a Memorandum of Understanding (MOU) for the land, but the land has not yet been developed. In addition, OCN purchased existing residential units/buildings and vacant lots in the Big Eddy settlement located 7 kilometres northwest of The Pas. OCN is continuing to pursue the conversion of the land in Big Eddy to reserve status.

OCN has acquired urban land space within the Town of The Pas, including the post office building (see Figure 4D.4), the previous theme park location in the town centre, and the Valley View Trailer Park, which the community will update and modernize to residential infrastructure. OCN acquired these properties many years ago and has been paying for services from the Town of The Pas. Also acquired in town and the surrounding areas is land along the railway and a parcel of farm land. All of the acquired lands have potential for further economic development for the community.

**FIGURE 4D.4: Location of the post office building in The Pas, MB**

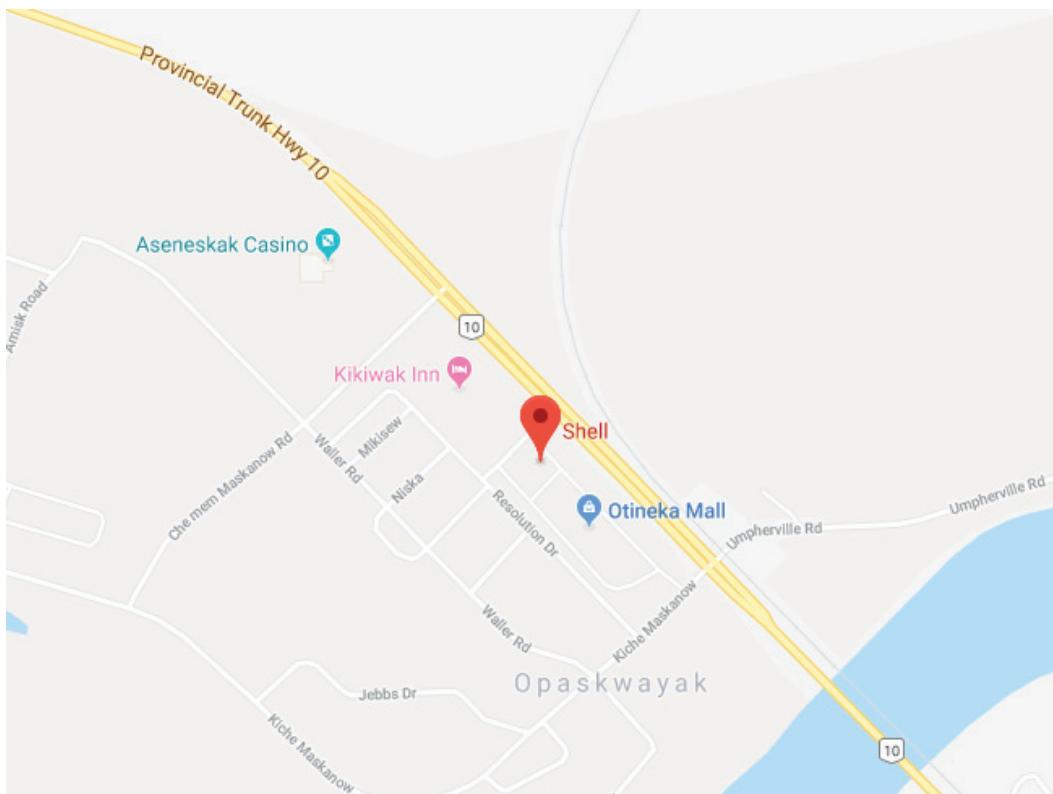


Source: Google Maps

**FIGURE 4D.5:** Post office building in The Pas, MB



**FIGURE 4D.6:** Location of Otineka Mall and other OCN businesses



Source: Google Maps

**FIGURE 4D.7:** Otineka Mall



# Appendix 4E: Sapotaweyak Cree Nation Urban Reserve

## **Information is from the following websites:**

<https://sapotaweyakcreenation.weebly.com/about-us.html> - accessed March 13, 2018.

[http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FNMain.aspx?BAND\\_NUMBER=314&lang=eng](http://fnp-ppn.aandc-aadnc.gc.ca/fnp/Main/Search/FNMain.aspx?BAND_NUMBER=314&lang=eng) - accessed March 13, 2018.

## General Information

Sapotaweyak Cree Nation (SCN) is a First Nations band reserve (Number 314) located in west-central Manitoba approximately 400 kilometres northwest of Winnipeg. SCN is approximately 90 km northeast of Swan River and 40 km east of Provincial Trunk Highway (PTH) 10. SCN is located along the shores of Lake Winnipegosis (See Figure 4E.1). Adjacent to SCN is the Pelican Rapids community and Shoal River Indian Reserve. There are 12 Indian Reserves assigned to SCN, two of which are urban reserves located within the Town of Swan River.

Sapotaweyak Cree Nation is governed by Chief and Council. The current Chief is Nelson Genaille and the Councillors are Augustus Chartrand, Louella Chartrand, Reynold Cook, Derry Hellwege, and Mary Lou Leask.

