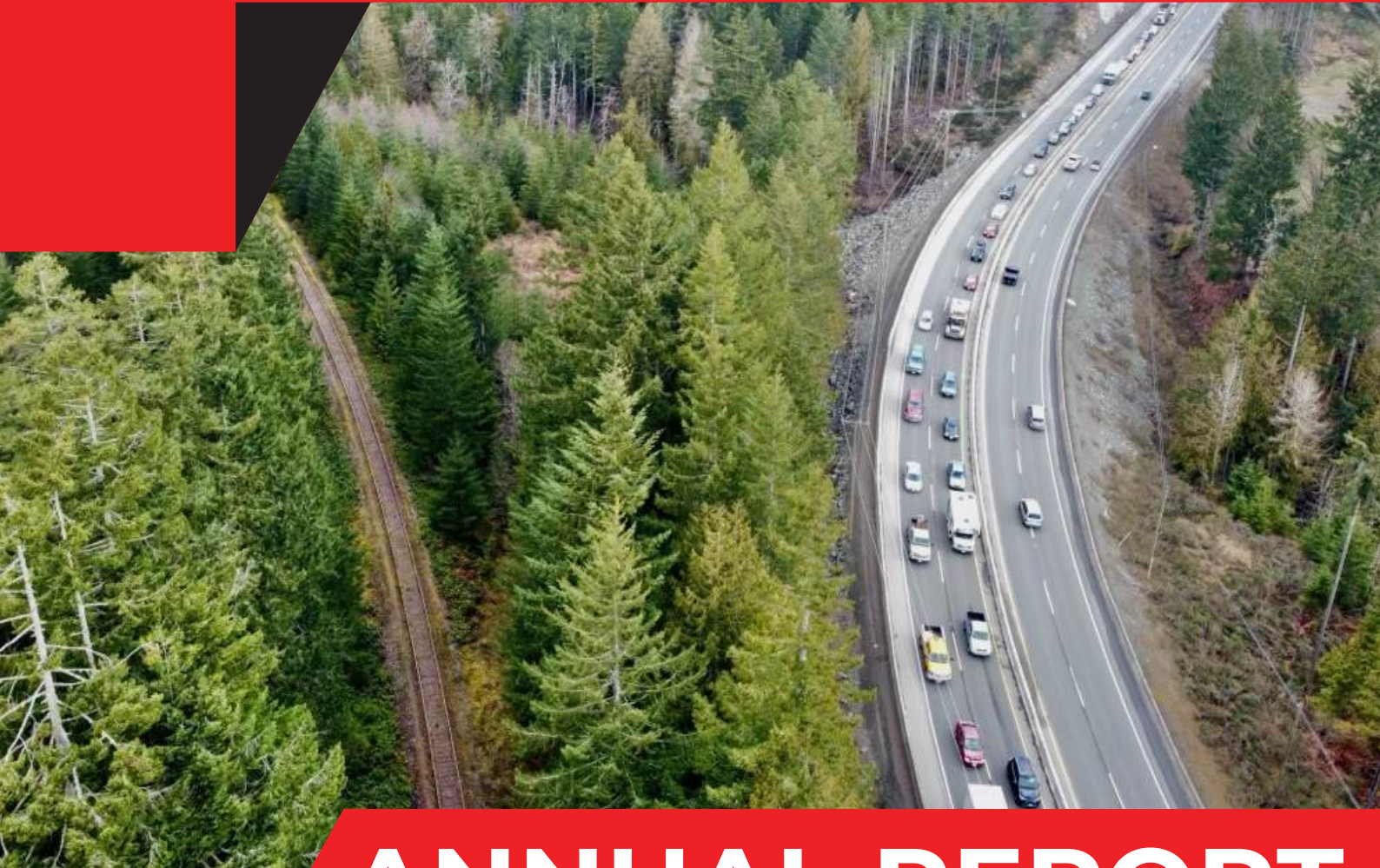


A Year of Resilience and Progress



ANNUAL REPORT

2025-26



**ISLAND
CORRIDOR**
FOUNDATION

Date: June 26, 2026

2025-26 marked a year of steady progress for the Island Corridor Foundation. This year, ICF advanced key projects, strengthened partnerships, and continued Shared Vision efforts, reinforcing its commitment to a corridor that connects and serves all Vancouver Islanders.

