

# Frequently Asked Questions

## Regional Water AAP

Capital Regional District | April 2025

### What land is being acquired?

The Capital Regional District (CRD) is engaged in a process of acquiring 1,973 hectares of land from the Kapoor Lumber Company (KLC). The lands are located adjacent to the watershed of Sooke Lake Reservoir which is the primary water supply for the Greater Victoria area.

### Why does the CRD want to purchase the Kapoor Lands?

This is a legacy investment that will help ensure safe, clean drinking water for Greater Victoria for generations. The CRD identified these lands as an acquisition priority for many years due to their strategic location which makes them crucial for safeguarding the region's water supply and water transmission infrastructure and ensures the continued provision of high-quality, safe drinking water for the residents of Greater Victoria.

The Kapoor Lumber Company wanted to sell their land and approached the CRD. If the CRD is unable to purchase the lands, then KLC will seek another buyer.

### What are the benefits of purchasing the Kapoor Lands?

The CRD employs a multibarrier approach to protecting Greater Victoria's drinking water. One of the key barriers is the protection of the watershed and our source water, Sooke Lake Reservoir. The purchase of this land will secure control of the primary access route to Greater Victoria's principal water supply reservoir, and secure land that will be required for future water supply infrastructure. This additional management control will help safeguard our public drinking water supply by reducing the risk of trespass, human-caused contamination and wildfire. Another benefit of purchasing this land is that it will allow the CRD to extend the corridor of protected green space from Sooke Inlet to Saanich Inlet and improve environmental biodiversity and connectivity across watersheds and the larger landscape.

### How much will it cost?

The purchase price of the land is \$33.3 million. The purchase will be funded through long-term debt and repaid by Regional Water Supply system water users through water use billing. Debt repayment is planned over 15 years but may be up to a maximum of 30 years. This debt-financing model is the same used for other major land purchases. The projected impact on water rates would be \$0.06 per cubic meter, which equates to approximately \$14 per year for an average household. Property taxes will not be impacted by this purchase.

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### How do we know that is a fair price?

The CRD hired two independent land appraisers to evaluate the lands for their current highest and best use. The final purchase price falls between the two appraisals and can therefore be considered a fair price for both parties.

In addition, acquiring privately held forest lands for public water supply protection has even greater value as green infrastructure investment for the region's current and future benefit.

### Has the CRD engaged with local First Nations about this purchase?

Several First Nations have potential interests that overlap with this property. The CRD has initiated conversations with First Nations regarding management opportunities for these lands.

### What is an Alternative Approval Process (AAP)?

An Alternative Approval Process (AAP) is a form of approval that allows electors within the Water Supply Local Service Area to indicate whether they are against a local government proposal moving forward. The electors, comprised of both residents and non-resident property owners, do this by submitting a completed elector response form to the CRD. If 10% or more of the eligible electors submit response forms in opposition, the CRD must either proceed to assent voting (referendum) within 80 days or reconsider the proposed action. The total number of electors in the Water Supply Local Service Area is determined to be 315,117 of which 10% is 31,512 electors.

### Why does the CRD need elector approval?

As per the [Local Government Act](#), the CRD must receive the electors' approval before it can adopt the bylaw to establish a service levy or incur long-term debt.

### To which residents does this AAP apply?

The Alternative Approval Process applies to all electors within the Water Supply Local Service Area which is comprised of all municipalities of the Capital Regional District, including Central Saanich, Colwood, Esquimalt,

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Highlands, Langford, Metchosin, North Saanich, Oak Bay, Saanich, Sidney, Sooke, Victoria and View Royal, and in the Juan de Fuca Electoral Area.

## What is the expected approval timeline of the AAP?

The anticipated timing for the Kapoor lands Acquisition AAP is as follows:

- May 22, 2025 – AAP response period begins
- June 30, 2025 – AAP response period closes
- July 9, 2025 - AAP results delivered and final adoption of bylaw (if applicable)
- If approval is obtained the purchase of the property would move forward with the sale being finalized on September 15, 2025.

## What if elector approval is not obtained?

If more than 10% of the eligible electors submitted elector response forms by the AAP deadline the CRD Board will have two choices. It may proceed with assent voting (referendum) within 80 days or put the matter on hold and consider alternatives to the land acquisition.

## Where can I find more information on the AAP process?

For more information on the Alternative Approval Process (AAP), who can participate, where to find a response form, and how forms may be submitted, please visit [www.crd.ca/RegionalWaterAAP](http://www.crd.ca/RegionalWaterAAP)