**FIGURE 4E.1: Location of Sapotaweyak Cree Nation in west-central Manitoba**

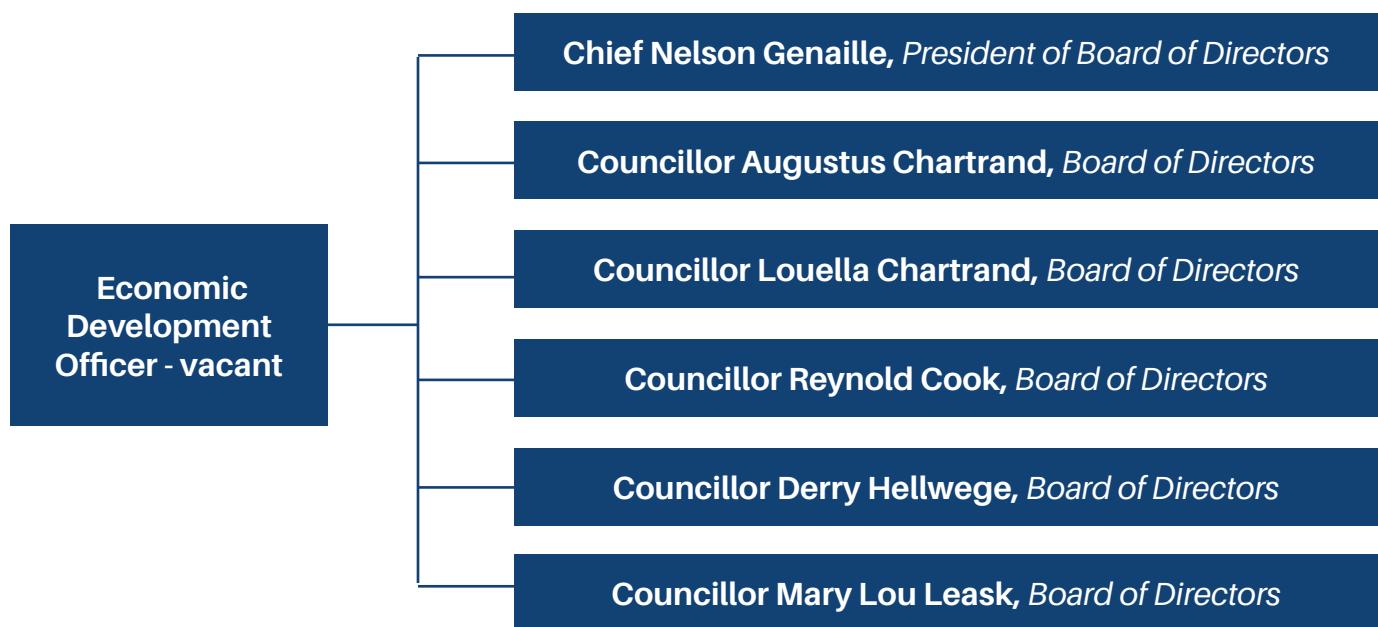


Source: Google Maps

Sapotaweyak Cree Nation (SCN) has a registered population of 2,581 as of June 2018. The registered population living on reserve is 921 people. The remaining 1,660 people live off reserve. SCN has several organizations on reserve, including the band office, the new school, the health centre, the Northern Convenience Store & Gas Bar, the Bertha Gott Day care Centre, the SCN Arena Complex, the SCN Community Centre, the SCN Loonie Bin, and the 96.9 FM radio station. The radio station broadcasts daily local programming and NCI FM. The community also has many small home-based businesses that sell beadwork, sweet grass braids, and traditional moccasins.

Currently, the Chief and Council of SCN are the board of directors for the urban reserve development (See Figure 4E.2). SCN is in the process of creating an arm's-length business corporation that could oversee economic planning and distribution of the urban reserves. As of today, Club Sapp, a Video Lottery Terminal (VLT) gaming facility, employs 9–30 individuals within a year and generates approximately \$1 million annually. The money generated from the gaming centre goes back to the community to fund cultural, social, and economic initiatives. Examples of such initiatives include purchasing a bulldozer for use in the community, funding youth events, employing local individuals, and allocating emergency funds for the community. In five years, SCN is looking forward to expanding Club Sapp and further developing the second urban reserve property in Swan River.

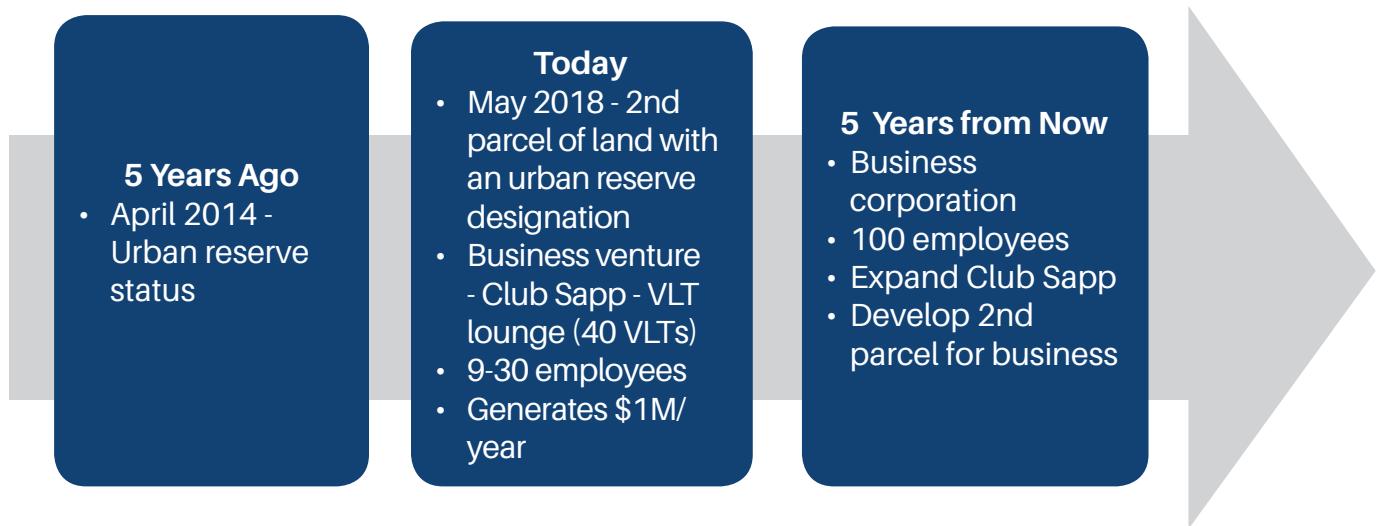
## FIGURE 4E.2: SCN Board of Directors organizational chart



## Indigenous Way / Indigenous Approach to Economic Development

Sapotaweyak Cree Nation members are benefiting greatly from pursuing, acquiring, and developing urban land space in the Town of Swan River. They are using the \$1 million annually generated money to fund cultural, social, and economic initiatives. The SCN accomplishments in urban-reserve development mirrored the success of other communities in Manitoba including Long Plain First Nation in Winnipeg and Portage La Prairie, Swan Lake First Nation in Headingley, and Nisichawayasihk Cree Nation in Thompson.

