

# Considering the Implications of the Reimagine Nanaimo Draft OCP

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MAY 2022

NANAIMO COUNCIL

## Overview

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- Land and housing needs
- OCP draft plan
- OCP subarea evaluations
- Infill scenarios
- Conclusions

# Housing needed for economy



**A balanced real estate market requires 5-6x supply more than demand in any unit of time**

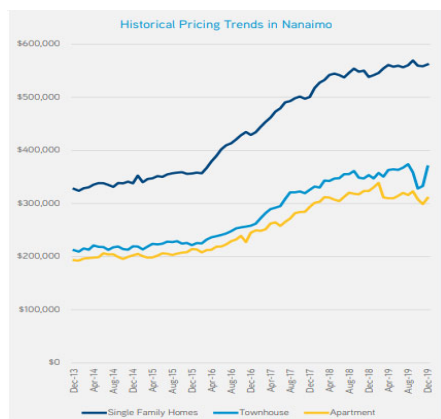
- Eg: 5-6 months of inventory
- 3% vacancy rates

**Housing impacts our economy!**

- Attainable housing needed to attract/keep workers.

**The OCP is critical to supporting major capacity for housing immediately.**

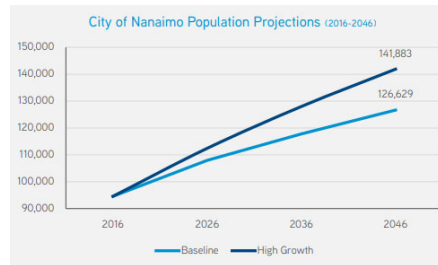
# Housing inventory / prices



|      | Single | Semi-Detached | Row | Apartment | Total |
|------|--------|---------------|-----|-----------|-------|
| 2013 | 14     | 4             | 19  | 45        | 82    |
| 2014 | 15     | 6             | 7   | 19        | 47    |
| 2015 | 24     | 3             | 3   | 27        | 57    |
| 2016 | 17     | 4             | 10  | 16        | 47    |
| 2017 | 24     | 2             | 10  | 8         | 44    |
| 2018 | 43     | 7             | 9   | 0         | 59    |
| 2019 | 28     | 4             | 4   | 0         | 36    |

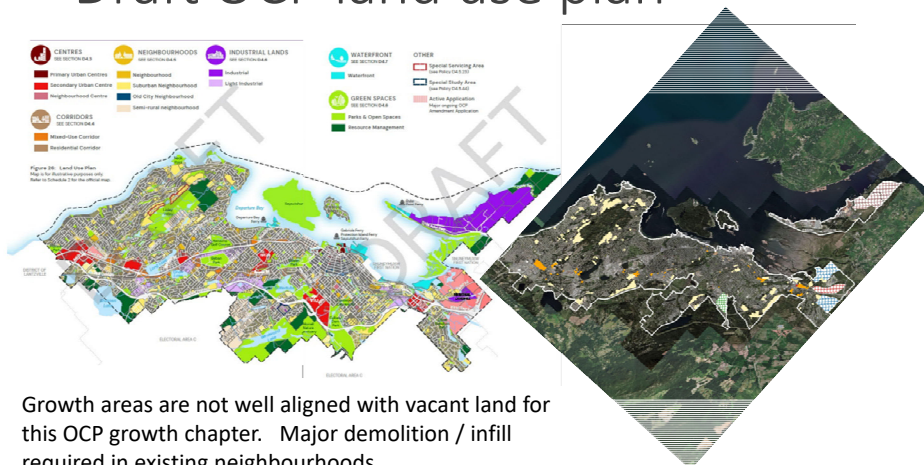


# Land policy is the basis for housing supply



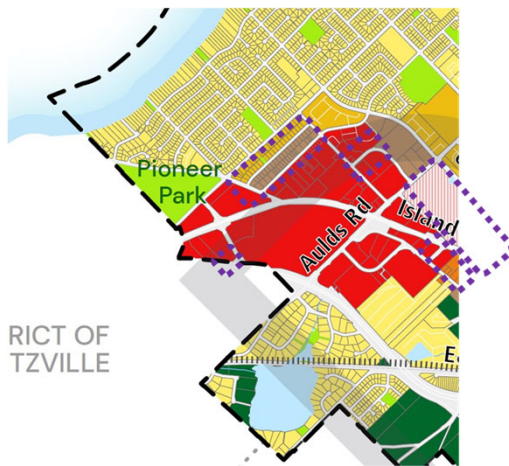
- **Approx 40,000 new residents in 25 yrs.**
  - 1,600-1,800/yr = need 800-900 new units EACH YEAR
  - Plus, existing demographic housing changes
- **Colliers Study (2019-2020)**
  - Evaluate land base in context of growth needs
  - Conclusions
    - Need 15-21,000 new homes in 25 yrs.
    - 610,000-780,000 sqft retail
    - 127,000-160,000 service commercial
    - 1.1-1.4M sqft office
  - 592 ha of land is “vacant” and can generally handle the growth
    - ....So long as the vacant land is in the right location

