



AGENDA
SPECIAL COMMITTEE OF THE WHOLE MEETING

Monday, December 17, 2018, 1:00 P.M. - 4:00 P.M.
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC

Pages

1. CALL TO ORDER:

2. INTRODUCTION OF LATE ITEMS:

3. APPROVAL OF THE AGENDA:

4. APPROVAL OF THE MINUTES:

a. Minutes

3 - 7

Minutes of the Regular Committee of the Whole Meeting held in the Shaw Auditorium, Vancouver Island Conference Centre, 80 Commercial Street. Nanaimo, BC, on Monday, 2018-NOV-26 at 4:30 p.m.

5. REPORTS:

a. Waterfront Walkway - Project Summary

8 - 12

To be introduced by Dale Lindsay, Director, Community Development.

Purpose: To provide Council with an update on the Waterfront Walkway Project.

Presentation:

1. Bill Corsan, Deputy Director, Community Development, to provide a presentation regarding the Waterfront Walkway.

Recommendation: That the report titled "Waterfront Walkway – Project Summary", dated 2018-DEC-17, be received for information.

b. 1 Port Drive - Background Information

13 - 18

To be introduced by Dale Lindsay, Director, Community Development.

Purpose: To provide Council with background information on past and present initiatives associated with a City owned parcel of land at 1 Port Drive.

Presentation:

1. Bill Corsan, Deputy Director, Community Development, and Phil Stewart, Manager, Engineering Projects, to provide an update regarding 1 Port Drive - Background Information.

Recommendation: That the report titled "1 Port Drive - Background Information" dated, 2018-DEC-17, be received for information.

c. Cannabis Regulation

19 - 28

To be introduced by Dale Lindsay, Director, Community Development.

Purpose: To provide Council with an update on the regulation of Cannabis production and distribution in the City of Nanaimo.

Recommendation: That the report titled "Cannabis Regulation", dated 2018-DEC-17, be received for information.

d. Committee of the Whole Workshops 2019

29 - 32

To be introduced by Jake Rudolph, Chief Administrative Officer.

Purpose: To establish a schedule of Committee of the Whole workshops and briefings in 2019.

Recommendation: That the Committee of the Whole Workshops report dated 2018-DEC-17 be received for information.

6. **QUESTION PERIOD:**

7. **ADJOURNMENT:**

MINUTES
REGULAR COMMITTEE OF THE WHOLE MEETING
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE,
80 COMMERCIAL STREET, NANAIMO, BC
MONDAY, 2018-NOV-26 AT 4:30 P.M.

Present: Mayor L. Krog
Councillor S. D. Armstrong
Councillor D. Bonner
Councillor T. Brown
Councillor B. Geselbracht
Councillor E. Hemmens
Councillor Z. Maartman
Councillor I. W. Thorpe
Councillor J. Turley

Staff: J. Rudolph, Chief Administrative Officer
R. J. Harding, Director of Parks and Recreation
D. Lindsay, Director of Community Development
B. Sims, Director of Engineering and Public Works
K. Fry, Fire Chief
L. Bhopalsingh, Manager, Community & Cultural Planning
D. Thompson, Manager, Sanitation, Recycling and Public Works
Administration
T. Webb, Communications Consultant
M. Desrochers, Client Support Specialist
S. Gurrie, City Clerk
S. Snelgrove, Recording Secretary

1. CALL THE REGULAR MEETING TO ORDER:

The Regular Committee of the Whole Meeting was called to order at 4:30 p.m.

2. INTRODUCTION OF LATE ITEMS:

- (a) Agenda Item 6(e) DVP343 – 110 Fry Street and 114 Fry Street - Remove Delegation Hommy 5 Holdings.
- (b) Councillor Maartman advised that she would be bringing forward a motion to permit delegations Chris Beaton, Executive Director of Nanaimo Aboriginal Centre, and Joy Bremner, President of the Mid Island Metis Nation 10 minutes to speak regarding Agenda Item 6(c).

It was moved and seconded that Agenda Item 6(c) Delegation from Chris Beaton, Executive Director of Nanaimo Aboriginal Centre, and Joy Bremner, President of the Mid Island Metis Nation be given 10 minutes to speak. The motion carried unanimously.

3. APPROVAL OF AGENDA:

It was moved and seconded that the Agenda, as amended, be adopted. The motion carried unanimously.

4. DELEGATIONS (not related to a Report to Council):

(a) Delegation from Holden Southward regarding a new vision for Nanaimo

Holden Southward spoke regarding his vision for Nanaimo to become self-reliant and self determined. He spoke regarding the costs of government housing, repatriating foreign owned land, democracy without nationalism and living in a plutocracy.

(b) Delegation from John Hankins regarding the Mid-Island Business Initiative

John Hankins spoke regarding the history of the Mid-Island Business Initiative (MIBI), future projects and the purpose, which is to raise awareness of the Mid-Island region to attract and facilitate businesses to locate or invest in the area. MIBI meets once a month to discuss strategy. Members include professionals from education, business and construction sectors. MIBI has held marketing awareness campaigns, focussing on Vancouver and their target audience as business decision makers.

(c) Delegation from Chris Beaton, Executive Director of Nanaimo Aboriginal Centre, and Joy Bremner, President of the Mid Island Metis Nation, to introduce the Nanaimo Aboriginal Centre and Mis Island Metis Nation

Trent Warren Jack, member of Nanaimo Aboriginal Centre Youth Advisory Council, recognized elder in residence Sally Williams and spoke regarding National Indigenous People's Day June 21. Ms. Bremner and Mr. Beaton spoke regarding the event and requested \$15,000 in support of the event. Mr. Beaton spoke regarding the Indigenous Peoples Place of Culture, partnerships, proposed location at Beban Park, funding sources and requested to work with Council and City Staff to restart conversations surrounding this project.