### FIGURE 4E.3: Key growth facts



**TABLE 4E.1: SCN indicators**

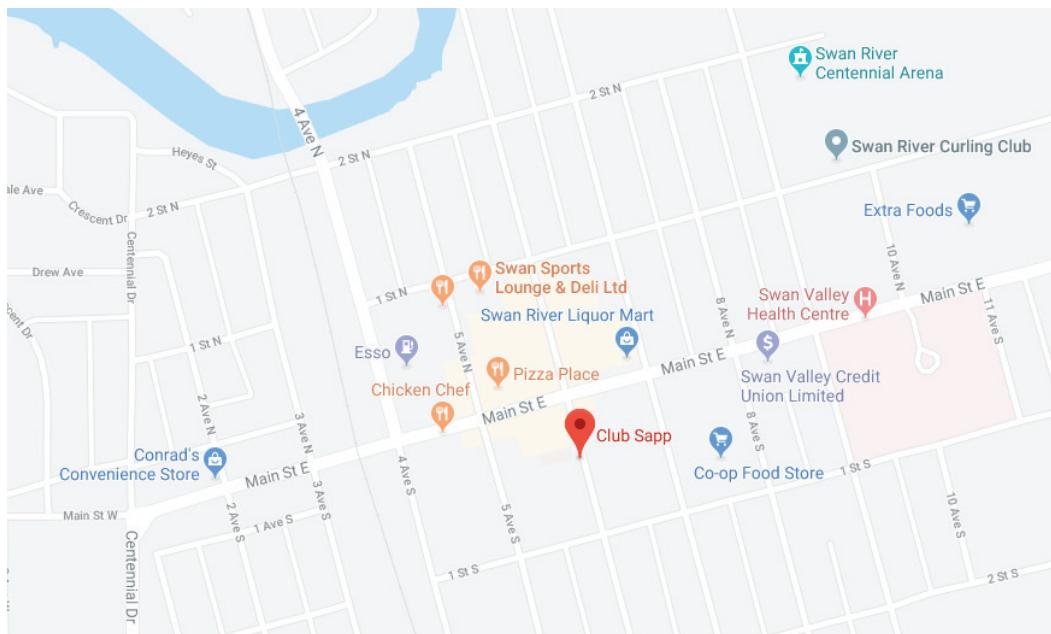
<b>Indicators</b>	<b>SCN</b>
Registered Population	2581
Population on reserve	921
Reserve Land Size (acres)	
Existing URs	2
UR in ATR	
Location of UR	Swan River
UR Land Size (acres)	0.14 0.21
Businesses on UR	1
Jobs on URs	9-40

## Urban Reserves

On July 30, 1998, the Treaty Land Entitlement (TLE) Agreement was signed between SCN, the TLE Committee of Manitoba, the Government of Canada, and the Province of Manitoba. The agreement entitles SCN to select 108,134 acres of Crown land and purchase 36,045 acres of other land for economic development and social benefits. On April 3, 2006, SCN acquired 0.14 acres of urban land in the Town of Swan River. On March 15, 2012, a Municipal Development and Services Agreement (MDSA) was signed with Swan River for a parcel of land that SCN purchased. MDSAs are essential during the TLE land-conversion process, as they allow Canada to set aside urban reserve land for communities such as SCN. In addition, on August 16, 2017, Swan River signed a MDSA for a second parcel of land purchased by SCN on October 19, 2015, again under the TLE Agreement. The second parcel of land is approximately 0.21 acres of urban land. As of February 2014, Canada converted approximately 99,071 acres of Crown land and 0.14 acres of other land to SCN reserve under the TLE Agreement.

The first urban reserve for SCN is located at 108-6th Avenue in Swan River, Manitoba (See Figure 4E.4). It is 0.14 acres in area. It was previously a Liquor Control Commission office property. It is now a VLT gaming facility named Club Sapp. The grand opening of Club Sapp was on February 5, 2015.

**FIGURE 4E.4:** Location and photo of exterior of Club Sapp, first urban reserve for SCN, in Swan River, MB

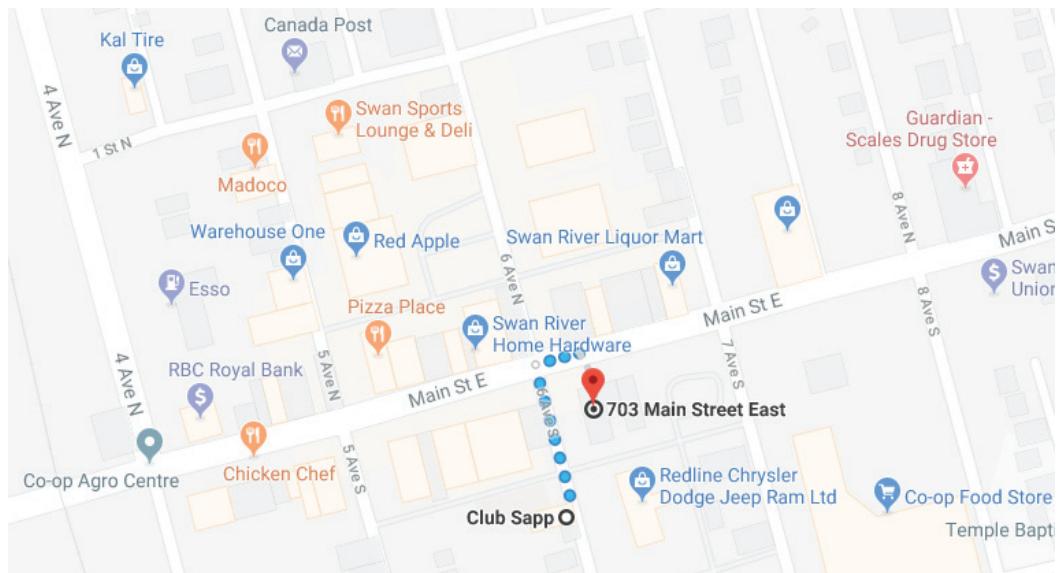


Source: Google Maps



The second urban reserve for SCN is located at 703 Main Street in Swan River (See Figure 4E.5). It is approximately 0.21 acres in area and approximately 100 meters north of Club Sapp. The location was once occupied by the Valley Hotel building, which has since been torn down. It has not been decided what will be constructed on the site, as the second urban reserve is still in the planning stage.

