



**PL2021-001 - LAKES DISTRICT AND SCHOONER COVE PHASED DEVELOPMENT AGREEMENT
AMENDMENT AGREEMENT**

RECOMMENDATIONS

1. That the Board approve PL2021-001 – Lakes District and Schooner Cove Phased Development Agreement Amendment Agreement as proposed in Attachment No. 2.

BACKGROUND

The Regional District of Nanaimo (RDN) has received a request from Georgia Desjardins on behalf of Seacliff Holdings Ltd. to amend “Regional District of Nanaimo Phased Development Agreement (Lakes District and Schooner Cove) Authorization Bylaw No. 1692, 2013” (PDA). The key changes requested are for the purpose of providing a mechanism for the Owner to be able to obtain occupancy prior to constructing all required amenities for each phase subject to meeting a number of requirements and conditions as well as to recognize the role of the Memorandum of Understanding (MOU) as it relates to development of PDA lands.

Following an extensive community planning process which included the adoption of the Lakes District and Schooner Cove Neighbourhood Plans (Neighbourhood Plans), implementation of site-specific zoning, and project-specific street standards, the RDN adopted a PDA on June 22, 2014. The PDA is a binding legal agreement authorized by the *Local Government Act* between the RDN and the Owners. In general terms, the PDA provides certainty for the Owners in the form of not changing the zoning or development requirements for the term of the agreement in exchange for the provision of specified community amenities. The term of the PDA is 20 years.

In recognition that there are aspects of the development such as infrastructure standards and servicing-related items which require Ministry of Transportation and Infrastructure approval and which were not fully resolved at the time the PDA was adopted, the RDN entered into a non-binding MOU with the Owners’ predecessors on July 23, 2014. The MOU plays a key role in achieving the community’s vision as outlined in the Neighbourhood Plans and provides critical guidance on items which are not adequately addressed in the PDA, but which are required for successful PDA implementation.

The MOU addresses a number of items including, stormwater management, transportation, water supply, sanitary sewage, and parks. While it is recognized that the MOU is not legally binding, it is important to note, that without agreement and cooperation with the Owners with respect to the guidance provided by the MOU, much of the vision contained in the PDA and Village Plans is subject to negotiation. In addition, the infrastructure standards for items such as project-specific street standards, street lighting, drainage, etc., would not be specified other than the general guidance contained in the Neighbourhood Plans.

Development Permit (DP) PL2016-188 was approved by the Board on July 25, 2017. This DP authorized the construction of 50 dwelling units and approximately 1,924 m² of commercial floor area in Phase 1Sc in Schooner Cove. PL2016-188 allowed the first development on the PDA lands and also included a PDA amendment to modify the development concept that changed when the property was purchased by Seacliff Holdings Ltd.

Construction of Phase 1Sc is nearing completion and the Owner has not completed construction of the amenities required by the PDA prior to occupancy (see Attachment No. 1 – Summary of PDA Amenity Requirements for Phase 1Sc). In addition to Covid-related construction challenges, two significant factors that extended the construction timeframe are information gaps in the PDA in relation to infrastructure standards and requirements and the non-binding nature of the MOU. Both factors resulted in development application processing and design delays as the RDN and Owner worked to resolve these issues and develop a shared understanding of the development requirements.

In response to the construction delays and experience working with the PDA, the applicant is seeking a PDA amendment to allow the RDN to issue occupancy on the condition that security is provided for the required amenities. The amendment includes a number of conditions that are intended to reduce the RDN's exposure to risk and ensure that the commitments that the Owner has made in the PDA are upheld. For the Owner to be eligible for occupancy before all of the amenities have been constructed in each phase, the proposed PDA amendment agreement requires the following:

- That the Owner may not make application for subdivision or be entitled to issuance of a building permit for any additional phase until all outstanding amenities have been constructed and all costs have been paid to the satisfaction of the RDN.
- That the Owner must obtain the Provincial Approving Officer's consent, and any other required consents as applicable.
- The Owner must provide the RDN with an executed contract demonstrating that the Owner has a valid contract to complete the work for the outstanding amenities.
- The Owner must provide a letter of credit in the amount of 125% of the total cost of the works (including administrative, legal, and survey costs) of completing the works to the satisfaction of the RDN.
- The Owner must grant the RDN a license to access the Owners' property to conduct the works if required.
- The Owner is responsible for any and all costs above and beyond the amount the RDN holds as security.

In addition, staff and the Owner are seeking more certainty with respect to infrastructure standards and requirements by including the existing MOU as a Schedule within the PDA as well as committing to updating the MOU. The proposed PDA amendment also requires the Owner to follow the existing MOU until such time as it has been updated. Please note, an additional PDA amendment will be required to replace the existing MOU with the updated version once the updates have been completed.

The proposed PDA amendments also include updates that are needed for consistency in response to design and construction challenges that were identified during Phase 1Sc and which have been agreed to as well as minor housekeeping amendments. These include ensuring the PDA reflects the method that was used to secure public access across the floating boardwalk; the width and location of RDN maintenance access to the boardwalk; the location of the sidewalk on Outrigger Road has been relocated to serve Phase 1Sc development rather than

Phase 3Sc; the colour of road requirements labelled on Schedule K; and the floating boardwalk design has been modified to include an additional parallel float rather than a widened main float.

One of the challenges facing successful implementation of the PDA is that the PDA includes development phase boundaries, road layouts, trail alignments, and infrastructure requirements that are very conceptual, and not survey accurate; yet the requirements of the PDA are quite inflexible. As a result, we anticipate that without the allowance for reasonable discretion to be applied in how the PDA is applied, that most phases of development would likely require additional PDA amendments. To avoid numerous unnecessary future amendments, the proposed PDA amendment provides for the ability to apply reasonable discretion to the location and length of infrastructure requirements; given that the site plans, phase boundaries, and dimensions are not survey accurate and do not account for constraints such as steep topography. This approach provides clarification in how we would apply and interpret the PDA and is consistent with our practice in relation to other RDN bylaws.

The proposed PDA amendments represent a significant benefit for both the RDN and the Owner that would result in more efficient development application processing and more certainty with respect to infrastructure standards and requirements. The proposed security-related amendments are a reasonable approach which is consistent with how the RDN approaches other development requirements such as landscaping.

The proposed amendments have been reviewed by our solicitor and agreed to by the Owners and are considered a “minor amendment” as defined by the PDA that do not require a new public hearing. Based on the above assessment, it is recommended that the Board approve PDA amendment PL2021-001 as proposed in Attachment No. 2.

FINANCIAL IMPLICATIONS

All work required to undertake the proposed update and replacement of the MOU will be completed with existing staff and resources before the end of 2022. Staff time will be required to work with the Owners to update and replace the MOU. However, it is anticipated that there will be a significant long-term reduction in staff time spent processing future development applications on PDA lands. Based on the above, the proposed PDA amendments are not anticipated to have any implications on the Board 2021 – 2025 Financial Plan.

STRATEGIC PLAN ALIGNMENT

The proposed PDA amendment is in keeping with the key strategic area of growth management as it helps improve the efficiency of the development application review process and the social well being key strategic area as it helps the RDN ensure that PDA lands are development in a way which creates a safe and vibrant place for all.

REVIEWED BY:

P. Thompson, Manager, Current Planning
G. Garbutt, General Manager, Strategic and Community Development
P. Carlyle, Chief Administrative Officer

ATTACHMENTS:

1. Summary of PDA Amenity Requirements for Phase 1Sc
2. Proposed Phased Development Agreement Amendment Agreement

Author:
Greg Keller, Senior Planner
File No. PL2021-001

Attachment 1
Summary of PDA Amenity Requirements for Phase 1Sc

Item	Description	Status
Multi-Use Pathway	Construct 343 metres of multi-use pathway adjacent to Dolphin Drive.	The RDN holds security in the amount of \$68,600 and the applicant has made application to MOTI for approval.
Sidewalk	Construct 102 metres of sidewalk on the north west side of Outrigger Road.	Security has not been submitted yet and the applicant has made application to MOTI for approval.
Walking Pathway	Construct 124 metres of walking pathway on the Owners land.	Security has not been submitted yet.
Waterfront Pathway (Floating Boardwalk)	Construct 108 metres of waterfront (Floating) boardwalk.	The RDN holds security in the amount of \$249,187 and is anticipating that construction will be begin shortly.
Parkway Collector Street Standard	Construct 261 metres of Parkway Collector Street Standard on Dolphin Drive.	The Owner has submitted plans to MOTI for approval.
Urban Local Street Standard	Construct 66 metres of Urban Local Street Standard on Outrigger Road.	The Owner has submitted plans to MOTI for approval.
Public Access Open Space	Construct improvements and install landscaping in the 0.09 ha Public Access Open Space area.	The RDN is holding security in the amount of \$181,545 for landscaping.

Attachment 2
Proposed Phased Development Agreement Amendment Agreement

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AMENDMENT TO PHASED DEVELOPMENT AGREEMENT

THIS AGREEMENT dated for reference _____, 2021

AMONG:

1040985 B.C. LTD.
305 – 1788 West 5th Avenue
Vancouver, BC V6J 1P2

(“**1040985**”)

AND:

1042719 B.C. LTD.
305 – 1788 West 5th Avenue
Vancouver, BC V6J 1P2

(“**1042719**”)

AND:

1040984 B.C. LTD.
305 – 1788 West 5th Avenue
Vancouver, BC V6J 1P2

(“**1040984**” and collectively with 1040985 and 1042719, the “**Owner**”)

AND:

REGIONAL DISTRICT OF NANAIMO
6300 Hammond Bay Road
Nanaimo, BC V9T 6N2

(the “**Regional District**”)

WHEREAS:

- A. The Owner and the Regional District are party to a phased development agreement dated July 23, 2014, as amended (collectively, the “**PDA**”) pursuant to *Regional District of Nanaimo Phased Development Agreement (Lakes District and Schooner Cove) Authorization Bylaw No. 1692, 2013*;
- B. The Owner and the Regional District have agreed to further amend the PDA as set out herein.

THIS AGREEMENT is evidence that for \$1.00 and other good and valuable consideration now paid by each party to the other, the receipt and sufficiency of which is acknowledged by the parties, the Regional District and the Owner agree as follows:

1. **Capitalized Terms.** Each capitalized term used in this Agreement will have the meaning given to it in the PDA unless otherwise defined herein.

2. **Amendments.** The PDA is amended by:

(a) By adding the following as Section B.1 and renumbering existing Sections B.1 and B.2, and references in the PDA thereto, as Sections B.2 and B.3, respectively.

“B.1 – Phasing and Deferred Work

1A Where the RDN has accepted security for Deferred Work in accordance with Sections 22A and 22B, the Owner agrees, despite any other provision of this Agreement, that, with the exception of Phase 1SC, the Owner will not make application for a Subdivision, nor shall the Owner be entitled to the issuance of a building permit, for any additional Phase until such time as all outstanding Deferred Work has been completed to the satisfaction of the Regional District.”;

(b) deleting subsection 12(c) in its entirety and replacing it with the following:

“(c) grant to the Regional District a 3.0 metre wide statutory right of way, substantially in the form set out in Schedule “L”, for public access over those lands within the Schooner Cove Land in that Phase that are marked on the Schooner Cove Public Open Space Phasing Plan (Schedule “I”) for a Waterfront Pathway / Boardwalk. For clarity, the parties acknowledge and agree that: (i) a statutory right of way is not required over the Schooner Cove Water Lots in connection with the Waterfront Pathway / Boardwalk; and (ii) 1042719 and the Regional District have entered into a walkway maintenance and license agreement dated May 12, 2020 in respect of the portion of the Waterfront Pathway / Boardwalk located within the Schooner Cove Water Lot (BC) for the purpose of securing public access over the Water Lot and requiring the Owner to design, construct, operate, maintain, and replace the Walkway (as defined in the agreement);”

(c) deleting subsection 12(e) in its entirety and replacing it with the following:

“(e) (i) as part of its design of the first Subdivision in Phase 1SC (the Village), ensure that a 1.75 metre wide access route is available to the Regional District at all times that will allow Regional District maintenance vehicles to access the Waterfront Pathway / Boardwalk from Dolphin Drive after the construction of the Waterfront Pathway / Boardwalk in Phase 1SC (the Village) is complete, and grant to the Regional District a 1.75 metre wide statutory right of way, for that public access; and (ii) as part of the design of the first Subdivision in Phase 2SC (the Waterfront), ensure that a 2.5 metre wide access route is available to the Regional District at all times that will allow Regional District maintenance vehicles to access the Waterfront Pathway / Boardwalk in Phase 2SC (the Waterfront) from Outtrigger Road or from such other road or driveway as the parties may agree after the construction of the Waterfront Pathway / Boardwalk in

Phase 2SC (the Waterfront) is complete, and grant to the Regional District a 2.5 metre wide statutory right of way, for that public access.”;

- (d) inserting the following new sections 22A and 22B immediately following section 22:

“Deferred Work

22A(i) Notwithstanding any other term of this Agreement, but subject to section 1A, the Owner may complete the construction work contemplated in section 17, section 18 and section 42 as it relates to a particular Phase (in each case, the **“Deferred Work”**) within 12 months following the issuance of an occupancy permit in respect of the first new building constructed within that Phase, provided that:

- (a) in respect of construction work contemplated in section 42, the Owner obtains the Approving Officer’s prior consent, and any other required consents, including the BC Ministry of Transportation and Infrastructure;
- (b) in respect of construction work contemplated in sections 17, 18, and 42, the Owner provides the RDN with an executed contract demonstrating that the Owner has a valid contract to complete the Deferred Work required by this Agreement and in accordance with the Final Standards (as defined in section 43A(b)). Notwithstanding the foregoing, any Deferred Work in respect of Phase 1SC will be completed in accordance with the standards previously agreed to by the Owner and the RDN; and
- (c) to the extent security has not already been provided pursuant to section 22, the Owner provides a Deferred Work Letter of Credit (as defined in section 22B) to the Regional District in accordance with section 22B.

