

DATE OF MEETING NOVEMBER 19, 2018

AUTHORED BY BILL CORSAN, DEPUTY DIRECTOR, COMMUNITY DEVELOPMENT

SUBJECT DEVELOPMENT VARIANCE PERMIT APPLICATION NO. DVP363 –
1 PORT DRIVE

OVERVIEW

Purpose of Report

To present for Council's consideration, a development variance permit application to waive the frontage works and services requirements for a proposed subdivision at 1 Port Drive.

Recommendation

That Council issue Development Variance Permit No. DVP363 at 1 Port Drive to vary "Subdivision Control Bylaw 1989 No. 3260" to exempt the proposed subdivision from the required works and services.

BACKGROUND

A development variance permit application, DVP363, was received from the City of Nanaimo requesting a variance to the provisions of the City of Nanaimo "Subdivision Control Bylaw 1989 No. 3260" (the "Subdivision Control Bylaw") to exempt the City of Nanaimo from constructing frontage works and services triggered by the proposed subdivision of land owned by the City of Nanaimo at 1 Port Drive.

The City of Nanaimo has been pursuing the redevelopment of City-owned lands at 1 Port Drive. A key consideration in the redevelopment of the lands is the removal of the Seaspan Ferries Corporation (Seaspan) Right-of-Way. At the 2018-OCT-01 Council meeting, formal approval was granted by Council to discharge the Seaspan Right-of-Way through a cash payment of \$991,465 and the transfer of three fee-simple lots at 1 Port Drive to Seaspan. The City is responsible for the costs of the subdivision, including the preparation of a subdivision plan and a development variance permit application.

Under the proposed subdivision, Seaspan will receive a 1.45ha (3.6-acre) water lot, a 1.9ha (4.7-acre) industrial parcel, and a separate 0.40ha (1-acre) industrial parcel around the existing Southern Rail Office and Maintenance Facility. The remaining land and water 7.04ha (17.4 acres) is owned by the City of Nanaimo.

The proposed subdivision of 1 Port Drive triggers frontage works and services under Section 19 of the City's Subdivision Control Bylaw, which would require significant road and sidewalk construction, totaling 450 linear meters along Esplanade and Front Street, as well as 650 linear meters along the proposed Front Street Extension.

Any future development of the proposed lots will require frontage works and services and will be secured when the lands are developed. The proposed variance to waive the works and

services requirement is requested for the proposed subdivision only to facilitate a transfer of ownership of the lands to Seaspan.

Statutory notification has taken place prior to the consideration of the variance.

The Ministry of Environment and Climate Change Strategy has provided a release from the *Environmental Management Act* to allow the subdivision to proceed.

OPTIONS

1. That Council issue Development Variance Permit No. DVP363 at 1 Port Drive to vary “Subdivision Control Bylaw 1989 No. 3260” to exempt the proposed subdivision from the required works and services.
 - **Budget Implication:** Under the Transfer Agreement, the City is responsible for the costs of the subdivision. The survey work is estimated to cost around \$10,000.
 - **Legal Implication:** A British Columbia Land Surveyor is preparing the subdivision plan.
 - **Policy Implication:** The subdivision plan is consistent with the 1 Port Drive Master Plan.
 - **Engagement Implication:** Statutory Notification has been undertaken.
 - **Strategic Priorities Implication:** The phased redevelopment of 1 Port Drive is one of Council’s key projects in the 2016-2019 Strategic Plan. The development variance permit (DVP) is a critical step in opening up the lands for redevelopment and the construction of the Front Street Extension.
 - **Political Implication:** The approval of the DVP will enable Council to move forward with the redevelopment of 1 Port Drive and demonstrate significant progress on this file.
2. That Council not issue Development Variance Permit No.DVP363 at 1 Port Drive. |
 - **Political Implication:** The DVP is a condition precedent under the Transfer Agreement with Seaspan. Without the DVP, the subdivision cannot take place, meaning the Transfer Agreement will be terminated. Staff would need to reopen negotiations with Seaspan if this option were selected.

SUMMARY POINTS

- The City is in the process of transferring three parcels of land to Seaspan. This includes a 3.6 acre water lot, 4.7 acres of industrial land, and a separate 1-acre parcel within the existing Southern Railway maintenance facility.
- The Transfer Agreement between Seaspan Ferries Corporation and the City of Nanaimo establishes that the City is responsible for undertaking the required subdivision and development variance permit application.
- A variance is proposed to the “Subdivision Control Bylaw 1989 No. 3260” to exempt the proposed subdivision from the requirement to construct frontage works and services adjacent 1 Port Drive.

ATTACHMENTS

ATTACHMENT A: Proposed Subdivision Plan

ATTACHMENT B: Terms of Permit

ATTACHMENT C: Location Plan |

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Concurrence by:

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