

Stz'uminus First Nation

# OYSTER BAY

Land Use Plan

April 2010

# **Stz'uminus First Nation Oyster Bay (I.R. 12) Land Use Plan**

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## 1.0 INTRODUCTION

### 1.1 Purpose

This Land Use Plan provides a long-term vision for the future of Stz'uminus First Nation Oyster Bay (I.R. 12) lands. Through the use of land use designations and supporting policies, the Plan provides Council with a critical tool to guide decision-making, and to provide a framework for future economic development initiatives throughout Oyster Bay. While this plan is primarily intended to provide policy direction to the Stz'uminus First Nation Council, it also provides design guidance that will be used to ensure the implementation of quality development throughout I.R. 12. In the future, Stz'uminus First Nation can elaborate on this design guidance with the establishment of formal zoning regulations, subdivision and development regulations, and other tools to manage development on Stz'uminus First Nation lands.

In 2009 Stz'uminus First Nation set up Coast Salish Development Corporation as the economic development corporation of the band. The corporation is responsible for economic planning, developing major partnerships and business opportunities both on-Reserve and off-Reserve, and negotiating partnership arrangement with the Crown and potential private sector partners. Coast Salish Development Corporation will be responsible for taking forward development on I.R. 12 and ensuring the vision for the land is implemented.