(d) Delegation from Arlin Sansome regarding outbuildings

Arlin Sansome requested that Council reassess the timelines for allowing fabric covered structures to remain on private property. He requested that the structures be permitted for longer periods of time than what is currently allowed. He suggested a time period of two years and requested that parameters be set in place regarding the cleanliness and condition of the structures.

(e) Delegation from Douglas Bender regarding DVP343 – 110 Fry Street and 114 Fry Street

Douglas Bender, member of the South End Community Association, supplied Council with a petition signed by 37 immediate neighbours of 110 and 114 Fry Street, in opposition to the siting of the containers and requested that Council deny any request from OMNI Foods to extend the length of time the refrigerated containers are

permitted on the property. He spoke regarding the decibel level, noise mitigation and provided a timeline of events.

- (f) Delegation from Les Barclay regarding his Top 10 List for Nanaimo City Council 2018-2022
-

Les Barclay spoke regarding his top ten suggested priorities for Nanaimo's new City Council which include a transportation update, parks and recreation, Port Drive waterfront plan, housing, governing process, crime and public safety, core services review, downtown Nanaimo, stronger neighbourhoods and community groups and spending and taxation.

5. REPORTS:

- (a) Regulation of Single-Use Plastic Checkout Bags

Introduced by Bill Sims, Director of Engineering and Public Works and Mr. David Thompson, Manager of Sanitation, Recycling and Public Works Administration.

It was moved and seconded that delegation Denis Hughes be given 10 minutes to speak regarding Agenda Item 7(a) Regulation of Single-Use Plastic Checkout Bags. The motion carried unanimously.

Delegation:

1. Denis Hughes spoke regarding the lack of progress regarding Council's motion one year ago to implement a bylaw to ban single-use checkout bags and the negative impact on the environment and negative impact of micro plastic on human health. He requested that Council implement a bylaw to ban the use of all single-use retail store bags.

It was moved and seconded that Council direct Staff to prepare a bylaw to regulate the use of single use checkout bags using the City of Victoria's bylaw as a model and prepare a consultation plan for Council's review. The motion carried.

Opposed: *Councillor Turley*

- (b) Fire Station #1 Replacement Update

Introduced by Karen Fry, Fire Chief.

Presentation:

1. Karen Fry, Fire Chief, provided a presentation regarding the background of Fire Station #1, recommended development scenarios, timelines for development, phased implementation and involvement of Council in decision making.

It was moved and seconded that the Fire Station #1 Replacement Update report, dated 2018-NOV-26, be received for information. The motion carried unanimously.

(c) Port Theatre Community Performing Arts Centre (CPAC) Update

Introduced by Dale Lindsay, Director of Community Development, and Lisa Bhopalsingh, Manager of Community and Cultural Planning.

Delegation:

1. Bruce Halliday, General Manager of the Port Theatre Society, spoke on behalf of the Port Theatre Board of Directors. He advised of the history of the project, the opportunity for short term and long term jobs, community consultation and the improved vibrancy of the downtown core and specifically the Diana Krall Plaza with this addition to the Port Theatre.

It was moved and seconded that the “Port Theatre Community Performing Arts Centre (CPAC) Update” report, dated 2018-NOV-26, be received for information. The motion carried unanimously.

Councillor Turley vacated the Shaw Auditorium at 6:33 p.m.

6. OTHER BUSINESS:

(a) Rise and Report from 2018-NOV-19 "In Camera" Council Meeting

Mayor Krog announced Council appointed Michelle Corfield as the City’s representative to the Nanaimo Port Authority Board effective immediately, for a term ending 2021-JUN-30.

Councillor Turley returned to the Shaw Auditorium at 6:35 p.m.

7. QUESTION PERIOD:

- Debbie Trueman, re: Banning all single use checkout bags.
- Bill Manners, re: Consultation process regarding banning single use bags, amount of microns in plastic bags that will be banned, Council’s 4.6 million dollar commitment to the Port Theatre.
- Les Barclay, re: Costs associated with the planning and design phase of Fire Hall #1, costs related to the Port Theatre addition project, operating costs the City would be responsible for once construction was completed.

8. ADJOURNMENT:

It was moved and seconded at 6:45 p.m. that the meeting terminate. The motion carried unanimously.

C H A I R

CERTIFIED CORRECT:

CORPORATE OFFICER

DATE OF MEETING DECEMBER 17, 2018

AUTHORED BY BILL CORSAN, DEPUTY DIRECTOR, COMMUNITY DEVELOPMENT

SUBJECT WATERFRONT WALKWAY – PROJECT SUMMARY

OVERVIEW

Purpose of Report

To provide Council with an update on the Waterfront Walkway Project.

Recommendation

That the report titled “Waterfront Walkway – Project Summary”, dated 2018-DEC-17, be received for information.

DISCUSSION

The waterfront walkway is one of the City’s key recreational assets for both local residents and visitors. In the 2012-2015 Strategic Plan, City Council identified a vision for a ‘continuous, uninterrupted and accessible trail from Departure Bay to the Nanaimo River Estuary’; a total distance of 13km. In the 2016-2019 Strategic Plan Update, Council identified the waterfront walkway as one of the City’s key Capital Projects. The expansion of the existing waterfront walkway is also supported by several neighbourhood plans and other City policies, including the Transportation Master Plan and Official Community Plan.

To date, 4.5km of the planned 13km walkway has been built to varying standards and widths, and has been focused along the downtown core, the Newcastle Channel, the Departure Bay seawall, and behind the BC Ferries Departure Bay Terminal. There are currently a number of missing gaps that limit the connectivity and use of the walkway between the Departure Bay seawall and downtown, and there are no waterfront connections south of the downtown.

