

Mayor's Report to Council: Sale of North Bay Mattawa Conservation Assets

April 09, 2026

Purpose of Report

This report outlines concerns regarding the recent sale of the Laurentian Escarpment property by the North Bay-Mattawa Conservation Authority (NBMCA), the potential implications of this decision, and the lack of consultation with member municipalities. Additionally, the report addresses concerns about the future of regional assets and calls for improved consultation and transparency in the management and sale of NBMCA's assets.

1. Sale of the Laurentian Escarpment Property – Lack of Consultation with Member Municipalities

The recent sale of the Laurentian Ski Hill property, including the surrounding 50 hectares of land and the Interpretive Centre building, for \$1.4 million has raised concerns. It is recognized that the City of North Bay is levied as a "sole benefactor" of many capital projects within the city, additional park support, and principal repayment on the NBMCA mortgage, and it is understood that not all member municipalities contribute equally to the costs associated with the ski hill infrastructure. However, all municipalities do contribute to the operational costs of the administration building, which forms part of the recent sale to the City of North Bay.

The sale of such an important asset, especially one that houses the administrative offices of NBMCA, was made without adequate consultation with the municipalities that are financially involved. This lack of engagement raises concerns regarding transparency and fairness in the decision-making process. Additionally, the valuation of the property, which includes land, infrastructure, and the interpretive centre, needs to be clarified—specifically, whether a professional appraisal was conducted to ensure the sale price accurately reflects the property's worth.

This sale prompts further questions: Are there other assets held by NBMCA that could be sold off without similar consultation? If so, what process will be followed to ensure all municipalities are consulted prior to decisions being made?

2: Governance and Conflict of Interest Clarification

Because the City of North Bay is both the purchaser of the property and a member municipality with three Council members appointed to and represented on the NBMCA

Board , Council requests clarification regarding how any potential conflict of interest was identified, disclosed, and managed during the decision-making process.

This is not intended to imply wrongdoing. However, it reflects the importance of ensuring that any such transaction is seen to have been handled in a transparent and procedurally sound manner, with full compliance with all applicable governance requirements.

3: Concerns Over Future Asset Sales – such as The Eau Claire Gorge

The Township of Calvin raises concerns about the future of other important regional assets, particularly the Eau Claire Gorge. This unique natural asset, with its recreational and conservation value, is a critical resource for Calvin and the broader region. Given the lack of consultation regarding the sale of the Laurentian Escarpment property, there is increasing uncertainty about whether other assets, such as the Eau Claire Gorge, could be sold off without proper consultation with municipalities like Calvin.

The total book value of NBMCA's land, buildings, infrastructure, and equipment, according to the audited financial statements for the year ending December 31, 2024, is approximately \$13 million. This substantial value necessitates careful consideration of any future asset sales and calls for a more formalized and transparent process. The lack of consultation on the Laurentian Escarpment property underscores the importance of establishing clear guidelines for future asset management to ensure all stakeholders are consulted before any major decisions are made.

4. Use of Proceeds from the Sale – Distribution to Member Municipalities

An important question arising from the sale of the Laurentian Escarpment property is what will happen to the proceeds, particularly in relation to the member municipalities whose levies contributed to the creation and ongoing maintenance of the properties owned by the NBMCA.

Given that member municipalities, including Calvin, have been directly financially supporting NBMCA through their levies, it is reasonable to ask whether these proceeds will be shared with municipalities that have directly contributed to the property's existence and upkeep. Will the funds from the sales be used to benefit the entire membership?

Council is not asserting a direct entitlement to the proceeds. Rather, it seeks transparency regarding how the funds will be applied and whether their use will provide a benefit to the broader membership.

Transparency around the use of the proceeds is essential. Specifically, member municipalities should be informed of how the funds will be used, whether they will be reinvested into the NBMCA's operations or services, or if there is any consideration to distribute a portion of the proceeds back to the municipalities that contributed to the asset's value over time.

As part of the consultation process, it is critical that NBMCA provides clear information on the intended use of these funds and whether they will be reinvested in ways that benefit all member municipalities.

5: Concerns Over the 10-Year Lease Agreement

Following the sale of the Laurentian Escarpment property, it has come to light that NBMCA will lease its current administrative office (housed within the Interpretive Centre on the sold property) from the City of North Bay for a 10-year period. The lease terms reportedly include an annual rent of \$140,000 plus utilities, and taxes with annual lease cost increases. Given the uncertainty surrounding the future of the Conservation Authority, particularly with the upcoming provincial amalgamation of conservation authorities, the decision to enter into a 10-year lease raises several concerns.

Firstly, the sale price of \$1.4 million for the property, while providing immediate income, is modest when compared to the long-term financial commitment of the lease. Over the next decade, the total rent paid will exceed the amount received from the sale. The apparent rush to sell, combined with the long-term financial obligation, seems ill-advised, especially given the unresolved future of NBMCA operations.

It is essential for NBMCA to thoroughly assess the long-term implications of the lease and the potential risks associated with the lack of clarity regarding the future structure of conservation authorities. The financial sustainability of NBMCA and the interests of municipalities should be paramount in decision-making.

Request for Answers and Consultation on Future Asset Sales

Given the concerns raised above, it is imperative that NBMCA provide clear and transparent answers to the following:

Formal Documentation: Provide formal documentation on the sale of the Laurentian Escarpment property and the terms of the lease agreement with the City of North Bay.

Valuation Process: Clarify whether a professional appraisal was conducted to determine the sale price of the property.

Consultation Process: Outline the process for consulting member municipalities before any future asset sales, ensuring transparency and equity in decision-making.

Long-Term Asset Management Plan: Share NBMCA's long-term asset management plan, which includes guidelines for asset sales, criteria for decision-making, and mechanisms for consultation with municipalities.

We strongly urge NBMCA to ensure that all member municipalities are consulted and involved in the process before any additional assets are sold. The future of these assets must be managed with transparency, integrity, and a clear understanding of their value to the entire region.

Conclusion

The sale of the Laurentian Escarpment property has raised numerous concerns about the governance, transparency, and financial implications of such decisions. The Township of Calvin seeks assurances that NBMCA will prioritize consultation, transparency, and fairness in the future management of regional assets. We request that the answers to the questions posed above be provided promptly and that NBMCA shares a comprehensive plan with all member municipalities for the management and sale of any future assets.

Recommendation: That Council supports a request to NBMCA for full consultation and transparency regarding the sale of assets, and that a formal plan for asset management and future sales be shared with all member municipalities.

Mayor Gould