22A(ii) If the Owner fails to complete the Deferred Work for a particular Phase within 12 months following the issuance of an occupancy permit in respect of the first new building constructed within that Phase, the Regional District may, at its sole discretion and without prejudice to any other remedy (including injunctive relief, which the parties acknowledge and agree is an appropriate remedy should the Owner fail to complete any Deferred Work in accordance with the terms hereof), draw down the applicable Deferred Work Letter of Credit and complete the outstanding Deferred Work for that Phase on the Owner’s behalf and at the Owner’s sole cost. Within a reasonable period of time following the completion of all of the Deferred Work for a Phase, the Regional District will return to the Owner the applicable Deferred Work Letter of Credit or, if the Regional District has cashed the applicable Deferred Work Letter of Credit, any funds not applied toward the cost of completing that Deferred Work. If the total costs incurred by the Regional District in completing any Deferred Work exceed the amount of the applicable Deferred Work Letter of Credit, the Owner will forthwith pay the difference to the Regional District on demand (which

demand will include reasonable supporting documentation). For greater certainty, the parties acknowledge and agree that it is the intention of the parties that the Owner complete all Deferred Work itself.

22A(iii) In connection with the foregoing, the Owner hereby grants to the Regional District and the Regional District's contractors, employees and agents a licence to enter and be on the Owner's Land with workers, vehicles, equipment, tools and materials for the purpose of rectifying any default by the Owner in completing any Deferred Works in accordance with the terms hereof.

22B. Notwithstanding any other term of this Agreement, if the Owner is required to provide security for Deferred Work pursuant to section 22A(c), that security will be in the form of a letter of credit for an amount equal to 125% of the total cost of that Deferred Work (which total cost will include, as applicable, administrative, legal and survey costs) as estimated by the Owner's consultant to the satisfaction of the Regional District (in each case, a "**Deferred Work Letter of Credit**"). Each Deferred Work Letter of Credit will be:

- (a) a clean, unconditional, irrevocable and automatically renewing letter of credit in favour the Regional District drawn on a Canadian chartered bank or other financial institution satisfactory to the Regional District and shall otherwise be in a form acceptable to the Regional District, acting reasonably; and
 - (b) maintained as good and valid security by the Regional District at all times as set out in this Agreement.”;
- (e) inserting the following new section 43A immediately following section 43:

“43A Infrastructure Standards

The Owner and the Regional District acknowledge and agree that this Agreement does not set out clear standards (the "**Infrastructure Standards**") for certain infrastructure improvements (the "**Infrastructure Improvements**") which form part of the PDA Amenities and servicing-related requirements. Further the Owner and the Regional District acknowledge and agree that the non-binding memorandum of understanding (the "**MOU**") dated July 23, 2014 between the Regional District and the Owner's predecessors in title to the Owner's Land, a copy of which is attached hereto as Schedule "GG", contains infrastructure standards and further detailed strategies, plans, and specifications that are intended to guide development of the Owner's Land. Notwithstanding any other term of this Agreement, the Owner and the Regional District acknowledge and agree that:

- (a) where this Agreement does not specify clear Infrastructure Standards, then the MOU will be referred to in order to provide clarity as to the standards in question until such time as the Final

Standards have been determined pursuant to section 43A(b) or (d) below;

- (b) the parties will use commercially reasonable efforts to negotiate a mutually acceptable set of final standards (the “**Final Standards**”) for the Infrastructure Standards, and amend this Agreement (the “**Final Standards Amendment**”) to reflect the Final Standards by December 31, 2022;
 - (c) in negotiating the Final Standards under subsection (b), the parties agree that they will use reasonable discretion in applying the infrastructure requirements in relation to the requirements outlined in Schedules C, D, E, G, H, I, J, K, and L of this Agreement given that the site plans, phase boundaries and infrastructure and improvements locations and dimensions are not survey accurate;
 - (d) the parties agree that the Final Standards Amendment will require approval by the Regional Board and that the Owner shall submit a draft of the Final Standards Amendment to the RDN within thirty days of reaching a tentative agreement on the Final Standards;
 - (e) if the parties are unable to agree to a mutually acceptable set of Final Standards on or before December 31, 2022 (or such earlier or later date as otherwise agreed to in writing by the parties), the Final Standards will be determined in accordance with the arbitration procedure set out in section 68 and the terms of section 68 shall apply to the arbitration of the Final Standards *mutatis mutandis*; and
- 1.1 (f) if in connection with a Subdivision certain Infrastructure Improvements (the “**Required Improvements**”) are required to be completed by the Owner, and in respect of those Required Improvements the Final Standards have not been settled, then the Owner shall not apply for approval of the Subdivision until such time as (i) the Owner confirms in writing that the Required Improvements will be completed in accordance with the Infrastructure Standards in respect of the Required Improvements set out in the MOU or (ii) the Final Standards for those Required Improvements have been determined in accordance with subsections (b) or (e) above. Notwithstanding the foregoing, nothing herein shall restrict or limit the ability of the Owner to subdivide those lands currently legally described as Parcel Identifier: 028-022-998, Lot 1 District Lot 78 Nanoose District and District Lots 2085, 2086, 2087, 2088 and 2089 Nanaimo District Plan VIP87121 (“**Lot 1**”).”;

- (f) amending subsection 68(a) to insert the following subsections (ix.1) and (xiii.1) as follows:

“(ix.1) section 22A [Deferred Work];”

“(xiii.1) section 43A [Infrastructure Standards]”;

- (g) amending subsection 68(a)(xv) to insert the following at the beginning of that subsection:

“Subject to section 1A as it applies to section 22A [Deferred Work],”;

- (h) inserting section 72A to provide as follows:

“The Owner and the Regional District agree that they will use reasonable discretion in applying the infrastructure requirements in relation to the requirements outlined in Schedules C, D, E, G, H, I, J, K, and L of this Agreement given that the site plans, phase boundaries and infrastructure and improvements locations and dimensions are not survey accurate.”;

- (i) deleting Schedule “I” and replacing it with Schedule “I” attached hereto;
- (j) deleting Schedule “J” and replacing it with Schedule “J” attached hereto;
- (k) deleting Schedule “K” and replacing it with Schedule “K” attached hereto; and
- (l) adding as a new schedule, Schedule “GG” attached hereto.

3. **Ratification.** The Owner and the Regional District hereby ratify the PDA as amended by this Agreement and confirm that the PDA as amended by this Agreement is and will continue to be binding on each of the parties hereto, and that all covenants, representations, warranties, terms, conditions and other provisions of the PDA as amended by this Agreement are in full force and effect in accordance with their terms.
4. **Time of the Essence.** Time is of the essence of the PDA, as amended by this Agreement.
5. **Interpretation.** This Agreement will, from the date of this Agreement, be read and construed together with the PDA and be treated as part thereof.
6. **Conflict.** In case of any conflict between the provisions of the PDA and the provisions of this Agreement, the provisions of this Agreement will prevail.
7. **Further Assurances.** Each party will from time to time execute and deliver all such further documents and instruments and do all acts and things as the other party may reasonably require to carry out or better evidence or perfect the full intent and meaning of this Agreement.
8. **Binding Effect.** This Agreement will enure to the benefit of and be binding upon the respective heirs, executors, administrators, other legal representatives, successors and assigns of the parties.
9. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which, taken together, will be deemed to constitute one and the same instrument.

10. **Delivery by Electronic Transmission.** Delivery of an executed copy of this Agreement by any party by electronic transmission will be as effective as personal delivery of an originally executed copy of this Agreement by such party.

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

1040984 B.C. LTD.

By: _____
Authorized Signatory

By: _____
Authorized Signatory

1042719 B.C. LTD.

By: _____
Authorized Signatory

By: _____
Authorized Signatory

1040985 B.C. LTD.

By: _____
Authorized Signatory

By: _____
Authorized Signatory

REGIONAL DISTRICT OF NANAIMO

By: _____
Authorized Signatory

By: _____
Authorized Signatory

SCHEDULE "I": SCHOONER COVE PUBLIC OPEN SPACE PHASING PLAN

SCHOONER COVE ALL PHASES

PHASE	Length (m)	Count	Area (ha ac)
PHASE 1SC	343 m	4	0.09 ha 0.22 ac
	102 m	2	0.37 ha 0.91 ac
	124 m	3	3.72 ha 9.19 ac
	108 m	1	0.42 ha 1.04 ac
PHASE 2SC	307 m	2	0.73 ha 1.80 ac
	173 m	2	0.28 ha 0.69 ac
	69 m	-	0.38 ha 0.94 ac
	182 m	-	-
PHASE 3SC	86 m	1	0.27 ha 0.67 ac
	296 m	-	1.44 ha 3.56 ac
	-	-	0.74 ha 1.83 ac
	-	-	0.70 ha 1.73 ac
TOTAL	650 m	6	0.36 ha 0.89 ac
	275 m	5	2.54 ha 6.28 ac
	155 m	3	3.72 ha 9.19 ac
	602 m	1	1.44 ha 3.56 ac
	-	-	0.43 ha 1.06 ac
	-	-	0.13 ha 0.32 ac

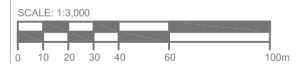


SCHOONER COVE PUBLIC OPEN SPACE PHASING SCHEDULE "I"



LEGEND

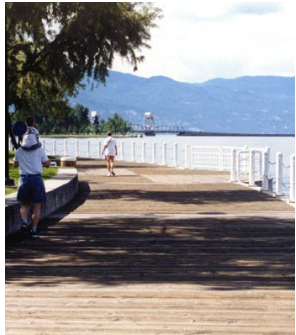
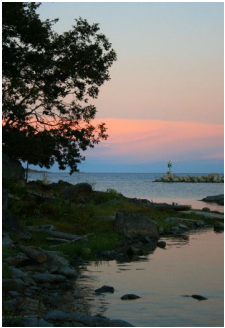
- Public Access Open Space
- Private Strata Open Space
- Marina
- Public Access Plaza
- Public Access Marina Deck
- Public Road ROW
- Boat Ramp
- Ramp Landing Area Min. 6m x 8m
- Multi-Use Pathway
2.5-3.0m Hard Surface
- Sidewalk
1.5m Hard Surface
- Emergency Connector & Pathway
1.5m Hard Surface
- 1^{sc} Waterfront Pathway / Boardwalk Option B
- 2^{sc} Waterfront Pathway / Boardwalk Option B
- Boardwalk Option A
- Walking Pathway
- Existing Sidewalk
- Designated Street Crossing
- Public Destination View & Amenity
- P Public Parking
- T Transit Stop



SCHEDULE "J": SCHOONER COVE PATHWAYS STANDARDS

Schooner Cove Pathway and Floating Boardwalk Standards

MARCH 2021



EXAMPLE OF THE PUBLIC DESTINATION VIEW AND AMENITY AREA

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1 SCHOONER COVE NEIGHBOURHOOD

Introduction

Schooner Cove Neighbourhood Plan, OCP Amendment Bylaw No.1400, adopted by the Regional District of Nanaimo in 2011, provides for the creation of a maritime village to live, work, shop and play. The 12.39 ha neighbourhood contributes towards the implementation of the Regional Growth Strategy and a more sustainable community.

The design for Schooner Cove takes its cue from traditional maritime villages with a focus on celebrating its relationship to the coast, featuring neighbourhood-scaled and community-oriented commercial services, all structured by public open spaces and pathways.

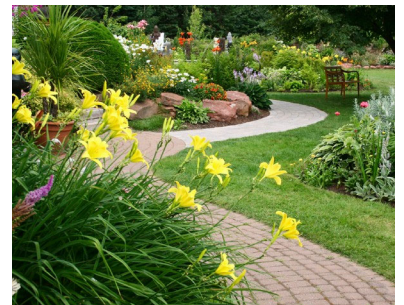
Through the design and implementation of the Neighbourhood Plan, Schooner Cove will foster a vibrant public realm featuring a waterfront green and boardwalk, plazas, public art, and pedestrian network.

The pedestrian network at Schooner Cove enhances the public realm through its interconnected system of sidewalks, pathways and trails with access to the waterfront preserved as a public amenity.