**FIGURE 4E.5:** Second urban reserve site for SCN in Swan River, MB



Source: Google Maps

**FIGURE 4E.6:** Future Site of Petro gas station. July 11, 2018



# Appendix 4F: Birdtail Sioux First Nation Converted Land (Not In An Urban Setting)

**Source:** Interview with Ken Chalmers and information on the following websites:

<http://www.aadnc-aandc.gc.ca/eng/1357840941868/1360161410974>

<http://www.aadnc-aandc.gc.ca/eng/1100100020406/1100100020407>

## General Information

**Population:** 737 people

Birdtail Sioux is not a signatory to any treaty with the Government of Canada.

## Historical Background

The Sioux (also known as Dakota) people are originally from the Great Plains. The Sioux came in contact with American settlers inching further west past the Appalachians during the 1800s. Seen as a threat to American expansionism, the various Sioux tribes became targets of the American military, who sought to push the Sioux from their traditional homeland in the name of Manifest Destiny.

The Sioux were a warrior people, and they fought back. They defeated General Custer at the Battle of Wounded Knee. Under the leadership of the greatest Sioux Chiefs, Sitting Bull and Crazy Horse, they asserted their right to self-determination and the preservation of their way of life in the face of colonialism. Many Dakotas stayed in the United States and were eventually granted reserves upon which to live. Some others fled north, towards the border with the British colony of Canada. Many settled in present-day Manitoba. They were not welcomed with open arms, either by the Canadian settlers or the local First Nations. According to Chief Ken Chalmers, the women and children of a tribe near Lake Manitoba were slaughtered while the men were off fighting the Americans down south. Seen as outsiders, refugees from the south, the Dakotas were the only First Nation in Manitoba who were not signatories of a treaty with the Crown.<sup>38</sup>

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<sup>38</sup> INAC (2010). Treaties in Manitoba. Retrieved from <http://www.aadnc-aandc.gc.ca/eng/1100100020406/1100100020407>

Eventually, reserves were granted to the Sioux living in Canada, but not under the jurisdiction of any treaty with the Crown. Even then, their children were taken away to attend Canada's residential schools. Today, the struggle of the Sioux reserves (and indeed, most First Nation reserves) is to find meaningful ways of development, to lift their people out of poverty, and to protect their culture, despite the substantial disadvantage and historical injustices that have been brought upon them. One such reserve is the Birdtail Sioux First Nation.

As part of their economic development efforts, Birdtail Sioux has tried to purchase land several times. They originally wanted to start an urban reserve in Russell, Manitoba, but when they tried to purchase land from the municipality of Russell-Binscarth, the municipality voted no. Later in 2008, Birdtail acquired 10 acres of land in the rural community of Foxwarren for eventual use as an Economic Development Zone (EDZ). The building was an abandoned school, priced at \$60,000. Once the First Nation expressed interest in buying it, the price rose to \$240,000. With the help of investors, Birdtail Sioux managed to secure the land.

The process of adding Foxwarren's piece of land to Birdtail Sioux First Nation was to transfer it to the federal government first and then to the First Nation. As part of the application, the First Nation needed to secure a Municipality Service Agreement with the Rural Municipality of Prairie View so that amenities could be extended to the new reserve land. After four years of negotiation, the municipality finally budged on the issue. The MSA alone took four years, and the total ATR process took 10 years.

Birdtail Sioux's main reserve is perfectly situated for a rail line that could ship oil, potash, and other commodities from Manitoba to all over North America. Chief Chalmers thought this was a great opportunity for developing their reserve, and he wanted to strike a deal with CN and some other companies to not only get a spur line built, but also an oil terminal on their reserve.

Many members of the band were not enthused with the idea of working with large oil companies, especially since this deal was happening right after the catastrophic Lac-Mégantic rail disaster in Quebec, in which half of a small town's downtown was burnt to the ground from an oil-related explosion. The deal was shut down by environmentalists and the Idle No More activist movement, and Chief Chalmers was voted out of office in 2013.

In 2015, Chief Chalmers was re-elected, and he continued to pursue his strategy of corporate partnerships as a means for development. A spur line has now been built through Birdtail Sioux's reserve, and they have an oil terminal in the works. They have set aside 1,800 acres of reserve land for industrial development, with the hope that close access to the railway will give them the competitive advantage. Because of their ideal location and their tax exempt nature under federal law, Chalmers believes Birdtail can ship oil, potash, grains, and other commodities in a very competitive manner in the future. They also plan to expand into Russell with an urban reserve, once enough capital can be secured.

The Sioux have always had a strong spirit of independence resonating through their community. While they do receive funding to an extent from the Government of Canada, they are not a treaty First Nation, and thus the government has no legal obligations to help them develop. Chalmers' focus has been on Birdtail Sioux becoming self-sufficient through its role in commodity transport and its operation of regional gaming centers.