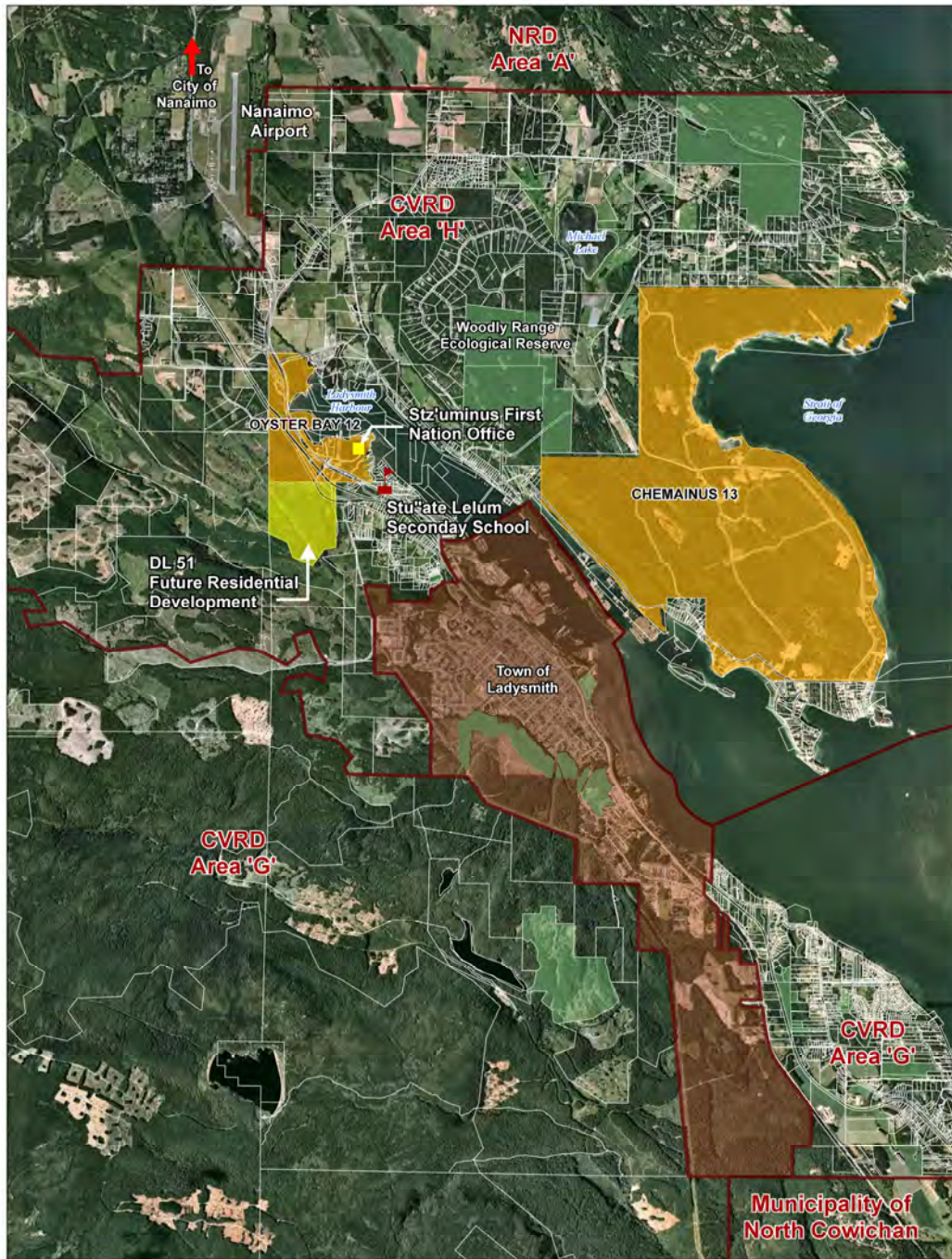
### 1.2 Plan Area Context

Stz'uminus First Nation are a Coast Salish People who have lived around the Salish Sea (Georgia Basin - Puget Sound watershed) for thousands of years. Stz'uminus First Nation traditional territories include four reserves of more than 1,200 hectares. Many of these lands border the Strait of Georgia and Ladysmith Harbour. Stz'uminus First Nation is a growing Nation, and the membership currently numbers approximately 1,300. Approximately half of these members currently live on reserves. Stz'uminus First Nation is a member Nation of the Hul'qumi'num Treaty Group and the Naut'sa mawt Tribal Council.

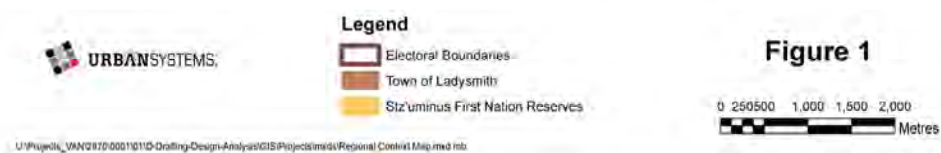
Oyster Bay I.R. 12 is illustrated in Figure 1 (Regional Context Map). One of four Stz'uminus First Nation reserves, Oyster Bay contains 97 hectares of land adjacent to Ladysmith Harbour and the Trans Canada Highway. The Town of Ladysmith is located approximately three kilometres to the southeast of I.R. 12, while the Nanaimo Airport is located approximately four kilometres to the north of I.R. 12.



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While some of the membership lives on Oyster Bay I.R. 12, most on-reserve members live on other reserves. With easy access onto the Trans Canada Highway and frontage on Ladysmith Harbour, Oyster Bay provides immediate economic development opportunities for Stz'uminus First Nation. While much of Oyster Bay is in a natural state, current land uses include limited member housing, the Stz'uminus First Nation offices, and the 4-corner development (Husky Service Station and A&W Restaurant) at the intersection of the Trans Canada Highway and Oyster Sto-Lo Road.

### **1.3 Guiding Principles**

A number of guiding principles were used in the development of the land use plan. These included the following:

- Integrate new development seamlessly with existing housing that is in place on I.R. 12;
- Provide immediate economic development opportunities;
- Link the land use plan with the future development of District Lot 51, located immediately to the south of I.R. 12;
- Take advantage of the site's natural assets;
- Enhance the waterfront experience along Ladysmith Harbour;
- Provide an ideal location for a new Stz'uminus First Nation office;
- Link the land use plan to market analysis that identifies the economic potential for various different development opportunities;
- Set the framework for a high quality of development; and,
- Provide a distinct centre to the community.

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## 2.0 MARKET STUDY

### 2.1 Overview

As part of the development of this Land Use Plan, a Highest and Best Use Market Study was undertaken to identify the economic potential for various different future land uses on I.R. 12. A study period to 2031 was used, and considered land uses included: residential, retail/commercial, office, and hotel. Industrial uses were not considered for Oyster Bay. The Highest and Best Use Market Study is provided in Appendix A of this Land Use Plan. This Study was used to inform the development of the Future Land Use Plan.

### 2.2 Market Findings

The market-based land use projections identified demand for the following uses:

#### *Residential:*

- 564 units by 2031

Of this total, it is expected that approximately one-third would be for single detached units, one-third would be for attached units (such as duplexes and townhomes), and the remaining third for multi-family units (although there could ultimately be considerable crossover between the latter two categories).