# Draft OCP land use plan



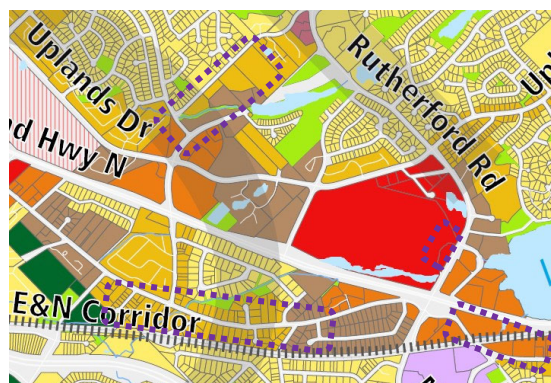
Growth areas are not well aligned with vacant land for this OCP growth chapter. Major demolition / infill required in existing neighbourhoods.

## Woodgrove area



- **A large format retail centre, with few sites other than Green Thumb that have significant redevelopment potential.**
  - Redeveloping mall parking lots are a major challenge – rarely done for many reasons.
- **The high density areas are all successful large format commercial areas and stand little possibility of being developed in the next several decades.**
  - Implications of parking and difficulty of presales means growth will go elsewhere.
- **Land assembly would be challenging in the residential areas around this area.**
  - It can be done but will take time.

## North Nanaimo Mall area



**This area has some development potential but most all sites require assembly / displacement of other uses and commercial areas.**

### Development potential:

- Along Metral Dr- land assembling and redeveloping existing large lot 1960s/70s homes.
- Some potential sites between Mostar / Galaxy motors, displacing commercial / old light industrial.
- Possible site replacing Sears in the mall.
- Displacement of vehicle dealerships implied

## Country Club area



**This area has development potential but most all will require the assembly and displacement of existing residential or commercial uses.**

### Development potential:

- Displacement of car dealerships is implicitly proposed (a significant% of land). Many are new / updated and cannot be forced to leave.
- Around Country Club mall – complex land assembly and demolition of existing older (heritage) housing and light industrial/commercial.
- Small opportunities at Bowen / Labieux.
- Redevelopment of Uplands Dr is possible over time – but underlying home/land values will be significant with organized opposition as it will be a major change in urban fabric.

## Bowen Rd / Hospital area

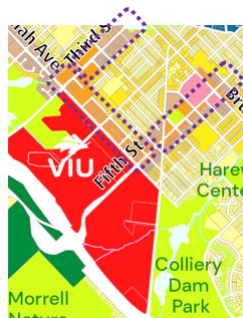


**This area along Bowen / Old Island Highway has some potential to redevelop older sites – displacing existing housing and businesses.**

**The area around the hospital will not easily get redeveloped into high density because it has:**

- Hospital and parking
- Successful commercial clusters
- Schools
- Many nearly new developments

## VIU / Harewood area



### Good redevelopment potential in Harewood – along major routes.

- It is not aligned with the Harewood neighbourhood plan and ultimately, has a relatively limited number of sites.
- Land assembly will take effort and time as most older homes have successful rentals to students – and existing tenants will be displaced.
- (much more of Harewood should be densified)

**VIU has closed their Trust and as such, have no tools with which to redevelop any of their lands – so nothing will occur there until another entity is created to handle the development.**

**DND lands next to university are in Snuneymuxw treaty negotiations and have not been planned for residential (planned for commercial).**

## Old City area



**There are several med/large sites available in the old city (Howard Johnson/ industrial waterfront)**

**The proposed new plan envisions aggressive change and densification.**

**The downtown / waterfront has many challenges**

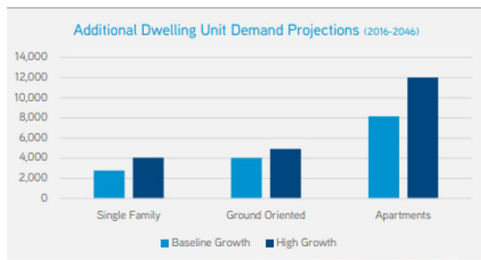
- Contamination
- First Nations claims,
- Port / Industrial land uses.