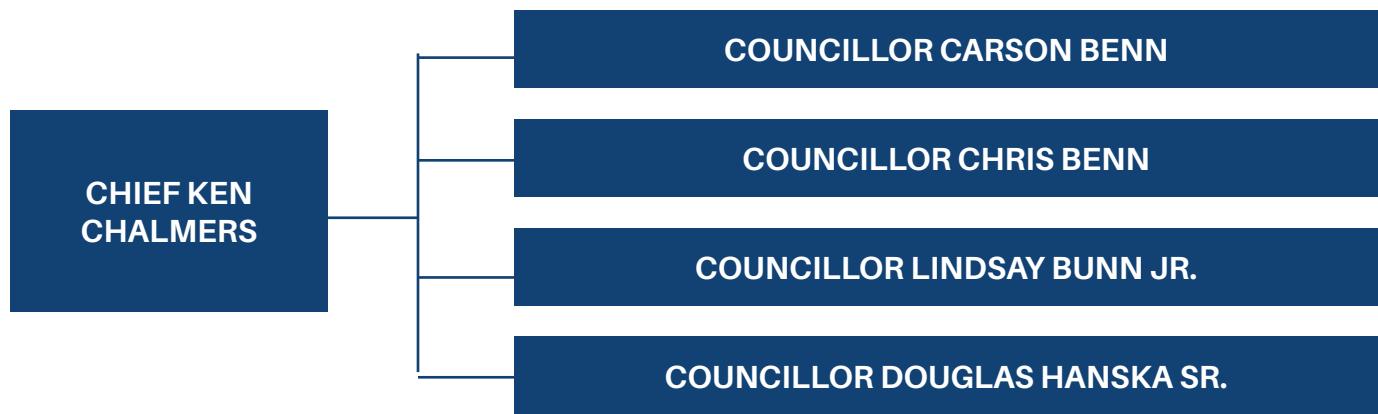
Through their solid urban reserve strategy and corporate partnerships, Chief Chalmers and the Birdtail Sioux First Nation hope to reverse the destructive forces of the past and put themselves on a path of growth and independence for the future.

## Birdtail Sioux Corporation and Governance Structure

The Birdtail Sioux corporate structure is very simple: the reserve has 100% equity over the corporation they use for all their business dealings. The corporation is run by the Chief and Council. There are five members of the board of directors, the Chief (currently Ken Chalmers) and four councillors.

Although the ownership structure of the corporation is very simple, there are strong checks in place to prevent misuse of the company's profits. All surplus profits that are not being reinvested into the EDZ are placed in a trust fund. To access the money in the trust fund for a project, the council must get a lawyer, auditor, and First Nation representative to sign off on it. This makes it harder for corruption to manifest within the council.

## FIGURE 4F.1: Board of Directors of Birdtail Sioux Corporation



## Other Company Holdings and Corporate Partnerships

In addition to its EDZ in Foxwarren, Birdtail Sioux owns a number of other assets:

- \$5 million worth of real estate in Winnipeg, Brandon, Portage la Prairie, and Virden.
- An “equity position” in the potash near their territory.
- Control over the spur line going through their reserve.
- An oil terminal.
- \$30 million worth of deals with Enbridge.

Birdtail Sioux is working with Weiwei Capital, a Chinese natural resources company, to sell potash to China; 90% of the potash that will eventually be mined in the area will go to China, at above market prices. Birdtail also has deals with CN and Enbridge, and it will soon have deals with many more oil companies that want to utilize their oil terminal and ability to ship via rail. Birdtail plans to partner with other industrial corporations to promote manufacturing on the 1,800 acres of land they’ve set aside for business development. Chalmers has specifically expressed interest in manufacturing solar panels on the reserve.

Looking towards the future, Birdtail Sioux plans on using its ability to ship to anywhere in North America within 3-10 days and its tax advantages to become a leader in shipping and manufacturing. These industries will hopefully provide ample employment opportunities for the children of Birdtail Sioux and pave the way for economic development.

## Indigenous Way / Indigenous Approach to Economic Development

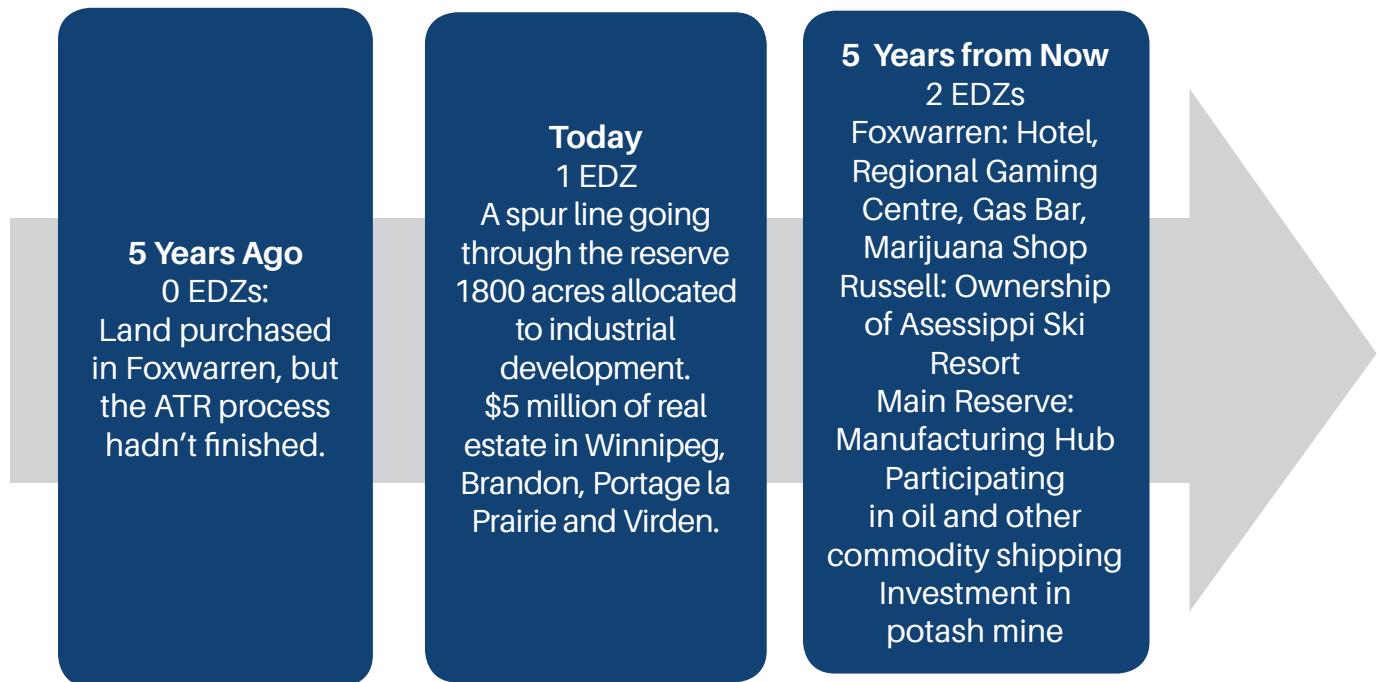
In Birdtail Sioux First Nation, 50% of the profits generated from its business operations are reinvested in the businesses, but the other 50% goes back to the reserve and is used to improve the lives of the entire community. Specifically, it is used to fund sports programs, culture and language programs, and even horse riding for the kids of Birdtail.