The following Pathway Standards serve as a framework to implement the public open space vision adopted in the Neighbourhood Plan. The methods and technical information used are sourced from Best Management Practices, as well as the following professional reporting:

- *The Lakes District Preliminary Geotechnical Terrain Assessment*, (Trow Associates, 2008);
- *Archaeological Overview Assessment: Lakes District & Schooner Cove Neighbourhood Plan Areas, Nanoose Bay, BC*, (IR Wilson Consultants, 2008);
- *The Lakes District Study Area; Fairwinds Development Detailed Biophysical Inventory*, (Cascadia Biological, 2009);
- *Schooner Cove Nearshore Marine Assessment*, (Archipelago Marine Research Ltd, 2009); and,
- *Fairwinds' The Lakes District and Schooner Cove Neighbourhood Plan; Environmental Impact Assessment*, (Pottinger Gaherty Environmental Consultants, 2010).

General design standards for each pathway type are tailored with the goal of implementing and celebrating the public realm within Schooner Cove. Guidelines provide general directions for pathway construction; it is recognized that implementation may require adjustments. Future detailed design will be completed at the construction stage, under the supervision of a registered professional where applicable and required.



SCHOONER COVE PUBLIC REALM



FIG. 1 Schooner Cove Open Space Plan



The Schooner Cove Neighbourhood envisions a vibrant mixed-use village as the waterfront heart for Nanoose Bay. Public access and open space is established through site-planning and design with particular attention to existing landform and landscape character, desired Village program, and opportunities for environmental conservation and enhancement.

A robust public realm design – including publicly accessible gathering spaces and plazas, pathways, pavilions, gardens and greenways – for the Schooner Cove Neighbourhood, integrates the range of Village land uses and provides an inviting ‘sense of place.’ The same intent extends to the private realm to create a thread of visual continuity and physical connectivity to the surrounding residential precincts, while addressing landscape buffers between the commercial, mixed-use and residential precincts.

SCHOONER COVE - elements of the public realm

- A Public Waterfront Boardwalk**
A key feature of the Schooner Cove Village, the public waterfront boardwalk links the commercial marina and waterfront village to the larger network of public access open space and inland pathways.
- B Waterfront Commons**
Designed to enhance the existing community green at Schooner Cove, the “waterfront Green” is the central social gathering space for the Schooner Cove Village, framed by the waterfront programs of the Marine Service office and waterfront commercial area.
- C Multi-use pathway**
The Multi-use pathway provides a continuous pedestrian connection between the Lakes District and Schooner Cove Neighbourhoods. In addition to improving pedestrian access to the Village, the pathway creates greater physical separation between existing residential areas and the future residential area, while creating a more informal landscape edge to the Village and neighbourhood building program.
- D Neighbourhood focal points**
Each residential district within the Neighbourhood – including the mixed-use Village, the Commons and the waterfront and Ridge – is organized around feature open space to serve as gathering areas and recreational program for residents.
- E Forested Walk**
A meandering pathway through the central forested lands provides connections to residential areas on the upper bench of Schooner Cove. In addition to providing a recreational amenity, the pathway and ridgetop forest creates significant landscape edges and transitions between residential areas while assisting to visually screen development from existing neighbourhoods.
- F Walking Path**
An extension to the Public waterfront Boardwalk, the walking path completes the recreational promenade along the waterfront and connects to the local transportation network.
- G Emergency connector pathway**
The Emergency Collector Pathway compliments the greater pathway network, while ensuring emergency vehicle accessibility within the Neighbourhood.
- H Local sidewalk**
The on-street pedestrian system includes 1.5m wide sidewalks throughout the Schooner Cove transportation network, ensuring local pedestrian access to all residential units within the Schooner Cove Neighbourhood.

4.0 PATHWAY CLASSIFICATIONS AND DESIGN STANDARDS

4.1 Pathway Hierarchy

The Schooner Cove pedestrian system includes a hierarchy of three pathway categories outlined below and summarized in Fig.2.

Each pathway type is tailored to reflect the landscape terrain and its designated use:

Multi-use pathway (2.5 - 3.0m): As the link between the Schooner Cove and the Lakes District Neighbourhoods, the Multi-use Pathway provides a continuous pedestrian route along the Community Parkway, connecting to Dolphin Drive and the Schooner Cove village. The multi-use pathway is engineered to accommodate high traffic and a range of low-speed activities including walking, jogging and cycling, and is suitable for strollers or mobility impaired individuals where reasonably feasible due to existing topography.

Boardwalk (2.0-3.0m wide, 2.5m at floating boardwalk): A key feature of the Schooner Cove village, the public waterfront boardwalk links the marina and waterfront village to the larger public open space network.

Walking path (1.0-1.8m wide): Narrower than the multi-use pathway, the walking trail completes the waterfront boardwalk promenade.

Surface materials may vary depending on level of use.

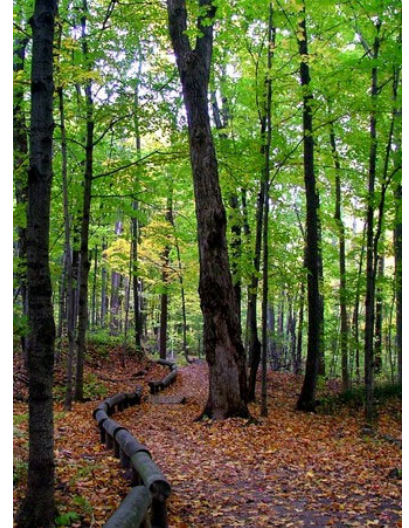
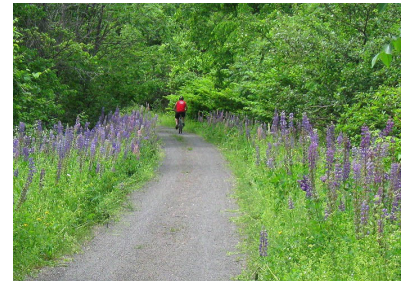
Standards for the emergency connector and sidewalks, described below, are included in the Lakes District and Schooner Cove Project Specific Street Standards:

Emergency Connector & pathway (3.0 wide): An extension of the public street providing emergency access along a controlled access pedestrian pathway.

Sidewalks (1.5m wide): As part of the pedestrian circulation system, sidewalks parallel local streets and link the multi-use pathway to Village plazas, boardwalks and neighbourhood walking paths.

In order to be successful over the long-term and to minimize maintenance, paths must be designed and built to specific standards. The exact locations and pathway types will be determined at the time of construction.

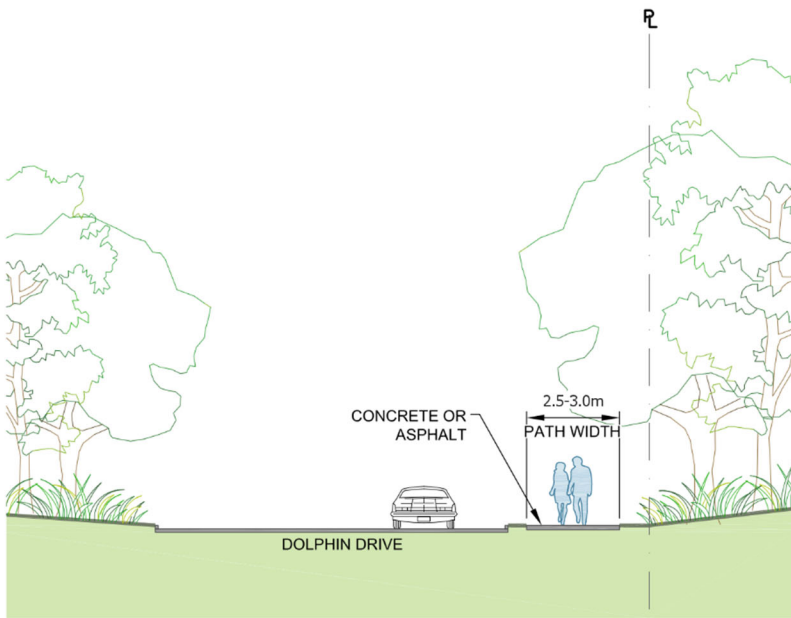
Given the variability of the terrain, the following design and construction guidelines depict typical pathway design; flexibility in design will be necessary.



	MULTI-USE	BOARDWALK	WALKING
Purpose	<ul style="list-style-type: none"> • accommodates low-speed activities, suitable for mobility impaired individuals where feasible due to existing topography 	<ul style="list-style-type: none"> • provides public access to the waterfront • connects village with residential uses and public spaces 	<ul style="list-style-type: none"> • provides pedestrian access to mildly sloped terrain
Level of use	<ul style="list-style-type: none"> • High 	<ul style="list-style-type: none"> • High 	<ul style="list-style-type: none"> • High
Type of use	<ul style="list-style-type: none"> • walking, jogging, walking, cycling, wheelchairs where feasible 	<ul style="list-style-type: none"> • walking, jogging, Wheelchairs where feasible 	<ul style="list-style-type: none"> • walking, jogging
Location	<ul style="list-style-type: none"> • adjacent to portions of Dolphin Drive 	<ul style="list-style-type: none"> • Waterfront 	<ul style="list-style-type: none"> • connects to Boardwalk • provides connection and recreational opportunities through strata open space
Width	<ul style="list-style-type: none"> • 2.5-3.0M 	<ul style="list-style-type: none"> • 2.0-3.0m, 2.5m at floating boardwalk 	<ul style="list-style-type: none"> • 1.0-1.8m
Surface	<ul style="list-style-type: none"> • Asphalt 	<ul style="list-style-type: none"> • decking, exact construction to be determined based on detailed design 	<ul style="list-style-type: none"> • pavers or concrete • native soil and crushed limestone or gravel, or • wood decking
Slope	<ul style="list-style-type: none"> • as determined by existing topography and road design. 	<ul style="list-style-type: none"> • n/a 	<ul style="list-style-type: none"> • ideally 0-5%/ maximum 10% grade and short pitches up to 12%
Access	<ul style="list-style-type: none"> • universal access where feasible 	<ul style="list-style-type: none"> • universal access where feasible 	<ul style="list-style-type: none"> • universal access where feasible
Buffer	<ul style="list-style-type: none"> • landscape or distance buffers adjacent to residential lands • minimum 0.5m adjacent to Dolphin Drive 	<ul style="list-style-type: none"> • n/a 	<ul style="list-style-type: none"> • landscape or distance buffers adjacent residential uses
Drainage	<ul style="list-style-type: none"> • 1-2% cross slope • minimum 20cm ditch on uphill side of trail, both sides if on flat terrain or culverts every 50-100m, or as determined 	<ul style="list-style-type: none"> • n/a 	<ul style="list-style-type: none"> • 1-2% cross slope • shallow swale on uphill side or culverts every 50-100m every 100-150m
Surface Depth	<ul style="list-style-type: none"> • as required by surface type 	<ul style="list-style-type: none"> • n/a 	<ul style="list-style-type: none"> • concrete surfacing depends on subsurface • soil or crush should be 50-75mm
Clearing Width	<ul style="list-style-type: none"> • 3.5m-4.0m (0.5m each side) 	<ul style="list-style-type: none"> • n/a 	<ul style="list-style-type: none"> • 3.0-3.8m (1.0m each side)
Vertical Clearance	<ul style="list-style-type: none"> • 2.4m 	<ul style="list-style-type: none"> • minimum 2.5m 	<ul style="list-style-type: none"> • minimum 2.5m
Sight Lines	<ul style="list-style-type: none"> • minimum 20m • ideally 30m 	<ul style="list-style-type: none"> • minimum 20m 	<ul style="list-style-type: none"> • minimum 20m
Variations	<ul style="list-style-type: none"> • lookout or rest area approximately every 500m 	<ul style="list-style-type: none"> • boardwalks structures will be designed and engineered based on topography 	<ul style="list-style-type: none"> • surface materials vary depending on pathway location and purpose
Associated Park Features	<ul style="list-style-type: none"> • outdoor furniture: benches, garbage receptacles • orientation information and educational signage 	<ul style="list-style-type: none"> • orientation information and educational signage 	<ul style="list-style-type: none"> • outdoor furniture: benches, garbage receptacles • orientation information and educational signage

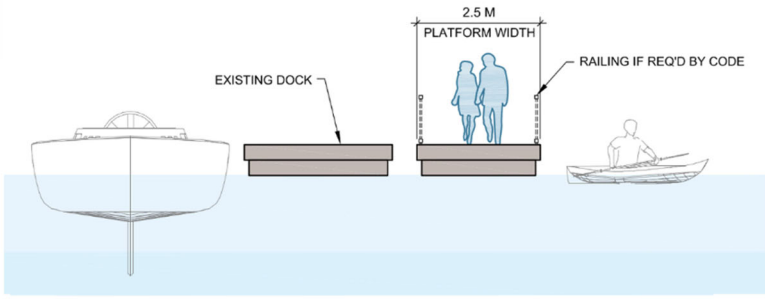
Fig. 2 Schooner Cove Pathway Hierarchy

4.2 MULTI-USE PATHWAY STANDARD



Multi-use Pathway	
Purpose	<ul style="list-style-type: none"> • accommodates low-speed activities, suitable for bikes. Strollers/mobility impaired individuals where feasible. • Connects residential & park uses
Level of use	HIGH
Type of use	walking, jogging and cycling. Strollers and wheelchairs where feasible
Location	<ul style="list-style-type: none"> • Portion of Dolphin Drive
Width	2.5-3.0m
Surface	<ul style="list-style-type: none"> • Asphalt
Slope	<ul style="list-style-type: none"> • As determined by existing topography and road design.
Access	<ul style="list-style-type: none"> • universal access where feasible
Trail head Barriers	<ul style="list-style-type: none"> • bollards/gates to restrict vehicles
Buffer	<ul style="list-style-type: none"> • landscape or distance buffers adjacent to residential lands • minimum 0.5m adjacent to Dolphin Drive
Riparian/ESA	<ul style="list-style-type: none"> • minimize trail widths • use fencing to protect sensitive areas from people/pets • use boardwalks to at Enos Lake and Dolphin Lake to protect riparian areas
Drainage	<ul style="list-style-type: none"> • 1-2% cross slope • minimum 20cm ditch on uphill side of trail, both sides if on flat terrain or culverts every 50-100m
Surfacing Depth	<ul style="list-style-type: none"> • as required by surface type
Clearing Width	<ul style="list-style-type: none"> • 3.5m-4.0m (0.5m each side)
Vertical Clearance	<ul style="list-style-type: none"> • 2.4m
sight Lines	<ul style="list-style-type: none"> • minimum 20m • ideally 30m
Variations	<ul style="list-style-type: none"> • lookouts/rest areas approximately every 500m
Associated park features	<ul style="list-style-type: none"> • outdoor furniture: benches, garbage receptacles • orientation information and educational signage