At the 2017-DEC-18 Council meeting, Council endorsed the [Waterfront Walkway Implementation Plan](#). The plan set out an orderly approach to completing a continuous 13km pathway over a ten-year period, and included order-of-magnitude construction cost estimates valued at over \$36M. The plan was completed with significant input from the community and revealed a strong public support for the development of the waterfront walkway. The community engagement process also revealed that development of the walkway between the Departure Bay Seawall and the BC Ferries Terminal was the top priority section.

2018/2019 Funding Commitment

The Waterfront Walkway Implementation Plan recommended the initial focus be on a number of priority projects that can be designed and constructed in the near future. In addition, a previous commitment to work with the Nanaimo Yacht Club to widen the walkway in their lease area was included.

Staff have also been working with BC Ferries exploring options for a walkway as part of the redevelopment of the Gabriola Ferry Terminal. The remaining sections of the waterfront walkway have been included in the Capital Plan over the next ten years.

A breakdown of the funding commitment for the priority sections of the walkway are illustrated below.

Priority Projects	Budget	Funding Source	Amount Spent to Date
1 Port Drive	\$1,000,000	Gas Tax Grant	\$0
NPA Boat Basin	\$200,000 \$1,350,000 \$650,000	2018 Community Works Gas Tax Grant 2019 Community Works	\$0
Newcastle Channel Asia Pacific	\$50,000 \$500,000	2018 Community Works 2019 Community Works	\$0
Newcastle Channel Nanaimo Shipyard	\$50,000 \$500,000	2018 Community Works 2019 Community Works	\$0
Newcastle Channel Nanaimo Yacht Club	\$125,000 \$671,000 \$579,000	PILTs PILTs Nanaimo Yacht Club	\$0
Northfield Creek	\$131,657 \$1,350,000 \$2,050,000	PILTs Gas Tax Grant 2018 Community Works	\$295,879
Gabriola Ferry Terminal	\$0	\$Not identified	\$0

Project Update – Priority Projects

1 Port Drive

This section of the walkway has been designed to an interim standard and accommodates both pedestrians and cyclists. The walkway will stretch from the City-owned lands at 1 Port Drive to the new entrance for the Nanaimo Port Authority (NPA) Assembly Wharf property. The section is estimated to cost \$1M. A grant from the Federal Gas Tax Fund has been received for this project. Staff anticipate the project will be tendered with the Front Street Extension project in early 2019.

NPA Boat Basin

The waterfront walkway has been completed around the NPA Boat Basin, with one missing piece between the Port Theatre and Cameron Island. The NPA is currently developing a plan to redevelop the Boat Basin. The NPA's Boat Basin upgrades present an opportunity to leverage the NPA's investment with a private contribution from a neighbouring rezoning and use City funds to complete the section. Staff understand that the redevelopment project is likely to be phased over a number of years and the walkway upgrade would occur near the end of the project. Design work has not commenced on this section.

Newcastle Channel

There are a few incomplete sections of the walkway along the Newcastle Channel that need to be completed in order to provide a continuous walkway from downtown to the BC Ferries

Departure Bay Ferry Terminal. The City has committed through a Letter of Intent to partner with the Nanaimo Yacht Club to widen the walkway by the end of 2019. Design work is scheduled to start in early 2019 on the Nanaimo Shipyard detour. No work has commenced on the Asia Pacific Yacht Club as further discussions with the NPA are required.

Departure Bay – Northfield Creek Section

Completing the waterfront walkway from BC Ferries Departure Bay Ferry Terminal to Departure Bay Beach was identified as a priority during the public consultation process. The Waterfront Walkway Implementation Plan included a recommendation that the project be broken up into two sections. The first section calls for the trail to be built from BC Ferries Departure Bay Ferry Terminal past Northfield Creek to the existing trail at White Eagle Terrace. The subsequent section would run from White Eagle Terrace to Battersea Road.

As part of the public consultation, both an elevated walkway and a trail at the toe of the slope were presented. There was considerable preference for the elevated walkway with approximately 60% of respondents choosing that option.

The Northfield Creek section of the walkway was set up to include the following design elements:

- 350m of elevated walkway;
- steel pile foundations to minimize disturbance to the marine environment, shoreline vegetation, and steep slopes;
- a width of 7.2m wide to allow safe use by pedestrians and cyclists of all ages and abilities;
- appropriate safety features such as LED lighting and cycling height railings;
- amenities such as benches and waste receptacles; and
- connections to Beach Estates Park and White Eagle Terrace.

A grant of \$1,350,000 was received from the Gas Tax Fund to cover a portion of the construction costs. The grant requires the project to be ready for construction in March 2019.

Functional Design, costing, and permit applications were completed for the project in 2018; however, there were outstanding concerns around cost and constructability given the location.

To better understand the costs, risks, and feasibility of the project, Staff undertook a value engineering exercise. A team of value engineering consultants was hired in the fall of 2018 to review the project design, confirm costs and identify alternative design options. The key findings include:

- Constructability – the project as envisioned is very difficult to build due to the sensitive nature of the foreshore and the lack of access points.
- Risk of Further Price Escalation – a key component of the project is the use of steel piles. The cost of steel has risen sharply due to tariffs introduced by Canada and the United States. It is difficult to predict the cost of steel in six months and this poses a significant financial risk.
- Alternatives, such as constructing the walkway at the toe of the existing slope or through a green shores approach, appear to be in line with the current budget for the project and are less risky to construct than the elevated option.

- Reconsidering this section as a beach habitat enhancement project with a walkway component may be a way of reframing this section of the project.

Gabriola Ferry Terminal

BC Ferries is currently preparing a redevelopment plan for the Gabriola Ferry Terminal in Nanaimo Harbour. Staff have been working with BC Ferries to explore options for the extension of the waterfront walkway across the terminal to connect with the existing walkway at Cameron Island and the proposed walkway at 1 Port Drive. Redevelopment of the terminal is scheduled for 2020 and Staff will return with more information for Council if a walkway option is deemed feasible by BC Ferries.