Chief Chalmers says that his motivation to develop his reserve comes from the 146 kids that are grade 9 and under living on Birdtail Sioux. He has four years until these kids start graduating, and he wants to ensure that there are opportunities for them to find gainful employment. Their parents may have been scarred by residential schools, but there is no reason the children need to follow in their footsteps. Chalmers believes that the only way to break the cycle of poverty is to develop industry on the reserve so that these kids have hope for the future.

Some of the profits are used to help those on Birdtail become better employees and more responsible members of the community. Ken Chalmers talks about “job coaches” whose sole purpose is to ensure that members employed at Birdtail Sioux businesses or elsewhere off the main reserve are having a smooth transition to working life. Job coaches, funded by Birdtail, help workers get to their jobs on time by giving them rides and aid them in conflict resolution between employees and employers.

Finally, much in the Indigenous spirit, Birdtail Sioux is more than happy to help the surrounding community with their business ventures. Their regional gaming center can offer much bigger pots for bingo, and so it put the area's church bingo nights out of business. But Birdtail allowed the church groups, and even the firefighters, to have their bingo nights at Birdtail's regional gaming center, allowing the other communities to continue having fun social outings. Birdtail Sioux makes approximately \$200,000 a month from their bingo operations, and all of this money goes towards housing, social programs, and recreation for kids on the main reserve.

## FIGURE 4F.2: Key growth facts



## Foxwarren Economic Development Zone

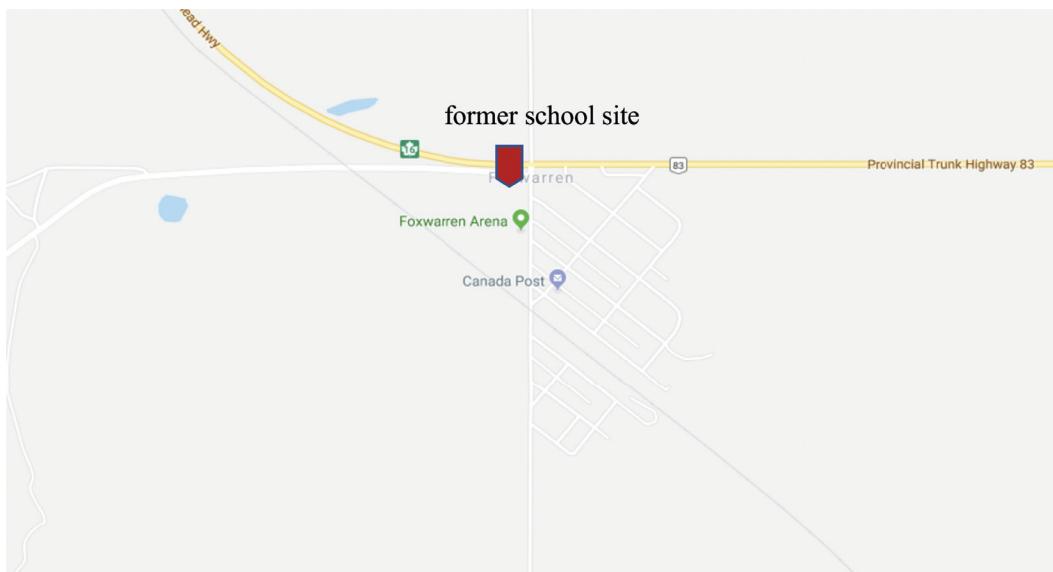
**Location / Municipality:** RM of Prairie View

**Date of ATR:** 2016

**Description of the Location:** Located on Highway 16 (Yellowhead)

The Foxwarren EDZ is classified officially by the government as a “regional gaming center.” This is because the primary building on this land will be a gaming facility.

**FIGURE 4F.3:** Former school site in Foxwarren



Source: Google Maps

**FIGURE 4F.4:** Former school site in Foxwarren. Photo from 2014.



Source: Google Street View

## Future Plans

Birdtail Sioux First Nation has plans for growth on their EDZ. There will be the gaming center, a shop which sells cigarettes and cannabis, and a gas bar/convenience store, which will be managed by Petro Canada. There are talks about constructing a potash mine in the area, and Birdtail Sioux wants to capitalize by building a hotel on their EDZ to house some of the labourers for that project. They also plan on opening a restaurant on the EDZ. The manager of Sidney's in Winnipeg has purportedly agreed to help train staff when the restaurant is constructed.

Birdtail Sioux plans on selling its real estate equity to raise the capital necessary for these expansions. They are also in talks to purchase Asessippi Ski Resort and other land in Russell. Due to the tax exempt nature of Birdtail Sioux, it makes sense for them to own the resort so that it pays much less in taxes. Then, Birdtail will give a kick back to the previous owners, who will maintain a 49% stake in the resort. In this way, all parties benefit from this land becoming a second EDZ.

Birdtail also sees an opportunity to sell cigarettes to Indigenous people from Saskatchewan because they are limited to buying one pack of cigarettes on the reserves in Saskatchewan. They cross the border and purchase their cigarettes in Manitoba, and Birdtail wants to corner this market. Chief Chalmers predicts that this second EDZ in Russell could generate up to \$2 million in revenue annually.