4.3 BOARDWALK



FLOATING BOARDWALK

BOARDWALK

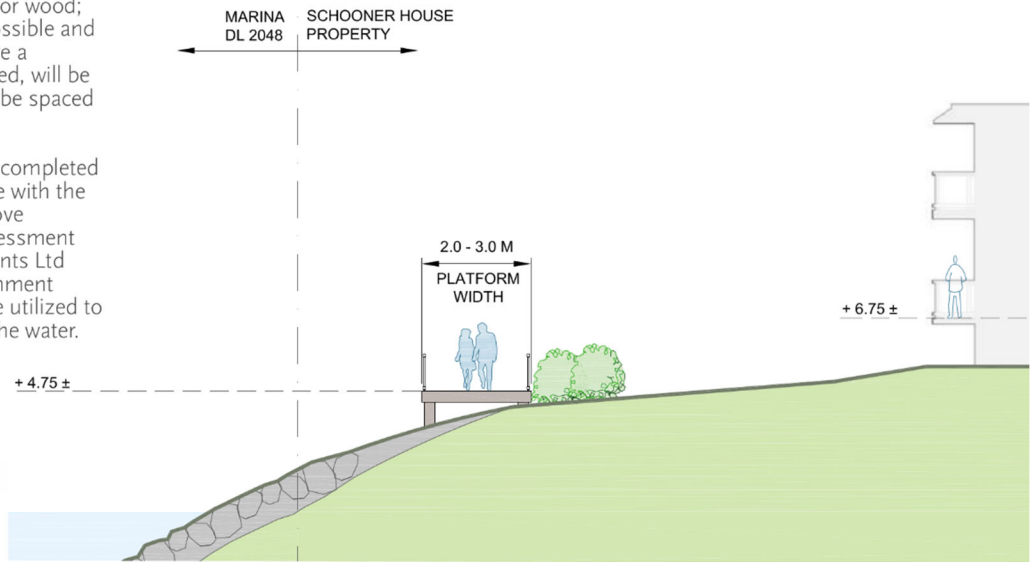
- Purpose**
 - provides public access to the waterfront
 - connects village with residential uses and public spaces
- Level of Use**
 - HIGH
- Location**
 - waterfront
- Width**
 - 2.0-3.0m (2.5m at floating boardwalk)
- Surface**
 - decking, exact construction to be determined based on detailed design
- Vertical Clearance**
 - minimum 2.5m
- Variations**
 - boardwalks structures will be designed and engineered based on topography
- Associated Park features**
 - orientation information and educational signage

CONSTRUCTION NOTES

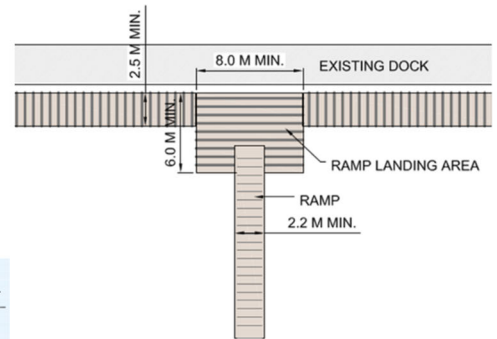
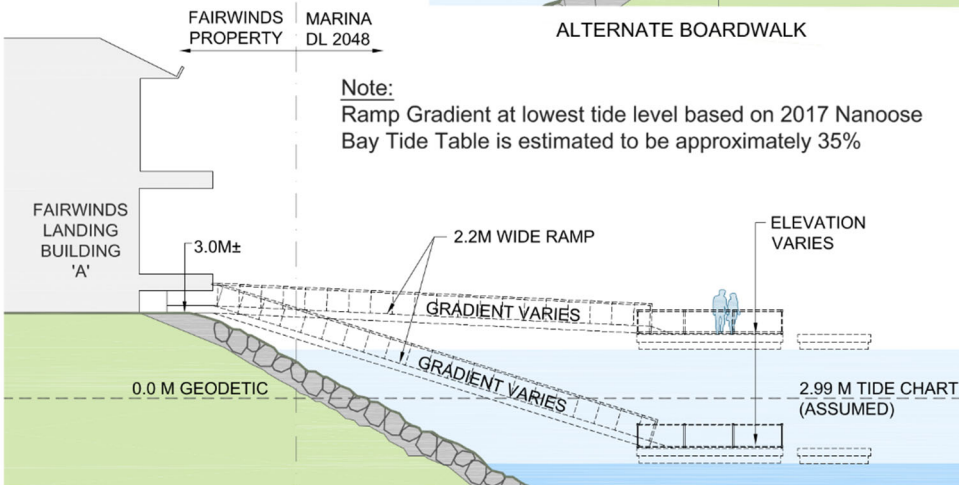
The deck is generally wood but a half-meter section of expanded metal in the centre can be used to add extra tread. Decking material will be rough cedar or treated lumber or as shown on final design drawings.

Abutments are generally precast concrete or wood; however, they must be kept as small as possible and screened with riparian vegetation to ensure a minimal presence. Hand railings, if required, will be set to Provincial Building Code. Posts will be spaced no further than 3m spacing.

All construction in riparian areas must be completed during the fisheries window, in accordance with the Fairwinds' Lakes District and Schooner Cove Neighbourhood Plans Environmental Assessment (Pottiger Caherty Environmental Consultants Ltd 2010), and with approval of Senior Government Agencies. Adequate silt measures must be utilized to ensure that no material is disturbed into the water.



ALTERNATE BOARDWALK



PLAN RAMP LANDING AREA

4.4 WALKING PATH STANDARD



CONSTRUCTION NOTES

- Clearing and grubbing to native soil
- Where softscape surface treatment occurs, use gravel or crush (compatible with wheel chair accessibility wherever possible) in high traffic areas to prevent erosion
- Encourage permeable surfaces, wherever feasible

WALKING	
Purpose	<ul style="list-style-type: none"> • provides pedestrian access to mildly sloped terrain
Level of use	HIGH
Type of use	walking, jogging
Location	<ul style="list-style-type: none"> • connects to Boardwalk • provides connections and recreational opportunities through strata open space
Width	1.0-1.8m
surface	<ul style="list-style-type: none"> • pavers or concrete, • native soil and crushed limestone or gravel, or • wood decking
Slope	<ul style="list-style-type: none"> • ideally 5% / maximum 10% grade and short pitches up to 12%
Access	<ul style="list-style-type: none"> • universal access where feasible
Buffer	<ul style="list-style-type: none"> • landscape or distance buffers adjacent to residential uses
DRAINAGE	<ul style="list-style-type: none"> • 1-2% cross slope • shallow swale on uphill side or culverts every 50-100m every 100- 150m
Surfacing Depth	<ul style="list-style-type: none"> • concrete surfacing depends on subsurface • soil or crush should be 50-75mm
Clearing Width	<ul style="list-style-type: none"> • 3.0-3.8m (1.0m each side)
Vertical Clearance	<ul style="list-style-type: none"> • minimum 2.5m
sight Lines	<ul style="list-style-type: none"> • minimum 20m
Variations	<ul style="list-style-type: none"> • surface materials vary depending on pathway location and purpose
Associated park features	<ul style="list-style-type: none"> • outdoor furniture: benches, garbage receptacles • orientation information and educational signage

5 PATHWAY PLANNING + DEVELOPMENT

These Standards provide general directions for pathway construction; it is recognized that implementation may require adjustments. Future detailed design will be completed at the construction stage, under the supervision of a registered professional where required.

5.1 Pathway Siting

Many factors influence the specific siting and placement of paths, including connections to existing trails and parks, existing site conditions, soil type, environmental sensitivity and biophysical conditions, hillside slopes, vegetation and drainage conditions.

To limit environmental impact and reduce cost, pathways will utilize existing routes wherever possible. Where unofficial trails intrude into Environmentally Sensitive Areas, preferred routes will be designated, and unofficial trails will be decommissioned or discontinued.

Pathways will be designed to complement and respect the landscape. Natural features, such as rocks and logs, will be incorporated into the design to denote edges and pathway direction, and also to provide visual interest. The resulting pathway will appear to be directed by the landscape.

Steep or unstable slopes, as well as erodible soils, will be avoided. Retaining walls may be required to prevent side slopes from slumping onto trails, but will be avoided wherever possible by working with the terrain.

5.2 Drainage

Drainage is a critical component of pathway design, and if executed properly, lessens the impact to the environment while improving trail lifespan. Proper grading and site preparation enables water to flow across the trail, minimizing erosion.

The type of drainage utilized depends on the pathway location and soil types, but will include swales or culverts. Where pathways are situated on sloped hillsides, a shallow swale will be constructed on the uphill side of the pathway. Where pathways are situated on flat terrain and natural soils do not promote drainage, swales will be required on both sides of the pathway.

Culverts should be considered where pathways cross small ephemeral or intermittent watercourses, where bridges and raised walkways are not necessary or feasible. Where required, culverts should be regularly spaced on the trail to divert water. Based on slope angle, culvert spacing on multi-use paths will be between 100 and 150 metres, and on walking paths every 50 to 100m. Culverts are not required for the forested walk. In order to minimize water damage, pathways will avoid slope fall lines.



5.3 Pathway turns

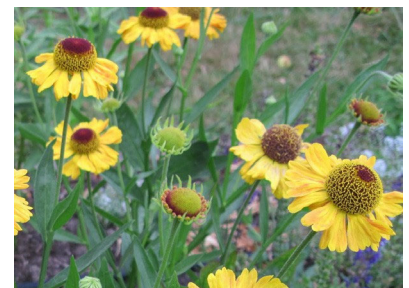
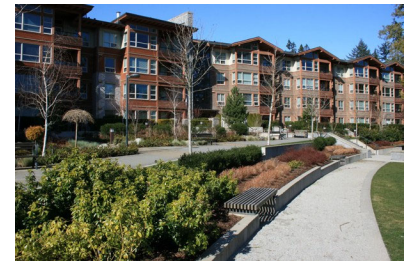
To ensure visibility, safety and adequate sight lines on the boardwalk, multi-use, and walking paths, turns will be minimized. Minor turns add an element of mystery to pathways as one continues on to see what is around the corner. However, adequate visibility will be ensured.



5.4 Landscaping

Natural and planted vegetation along a trail enhances the aesthetics and character of the pedestrian network, and buffers pathways from adjacent land uses. Vegetation will be balanced with safe vertical and horizontal clearance requirement and sight lines so that pathway users can see what's ahead and anticipate trail conditions. The landscape treatment and clearance width depends on the type of pathway and surrounding area. The following guidelines apply to all landscape treatments:

- Installation and maintenance practice must conform to Canadian Landscape Standards and applicable Regional District of Nanaimo standards.
- No trees or shrubs shall be planted within the vertical or horizontal Clearances as specified in the Pathway Standards.
- Plant masses will be not be planted where they impede visibility along the trail.
- Native replanting will be required in natural areas for restoration and screening.
- Changes in drainage patterns will be minimized.
- Trees planted near trails should not damage trail surfaces or bases. Root barriers along the trail adjacent to the tree should also be used to prevent roots from growing under hard trail surfaces.
- Where pathways are close to residential properties, plantings will be used for privacy screening, trail softening and enhanced aesthetics. However, tall and dense plantings will be avoided for safety and security reasons.

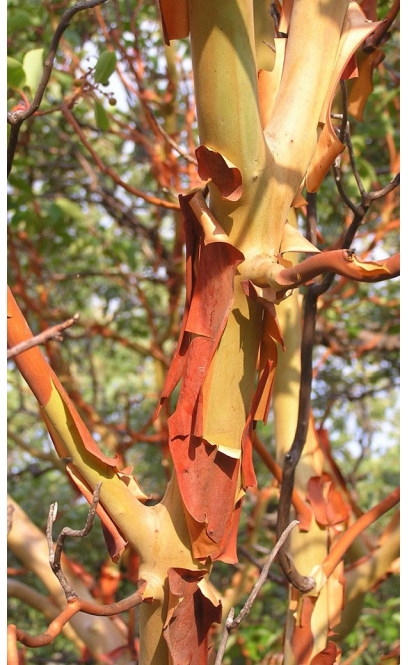


5.5 Trees and Vegetation Protection

Trees and vegetation add to the aesthetic and environmental value of recreational areas and the surrounding trail system. Care will be taken to protect trees where they do not negatively impact the routing, safety and clearance of trails. The following guidelines help to preserve trees:

- where possible, pathways will be routed around the drip line of highly significant trees.
- Trees or tree roots that are to be retained will be protected during trail construction.
- For paved trails, all roots will be removed below the surface in preparing the sub-grade.
- Root barriers will be used to protect both trees and trails.