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2025-26 Year-End **REPORT**



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Message from the **Co-Chairs**

This has been an eventful year for the Foundation, and we're very grateful to our staff, members, and partners for the many ways everyone has contributed to the initiatives highlighted in this report.

As Co-Chairs of the Board, we continue to focus on good governance and transparency at ICF. We appreciate the hard work of all the Board Directors who have helped us steer this complex and unique organization for shared benefit in 2025-26. We offer a special thank you to those Directors who have also served on committees and helped

strengthen our shared organization's management and member relations.

After years of uncertainty, we sense a growing clarity on the corridor's potential future. This year in particular, we have appreciated the focus on practical uses of the corridor that could work in specific regions to benefit communities, while ICF's work remains centred on respect for First Nation's rights, interests and conditions. We look forward to working with you all in 2026-27.

Judith Sayers and Barbara Desjardins

CO-CHAIRS

CEO REMARKS

It has been a successful and rewarding year for the Island Corridor Foundation (ICF) as we continue to advance our goal of enhancing the use, stewardship, and long-term sustainability of the Island Corridor lands. The support and collaboration of our members and partners make this work both impactful and fulfilling.

I am grateful for the opportunity to serve this unique organization and to work alongside an exceptional staff team whose dedication inspires me every day. I also extend my sincere thanks to our Board of Directors for their leadership, guidance, and continued confidence in our work.

This year, we made significant progress through the Reconciliation Corridor Initiative, strengthening partnerships with First Nations and municipalities in the Capital Regional District and creating new opportunities for shared stewardship and community benefit.

We also achieved strong financial results by developing sustainable revenue streams that support corridor maintenance and improvement projects. At the same time, we expanded opportunities for First Nation members to participate in and lead corridor-related work, generating positive outcomes and strengthening our shared commitment to the corridor's future.

As we look ahead, we remain focused on building on our successes, learning from experience, and directing our efforts where they can have the greatest impact. Thank you for your continued support, encouragement, and engagement as we work together to realize the full potential of the Island Corridor.



Thomas Bevan
CEO

Introduction

The Island Corridor Foundation (ICF) entered the 2025-26 year with a clear set of priorities.

Our focus was on strengthening financial sustainability, enhancing partnerships with members, improving communication, activating the corridor, maintaining infrastructure, and ensuring the long-term relevance of this critical shared asset.

Touching most communities across southern and central Vancouver Island, our corridor represents a unique and historically significant asset with the potential to support transportation, economic development, recreation, and community connectivity.

This year was shaped by both meaningful progress and significant challenges, with setbacks such as the Wesley Ridge wildfire and successes such as the Reconciliation Corridor Initiative (RCI) with Esquimalt First Nation, Songhees First Nation, neighboring municipalities and the Capital Regional District (CRD).

ICF has remained focused on delivering on our mandate through collaboration, responsible stewardship, and good planning.

We have outlined the key achievements and progress made this year across each of the Foundation's priorities in the following sections.



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2025-26 Strategic Priorities

Highlights

01 Strengthen Financial Stability and Organizational Management

ICF achieved strong financial performance this past fiscal year, as reflected in our 2025 financial statements. Revenues increased through proactive licensing policies and improved property management. Expenses were controlled in line with sustainable operational activities and spending. Growth in licensing will continue to improve revenue stability. This will help ensure corridor assets are used productively, and that predictable income streams are available to care for the lands and assets we steward.

The ICF Board established a Finance and Audit Committee (FAC) this year. The FAC's objective is to help the Board meet its duty to oversee financial planning, reporting, corporate control systems, risk management, and the audit process. This committee has been a great addition and is helping staff improve accountability, financial management, and transparency.