Next Steps

Staff will return to Council in early 2019 with a Staff report outlining options for Council's consideration on the Departure Bay walkway section of the project.

SUMMARY POINTS

- The expansion of the waterfront walkway is one of the five projects identified by Council in the 2016-2019 Strategic Plan.
- The Waterfront Walkway Implementation Plan was endorsed by Council in December 2017.
- The implementation plan identified a number of priority projects that could be implemented in the near term.
- Design work is complete for the South Downtown Waterfront section of the walkway.
- Design work has not commenced on the NPA Boat Basin section.
- Design work is scheduled for the Nanaimo Yacht Club section in 2019.
- Functional design work has been completed for the Northfield Creek Section. The cost estimates for this section are above the project budget. A value engineering exercise has identified other options that the City may wish to explore in this area.
- Staff have been working with BC Ferries on the opportunity to extend the walkway from Cameron Island to 1 Port Drive through the proposed redevelopment of the ferry terminal in 2020.
- Staff will return with a report outlining options for Council's consideration for the waterfront walkway project in early 2019.

ATTACHMENTS

ATTACHMENT A: Report URLs |

Submitted by:

Bill Corsan
Deputy Director, Community Development |

Concurrence by:

Dale Lindsay
Director, Community Development |

ATTACHMENT A

Waterfront Walkway – Project Summary

Report URLs

Waterfront Walkway Implementation Plan

<https://www.nanaimo.ca/your-government/projects/projects-detail/waterfront-walkway-implementation-plan>

DATE OF MEETING DECEMBER 17, 2018

AUTHORED BY BILL CORSAN, DEPUTY DIRECTOR, COMMUNITY DEVELOPMENT

SUBJECT **1 PORT DRIVE – BACKGROUND INFORMATION**

OVERVIEW

Purpose of Report

To provide Council with background information on past and present initiatives associated with a City-owned parcel of land at 1 Port Drive.

Recommendation

That the report titled 1 Port Drive – Background Information dated, 2018-DEC-17, be received for information.

DISCUSSION

The City of Nanaimo acquired the lands at 1 Port Drive (the “Property”) from Canadian Pacific Railway (CP Rail) in March 2013 for \$3,400,000. The lands are comprised of 10.8ha (26.7 acres) of land and water and are located to the south of downtown Nanaimo.

The Property was created through the filling of the foreshore with material from the local mining industry. The E&N Railway, under the ownership of CP Rail, established the Wellcox Railyard on the property. The site has been home to a number of industrial uses since the 1950s. Attachment A provides a location plan of the property.

Rationale for Acquisition

The principle reason for acquiring the lands was to help stimulate the redevelopment of a key waterfront site adjacent to the downtown core. The following acquisition rationale was provided in 2013:

- Access – The only access to the Nanaimo Port Authority (NPA) Assembly Wharf lands is over a deteriorating wooden trestle through a right-of-way agreement that does not allow public access. Repairs to the trestle were completed in 2013, 2015, and in early 2018 to keep it serviceable. Engineering reports indicate that the trestle will need to be condemned in the foreseeable future. Planning and design work has been completed on a new at-grade access from Front Street to remove the need for a new trestle.
- Transit Exchange – The Regional District of Nanaimo (RDN) identified the area as a preferred location for a transit exchange. Since the acquisition, the transit exchange concept has been further refined to being located on Front Street.

- Master Plan – Once the lands were under City ownership, a master planning process could be undertaken to realize the community's long-term vision for the lands.
- Long-Term Hold – At the time of the acquisition, the site was viewed as a long-term strategic hold, given the major encumbrances. The City was identified as being in the best position to address the long-term encumbrances. Since then, the City has terminated leases and licences and negotiated the discharge of the Seaspans Right-of-Way.

Key Milestones Achieved to Date

There has been considerable momentum at 1 Port Drive over the past five years. Detailed information on each project can be accessed by the links provided (see Attachment B for full URLs).

South Downtown Waterfront Initiative (SDWI)

Council established the South Downtown Waterfront Committee in late 2013 to prepare guidelines for the redevelopment of 1 Port Drive, the NPA Assembly Wharf and the remainder of the CP Rail Wellcox Yard. The key output of the process was two documents: the [Vision and Guiding Principles](#) and the [Technical Report](#). The guiding principles of the SDWI were to:

- Promote access and connectivity to local neighbourhoods, the city, and the region;
- Support an evolving working harbour;
- Promote ecologically positive development;
- Promote bold and resilient land use; and
- Embed cultural and social considerations in future decisions.

The committee concluded their work respecting their mandate and objectives in 2014.

Port Drive Waterfront Master Plan

In October 2015, the City commenced work on the Port Drive Waterfront Master Plan (the "Master Plan"). The Master Plan builds on the guiding principles from the SDWI and provides policy direction for the future development of the site. The Master Plan includes direction on land use and urban design; transportation and mobility; parks, trails and open space; infrastructure and ecological stewardship; and heritage, arts and culture.

The planning process spanned over two years and included two public Open House events, an online survey, as well as numerous meetings with stakeholders, neighbours, and City departments. On 2018-JUN-18, the City adopted the [Port Drive Waterfront Master Plan](#) as Schedule K of the Official Community Plan (Bylaw No. 6500.0037).

Primary and Secondary Access Study

In 2017, the City undertook an access study ([Primary and Secondary Access Study](#)) for the entire SDWI area. The report identified the need for an area of this size to be serviced with more than one access point. A new primary access route from Front Street and a new secondary access at Farquhar Street in the City's South End Neighbourhood were identified as the preferred options. A public open house and survey were conducted as part of the process.

Detailed Site Investigation and Detailed Risk Assessment

One of the key challenges associated with the redevelopment of 1 Port Drive is the delineation of the site's contamination from the historical fill, and industrial use of the site. The City undertook a [Detailed Site Investigation](#) and [Detailed Risk Assessment](#) to provide a framework for the redevelopment of the property.