For further direction on tree planting procedures, refer to Regional District Nanaimo requirements.



5.6 Retaining Walls

Retaining walls will be used to prevent side slopes from slumping onto paths or boardwalks. As much as possible, retaining walls will be avoided through trail siting and grading. Where walls must be installed, proper drainage and anchoring must be in place. Furthermore, any wall over 1.2m may need a railing. Mechanically Stabilized Earth (MSE) will be considered to eliminate the need for retaining walls.



6 Pathway Access + Interface

6.1 Barriers and Fences

Bollards, posts and sleeves, and gates may be used to direct pedestrian movement and preclude vehicle access on pathways. In universally accessible locations, they will allow for wheelchair access.

Where access for emergency or service vehicles and parks equipment access is required, barriers will be removable. Bollards, or posts and sleeves are the most common removable barrier and should be located at most trail heads.

Where vehicle access is a consideration, multi-use pathways will use post and sleeve barrier types. Barrier posts will be installed in odd numbers so that the centre post is positioned in the centre of the trail. Barrier posts may be fixed or removable. Pavement markings will be used to delineate posts.

Wood rail fences are used primarily to define setbacks from ESAs, protect sensitive areas and delineate private property. Low wood rail fences may also be located at viewpoints to define access yet maintain views and aesthetics. Wood fences will also be used to define circulation and prohibit access to hazards and ESAs.



6.2 Pathway Buffers

Many pathways in Schooner Cove are located adjacent roads and residential areas. Where sections of the multi-use pathway are located adjacent to road right-of-ways and residential uses, buffers or landscaping will be used to separate public and private realms. Good sightlines and Crime Prevention through Environmental Design (CPTED) Guidelines will be implemented for all trail types.

Minimum buffers from road right-of-ways are listed in the table below:

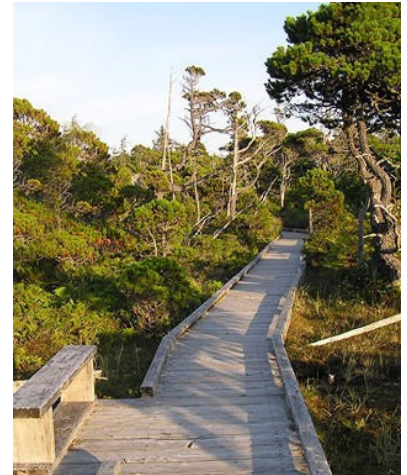
road type	minimum Buffer
Low volume (under 50km/h)	0.5m
Low volume with on-street parking	0.75m
Moderate volume (under 60km/h)	1.0m



6.3 Universal Access

The following guidelines must be taken into consideration in the design, construction and maintenance of pathways to encourage physical accessibility where reasonably feasible due to existing topography.

- Where possible slopes should not exceed 5% for long distances. Landings should be provided if the slopes exceed these grades.
- Surfacing will be uniform with no obstructions or depressions.
- Signs, light standards, power poles, power boxes, mail boxes, and bus stops can all obstruct the flow of a wheelchair or stroller. Install structures with consideration of their visual and physical impacts.
- Curb cuts will be provided where trails cross roads, where required.
- Bollards, baffles and other barriers will be spaced in such a way that a wheelchair can pass.
- Select rest areas and seating will allow wheelchairs and others to pull off the trail.
- Best Management Practices for specific accessibility and bicycle design details apply.



6.4 Pathway Street Crossing

The locations where pathways cross streets are a critical safety site for both trail users and vehicles. Several crossing treatments will be implemented to assist pathway users in safely continuing on the pathway and minimizing vehicle conflicts. The type of crossing depends on the pathway type, streets volumes, and streets design

Signed crossings are common where pathways intersect major streets with low traffic volumes. Signs and crosswalk markings will be used to indicate the crossing and improve safety.

Pathway crossings will be located at intersections and mid-block sites. Where pathways are located parallel to streets, crossings will occur at intersections or as close to intersections as possible in order to maximize crossing visibility. Mid-block crossings will also be located to maximize visibility for approaching motorists with adequate signing and illumination (and possible median islands) to increase safety and visibility. The pathway crossings will also occur at right angles to the roadway.

Pathway intersections will be well marked for both pathway users and vehicles. Signage is used to alert multi-use pathway users to stop and dismount (if on bikes). As referenced in the Barrier and Fencing section of this document, post and sleeve vehicle barriers on multi-use pathways at road intersections will be placed in odd numbers with the centre post in the centre of the pathway.



7 PATHWAY Features + Structures

7.1 Structures

The following will be implemented in all pathway types:

- Lumber used in pathway structures will be pressure treated lumber or dimensional cedar.
- To reduce risk of leaching toxic preservatives, piles in saturated soils/water will not be constructed of treated wood.
- When using cedar, walking surfaces will be rough sawn to reduce slipperiness when wet and metal-expanded grates or similar treatment should be used to prevent slipping.
- Decking will be perpendicular to the direction of travel.
- wood handrails must be sanded and bevelled as required so the railing can be grasped easily.
- where the railing is adjacent to a viewing site, it will be rounded or angled to provide comfortable leaning.
- Metal used for fences, bollards, and baffles will be aluminum or welded, powder coated, galvanized or have two coats of marine enamel. Metal fasteners will be hot dip galvanized or aluminum.
- Fasteners will be placed to avoid sharp edges and potentially snag clothes.
- Posts will be set into post saddles that have been grouted into rock or places in concrete footings.
- Railings where required will be built according to BC Building Code.
- Stair railings will be in accordance with applicable codes.



7.2 Rest Areas and Destinations

Rest areas and destination points along pathways provide opportunities for sitting, socializing and passive recreation such as wildlife and scenery viewing.

Destination points are meant to provide a sense-of-arrival within the pathway network, and may include seating areas, public art, planters and landscaping and garbage bins.

Rest areas generally consist of a bench on a flat pad, and are placed at least 500m apart. The design of the area depends on the type of pathway, and site specific conditions such as soils, slope, views, vegetation, interpretive opportunities and adjacent lands uses and features.

The exact model of benches, bike racks, and waste receptacles depends on the budget and character of each site, but will reflect the high quality amenity proposed.



7.3 Stairs

Steps and staircases will be utilized for steep sections of pathways. Step construction and material depends on the site's drainage and soil or rock substrate. Stairs will be constructed from wood, wherever feasible. The following general guidelines apply:

- All steps to have a rise and run in accordance with applicable codes.
- Landings to be provided in accordance with applicable codes.
- Handrails will be provided in accordance with applicable codes.



7.4 Pathway Signage

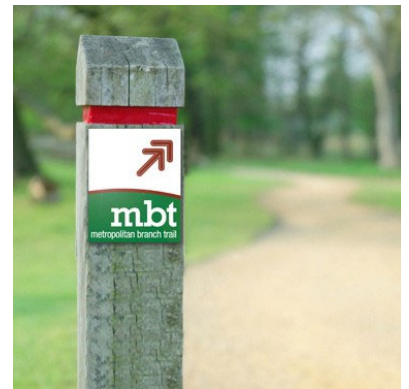
Signage is an important directional and character defining element of a pathway. Sign types include:

- Entry signs;
- Informational providing open space and boardwalk regulations;
- kiosks with orientation maps;
- Directional and distance;
- Seasonal or warning; and
- Interpretive/Educational signs which celebrate the natural and cultural heritage of Schooner Cove.

Interpretive signage will be used throughout the network to foster understanding of, and respect for, sensitive areas that need to be protected. In addition to providing information on the local ecology, signage reinforces why people and their pets should respect the marine ecology.

The following general guidelines apply to the placement of signs along pathways:

- Maps and kiosks will be located at all major trail heads and intersections, and will include the pathway name, regulations and permitted uses, a map of the pathway network and specific “you are here” location.
- Pathway name signs and direction/distance markers will be placed at major trail crossings and km intervals.
- Interpretive signs will be located at points of interest, ESAs, and/or rest areas.
- Although most park regulations are posted at the kiosk, hazards along the pathways, pedestrian crossings at intersections, and permitted trail user groups will be clarified through signage along the pathway.
- 2.1m is optimal height for sign legibility (excluding pathway markers). where possible, sign placement will be obvious but not obtrusive. Signs will be consolidated as much as possible to avoid sign clutter along pathway.



7.5 Bridges and Boardwalks

The boardwalk is an integral component of the network, not only to provide waterfront access but also to function as a landmark and viewing platform, while adding to the maritime character of Schooner Cove. The design of the structure depends on the height of the structure and expected load.

Handrails and Railings requirements shall conform to the BC Building Code.

The deck is generally wood but a half-meter section of expanded metal in the centre can be used to add extra tread. Decking material will be rough cedar or treated lumber.

Boardwalks will be aligned along the path so that users do not have to make sharp turns at the end of the bridge. The intersection between the bridge and trail will also be clear to ensure user safety.

If used, observation decks will bow outward from the running boardwalk to create an outward focus. End decks are suitable on the end of spurs. Decks on both side areas are useful for viewing and can aid in traffic flow in busy sections. Decks on one side focus visitor attention and allow passing points for traffic.

Abutments are precast concrete or wood; however, they should be kept as small as possible and screened with riparian vegetation to ensure a minimal presence. Re-vegetating the site also slows erosion and stabilizes the bank.

All construction in riparian areas must be completed during the fisheries window, in accordance with the Fairwinds' Lakes District and Schooner Cove Neighbourhood Plans Environmental Assessment (Pottiger Gaherty Environmental Consultants Ltd 2010), and with approval of Senior Government Agencies. Adequate silt measures must be utilized to ensure that no material is disturbed into the watercourse.

8 Pathway Construction

8.1 Pathway surfacing

The material used for pathway surfacing varies according to proposed use and level of traffic, and recommended material is listed in the Pathway Standards for each type. Permeable materials will be used wherever possible in order to allow groundwater infiltration, reduce cost, complement the existing landscape and reduce the speed of traffic.

Pathway surfacing is recommended for the Multi-use Pathway. However, application of surface materials can be reduced or eliminated for the walking Path, if the trail is located on well drained and coarse textured soil, and in areas of reduced traffic.



8.2 Clearing and Grubbing

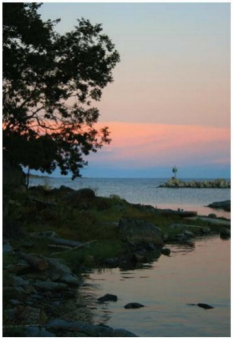
Requirements for clearing and grubbing largely depend on the pathway standard being implemented the types of soil and vegetation present. Slope is not generally a significant factor unless slope exceeds a gradient of 50% and full bench cuts are required.

Trail dozers or excavators are generally designed to clear and grub trails that are 1.2m to 1.8m wide. Narrower pathways may need to be hand built, especially in and around environmentally sensitive areas where removal of vegetation should be minimized. In locations where trails are planned on flat terrain, additional fill may be required to ensure proper drainage and smooth surface.



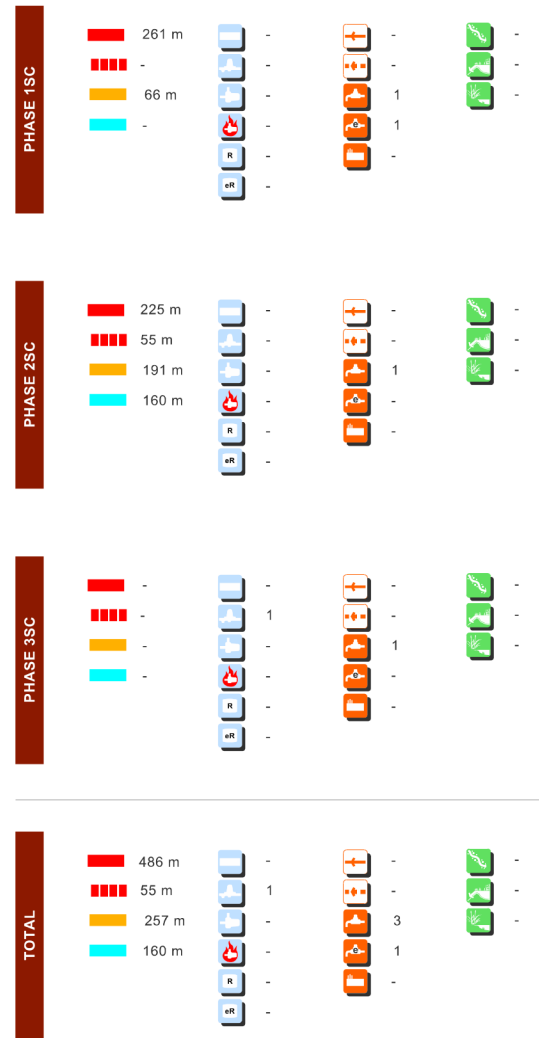
8.3 Equipment

A variety of trail building machines are available which can reduce building costs. Trail dozers or excavators are suitable for constructing the Multi-use and walking paths. Many machines have multiple attachments, including both blade and excavator arm, which can increase their versatility and eliminate the need for more than one piece of equipment. Operator experience is important to ensure that construction is safe, efficient and environmentally responsible.