# Appendix 4G: Peguis First Nation Urban Reserve (Not Yet Converted to Reserve)

**Source:** Interview with Peguis Development Corporation Chief Executive Officer, Randy Councillor and information on the following websites:

<http://www.peguisfirstnation.ca>

<https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/Page.cfm?Lang=E&Geo1=CSD&Code1=4619059&Geo2=PR&Code2=46&Data=Count&SearchText=peguis&SearchType=Begins&SearchPR=01&B1>All>

## General Information

**Population:** 10,000 people

**Land size in km<sup>2</sup>:** 310.81

**Treaty # 1**

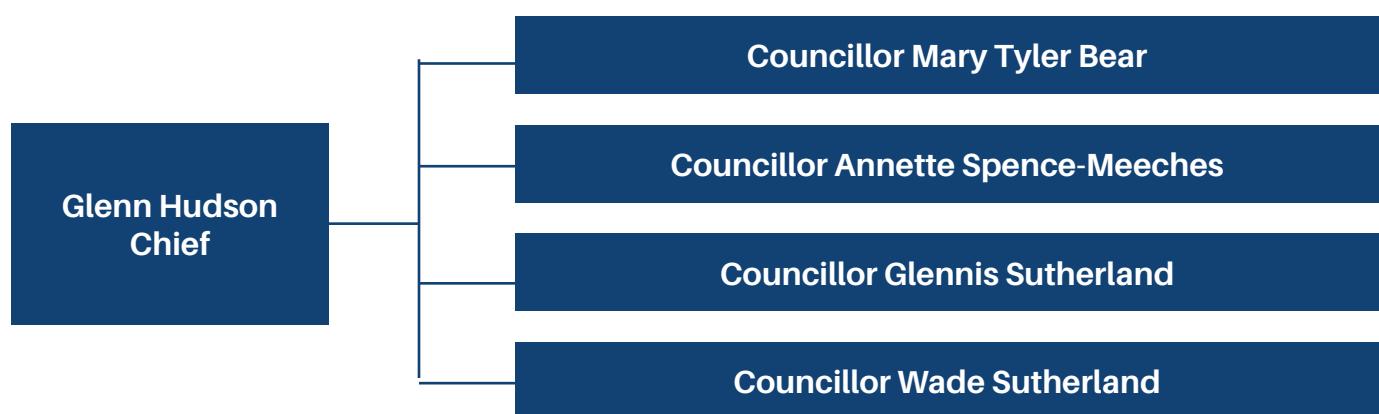
**From the Peguis First Nation website:**

*“Peguis First Nation is the largest First Nation community in Manitoba with a population of approximately 10,000 people of Ojibway and Cree descent.”*

## Peguis Council Structure

The Peguis First Nation’s governing body is a council of five elected officials: four Councillors and one Chief. The following is a graphical representation of the governance structure of the council:

**FIGURE 4G.1: Board of Directors of Peguis First Nation**

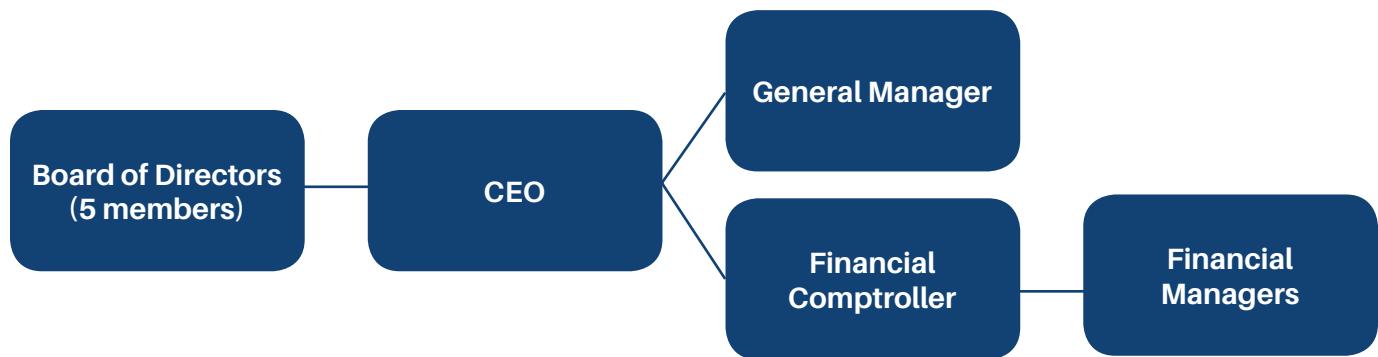


## Peguis Development Corporation Corporate Structure

The Peguis Development Corporation is “a service organization with a specific mandate to address and deliver the economic development programs for Peguis First Nation.”<sup>39</sup> The Peguis Development Corporation is the entity that deals with all on-reserve business and infrastructure projects, creating economic opportunities for the people of Peguis First Nation. It has been operating since 1999.

While the Peguis Development Corporation (PDC) is designed to aid in economic growth on Peguis First Nation, and it works closely with the council, it is not beholden to the wishes of the council in any official capacity. The PDC operates like a standard corporation, but with strong governing principles based on Indigenous culture. Figure 4G.2 below shows a model of their corporate structure.

**FIGURE 4G.2: Peguis Development Corporation corporate structure**



The CEO (Randy Councillor) reports to the board of directors, and the general manager and financial comptroller report to the CEO. The GM oversees the day-to-day operations of the businesses controlled by the PDC, while the financial comptroller manages the accounting and finance side of the corporation, with additional financial managers reporting to her.

Around 372 workers are employed on projects related to the PDC. This includes pipeline projects with Enbridge and work conducted with Manitoba Hydro. The PDC works with Assiniboine Community College to train workers for projects such as these. Within the actual corporation itself, around 30 individuals are employed.

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<sup>39</sup> [www.peguisfirstrnation.ca](http://www.peguisfirstrnation.ca).

The management strategy of the PDC is to assemble a group of professionals with expertise in different fields, such as accounting, finance, and legal matters, and to use that diversity to the advantage of the corporation. The PDC employs a profit-sharing model where part of the managers' compensation is equity in the corporation. This model incentivizes managers to be thinking about the long-term success of the firm.

The PDC tries to incorporate traditional Indigenous economic and governance systems into their operations. This approach differentiates them from other corporations. The PDC makes efforts to include elements of Peguis' culture in their organizational environment and tries to operate in a way that is both environmentally and socially responsible.

## Chief Peguis Investment Corporation

The Chief Peguis Investment Corporation (CPIC) is “mandated by Peguis First Nation to pursue investments that will truly benefit the community by providing investment income, capacity building, employment opportunities, both on and off reserve, and community involvement.”<sup>40</sup> The CPIC is involved with financing many business ventures on the Peguis First Nation and works closely with the PDC. However, the CPIC also partakes in off-reserve investment that is purely for generating revenue for the First Nation.