Based on the above residential development projections, it is anticipated that the Oyster Bay's build-out population could reach 1,450 residents by 2031.

#### *Retail:*

- 78,000 square feet by 2031

#### *Commercial Entertainment:*

- Up to 10,000 square feet by 2031

#### *Office:*

- 32,000 square feet by 2031



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## 3.0 FUTURE LAND USE

### 3.1 Overview

This section describes the future land uses that are proposed within the Stz'uminus First Nation Oyster Bay (I.R. 12) Land Use Plan. Figure 2 (Land Use Plan) identifies the overall development strategy for Oyster Bay. Through a set of land use designations and supporting policies, the Plan provides Stz'uminus First Nation with a guide for future decisions about investment in Oyster Bay (I.R. 12).

### 3.2 Future Land Use Plan

Within the Plan are, the future proposed land uses are described on the basis of the following six designations:

- Residential
- Main Street, Mixed Use
- Commercial
- Mixed Use, Tourist Commercial
- Professional Office Space
- Major Parks and Trails

Additional overlay areas are identified for the Mixed Use Village Centre and Environmentally Sensitive Areas. These overlay areas are described in detail in Sections 4 and 5, respectively.

### 3.3 Land Use Designations

The following sections describe objectives and policies for each of the six designations in the Land Use Plan. These objectives and policies are to be used by Stz'uminus First Nation as a guide for decision-making regarding future land use in Oyster Bay (I.R. 12).

In addition to the objectives and policies, design guidance is provided for each land use designation. In the short-term, this guidance is to be used to inform development proposals and to provide a tool with which to review development proposals. Each development application will be reviewed on a case by case basis to ensure that it meets the intent of the Future Land Use Plan and the design guidance. In the longer-term, this guidance will be used as a building block for the development of zoning regulations, subdivision and development regulations, and other tools to manage development.

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**FIGURE 2: LAND USE PLAN**



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### 3.3.1 Residential

The Residential designation applies to those lands that are intended for single detached, duplex, townhouse, and multiple unit residential uses. These are envisioned as primarily neighbourhood residential areas. Concept planning has been undertaken to ensure that future development areas incorporate seamlessly into the existing urban fabric, so that existing housing can be retained. Planning objectives are:

- To encourage investment in quality residential development; and,
- To provide a variety of housing options for future residents.



#### Residential Policies:

1. Encourage the development of a mix of residential uses, targeting approximately one-third single detached units, one-third attached units (e.g. duplexes, townhouses), and one-third multiple units (e.g. apartments).
2. Within the Village Centre area, ensure that residential development generally conforms to the layout and development configuration outlined in Figure 3 (Village Centre Concept Plan), which is provided in Section 4 of this document.
3. Work with developers to provide publicly accessible roads (as indicated in Figure 2) and pocket parks within Residential areas.
4. Establish consistent standards for urban services (e.g. sidewalks, curb and gutter, street lighting) throughout residential areas.
5. Focus initial residential development opportunities on the Village Centre area and on areas accessible from Oyster Sto-Lo Road, at the southern extent of Oyster Bay (I.R. 12).
6. Preserve the “Land Allocated for Future Residential” for future phases of development, following build-out of the other priority areas.

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## Residential Design Guidance:

### *Single Detached Homes and Duplexes*

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| Subdivision Layout   | - Rear lanes are acceptable to enhance the quality of the street and to put resident parking to the rear. A typical rear lane cross-section is identified in Section 7.3 of this Plan.     |
| Lot Areas:           | - All streets should be publicly accessible.   |
| Siting of Buildings: | - Minimum lot areas should be no less than 360 square metres for single detached homes and 450 square metres for duplexes.   |
| Height:              | - Adequate front, rear, and side yard setbacks should be provided, generally consistent with the setbacks identified for Residential Streets (urban or rural) in Section 7.3 of this Plan. |
| Density:             | - Buildings should face the street.  |
| Parking:             | - Buildings should be no more than 2.5 storeys in height (not including basement).   |
| Sustainability:      | - Residential subdivisions should achieve densities of approximately 15 to 30 units/ha (net).  |
|                      | - A minimum of 2 off-street parking spaces should be provided for principal dwelling units.  |
|                      | - Achievement of BuiltGreen™ certification is encouraged.  |