Waterfront Walkway Implementation Plan

In 2017, the City completed an overall strategy for the creation of a 13km walkway from Departure Bay to the Nanaimo River Estuary. The [Waterfront Walkway Implementation Plan](#) set out options for how the walkway can be accommodated in the SDWI area.

Discharge of Seaspan Right of Way

Seaspan Ferries Corporation (Seaspan) has a statutory right-of-way that occupies approximately 6.2ha (15.4 acres) of land and water at 1 Port Drive. The right-of-way provides a perpetual right to operate a roll-on/roll-off traffic truck terminal and rail transfer facility in this location as long as business does not cease for more than 180 days. At the 2015-APR-20 Special "In Camera" Council meeting, Council entered into a Memorandum of Understanding (MOU) with Seaspan and SRY to discharge a portion of the right-of-way ([Discharge of Seaspan Right of Way](#)). At the 2018-OCT-01 Council Meeting, approval was granted for the acquisition of the entire right-of-way for \$991,465 and the transfer of a 1.45ha (3.6 acre) water lot with the existing barge facility, a 1.9ha (4.7 acre) upland industrial/rail parcel, and a 0.40ha (1 acre) upland parcel containing the SVI Maintenance Building to Seaspan.

Front Street Extension Project

Following the input from the SDWI, the Port Drive Waterfront Master Plan and the Primary and Secondary Access Study, the City has planned and designed the Front Street primary access. The project is intended to meet the increase in traffic to the South Downtown Waterfront through the new leases completed between the NPA and Western Stevedoring (Vehicle Processing Centre), Western Marine Response Corporation, and Island Ferry Services Ltd.

The project will be tendered in January 2019 and completed by the summer of 2019. The scope of work includes an interim two-lane road, an interim standard waterfront walkway, and a rail crossing.

The rail crossing is unusual as it is adjacent to the rail barge ramp. During the process of loading and unloading rail traffic, this road crossing will be blocked for periods of up to 30 minutes. With this delay, a secondary access to the Port lands is critical to sustain continuous access. At this time the existing trestle will function as the secondary access for light vehicles only; however, once the trestle is condemned, a permanent secondary access will be required. Based on the primary and secondary access study, the preferred access point for the new secondary access is at Farquhar Street.

Future Redevelopment of 1 Port Drive

In 2019, the Property will be ready for redevelopment. No direction has been provided to dispose of the lands or to implement various concepts contained in the Master Plan. Staff will

return to Council in 2019 with a Staff report outlining a redevelopment strategy and options for consideration.

SUMMARY POINTS

- The City of Nanaimo purchased 1 Port Drive in March of 2013 for \$3,400,000.
- The key rationale for the acquisition was to encourage redevelopment of this strategic waterfront parcel and its surrounding area. The acquisition was viewed as a long term hold, as there were many encumbrances that restrict development.
- In the short term, the acquisition was seen to assist with resolving access to the NPA Assembly Wharfs and the potential site for a downtown transit exchange.
- A number of key steps have been completed including:
 - South Downtown Waterfront Initiative
 - Port Drive Waterfront Master Plan
 - Primary and Secondary Access Study
 - Detailed Site Investigation (Environmental Site Contamination)
 - Waterfront Walkway Implementation Plan
 - Discharge of the Seaspans Right-of-Way Agreement
- Design work has been completed for the Front Street Extension, with an interim two-lane road proposed for construction in 2019 to address the access issues with the wooden trestle and provide reliable access for the NPA's new tenants.
- Staff will return to Council in 2019 with options for the redevelopment of the site.

ATTACHMENTS

ATTACHMENT A: Location Plan

ATTACHMENT B: Report URLs

Submitted by:

Bill Corsan
Deputy Director, Community Development

Concurrence by:

Dale Lindsay
Director, Community Development

ATTACHMENT A



ATTACHMENT B

1 Port Drive – Background Information

Report URLs

Vision and Guiding Principles

<https://www.nanaimo.ca/docs/your-government/projects/2017-1-port-drive---wellcox/south-downtown-waterfront-initiative---framing-the-future-vision-and-guiding-principles.pdf>

Technical Report.

<https://www.nanaimo.ca/docs/your-government/projects/port-drive-waterfront-master-plan/sdw-framing-the-future-technical-report-part-1.pdf>

Port Drive Waterfront Master Plan

<https://www.nanaimo.ca/docs/default-document-library/port-drive-waterfront-master-plan.pdf>

Primary and Secondary Access Study

<https://www.nanaimo.ca/your-government/projects/projects-detail/sdwaccess>

Detailed Site Investigation

<https://www.nanaimo.ca/docs/your-government/projects/2012-1-port-drive/tetra-tech-detailed-site-investigation---1-port-drive.pdf>

Detailed Risk Assessment

<https://www.nanaimo.ca/docs/your-government/projects/2012-1-port-drive/tetra-tech-detailed-risk-assessment---1-port-drive.pdf>

Waterfront Walkway Implementation Plan

<https://www.nanaimo.ca/your-government/projects/projects-detail/waterfront-walkway-implementation-plan>

Discharge of Seaspans Right of Way

<https://pub-nanaimo.escribemeetings.com/filestream.ashx?DocumentId=18918>

DATE OF MEETING DECEMBER 17, 2018

AUTHORED BY DALE LINDSAY, DIRECTOR, COMMUNITY DEVELOPMENT

SUBJECT CANNABIS REGULATION

OVERVIEW

Purpose of Report

To provide Council with an update on the regulation of Cannabis production and distribution in the City of Nanaimo.

Recommendation

That the report titled “Cannabis Regulation”, dated 2018-DEC-17, be received for information.

BACKGROUND

The *Federal Cannabis Act* (Bill C-45) (the “Federal Act”) came into force late this year. The Federal Act, which is intended to legalize, regulate, and restrict access to cannabis, created a framework for controlling the use of recreational cannabis in Canada. Under this framework, the Federal, provincial, and local governments now jointly regulate non-medical cannabis.