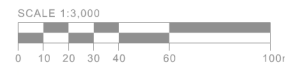
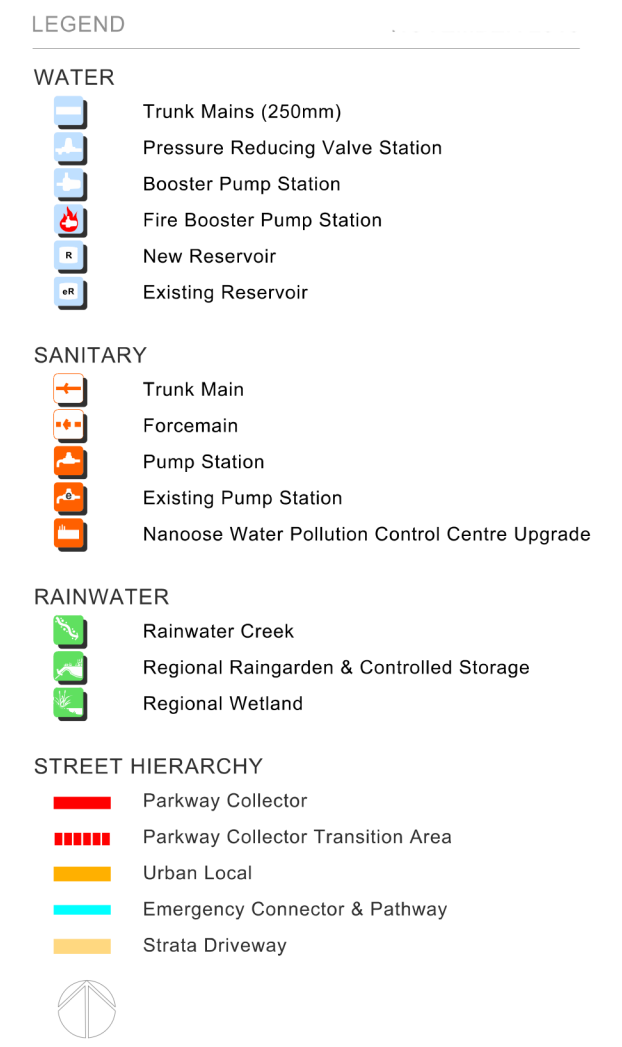
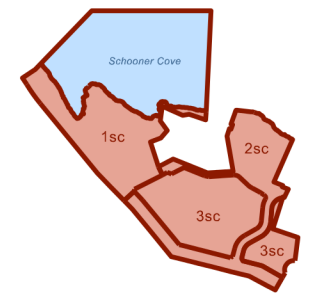


SCHEDULE "K": SCHOONER COVE INFRASTRUCTURE PHASING PLAN

SCHOONER COVE ALL PHASES



SCHOONER COVE INFRASTRUCTURE PHASING SCHEDULE "K"



SCHEDULE "GG": MEMORANDUM OF UNDERSTANDING

MEMORANDUM OF UNDERSTANDING
REGARDING
FAIRWINDS LAKES DISTRICT AND SCHOONER COVE IMPLEMENTATION MATTERS

THIS MEMORANDUM OF UNDERSTANDING is entered into this 23rd day of July, 2014.
BETWEEN:

BCIMC REALTY CORPORATION
("BCIMC")

AND:

3536696 CANADA INC.
("3536696")

(BCIMC and 3536696 are collectively the "Owner")

AND:

REGIONAL DISTRICT OF NANAIMO

(the "Regional District")

(collectively, referred to as the "Parties")

WHEREAS:

A. This Memorandum of Understanding describes presently anticipated future steps and processes regarding various matters that could be expected to arise in the event of the adoption by the Regional District of:

- (a) three amending bylaws to the Regional District's Land Use and Subdivision Bylaw, and
- (b) a Phased Development Agreement authorization bylaw,

that have been applied for by the **Owner** in connection with the **Owner's** Fairwinds Project, as outlined in the Recitals to the proposed Phased Development Agreement ("PDA");

Qualifications

B. By entering into this Memorandum of Understanding, the parties are not making, and do not intend to imply, any form of commitment regarding the future steps and processes spoken to, but rather are simply seeking to distill and summarize their present thinking in light of existing **Regional District** policy, and the extensive technical work and analysis performed to date;

C. The **Regional District** and the **Owner** acknowledge and agree that:

- (a) a public hearing process is a prerequisite to Regional Board adoption of the amending bylaws and of the PDA authorization bylaw, and those bylaws accordingly may or may not be adopted by the Regional Board, and, even if adopted, may or may not be altered prior to adoption;
- (b) some of the other matters referred to in this Memorandum of Understanding are subject to decisions by the Regional Board (such as services to be provided, service areas, local service taxes, development cost charges), and are also subject to various forms of public process, and hence the decisions the Regional Board may make regarding those matters cannot be anticipated;
- (c) others of the matters referred to are subject to the jurisdiction of third parties (such as the Approving Officer, the Ministry of Transportation and Infrastructure, the Ministry of Environment, or the Ministry of Community, Sport and Cultural Development), which may also be exercised in a variety of ways, that at present cannot be anticipated; and
- (d) **this Memorandum of Understanding accordingly does not, and is not intended to, in any way limit the discretion of the Regional Board regarding such matters.**

(collectively, the “**Qualifications**”)

Context

D. At the same time, the **Regional District** and the **Owner** consider that this Memorandum of Understanding is useful given that:

- (a) the **Regional District** has adopted a number of Bylaws following substantial public processes and that set Regional District policy related to the Fairwinds Project, which Bylaws include:
 - (i) the Regional District of Nanaimo’s Regional Growth Strategy Bylaw (“**RG**S”);
 - (ii) the Nanoose Bay Official Community Plan Bylaw (“**OC**P”); and
 - (iii) the Lakes District Neighbourhood Plan Bylaw; and
 - (iv) the Schooner Cove Neighbourhood Plan Bylaw;
- (b) the policies contained within those Bylaws are important to advancing many of the **Regional District’s** sustainability goals;
- (c) the Neighbourhood Plans contemplate zoning amendment bylaws and a **PDA** for the Fairwinds Project, and various of the other matters referred to in this Memorandum of

Understanding as well as the provision by the Owner of substantial park land, park improvements, and other amenities;

- (d) the presently anticipated future steps and processes set out in this Memorandum of Understanding reflect the kinds of possible future steps and processes that one would in the normal course anticipate in order to advance the implementation of **RGS, OCP** and Neighbourhood Plans, and the **Regional District's** sustainability goals, in the context of the Fairwinds property that is the subject of the Owner's applications;
- (e) in order for the Fairwinds Project to successfully proceed, a number of practical considerations must be accounted for, including:
 - (i) constraints on immediately available water supply;
 - (ii) constraints on sewage treatment capacity;
 - (iii) the fact the **Regional District** does not presently provide a storm drainage service and stormwater systems within road rights-of-way fall within the jurisdiction of the MoTI;
 - (iv) the fact the proposed road system is within the jurisdiction of the Ministry of Transportation and Infrastructure;
 - (v) the fact the Approving Officer with jurisdiction over subdivision is not a **Regional District** official, but rather a Provincial official; and
 - (vi) the substantial investment the **Owner** would need to make at an early stage to address transportation and other infrastructure requirements, if the Fairwinds Project is to proceed;
- (f) the **Owner** and **Regional District** and their staff and consultants have undertaken substantial analysis from a planning, engineering and environmental perspective in determining how the **RGS, OCP, Neighbourhood Plans**, and other **Regional District** policies applicable to the Fairwinds Project, can best be advanced;
- (g) the **Owner** has entered into this Memorandum of Understanding because it wishes to ensure that appropriate forethought has been given to possible future steps and processes, in light of the practical considerations noted above and the substantial level of investment that it would need to make during the early stages of development, in the event the Fairwinds Project proceeds, **while wholly acknowledging and accepting the Qualifications**; and
- (h) the **Regional District** has entered into this Memorandum of Understanding because it wishes to provide the **Owner** and the public with a degree of clarity regarding presently

anticipated future steps and processes, and also wishes to ensure that appropriate forethought has been given to possible future steps and processes, and the broader implications the Fairwinds Project would entail, **again all subject to the Qualifications.**

(collectively, the “**Context**”).

NOW THEREFORE, THE **PARTIES** AGREE AS FOLLOWS:

A. Effect of this Memorandum of Understanding

1. The **Parties** agree that this Memorandum of Understanding, and each of the terms set out hereinafter:
 - (a) are nothing more than a record of presently anticipated future steps and processes, including, in some instances, indications of the policy directions that **Regional District** staff and the **Owner** are recommending based on existing Regional District policies and the planning, engineering, environmental and other technical and related analysis that has taken place; and
 - (b) **are in each and every instance subject to the Qualifications, and are not in any way legally binding on either of the Parties.**

B. Overview, Definitions and Schedules

B.1 Overview

2. This Memorandum of Understanding deals with the following topics:
 - (a) integrated stormwater management (Part C);
 - (b) transportation (part D);
 - (c) water supply (Part E);
 - (d) sanitary sewage (Part F); and
 - (e) parks (Part G).

B.2 Definitions

3. The provisions hereof utilize the terms defined below:
 - (a) **Approving Officer:** the Provincial Approving Officer;

- (b) **DCC:** development cost charge;
- (c) **ERWS:** Phase 1 of the Englishman River Water System, being a proposed new intake and filtration on/adjacent to Englishman River, as well as associated storage infrastructure (planned as aquifer storage and recovery) to supply water to Parksville and the Regional District, including Electoral Area E. A fundamental component of the ERWS is the present Arrowsmith Water Service, which consists of the existing Arrowsmith Lake dam, licensed storage capacity in Arrowsmith Lake, and Englishman River intake;
- (d) **Fairwinds Project:** the development of the Owner's lands in keeping with the Neighbourhood Plans, and does not include completed homes or other developable land within the existing Fairwinds neighbourhood;
- (e) **Infrastructure Phasing Plans:** the Infrastructure Phasing Plans that are included as schedules to the **PDA**;
- (f) **Integrated Stormwater Management Plan or ISMP:** as defined in the **PDA**;
- (g) **KWL:** Kerr Wood Leidal, Professional Engineers;
- (h) **Lakes District:** the Lakes District land that is the subject of the Lakes District Neighbourhood Plan (Regional District Bylaw 1400.05), as defined in the **PDA**;
- (i) **MoCSCD:** BC Ministry of Community, Sport and Cultural Development;
- (j) **MoE:** BC Ministry of Environment;
- (k) **MoTI:** BC Ministry of Transportation & Infrastructure;
- (l) **MoTI Preliminary Commentary:** the preliminary commentary provided by the **MoTI** to the **Owner** under heading D hereof, as outlined in April 30 and July 10 2013 letters, which commentary was provided in the context of the:
 - (i) **'Schooner Cove Parkway Design Package'**;
 - (ii) **'Project-Specific Street Standards'**;
 - (iii) **Fairwinds Lakes District Project Specific Design Sheets** dated October ◆, 2013; and
 - (iv) **ISMP**referenced in the **Schedules**;
- (m) **NBPWS:** Nanoose Bay Peninsula Water System, operated by the Regional District;

- (n) **NBPCC:** Nanoose Bay Pollution Control Centre, being the sewage treatment plant, operated by the **Regional District**;
- (o) **Neighbourhood Plan:** either the Schooner Cove Neighbourhood Plan or the Lakes District Neighbourhood Plan, both of which form part of the Nanoose Bay Official Community Plan;
- (p) **1997 Development Agreement:** an agreement entered into between the **Regional District** and Fairwinds Development Corporation dated January 27, 1997;
- (q) **Owner:** 3536696 Canada Inc., bcIMC Realty Corporation or affiliate companies;
- (r) **Owner's Land:** the Lakes District land and the Schooner Cove land;
- (s) **PLA:** Preliminary Layout Approval by the Approving Officer;
- (t) **Regional District:** Regional District of Nanaimo, being the local government of Nanoose Bay Electoral Area E;
- (u) **RVC:** The Fairwinds Rural Village Centre area, formerly the Fairwinds & Schooner Cove Urban Containment Boundary areas (collectively), per the **RGS**, which comprises the areas covered by the Lakes District, Schooner Cove and existing Fairwinds neighbourhoods;
- (v) **SA:** Service Area;
- (w) **Schooner Cove:** the Schooner Cove land that is the subject of the Schooner Cove Neighbourhood Plan (Regional District Bylaw 1400.04), as defined in the **PDA**;
- (x) **Subdivision Servicing Standards:** the area specific subdivision servicing provisions related to the **Fairwinds Project**, such as are contained within an amendment bylaw applied for by the **Owner** that is presently in process;
- (y) **TIS:** Transportation Impact Study, included as a technical appendix to the Neighbourhood Plans;
- (z) **VIHA:** Vancouver Island Health Authority;
- (aa) **Wallbrook:** The site located at 1610 & 1634 Northwest Bay Road, including 4 groundwater wells thereon (FCR 2-07 (Well tag No. 16523), FCR 3-08 (Well tag No. 25682), FCR 4-08 (Well tag No. 25685) and (FCR 5-08 (Well tag No. 25683)) all currently owned by the **Owner**, but excluding the Wallbrook 1 (formerly Madrona 7) well which was previously dedicated to Regional District;
- (bb) **Water DCC Bylaw:** a Development Cost Charge Bylaw for water as contemplated herein;

- (cc) **Zoning Amendments:** the zoning amendment bylaws for the Lakes District and Schooner Cove that have been applied for by the **Owner** and that are presently in process.