**While there are a number of small sites throughout the “old city”, the realities of demolishing heritage to install high density is very challenging – and will take a long time.**

- (eg: 388 Machleary)

# Housing to be provided

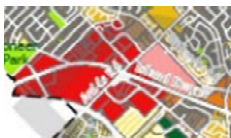
Municipal / Colliers projected housing mix for planning



Survey results (market demand)

| Building type                       | % of population interested |
|-------------------------------------|----------------------------|
| Single family home                  | 92-94%                     |
| Suite                               | 33-45%                     |
| Duplex                              | 27-35%                     |
| Townhouse / rowhouse                | 49-59%                     |
| Apartment / condo (below 6 storeys) | 52-57%                     |
| Apartment / condo (over storeys)    | 30-32%                     |
| Mixed use building                  | 19-34%                     |

# Green Thumb / Sandstone



Significant growth proposed on greenfield sites:

- Green thumb = over 2,000 MF units
- Sandstone = over 2,000 SF/MF units

**Both need: (before anyone is housed)**

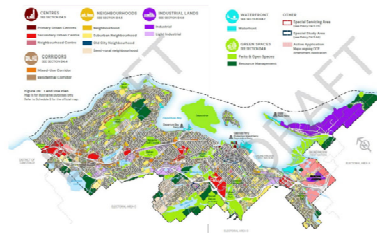
- Rezoning
- Servicing / access plans and Works/Services Agreements
- Subdivision PLA/R
- Servicing construction design
- Servicing / access installation
- Completion / registration at LTO
- Land sales
- DP for each site
- Detailed design
- Presales / financing
- BP for each site
- Construction
- Occupancy

**Min 5-10 yrs before first occupancies on either site.**

**Combined density (10,000 pop) is only 50% of total capacity needed in next 10 years.**



## Context summary



- Significant growth expected
- Housing demanded versus planned = misaligned (Single Family!)
- Housing prices directly related to inventory / availability
- Major greenfield sites are 5-10 yrs before first homes occupied.
- Vacant land and density-designated land = partially mis/aligned
  - Malls / VIU etc... have low/nil probability of development
- The next 10yrs of growth will be absorbed within existing neighbourhoods
  - Major demolition/infill will be required in existing neighbourhoods

## Infill scenarios

| Townhouse infill   | 6 storey infill   | 25 storey tower  |
|--|---|--|
| <ul style="list-style-type: none"> <li>◦ 8 units on 2 lots                             <ul style="list-style-type: none"> <li>◦ (7k sqft each lot)</li> </ul> </li> <li>◦ 2 old houses + 1 suite removed</li> <li>◦ Net 5 units (10-13 people)</li> <li>◦ 3 yrs to completion</li> <li>◦ Absorb 3-4 new people/yr                             <ul style="list-style-type: none"> <li>◦ (includes rehousing displaced residents)</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>◦ 54 units on 3 lots</li> <li>◦ 3 old houses + 1 suite removed</li> <li>◦ Net 50 units (100 people)</li> <li>◦ 4 yrs to completion</li> <li>◦ Absorb 25 people/yr                             <ul style="list-style-type: none"> <li>◦ (includes rehousing displaced residents)</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>◦ 200 new units (400 people)</li> <li>◦ 7 yrs to completion</li> <li>◦ Absorb 60 people/yr</li> <li>◦ (small % of development due to cost, presales req)</li> </ul> |



## Scenario: for 1% growth rate (~half of actual growth rate) (~1,000 new people/yr + displaced from infill demolitions)

### 33% Growth in Townhouses

- 28 projects / 173 units (330 people) yr completed + occupied
- 1,200 people will be displaced from current affordable older housing and 600 older homes will be demolished over 10 yr OCP window

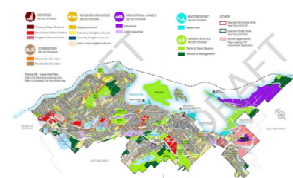
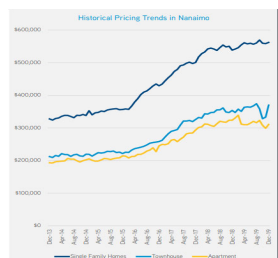
### 67% Growth in 6 Storey Apartments

- 6.5 projects / yr (341 units) completed and occupied
- 480 people will be displaced from current affordable older housing and 240 older homes will be demolished over 10 yr OCP window

#### • Total

- ~200 new townhouse projects and ~60 new 6- storey apartment buildings will need to be approved, built, completed and fully occupied within existing neighbourhoods over the 10yr OCP window.
- 1,680 people will be displaced from 960 existing attainable dwellings will be demolished over the OCP window.

## Conclusion



1. Reimagine Nanaimo is a good 50yr plan
2. The major greenfield sites are 5-10 years to occupancy and will only accommodate approx. 5 yrs of growth.
3. The other greenfield sites are largely misaligned with designated growth areas = most new housing will require demolition of existing attainable homes and displacement of existing residents.
4. The new apartments replacing the older housing will be small and expensive (not family housing).
5. The massive demolition/rebuild of existing neighbourhoods will be very contentious (eg: Machleary).
6. A balanced residential market requires 5-6x supply to demand. The current plan will exacerbate home prices due to the time it takes for development.
7. Adjacent areas in RDN need to be considered for "future study areas" and annexation or people will purchase SF homes in other areas and commute.
8. Need to establish a set of special study areas in OCP for areas that have servicing / immediately adjacent (Extension, Jingle Pot, etc...) and address in RGS update with RDN.
9. Greenfield / edge growth is not sprawl – it can be planned and built as complete neighbourhoods