The Federal Government is responsible for the licensing of cannabis producers and product regulation. The provincial governments were empowered to enact their own legislative measures consistent with the Federal Act that would authorize and regulate sales within their jurisdiction, including retail distribution.

The Province of British Columbia also passed legislation regarding legal cannabis. The *Cannabis Control and Licensing Act* (Bill 30) (the “Provincial Act”) provides clarity with respect to the proposed licensing scheme, possession/consumption restrictions, and enforcement, including confirmation that:

- possession of recreational cannabis is limited to 30g in a public place for an adult (19);
- the Provincial licensing scheme for retail cannabis stores will be very similar to the process and requirements under the *Liquor Control Act*;
- local government approval for retail cannabis stores is required; and
- the growing of recreational cannabis is limited to four plants per “dwelling house”.

Role of Local Government in Retail Cannabis

In BC, the distribution of recreational cannabis will be through the Liquor Distribution Branch (LDB). As with liquor, the LDB will establish and operate government stores, and the Liquor and Cannabis Regulation Branch (LCRB) will be responsible for the licensing and

monitoring of retail cannabis stores. As outlined in the draft Provincial Act, the Province will make the ultimate determination on which applicants are “fit and proper” to obtain a licence.

As outlined in Section 33 of the Provincial Act, applications for cannabis retail licenses are made to the Province with formal referral to the local government. The General Manager (Province) must not issue a retail licence unless the local government provides a recommendation that the licence be issued. The Provincial Act clarifies that the local government is responsible for gathering the views from residents on how the proposed cannabis store would impact the community before responding (this very closely parallels the liquor licence approval process).

The Province is not capping the number of licences in a community or establishing a maximum density through a store separation distance, as they currently apply to Liquor Stores; however, the Province has been clear that local governments can choose not to allow cannabis stores or cap the number permitted in the community. At this point, the Province has confirmed they are focusing on the establishment of a retail store system and will not be proceeding with licensed consumption lounges or off-site sales (outdoor festivals, etc.) at this time.

Through existing legislation, local government does have the authority to regulate certain aspects of cannabis-related business. Zoning authority under the *Local Government Act*, allows Council to regulate location, size, and siting of cannabis-related businesses, and the regulatory authority under the *Community Charter* allows Council to regulate the licensing and operation of cannabis-related businesses. This could include items such as licence fees, application requirements, hours of operation, restrictions on the age of clientele, and security. Local governments have no authority to regulate or implement regulations specific to the actual sale of cannabis. These types of regulations would include taxation, quality control, labelling, and packaging.

DISCUSSION

Cannabis Task Force

Council, at their regular meeting of 2018-JAN-22, established the Cannabis Task Force (CTF) and approved their terms of reference and membership. The task force was chaired by Councillor Jim Kipp and included one representative from the Vancouver Island Health Authority, the RCMP, the Public Safety Committee, the Planning and Development Committee, the Community Vitality Committee, and two representatives from the cannabis Industry.

The CTF met over the months of April, May, and June of 2018 to review the proposed regulatory framework for cannabis, the implications of cannabis legalization, and the associated options available to local government. At their regular meeting of 2018-JUL-09, Council received the [recommendations](#) of the Cannabis Task Force.

The CTF made a series of recommendations with the key elements being that:

- Cannabis retail stores be considered only through site-specific rezoning;
- That rezoning criteria be adopted to provide guidelines for store location (separation from schools, etc.);

- That cannabis production and processing be allowed as an outright use in the I4 (Industrial Zone);
- That small-scale (craft) production of cannabis be permitted as an outright use in the the I1 (Highway Industrial) and I2 (Light Industrial) zones; and
- That the existing smoking bylaw be amended to regulate the smoking of cannabis in public areas.

Following the receipt of the CTF recommendations, Council proceeded with the associated “Zoning Bylaw 2011 No. 4500” (the “Zoning Bylaw”) amendments. Through the formal bylaw consideration process and as a result of input received at the public hearing, Council directed the rezoning criteria be amended. The criteria, which will be used as guidelines to evaluate applications for cannabis stores, are included as Attachment A.

A revised smoking bylaw (“Smoking Regulation Bylaw 2018 No. 7268”, the “Smoking Bylaw”) has been introduced and received third reading. Staff have recently identified additional amendments to the Smoking Bylaw and will be bringing forward a report to Council in the near future with recommended updates to the Smoking Bylaw.

Status of applications

At the time of this report, the City had received 11 rezoning applications for proposed retail stores. A list of the current applications is included as Attachment C.

Staff are currently completing a review of the applications, including formal referrals to the internal and external agencies (i.e., school board, neighbourhood associations, and the RCMP). It is anticipated that the first of these applications will come before Council early in 2019.

At present, there are no legal licensed stores within the city; recreational cannabis can legally be obtained online through Provincial BC cannabis stores.

SUMMARY POINTS

- The *Federal Cannabis Act* (Bill C-45) and the *Provincial Cannabis Control and Licensing Act* (Bill 30) came into effect earlier this year.
- Through existing legislation, local government does have the authority to regulate certain aspects of cannabis-related business.
- The Council-established Cannabis Task Force (CTF) provided recommendations, and following, associated Zoning Bylaw amendments were made and a new Smoking Bylaw has been introduced and has received third reading.
- The City has received 11 rezoning applications for proposed cannabis retail stores thus far.

ATTACHMENTS

ATTACHMENT A: Cannabis Retail Store Rezoning Criteria
ATTACHMENT B: Notification that the Province has started issuing licences
ATTACHMENT C: Rezoning Applications Received
ATTACHMENT D: Report URLs

Submitted by:

Dale Lindsay
Director, Community Development

CANNABIS RETAIL STORE REZONING CRITERIA

The following policy was endorsed by the City of Nanaimo Council on September 17, 2018. The intent of this policy is to be used to guide Staff and Council in considering CRS rezoning applications.

