Canadian Government Pays Out Millions for UXO Claim

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British Columbia, Canada Public records released this fall show that for a second time, the Canadian Government paid millions dollars to K & L Land Partnership for "compensation in environmental damages." The latest payment of \$4.4 million comes just one year after it reached a legal settlement with the group for \$11 million to avoid going to trial over claims it was negligent in failing to warn the developers about UXO on the property. Federal officials are not saying exactly why K & L Land Partnership received this second payout due to a confidentially agreement in place.

Back in 2005, K & L Land Partnership (a group 11 companies) purchased 1,349 acres of undeveloped land overlooking Lake Kalamalka near Vernon, B.C for \$15 million dollars.

Court documents filed in 2013 state the point of the purchase was to "develop a residential subdivision, with appropriate amenities, for sale to members of the public." Those changed in 2007 when the Department of National Defence (DND) sent a letter informing of UXO incidents in the Vernon area. However, the real estate group was reportedly not told until 2011 that their property was impacted.

In 2013, the land partnership filed a lawsuit at the B.C. Supreme Court claiming damages for "economic loss in negligence, trespass and nuisance," warned that the government "had a duty to warn them of the risk or danger due to the possible presence of UXO on the Lands," and said they would not have bought the land if it had known about the UXO risks.

A trial was set for 2015 but the case was settled out of court and a confidentiality agreement imposed toward the end of that year. News of an \$11-million settlement was leaked to reporters in January 2016, including an agreement that the DND would not remediate the property. The property in question was a former WWII era training area which began operations in 1941. A death from UXO was reported in 1973.