### *Townhouses*

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| Subdivision Layout   | - Rear lanes are acceptable to enhance the quality of the street and to put resident parking to the rear. A typical rear lane cross-section is identified in Section 7.3 of this Plan. |
| Lot Areas:           | - All streets should be publicly accessible.   |
| Siting of Buildings: | - Minimum lot areas should be no less than 230 square metres per townhouse unit.   |
| Height:              | - Adequate front, rear, and side yard setbacks should be provided, generally consistent with the setbacks identified for Residential Streets (urban) in Section 7.3 of this Plan.      |
|                      | - Buildings should face the street.  |
|                      | - Small front yard setbacks are encouraged, especially if parking is provided to the rear of the unit.   |
|                      | - Buildings should be no more than two storeys in height (not  |

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- including basement).
- Density - Up to 40 units/ha (net) is acceptable.
- Parking: - A minimum of 2 off-street parking spaces should be provided for principal dwelling units.
- Landscaping: - A landscape plan should be prepared and implemented for townhouse developments.
- Sustainability: - Achievement of BuiltGreen™ certification is encouraged.

### ***Apartments***

- Orientation & Siting of Buildings: - Adequate front, rear, and side yard setbacks should be provided, generally consistent with the setbacks identified for Residential Streets (urban) in Section 7.3 of this Plan.
- Buildings should face the street.
- Individual ground floor unit entrances are encouraged at street level.
- Small front yard setbacks are encouraged, especially if parking is provided to the rear of the unit.
- Height: - Buildings should be no more than four storeys in height.
- Density - Up to 90 units/ha (net) is acceptable.
- Parking: - A minimum of 1.5 off-street parking spaces should be provided per dwelling units, with additional allowance for visitor parking.
- Landscaping: - A landscape plan should be prepared and implemented for multiple unit residential developments.
- Sustainability: - Achievement of BuiltGreen™ or LEED™ certification is encouraged.



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### 3.3.2 Main Street, Mixed Use

The Main Street, Mixed Use designation applies to the heart of the Village Centre, where development of a main street is envisioned. The main street will be an urban street that accommodates two to three storey commercial or mixed-use commercial and residential buildings. The intent is to provide an active streetscape that provides retail and commercial services to local residents and tourists alike. Planning objectives are:

- To encourage investment in the development of a central main street;
- To provide a retail and residential spine that functions as a focal point for Oyster Bay (I.R. 12); and,
- To connect development to a publicly accessible waterfront area.



#### Main Street, Mixed Use Policies:

1. Preserve land within the Main Street, Mixed Use designation for the future development of a Main Street.
2. Explore opportunities to invest in the development of the public right-of-way (e.g. road surface, on-street parking, landscaping, and sidewalks), to create easily developable adjacent parcels.
3. Encourage the development of two to three storey commercial or mixed use commercial and residential buildings with ground floor, street oriented commercial retail units.
4. Ensure that the Main Street layout generally conforms to the layout and development configuration outlined in Figure 3 (Village Centre Concept Plan), which is provided in Section 4 of this document.
5. Direct the majority of local-serving service commercial uses (e.g. hairstylist, spa, drycleaner) and smaller commercial retail units to the Main Street, Mixed Use area.

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### Main Street, Mixed Use Design Guidance:

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| Orientation & Siting of Buildings: | <ul style="list-style-type: none"> <li>- There should be a zero (0) metre front setback or at most a nominal (e.g. 1 metre) front yard setback, consistent with the setback identified for the Main Street in Section 7.3 of this Plan.</li> <li>- A zero (0) metre side yard setback is encouraged except where access to internal parking may be required.</li> <li>- Buildings should face the street.</li> <li>- Individual ground floor unit entrances are encouraged at street level.</li> </ul> |
| Height:                            | <ul style="list-style-type: none"> <li>- Buildings should be no more than four storeys in height.</li> </ul>   |
| Density                            | <ul style="list-style-type: none"> <li>- Up to 90 units/ha (net) may be acceptable.</li> </ul>   |
| Parking:                           | <ul style="list-style-type: none"> <li>- A minimum of 1.5 off-street parking spaces should be provided per dwelling units, with additional allowance for visitor parking.</li> </ul>   |
| Landscaping:                       | <ul style="list-style-type: none"> <li>- A landscape plan should be prepared and implemented for all development on the Main Street.</li> </ul>  |
| Sustainability:                    | <ul style="list-style-type: none"> <li>- Achievement of BuiltGreen™ or LEED™ certification is encouraged.</li> </ul>   |

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### 3.3.3 Commercial

The Commercial designation applies to sites that are strategically located adjacent to the Trans Canada Highway at Brenton Page Road and at Oyster Sto-Lo Road. These sites provide ideal locations for Commercial development that is easily visible and accessible to through-traffic on the Trans Canada Highway. Planning objectives are:

- To encourage investment in commercial development adjacent to the Trans Canada Highway; and,
- To provide a range of retail and commercial entertainment uses for the local and surrounding populations.