CRITERIA

1. Location

- 1.1. The proposed CRS should be located on, or in close proximity to, a provincial highway, urban arterial or urban major collector road, as defined in the City's *Functional Road Classification Working Plan*, or in an urban node, commercial centre or corridor, as designated in the City's Official Community Plan.
- 1.2. The proposed CRS should not be located directly adjacent, or in close proximity to a school or licensed daycare facility. A minimum separation of 200m from these facilities is considered necessary, as measured from the front door of the CRS to the school or daycare property line.
- 1.3. The proposed CRS should not be located within 200m of another CRS as measured from the front doors of the CRS. Where the CRS is to be located within a dense urban area (ie: downtown) consideration shall be given to the overall urban density and context of the area.

2. Building & Site

- 2.1. The size of the proposed CRS should be consistent with the nature of the immediate area and the size of existing retail stores within the area.
- 2.2. The design of the proposed CRS should enhance or improve the aesthetics of the surrounding area, not detract from them.
 - 2.2.1. The revitalization of heritage buildings is encouraged.
- 2.3. Outside the downtown core, consideration should be given to a requirement for onsite parking and loading for every CRS.

3. Community Impact

- 3.1. The applicant must outline his or her awareness of potential negative impacts of the proposed CRS on the community, and must identify the specific measures that will be taken to minimize or prevent these impacts from occurring.



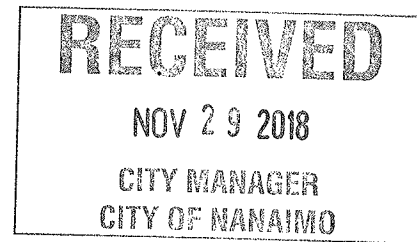
- 3.1.1. Possible measures could include efforts to prevent service to minors, minimize smells, prevent smoking or cannabis consumption on or near the premises, property maintenance and beautification programs designed to prevent unsightliness, etc.
- 3.1.2 Consideration must be given to the impact CRS's will have when they are located in close proximity to libraries, public recreation centres, public community centres, parks, places of worship and other family-oriented facilities.
- 3.2. Projected traffic volumes and on-street parking demands associated with a proposed CRS should not adversely impact nearby residential and commercial areas.
- 3.3. The support of the local community, neighbouring property owners and the local neighbourhood association for the proposed CRS is important to Council's decision.
 - 3.3.1. The applicant is required to notify all neighbouring property owners within 200m of the subject property of the rezoning application, prior to the application proceeding to Council.
- 3.4. All rezoning applications for CRS's must be reviewed by the Community Vitality Committee and the RCMP, in addition to being reviewed by the City's Community Planning and Development Committee.

APPLICATION REQUIREMENTS

In order to be considered, each rezoning application for a CRS must be accompanied by a number of specific items, in addition to the standard items which must accompany all rezoning applications. In all, each rezoning application for a CRS must include:

- a copy of the Provincial preliminary letter of approval for the proposed CRS with a description of the proposed CRS outlining:
 - the proposed size of the facility;
 - the facility's proposed operating hours;
 - the specific market segment being targeted; and,
 - measures taken to minimize odours associated with cannabis.
- a community impact statement that outlines the proposed CRS's potential:
 - positive impacts on the community;
 - negative impacts on the community; and,
 - measures to be taken to prevent and/or address the negative impacts.

ATTACHMENT B



November 22, 2018

His Worship Leonard Krog
Mayor of the City of Nanaimo
455 Wallace Street
Nanaimo BC V9R 5J6

Dear Mayor Krog and Council:

The Province has started issuing licences for the retail sale of non-medical cannabis, and we are currently in the process of assessing the applications that have been submitted to us.

Our previous consultations with local governments before the recent municipal elections indicated local governments wanted to ensure that the needs of your communities were considered as part of the licensing process. We would like to take this opportunity to explain the important role local governments have in cannabis licensing.

It is up to each municipality to determine if and where non-medical cannabis can be sold, and whether it is sold in private or government stores, or a mixture of both.

Once an application is received by the provincial government and it is deemed to contain the required information, the Province will notify the respective local government of the area where the proposed store is located.

Upon receipt of notice, local governments can:

- choose not to make any recommendation in respect of the application for a cannabis retail store licence (Note: this would end a licence application in progress because the Province cannot issue a licence unless the local government gives a positive recommendation that the licence be issued)
- choose to make comments and recommendations in respect of an application for a cannabis retail store licence.

If the local government makes a recommendation to deny the application then the Province may not issue the licence, and if a recommendation in favour of the application is made, then the Province has discretion whether or not to issue the licence, but must consider the local government's recommendation in the decision whether to issue a licence.

.../2

Mayor and Council
Page 2

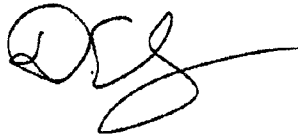
The Province will notify local governments about applications in the order that they are confirmed as complete. This ensures that you will have all the information you need to begin your process of making a recommendation.

We would also like to remind local governments that they may delegate the recommendation decision to staff.

We invite you to review the enclosed Local Government's Role in Licensing Cannabis Retail Stores for detailed information that will help you navigate the recommendation process. If after reviewing this information you have any questions, please contact Joshua Huska, Licensing Manager, by email at Joshua.Huska@gov.bc.ca.

Thank you for your consideration in this important new process.

Yours truly,

A handwritten signature in black ink, appearing to be 'David Eby'.

David Eby, QC
Attorney General

A handwritten signature in black ink, appearing to be 'Mike Farnworth'.