ICF has continued to improve policies for third party uses of lands. We have worked to update agreements and ensure they have consistent terms. This provides better transparency and efficiency. Refining administrative systems will enable ICF to respond more quickly to future opportunities and challenges.

This year we continued to improve data management. There is an ongoing need to gather, verify, and organize information on corridor assets and encumbrances. We have started building a database of the culverts along the corridor. Specifically, there are 677 culverts in the Victoria Subdivision and 225 culverts in the Port Alberni Subdivision. Better information will inform future priorities for maintenance, capital investment, and risk management.

Overall, this year marked an enhancement of ICF's financial position, enabling our organization to be well-positioned to manage the corridor responsibly and sustainably over the long term.



Photo Credits: Tseshah First Nation

Stronger Relationships with First Nation Members

Building and maintaining strong, respectful relationships with First Nations remains central to ICF's work and long-term vision.

Throughout 2025-26, ICF continued to engage with our First Nations members across the corridor on important topics such as land stewardship, infrastructure, and future planning. Engagements have been grounded in a commitment to collaboration, respect, and recognition of the cultural significance and historical weight of the corridor, as well as First Nations rights.

In Lekwungen territory, ICF was honoured to contribute to the Tribal Journey's canoe landing event hosted by Esquimalt Nation, as well as being a sponsor of the Annual Songhees Powwow in summer 2025.

ICF collaborated with Halalt Nation and HGXcavating to complete vegetation cutting and ditch clearing works. Removing invasive blackberry is a constant need throughout the corridor. Culverts and ditches need monitoring and management in order to function properly and avoid washouts.

ICF engaged Hupacasath Dirt on several projects, including creating a parking lot for Galaxy Motors in Nanaimo and clearing major rock falls on the Alberni subdivision.



Work underway in Galaxy Motors Parking lot, Nanaimo

With the leadership of the Alberni Pacific Railway, we celebrated with Hupacasath and Tseshaht for a Family Fun Day accompanied by beautiful song, dance, and drumming to mark the extension of heritage rail service to the Barclay Best Western Hotel.

ICF toured the corridor with a Malahat Nation Councillor and Land Guardians in hi-rail vehicles to identify native and invasive species. Trail cameras were installed to document wildlife on the corridor.

ICF has been in regular communication with K'ómoks Nation as they develop their concepts and servicing needs for their Treaty Lands. We joined hi-rail site visits with Chief and Council, archeologist, and Land Guardians to discuss their vision for the corridor and the opportunity for creative rail uses to move people.

We recognize that strengthening relationships is an ongoing process and remain committed to deepening engagement, improving communication, and fostering meaningful partnerships with First Nations as shared owners and stewards of the corridor.



Photo Credits: Alberni Pacific Railway and Chaisson Creative



Better Communication with Members and Partners

Beyond connections with our member representatives, ICF works hard to establish and maintain relationships with elected officials and staff from dozens of governments and local agencies. These include regional districts, municipalities, provincial and federal ministries, and stakeholders involved with planning, transportation, reconciliation and community development. These relationships are critical for ICF to manage our shared assets which cross jurisdictional lines.

Throughout the year, ICF met with MPs and MLAs from Vancouver Island to raise awareness about the corridor and advocate for its use in transportation and economic development opportunities. These discussions have helped to position the corridor as a key piece of infrastructure with potential regional, provincial and national significance.

In Fall 2025, ICF was invited by then Federal Minister of Transportation Chrystia Freeland to attend the Hamilton Steel Summit with industry leaders in the steel, rail, and shipping industries. It was inspiring to see the momentum of Made in Canada projects.



Hamilton Steel Summit

ICF participated in regional forums and events to strengthen visibility and collaboration. As a bronze sponsor of the 2025 “State of the Island” Economic Alliance Summit held in Nanaimo, ICF contributed to discussions on the future of transportation through the Vision 2050 initiative. These conversations brought together regional leaders, planners, and industry experts to explore opportunities to enhance mobility, improve emergency preparedness, and build more resilient communities.