B.3 Schedules

4. The provisions hereof also utilize the following schedules, which are appended hereto:

- Schedule 1 **Integrated Stormwater Management Plan (ISMP)** - Lakes District and Schooner Cove – Refer to Schedule “DD” of the PDA
- Schedule 2 **Schooner Cove Parkway Design Package:**
- (a) Schooner Cove Drive Alignment Plan and Vertical Profiles
 - (b) Cedar Creek Bridge Crossing
 - (c) Schooner Cove Drive Cross Sections
- Schedule 3 **Project-Specific Street Standards**
- Schedule 4 **Lakes District and Schooner Cove Project Specific Design Sheets** (MoTI format) dated November 25, 2013
- Schedule 5 **Density & Sewer Service Records** (for completed development within the Fairwinds RVC)
- Schedule 6 **Servicing Standards** – Project-Specific Standards to:
- (a) Community Sanitary Sewer System Standards (Schedule 4D1, to the bylaw amendment presently in process)
 - (b) Community Water System Standards (Schedule 4C1, to the bylaw amendment presently in process)
 - (c) Community Streetlighting System Standards (amended draft Regional District Bylaw 500 Schedule ♦)
 - (d) Template Agreements:
 - Appendix 1 Subdivision and Servicing Agreement
 - Appendix 2 Maintenance Agreement
 - Appendix 3 Latecomer Agreement
 - Appendix 4 Transfer Agreement
 - Appendix 5 Fire Hydrant Use Permit
 - Appendix 6 Fire Hydrant Certification Form
 - Appendix 7 Approved Products List – Public Water Systems
- Schedule 7 **Other Nanoose Water Works:** [table listing offsite infrastructure works set out in the draft **NBPWS** DCC Report by Koers & Associates dated May 14 2012, other than treatment of the **Claudet** wells]
- Schedule 8 Analysis of **NBPWS** Water Supply Needs to Buildout by Koers & Associates dated July 3, 2013

Schedule 9 Wallbrook Groundwater Well Approval Process

C. INTEGRATED STORMWATER MANAGEMENT

5. The **Owner** and **Regional District** staff are generally supportive of the approach set out in paragraphs 6 through 8 hereof, as regards the following aspects of storm drainage:
- (a) storm drainage works, and timing of construction (C.1); and
 - (b) the funding of operation and maintenance (C.2).

C.1 Integrated Stormwater Management Plan & Construction of Storm Drainage Works

NP references: LD 4.3.3(a), SC 4.3(a)

6. Storm drainage works are anticipated to include, inter alia, rainwater creeks (both natural and man made), regional raingardens and controlled storage, and regional wetlands.

C.2 Financing of Stormwater Operating costs and Other On-going Costs – SA.

NP references: LD 4.3.3(e)

7. The **Regional District** anticipates establishing a stormwater service in the **Lakes District** area, and providing a stormwater service.
8. The **Owner** (which owns more than the requisite 50% of the lands having more than 50% of the assessed value) and the Regional District anticipate establishing a **SA** to fund the operating costs and repair and replacement of the storm drainage system (including mains and ponds) on the lands comprising the **Owner's Land**. The Owner intends to petition the **Regional District** board to establish such on the following basis:
- (a) charges to be based on a flat rate (equal amount per parcel) parcel tax (to reflect that the operational costs only arise when a phase proceeds, and only arise regarding the phases that have proceeded);
 - (b) the **SA** for the operating and maintenance costs of the stormwater regime may be combined with and form part of the same **SA** as that for transportation works referred to at paragraph 14 hereof; and
 - (c) to assist the **Regional District** in estimating such operating and maintenance costs, the **Owner** shall provide operation and maintenance (repair and replacement) cost estimates.

D. TRANSPORTATION

9. The **Owner** and **Regional District** staff are generally supportive of the approach set out in paragraphs 12 through 19 hereof, as regards the following aspects of transportation infrastructure:
 - (a) road works and timing of construction (D.1);
 - (b) funding of operation and maintenance (D.2);
 - (c) **MoTI** policy (D.3); and
 - (d) Parking (D.4).

10. The approach set out under headings D.1 to D.3 below reflect the **Context** and also the technical analysis undertaken by the **Owner** and reviewed by the **Regional District**, and previous submissions by the **Regional District** to the **MoTI** and **MoCSCD**.

11. The approach set out under headings D.1 to D.3 also reflects:
 - (a) the **MoTI Preliminary Commentary**, provided with regard to:
 - (i) the **SC Parkway Design Package**;
 - (ii) the **Project-Specific Street Standards**;
 - (iii) the **Lakes District and Schooner Cove Project Specific Design Sheets**; and
 - (iv) the **ISMP**;
 - (b) confirmation by the **MoTI** dated August 28, 2013 that it will accept, operate, repair and replace sidewalks within the portion of the area comprising the **Owner's Land** which are to be within the **MoTI** right of way; and
 - (c) indications provided upon review by the **MoTI** and **Regional District** that the **Regional District** will manage, with the approval of MoTI, the following elements located within the **MoTI** right of way:
 - (i) street trees, rain gardens/ponds & other landscaping within boulevards & islands;
 - (ii) street lighting;
 - (iii) signage (other than **MoTI** signage or **Owner's** signage); and

pipes/conduits located beneath the road carriageway (i.e. water, sanitary, and stormwater); and

- (d) preliminary confirmation by the **Regional District** of the proposed funding of **Regional District** operating and management costs by way of **SA(s)**.

D.1 Road Improvements & Construction

NP references: LD 4.1.1(a), SC 4.1.1(a)

(1) Schooner Cove Parkway

- 12. The **Parties** presently anticipate that the **Owner** will construct Schooner Cove Parkway on a phased basis as generally outlined in the **Schooner Cove Parkway Design Package** including:

- (a) rough-in of the Schooner Cove Parkway road alignment, including Cedar Creek ravine crossing;
- (b) establishment of a Statutory Right of Way in favor of **MoTI**, prior to (or contracted to be built upon) "Subdivision" as defined in the **PDA**, on the basis that the roughed-in road will only be used for construction traffic and that the road will be privately maintained; and
- (c) completion of construction, and dedication for public use, as each Sub-Phase proceeds, as generally shown on the **Infrastructure Phasing Plans**.

(2) Onsite Improvements

- 13. The **Parties** presently anticipate that the **Owner** will construct all on site road improvements (including, but not limited to, the completion of Schooner Cove Parkway), and will construct and dedicate all collector roads, local roads, lanes and emergency roads on a phased basis as generally shown on the **Infrastructure Phasing Plans**, to the standards referenced in the **MoTI Preliminary Commentary**, and including the accompanying **ISMP** works.

D.2 Financing of Operating and Other On-going Costs for 'Behind the Curb' Elements within Road RoW

NP references: LD 4.1.1(h), SC 4.1.1(g)

- 14. The **Owner** (which owns more than the requisite 50% of the lands having more than 50% of the assessed value) and **Regional District**, anticipate establishing a **SA** (or agreeing to amend an existing **SA**) to fund the operating costs and repair and replacement of the street lighting, boulevard, street trees and landscaping in the area comprising the **Owner's Land**. The Owner intends to petition the Regional District board to establish such on the following basis:

- (a) charges to be based on a flat rate (equal amount per parcel) parcel tax (to reflect that the operational cost only arises when a phase proceeds (and has only arisen regarding the phases that have proceeded); and
 - (b) the **SA** for the operation of such transportation elements may be combined with and form part of the same **SA** as that for storm drainage works referred to at paragraph 9 hereof.
15. In acknowledgement of the letter dated August 28, 2103 from Minister Stone confirming MoTI's commitment regarding sidewalks, the **SA** will not apply to the operation, repair and replacement of sidewalks within the portion of the area comprising the **Owner's Land** which is to be within the **MoTI** right of way, per the **MoTI** advice in the **MoTI Preliminary Commentary** that it will be responsible for same.

D.3 MoTI policy

16. The **Owner** and **Regional District** will seek to have the **MoTI** more formally adopt
- (a) the **SC Parkway Design Package**;
 - (b) the **Project-Specific Street Standards**;
 - (c) the **Lakes District and Schooner Cove Project Specific Design Sheets**; and
 - (d) a program for storm water management in accordance with the goals, objectives and performance criteria of the **ISMP**;

as **MoTI** policy, as regards the **Owner's Land**, to enable the consideration of subdivision applications by the **Approving Officer** to occur in light of such policy. The **Regional District** will seek to enter into an implementation agreement pursuant to section. 868 of Part 25 of the *Local Government Act* with **MoTI** to support the formal application of 17 (a-c) by MoTI and the **Approving Officer**, when considering subdivision in the **Lakes District** and **Schooner Cove** as outlined in the **Neighbourhood Plans**.

(NP references: LD 4.1.1(c), SC 4.1.1(c))

17. The **Owner** and the **Regional District** will support the application of the following in submissions made to the **Approving Officer** as regards subdivision applications related to the **Owner's Land**:
- (a) the **SC Parkway Design Package**;
 - (b) the **Project-Specific Street Standards**; and
 - (c) the **Lakes District and Schooner Cove Project Specific Design Sheets**;

18. The **Owner** will seek **MoTI** approval of the Fairwinds **RVC** area as a designated low speed vehicle (LSV) area. (NP references: LD 4.1.1(m), SC 4.1.1(h))

D.4 Parking Requirements – Potential Future Reductions.

NP references: LD 4.1.1(g), LD 4.2(a), SC 4.1.1(f)

19. The **Parties** presently anticipate that, to encourage the successful implementation of **Neighbourhood Plan** initiatives relating to alternative forms of transportation (including low speed vehicles, public transit, car-sharing cooperatives, etc.), the **Regional District** may consider reduced parking requirements (ratios and types of stalls) for future commercial developments where it can be demonstrated through a shared use parking study that there is ‘surplus parking’ in completed developments. In particular, for commercial uses:

- (a) the extent of any ‘surplus parking’ will be determined by a parking usage survey of completed and occupied development projects within the **Neighbourhood Plan** areas, conducted by a qualified professional; and
- (b) such surveys will be undertaken during peak periods of a typical week (50th percentile of annual usage), and will consider parking space occupancy, usage/turnover, accumulation patterns, and other characteristics.

Further, in the event that the Owner submits a development permit for Schooner Cove Phase 1 (the Village) having a commercial floor area of less than 2,325msq, the Regional District would reconsider CD45-MU off-street parking requirements for commercial uses on the basis of a revised shared-use parking study submitted by the Owner. NP reference SC 4.2.(a)

E. WATER

20. The **Owner** and **Regional District** staff are generally supportive of the approach set out in paragraphs 22 through 25 hereof as regards the following aspects of water infrastructure:

- (a) water supply sources and offsite infrastructure (E.1); and
- (b) review of criteria (E.2)

21. The approach has been arrived at in light of the **Context** and the following additional considerations, and others:

- (a) the **NBPWS** will require, in order to service both existing residents and new development, source water additions from both the **ERWS** surface water (which is projected to be operational in 2016, but not before), and additional ground water from wells;

- (b) the cost to the **NBPWS** of the **ERWS** Phase 1 is presently estimated to be \$9.75 million, being **NBPWS'** 26% share of the total \$37.5 million estimated cost for the **ERWS** (2011 \$). The **ERWS** has presently secured senior government funding of \$1.3 million, of which \$338,000 (26%) is to be applied to offset the total **NBPWS** share of **ERWS** costs;
- (c) the **Regional District** has preliminarily determined that the allocation of the capital costs of the **ERWS** between existing users and new development is to:
 - (i) reflect that additional source water (i.e. in addition to those sources currently online as of July 2013) is, to a significant extent, required to provide adequate supply to existing **NBPWS** water users;
 - (ii) have a time horizon for both capital expenditures and the projected population growth from new development, for the purposes of **DCC** calculations, of 20 years; and
 - (iii) be informed by the Professional engineering analysis of **NBPWS** water supply needs to buildout, undertaken by Koers and Associates dated July 3, 2013 (Schedule 8);
- (d) the **Parties** acknowledge that preliminary costs identified are Class D estimates, and that the scope of work, legislation, and costs may change;
- (e) the **Fairwinds Project** comprises roughly 87% of the proposed new development dwelling units in Nanoose Bay, nearly all of which is located within the **NBPWS**;
- (f) **Regional District** policy B.1.21 provides that water supply is to be identified at the point of zoning; and
- (g) the **Owner** is obligated, as a precondition to subdivision approval, to secure a water supply for the subdivision that meets the applicable water quantity and water quality standards.