Mike Farnworth
Minister of Public Safety
and Solicitor General

Enclosure

pc: Chief Administrative Officer

ATTACHMENT C

Rezoning Applications Received for the Purpose of Establishing Cannabis Retail Stores

	Folder Number	Folder Type	Subject	Application Date	Issued Date
1	RA000406	REZONING	111 Nicol Street, Unit 115	Oct 22, 2018	
2	RA000407	REZONING	6683 Mary Ellen Drive, Unit 2/B	Oct 22, 2018	
3	RA000408	REZONING	3200 Island Highway North	Oct 22, 2018	
4	RA000410	REZONING	1599 Dufferin Crescent, Unit 9	Oct 25, 2018	
5	RA000411	REZONING	25 Front Street, Unit 102	Oct 26, 2018	
6	RA000413	REZONING	3923 Victoria Avenue	Nov 5, 2018	
7	RA000415	REZONING	2220 Bowen Road, Unit 9	Nov 8, 2018	
8	RA000416	REZONING	1483 Bowen Road, Unit A	Nov 15, 2018	
9	RA000417	REZONING	510 FIFTH STREET, Unit 105	Nov 15, 2018	
10	RA000418	REZONING	52 Victoria Crescent	Nov 19, 2018	
11	RA000420	REZONING	140 Terminal Avenue, Unit 7	Nov 29, 2018	

ATTACHMENT D

Cannabis Regulation

Report URLs

Cannabis Task Force Recommendations

https://www.nanaimo.ca/docs/cannabis/rpt_c180709-cannabis-task-force-recommendations.pdf

DATE OF MEETING |December 17, 2018|

AUTHORED BY |JAKE RUDOLPH, CHIEF ADMINISTRATIVE OFFICER|

SUBJECT |COMMITTEE OF THE WHOLE WORKSHOPS 2019|

OVERVIEW

Purpose of Report

To establish a schedule of Committee of the Whole workshops and briefings in 2019.

Recommendation

That the Committee of the Whole Workshops report dated 2018-DEC-17 be received for information.

DISCUSSION

One of the functions of Committee of the Whole (COW) is to provide a forum for Council to review and discuss issues in greater depth. The new Council requires briefings on a wide variety of issues and COW provides a forum to provide blocks of time for that purpose.

The 2019 COW Meetings are currently scheduled on available Mondays between Council meetings and statutory holidays, and have a planned start of 4:30pm (unless otherwise determined). One of the workshop topics will be committees, including COW. In the interim, it is recommended that Council schedule additional time on Committee of the Whole Mondays for workshops. It is recommended that COW workshops be scheduled for 1:00-4:00pm, to be followed by delegations and other agenda items. Council will also have the prerogative to schedule additional special COW workshops on Mondays or other days as it sees fit. From an administration perspective, it is recommended that the COW schedule provide sufficient time for backgrounder reports and materials to be prepared. Secondly, it is recommended that the COW afternoon workshops be held in the SARC Board Room, which more readily lends itself to a less formal workshop format. Unless otherwise required, all COW workshops will be held as open meetings.

The attached list of topics represents a first attempt at COW workshop topics for Council review and prioritization. Council may have additional topics to contribute to the list. It is recommended that Council provide direction on workshop topics and priorities such that a COW schedule can be developed and that staff have sufficient time to prepare all relevant materials. |

SUMMARY POINTS

- |That Council schedule Committee of the Whole workshops from 1:00-4:00pm in the SARC Board Room.
- That these workshops be open to the public, unless subject to privacy requirements.

- That Council establish a schedule of priorities for COW workshops. This schedule will be reviewed and updated by Council as required.

ATTACHMENTS

ATTACHMENT A - DRAFT LIST COW Workshops 2019

ATTACHMENT B - CombinedKeyDateCalendar2019_Yearly

Submitted by:

Jake Rudolph
Chief Administrative Officer

DRAFT LIST – Committee of the Whole Workshops 2019

Corporate Governance:

- Code of Conduct, Respectful Workplace, etc. **January 7, 2019**
- Strategic Relationships/Partnerships **January 14, 2019**
- Outstanding Council Resolutions
- Core Review
- Council Committees **Ongoing**
- Bylaws and Policies Review
- Public engagement
- Council Strategic Plan **January 18/February 12, 2019**

Fiscal Management:

- Financial Policies and Procedures, Reserves, Fees and Charges, Grants, Permissive Tax Exemptions, etc. **March 11, 2019**

Community Development:

- Official Community Plan
- Development Approval Processes

Strategic Issues:

- First Nations
- Homeless and Housing **February 11, 2019**
- Social Issues
- Economic Development **January 28, 2019**
- Downtown Nanaimo
- Environment
- Public Safety
- Asset Management

Strategic Studies:

- Parks and Recreation Master Plan
- Facilities Review/Assessment Study
- Fire Services Delivery Plan
- Active Transportation Plan
- Water Supply Strategic Plan Update

Strategic Projects:

- Waterfront Walkway
- 1 Port Drive
- Fire Hall #1

Other

- Facility Tours

ATTACHMENT B

City of Nanaimo

COUNCIL KEY DATE CALENDAR – 2019

City of Nanaimo Regular Council Meetings commence at 4:00 p.m., to proceed in camera if necessary and reconvene for the public portion at 7:00 p.m. Public Hearings (Special Council Meetings) commence at 7:00 p.m. and both meetings will be held in the Shaw Auditorium, Vancouver Island Conference Centre, located at 80 Commercial Street.

City of Nanaimo Regular Committee of the Whole Meetings commence at 4:30 p.m., and are held in the Shaw Auditorium, Vancouver Island Conference Centre, located at 80 Commercial Street.

- Council Meeting or Special Council Meeting
- Committee of the Whole Meeting
- Public Hearing (Special Council Meeting)
- Statutory Holiday
- FCM Annual Conference (Quebec City)

- UBCM Convention (Vancouver)
- AVICC Convention (Powell River)

JANUARY

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*Special COW, 1 pm – 4 pm,
411 Dunsmuir Street

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