Following ICF’s presentation to City of Nanaimo, Mayor and Council passed a unanimous motion to explore policy for Transit Oriented Development (TOD) opportunities with the corridor, including at key nodes such as Country Club and Woodgrove.

These efforts demonstrate growing recognition of the corridor’s role in supporting future transportation and land use planning.

04

Increasing Short Term and Immediate Use of the Corridor

In 2025-26, ICF found ways to activate the corridor for the immediate term while maintaining flexibility for long-term transportation uses.

One of the most fun and unique events was the demonstration of a hi-rail bus in Port Alberni and Ladysmith. These demonstrations provided community members, stakeholders, and decision-makers with a first-hand look at a tourism idea that could operate on existing rail infrastructure. The events generated good questions and enthusiasm. They started conversations about innovative rail uses in areas where conventional trains may be too challenging to deliver, or not the right fit for a community.



Hi-rail in Port Alberni

In 2025-26, ICF received \$1 million in funding from the provincial REDIP program to renovate the Ladysmith Train Station. Our anchor tenant will be the Ladysmith Chamber of Commerce and Ladysmith Visitor's Centre. Design plans fitting this new use in the emerging Transfer Beach Art's Hub have been updated and major renovations are currently underway. This project will transform a currently empty building into a vibrant community and economic hub for the Town of Ladysmith and tourism for the mid island region.

In addition, progress continued with the trail expansion project in Nanaimo, reflecting a "rail-with-trail" approach. This project supports active transportation by building safe and accessible pathways for pedestrians and cyclists while preserving the potential for future rail use. The trail is located on ICF-owned land and is being delivered in collaboration with the City of Nanaimo, Southern Railway of Vancouver Island (SVI), and other partners.



ICF was delighted to open the Seventh Street Connector nature path beside the rail with the community and City of Nanaimo for Earth Day 2026. This project was driven by an urgent public need in this part of Nanaimo, where incomplete sidewalks forced children and families to travel alongside an active rail line. The City's 2015 design proposed a \$7.7 million solution, but it was never built due to lack of funding.

We are grateful for the collaboration with SVI. As a team, we were able to use a first principles approach to deliver a simplified and immediate solution at a fraction of the cost. The result is a safe, and already well-used corridor, demonstrating what's possible through collaboration and practical action. The ICF hopes to expand this model toward the Chase River community next.

Seventh Street Connector Inauguration Event





Keeping the Corridor Together and Relevant

In June 2025, ICF, in collaboration with MOTT, hosted an All-Parties meeting on the Shared Vision process, where representatives from the First Nations and Regional Districts along the corridor gathered to share information about regional plans for the corridor, and discuss opportunities for next steps. Following this meeting, ICF supported activities in each region, for their respective visioning processes.

In December 2025, regional discussions culminated in a major achievement in Lekwungen territory, when partners led by Esquimalt and Songhees Nations signed the Reconciliation Corridor Initiative (RCI) Agreement. Through this agreement, Esquimalt Nation, Songhees Nation, five neighboring municipalities, and the Capital Regional District (CRD) committed to explore the feasibility of a passenger rail service along the corridor from Langford to Vic West. A key condition of this initiative would be a realignment of the corridor to avoid the residential area on Esquimalt Nation's reserve lands, and the remediation and return of that land to the Nation.



Reconciliation Corridor Initiative - Signing of the Partnership Agreement

Project partners will commission a technical feasibility study in 2026. This study will assess the technical requirements of a passenger rail service and the proposed realignment, as well as opportunities for transit-oriented development, and potential benefit scenarios for the Nations. If the technical feasibility work supports implementation, it's anticipated that the work will complete in 2027 with a business plan.