E.1 Water Supply Sources & Offsite Infrastructure

NP references: LD 4.3.1(a), SC 4.3.2(a), LD 4.3.1(c), SC 4.3.2(c)

(1) ERWS

22. The **Regional District** has preliminarily indicated that in order to:

- (a) facilitate **Regional District** achieving the objectives of its Regional Growth Strategy, and the implementation of the **Neighbourhood Plans**;
- (b) better serve the residents of the Regional District and Electoral Area E; and

- (c) encourage the up-front expenditures by the **Owner** that the Development requires, it proposes to construct additional works for the **NBPWS** community water system.

(2) Development Cost Charges

23. The **Parties** intend to work towards a proposal to amend the **Regional District's** existing Bulk Water Development Cost Charge Bylaw (1998), related to the Arrowsmith Water Service portion of the **NBPWS**, and to merge that bylaw with a new **DCC** bylaw for the **NBPWS** area in accordance with the Provincial DCC Best Practices Guide, with consideration to the following points:
- (a) there would be a single DCC bylaw for all water infrastructure within the NBPWS area;
 - (b) the bylaw would include the cost of the following capital works:
 - (i) **ERWS** Phase 1, as a source addition, with a capacity to provide water to at least 2,200 new single detached units (or other equivalent having equivalent water demand), at the standards provided for in **Community Water System Standards** sections 2.1.1 and 2.1.2;
 - (ii) the **Other Nanoose Water Works**; and
 - (iii) all of the **Wallbrook** ground water wells, as source additions, provided they meet the standards noted at subpoint (d) below;
 - (c) the allocation of at least 34% of the costs of the **ERWS**, and 82% of **Other Nanoose Water Works** would be to 'existing users', and not to 'new development' as recommended in the Koers report referenced at section 22(c)(iii);
 - (d) a **DCC** apportionment to 'new development' based on unit type, to reflect the relative number of persons per household for various land uses, as set out section 2.1.1 of the **Community Water System Standards**;
 - (e) upon the construction and dedication of each **Wallbrook** ground water well by the **Owner**, the **Owner** would be entitled, further to section 935(3)(d) of the *Local Government Act* to:
 - (i) cash reimbursement to the **Owner** from the **DCC** funds collected to the date of dedication, of
 - the interest in land to be transferred to the **Regional District** in connection with such well at fair market value; and

- the cost of the improvements including all required treatment works in accordance with the **DCC** capital budget (as opposed to actual costs), which budget is expected to be based upon cost estimates for costs to complete and actual costs for completed works; and
- (ii) to the extent the **DCC** funds collected to the date of dedication are inadequate to provide for such cash reimbursement, the **Owner** would be provided with **DCC** credits against **DCCs** payable, to the full amount that had not yet been reimbursed, with such **DCC** credits continuing to be available to the **Owner** in respect of the entire **Fairwinds Project** until the full amount calculated as set out above is recovered by the **Owner**;
- (f) upon the construction and dedication by the **Owner** of any of the **Other Nanoose Water Works**, the **Owner** would be entitled, further to section 935(3)(d) of the *Local Government Act*, to cash reimbursement and **DCC** credits on the same basis.

In furtherance of the foregoing, **Regional District** staff have brought forward to the Regional Board in November, 2013 a proposal to amend the **Regional District's** existing Bulk Water Development Cost Charge Bylaw (1998).

(3) Ground Water Additions, including Quantity and Quality Standards

24. The **Parties** presently anticipate that the **Owner** will diligently pursue the addition of the **Wallbrook** wells first (in accordance with the Wallbrook Groundwater Well Approval Process set out in Schedule 9), but if any of those wells should prove not to meet the **Community Water System Standards**, or if all the **Wallbrook** wells have been dedicated to **Regional District** and **ERWS** water is not yet available to service new development, then the **Owner** may acquire, make up and dedicate other additional ground water wells in compliance with **Community Water System Standards** or as the **Regional District** may otherwise agree with respect to any surplus wells it owns.

E.2 Review of criteria

25. The **Parties** presently anticipate that, in order to assist the assessment of sustainability outcomes and conservation measures, the **Regional District** will measure, record and review actual water usage data by land use type, and available population per household data, to enable it to consider the potential for future reductions to water supply ratios due to conservation measures to be utilized in the **Subdivision Servicing Standards**. (*NP references: LD 6.1(c)*).

F. SANITARY SEWER

26. The **Owner** and **Regional District** staff are generally supportive of the approach set out in paragraphs 28 through 33 hereof as regards the following aspects of sanitary sewer infrastructure:

- (a) sewage treatment plant upgrade, expansion and replacement;
- (b) on-site sanitary sewage works; and
- (c) review of criteria.

27. The approach has been arrived at in light of the **Context**, and the following additional considerations, and others:

- (a) the **MoE** requires the **Regional District** to upgrade the level of treatment at the **NBPCC** to standards set out in the Municipal Wastewater Regulation. The mechanism for planning and implementing this upgrade is the **Regional District's** Liquid Waste Management Plan ("**LWMP**"). Authority to discharge wastewater effluent to the environment is through the **LWMP**;
- (b) the **Regional District** is in the process of amending its **LWMP**. Specific decisions related to future treatment at **NBPCC** are dependent upon the outcome of the current **LWMP** amendment process. The **LWMP** amendment must be approved by the **MoE**, and timing is therefore subject to Provincial priorities;
- (c) the **Regional District** intends to submit a **LWMP** amendment in early 2014, which, with regard to **NBPCC**, will reflect a phased approach to the upgrading of the existing capacity to secondary treatment, and the expansion of service capacity to accommodate planned growth per the **OCP**, and any Regional Board approved expansions to the service area, as follows:
 - (i) "Upgrading" refers to upgrading of the current design capacity of 1250 residential units-to secondary treatment, by replacing the existing primary treatment plant with a new facility, which will be capable of accepting/integrating with future expansions. The existing plant capacity is comprised (as at the current date) of existing users (832 subdivided residential units), and pre-purchased capacity (by the **Owner** under the **1997 Development Agreement**) of 470 residential units; and
 - (ii) "Expansion" refers to the construction of additional secondary treatment plant module(s) to accommodate the connections beyond the Phase 1 capacity derived from, first, newly subdivided units within the existing service area, and, second, any unit additions resulting from any extension of the service area, if/as

approved by the Regional Board. Depending on the pace of development and economies of scale, Expansion may:

- occur before Upgrading (in which case such may serve to accelerate the Provincial requirement for Upgrading), occur concurrent with Upgrading, or occur after Upgrading; and
 - may be completed in more than one subphase at different points in time;
- (d) there are currently no provincial or federal funding sources available to assist with funding upgrades at the **NBPCC**;
- (e) the **NBPCC** currently has a designed hydraulic capacity of approximately 1,250 residential units and provides advanced primary treatment that does not meet current Municipal Wastewater Regulation Standards. The **MoE** has the authority, through the **LWMP** process, to limit the number of units that may lawfully tie into the existing facility; and
- (f) the **Owner** is obligated, as a precondition to subdivision approval, to secure a mechanism for dealing with sanitary waste, and hence, given the limits on the present **NBPCC**, the maximum development capacity of the **Owner's Land** is approximately 470 residential units under the **1997 Development Agreement**.

F.1 Sewage Treatment Plant Upgrade and Expansion

NP references: LD 4.3.4(a), SC 4.3.4(a)

(1) Upgrade of Existing NBPCC

28. The **Parties** presently anticipate that the **Regional District** will pursue an upgrade of the existing **NBPCC** facility to secondary treatment standards, as identified through the **LWMP** amendment process.

(2) Expansion of NBPCC

29. The **Parties** presently anticipate that the **Owner** will:
- (a) first utilize the remaining capacity of the **NBPCC**, to the extent it is available; and
 - (b) if, by the time the **Owner** proposes to submit a subdivision application for which capacity at the **NBPCC** is no longer or not yet available, the **Regional District** agrees that the **Owner** may proceed on the following basis, subject to the requirements of the **MoE**:

- (i) treatment of the sewage associated with the subdivision application by way of an appropriate engineering solution funded by the **Owner** to expand capacity at the **NBPCC** site;
- (ii) treated effluent to be disposed to the **Regional District** outfall (ie – blended with existing treated effluent if needed); and
- (iii) a DCC reimbursement regime similar further to section 935(3)(d) of the *Local Government Act*, and in accordance with the Provincial DCC Best Practices Guide.

30. The **Parties** presently anticipate that engineering, construction, and operation of **Owner** funded expansion(s) will be carried out by the **Regional District**. The **Owner** and **Regional District** will use their best efforts to secure **MoE** approval for Expansion referred to in paragraph 30, if such an approval is needed. The **Owner** may request an independent review of such engineering and the **Regional District** will consider same.

(3) 1997 Development Agreement

31. The **Parties** presently anticipate acknowledging the **1997 Development Agreement** by way of a new or amended agreement related to the **NBPCC**, and agree to apply it as follows:

- (a) identity of **Owner** as 3536696 Canada Inc. and bclMC Realty Corporation;
- (b) service area lands to include **Lakes District** and **Schooner Cove** and other lands within the Fairwinds **RVC** area;
- (c) statistics for completed development to date as per **Density & Sewer Service Records**, noting that the current total sewage connections within the **RVC** is 832 residential units and commercial equivalents, including 52 residential units provided by **Regional District** to third parties (the Regional District-Utilized Capacity), which the **Regional District** confirms would be reflected on a go-forward basis by providing the **Owner** with a total of 470 residential units from the current **NBPCC**, insofar as the **Regional District** can lawfully provide same;
- (d) the **Schooner Cove** Hotel & Schooner House Condominiums are now serviced by **Regional District** community sewer, and the **Schooner Cove** treatment plant and outfall is no longer operational;
- (e) the “Schedule B Lands” are no longer contemplated; and
- (f) the “Schedule F” criteria for deciding when to commence **NBPCC** expansion based on actual sewage flows will be updated such that the Anticipated Maximum Annual Rate of Housing Occupancy equals 100 single family units (or equivalent sewage flows).

F.2 On Site Sanitary Sewer Works

32. Notwithstanding the **Community Sanitary Sewer Standards**, the **Regional District** agrees that the **Owner** may construct individual home lift pumps in the locations shown on the **Infrastructure Phasing Plan**.

F.3 Review of criteria

NP references: LD 6.1(c)

33. The **Regional District** anticipates measuring, recording and reviewing actual sewage flow data and available population per household data, so that it may consider reductions to the sanitary capacity calculations for each housing/commercial unit type due to conservation measures.

G. PARKS

34. The **Owner** and **Regional District** staff are generally supportive of the approach set out in paragraphs 35 and 36 hereof as regards the following aspects of parks:

- (a) wildlife underpasses; and
- (b) section 46 of the **PDA**.

35. The **Owner** will design and construct wildlife road underpasses as required to comply with applicable Provincial and Federal regulations, and per recommendations of an Registered Professional Biologist. *NP reference LD 4.1.1(f)*

36. If park land is diminished per section 46 of the **PDA**, the **Parties** will seek to mitigate environmental impact in a manner that is mutually acceptable.

H. DOCKS

37. In addition to the boat access dock contemplated in the **PDA**, the **Owner** may wish to construct two additional docks, with wood or plastic decking, in the locations shown on the Lakes District Park Improvements Phasing Plan which is Schedule "E" to the **PDA**. If the **Owner** wishes to proceed with one or both such docks, the **Regional District** will consider granting the necessary license(s) on similar terms to those contemplated in the **PDA**.

I. PROJECT SIGNAGE

38. If requested by the **Owner**, the **Regional District** will consider allowing development permit variances to Regional District Bylaw 993 to allow project signage, having a height of approximately six metres and width of approximately four metres, to be located within setback areas.

J. DESIGNATED CONTACTS

39. Each **Party** designates the following contact person in connection with further steps to be taken in connection with the implementation of this Memorandum of Understanding, provided that either **Party** may update its contact by providing notice in writing to the other **Party's** contact person:

(a) The **Owner**

Bentall Kennedy (Canada) LP
Attention: Russell Tibbles,
Vice President, Development & Operations, Fairwinds
Telephone: 250-339-1777
e-Mail: rtibbles@bentallkennedy.com

(b) The **Regional District**

Regional District of Nanaimo
Attention: Geoff Garbutt,
General Manager, Strategic & Community Development
Telephone: 250-390-4111 Ext. 6500
e-Mail: ggarbutt@rdn.bc.ca

BCIMC REALTY CORPORATION

Per: *Russell J. Tidd*
(Authorized Signatory)

Per: *[Signature]*
(Authorized Signatory)

Dated: Jul 17, 2014

3536696 CANADA INC.

Per: *Russell J. Tidd*
(Authorized Signatory)

Per: *[Signature]*
(Authorized Signatory)

Dated: Jul 17, 2014

REGIONAL DISTRICT OF NANAIMO

Per: *Joe Stanhope*
(Authorized Signatory) **Joe Stanhope, Chairperson**

Per: *Jacquie Hill*
(Authorized Signatory) **Jacquie Hill, Corporate Officer**

Dated: July 23, 2014