The following are a few of the CPIC’s on-reserve business investments:

- Peguis Midway – A one-stop shop that combines a gas bar, convenience store, and Chicken Delight restaurant.
- Peguis Family Foods – A grocery store that has recently expanded to include a restaurant, laundromat, and lottery booth.
- Peguis Home Hardware – A hardware and household supply shop on Peguis First Nation.

The CPIC has exciting plans for future development. They are going to be investing in a 20-unit motel in Peguis, with 20 VLTs inside. Through their partnership with National Access Cannabis, they also hope to secure a cultivation plant for the reserve by July 2, 2018. They are also hoping to open another three gas bars off reserve land. These are only a few examples of the future projects the CPIC will invest in for the betterment of the reserve.

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<sup>40</sup> [www.peguisfirstnation.ca](http://www.peguisfirstnation.ca)

## Chief Peguis Investment Trust

The Chief Peguis Investment Trust (CPIT) is a shell company used to funnel money between Peguis' various investments to manage the amount of tax paid by the reserve on its off-reserve assets. Indigenous and Northern Affairs Canada (INAC) looks at certain revenue sources for the reserve, and as the reserve generates more money on its own, INAC reduces the funding it provides in the form of transfer payments. CPIT serves to reinvest money from own sources so that funding is not reduced for Peguis First Nation. It is an important entity to maximize the benefits to the community from the assets owned by the council, the PDC, and the CPIC.

## Strategies for Capital Acquisition

Both the PDC and CPIC need to secure sources of capital so that they can pursue their mandates. Peguis First Nation can apply for government grants, but the bureaucracy involved means this approach takes a long time. Bank loans are also not ideal, since the bank demands the company put up other assets as collateral for the loan. This exposes the corporation to risk and makes its assets less liquid.

It is for these reasons that Peguis prefers to pursue partnerships with other companies. Ideally, Peguis owns at least 51% of any partnership so that the First Nation maintains control. While the other partner provides the capital, Peguis can offer its advantageous tax exemptions, which make it easier to find favourable partnership opportunities. Once Peguis owns enough assets, it no longer has to rely on banks for loans, and it can use those assets to access cheaper credit from the equity market.

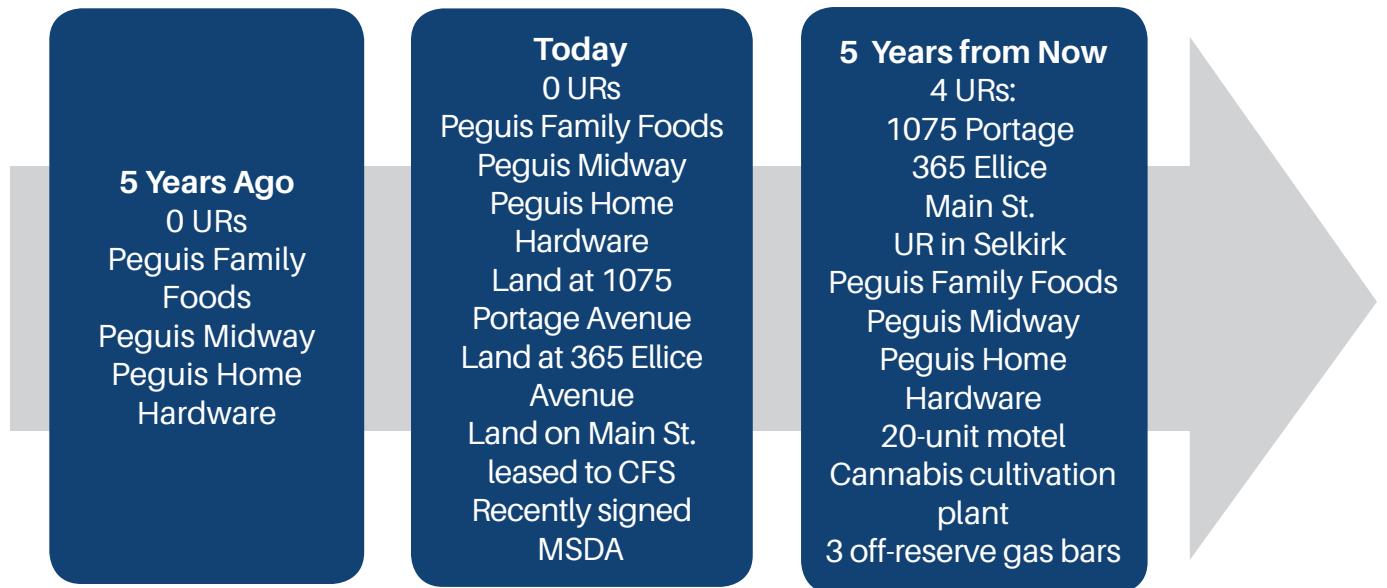
## Future Plans

Currently, Peguis First Nation has no converted urban reserves. However, Peguis council and the City of Winnipeg recently signed a MDSA for Peguis' property at 1075 Portage Avenue, allowing it to move forward in the Addition to Reserve process.<sup>41</sup> The deal stipulates that the City of Winnipeg will provide virtually all normal municipal services. In exchange, the reserve will make an annual payment to the City worth 80% of the normal property tax for the land. This is major step forward in the development journey of Peguis First Nation.

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<sup>41</sup> Santin, A. (2018, July 9). City, Peguis reach deal for urban reserve. Winnipeg Free Press. Retrieved from <https://www.winnipegfreepress.com/local/city-peguis-reach-deal-for-urban-reserve-487626921.html>

## FIGURE 4G.3: Key growth facts



In addition to 1075 Portage Avenue, Peguis First Nation owns land at 375 Ellice Avenue and on Main Street. They would like to make these properties reserve land in the future as well. They are currently working through the ATR process with ISC for an area of land in Selkirk. Peguis First Nation used to be located on land near Selkirk, but this land was surrendered unlawfully to the federal government in 1907. They have been in talks to get a portion of this land back since 2008.