ICF continues to work with all our members on the Province's Shared Vision project to determine a future for the corridor. That work included spending time with members to learn their interests and priorities, participating in local and regional meetings along the corridor, taking parties on hi-rail tours, working with municipalities on how the corridor is reflected in local land use planning, and responding to information requests from partners and the growing number of politicians at all levels who are expressing an interest in the corridor.

06 **Completing Corridor Maintenance**

Maintaining the safety, functionality, and integrity of the corridor remained a key operational priority throughout the operational year.

In the Nanaimo active rail area, SVI completed Technical Safety BC inspections. These inspections confirmed that the area remains in full compliance with applicable safety regulations, reflecting the effectiveness of ongoing maintenance and operational practices.

In partnership with local authorities, ICF also helped address encampments in many locations. In partnership with the Van Isle Clean Team, ICF helped with a significant garbage cleanup at the Nanaimo Estuary beside the corridor. These efforts focus on addressing safety concerns, protecting infrastructure, and ensuring appropriate use of corridor lands.



Garbage Removal at Nanaimo Estuary



One of the most significant events impacting the corridor in 2025 was the Wesley Ridge wildfire near Cameron Lake. ICF extends its sincere gratitude to the BC Wildfire Service and all firefighters whose efforts helped protect lives, nearby properties, and surrounding natural areas during this event. Despite best efforts of firefighters, the wildfire caused extensive damage to corridor infrastructure, including the destruction of two historic railway trestle bridges and major damage to two additional structures. ICF engaged Tseshaht Nation to assist with installation of fencing at Cameron Lake to keep hikers safe and away from this hazardous area. ICF will be working with partners in the Alberni Valley to determine shared interests in the future of the corridor here and the best way to proceed. The fire has highlighted the importance of regular vegetation clearing on the corridor to maintain access and to protect the asset for future uses.



Bridge damage due to Wesley Ridge wildfire

Despite progress, challenges remain in implementing a corridor-wide vegetation management strategy. Anticipated support from provincial and regional partners has not fully materialized. However, ICF continues to advocate for a more integrated and collaborative approach to vegetation management, recognizing its importance for safety, infrastructure protection, and corridor use.

Board Updates:



We were pleased to welcome two new Board members : Richard Hardy, Director for Electoral Area B (Lazo North) in the Comox Valley Regional District and an elected Councillor with the K'ómoks First Nation, and Sid Tobias, Mayor of View Royal and a member of the Capital Regional District Board.

We're grateful for their willingness to contribute their experience and leadership to the work of the Foundation.

Strategic Priorities for 2026-27:

The ICF Board and staff team are dedicated to strengthening ICF's impact and ensuring our organization remains meaningful to the communities we serve. We have updated our strategic goals to guide our operations throughout our next year. We always welcome feedback and input on ways our team can grow and improve.



Advancing the Reconciliation Corridor Initiative in CRD

Secure support and advance feasibility with our partners for the Reconciliation Corridor Initiative for a potential passenger rail service in the CRD.



Develop Partnerships for Creative Uses

Advance initiatives and be flexible where partners identify project ideas that can meet common interests and opportunities for mutual benefit.



More Communication and Member Engagement

Provide more opportunities for input with member representatives, by building stronger relationships and collaborating on corridor-related opportunities with Member First Nations and Regional Districts.



Increase Financial Stability and Standardize Operations Policies

Ensure prudent financial management, maintain key agreements, and continue building on good management practices for organizational stability.



Improve Corridor Maintenance and Use

Complete priority maintenance to protect the corridor infrastructure, guided by support from partners and projects that are strategic priorities.

Final Comments

We have achieved a lot in the past year, but the history of the corridor remains a challenging one that only time and patience can address. ICF is committed to taking the time to work with rights holders and partners on this valuable shared asset. We're excited about our shared progress in 2025-26, the conversations that have opened up this year, and the future opportunities we may find to work together. Any future for the corridor, anywhere on the Island, will be conditional and collaborative. We look forward to the journey with you.

Visit us at www.islandrail.ca



Ladysmith Train Station

Thank you for joining us on this journey



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