

# Urban Reserve Creation

Under Treaty Land Entitlement (TLE) or Specific Claims Agreements, First Nations can purchase privately owned land, federal or provincial Crown land and/or municipal land on a “willing seller/willing buyer” basis.

Under the TLE Agreements, First Nations must negotiate agreements with urban municipalities and school divisions that address tax loss compensation before Canada will transfer land to reserve status.

For land under a Specific Claims Agreement, First Nations must negotiate agreements with urban municipalities in accordance with Canada’s “Additions to Reserve Policy” (ATR). The agreements must cover tax loss compensation, bylaw compatibility and a dispute resolution mechanism. Under the ATR policy, First Nations are not required to negotiate tax loss compensation agreements with school divisions.

## Tax Loss Compensation Agreements

### Urban Municipality

This includes reaching agreement on an amount of compensation for loss of taxes, levies and grants-in-lieu. A First Nation has the sole responsibility for compensating the municipality.

### School Division

This includes reaching agreement on an amount of compensation equivalent to what would have been received had the property not been selected for urban reserve creation. A First Nation has the sole responsibility for compensating the school division.

## Municipal Servicing Agreements

The First Nation and the affected municipality will negotiate municipal services agreements. These agreements provide a measure of certainty about municipal services such as garbage collection, road and sewer maintenance and snow removal continuing to be provided and the method of payment for services rendered by the municipality. Saskatchewan and Canada are not involved in these negotiations.

## Compatible Bylaws

Compatible land and municipal bylaws are to be addressed, where reasonably necessary, in municipal agreements. Compatibility does not mean bylaws must be the same. Rather, compatible bylaws are aimed at the parties achieving mutual goals and objectives such as land use, building standards, health and safety and business licensing and operation.

## For More Information

For more information about TLE or reserve creation in rural municipalities, please contact:

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