#### Commercial Policies:

1. Encourage the development of various commercial uses aimed at both the local and surrounding communities. Examples of appropriate uses include convenience commercial uses (such as a small-format grocery store, liquor store, pharmacy), comparison-type retail uses (such as furniture stores, electronics stores, hardware stores, garden stores, clothing stores), and eating and drinking establishments.
2. Consider opportunities for the development of commercial entertainment facilities to anchor retail developments.
3. Preserve the land necessary for a future extension of Brenton Page Road across the Trans Canada Highway, as illustrated on Figure 2 (Land Use Plan).
4. Direct all automobile-oriented commercial uses only to those lands identified with the Commercial designation.
5. Establish consistent standards for urban services (e.g. sidewalks, curb and gutter, street lighting) throughout commercial areas.

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### Commercial Design Guidance:

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| Orientation & Siting of Buildings: | - Adequate front, rear and side yard setbacks should be provided.  |
|                                    | - Buildings should face the street.  |
| Height:                            | - Buildings should be no more than four storeys in height.   |
| Density                            | - Floor area ratio (FAR: the ratio between building gross floor area and lot area) should be in the range of 0.4 to 1.0.   |
| Parking:                           | - A minimum of 3 parking spaces should be provided for every 100 square metres of gross floor area, subject to development of more detailed standards for specific uses. |
|                                    | - A minimum of 1 parking space should be provided for every 4 seats in eating and drinking establishments.   |
| Landscaping:                       | - A landscape plan should be prepared and implemented for all commercial development.  |
| Sustainability:                    | - Achievement of BuiltGreen™ or LEED™ certification is encouraged.   |

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### 3.3.4 Mixed Use, Tourist Commercial

The Mixed Use, Tourist Commercial designation applies to the lands that are located to the southeast of the Trans Canada Highway and Brenton Page Road, at the foot of Ladysmith Harbour, and to certain waterfront lands within the Village Centre area. These sites have potential for a variety of future residential, commercial, and tourist-oriented uses that take advantage of the waterfront location and the easy access to Highway 1. Planning objectives are:

- To encourage investment in residential, commercial, and tourist-oriented uses; and,
- To preserve key waterfront locations for tourist-oriented uses.



#### Mixed Use, Tourist Commercial Policies:

1. Encourage the development of residential and tourist-oriented uses (such as a hotel or resort condominiums) as the primary uses within the Mixed Use, Tourist Commercial designation.
2. Consider limited commercial developments as a secondary land use within the Mixed Use, Tourist Commercial designation.
3. Preserve waterfront sites for multiple unit residential developments or Tourist Commercial uses.
4. Establish consistent standards for urban services (e.g. sidewalks, curb and gutter, street lighting) throughout the Mixed Use, Tourist Commercial area.
5. Preserve the land necessary for a future road connection to Brenton Page Road as illustrated on Figure 2 (Land Use Plan).
6. Within the Village Centre area, ensure that development of the tourist commercial site generally conforms to the layout and development configuration outlined in Figure 3 (Village Centre Concept Plan), which is provided in Section 4 of this document.



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### **Mixed Use, Tourist Commercial Design Guidance:**

For the Mixed Use, Tourist Commercial designation, the design guidance from the Section 3.3.1 will apply to residential developments. For commercial developments, the guidance from Section 3.3.3 will apply.

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### 3.3.5 Professional Office Space

The Professional Office Space designation applies to the Village Centre lands adjacent to Bush Creek. This area provides a potential site for a future relocated Stz'uminus First Nation office and additional supporting professional office spaces. Planning objectives are:

- To preserve a prominent location for the development of a new Stz'uminus First Nation office and supporting professional office spaces; and,
- To strategically locate the Stz'uminus First Nation offices as an anchor development within the future Village Centre area.



#### Professional Office Space Policies:

1. Permit the development of professional office space for the use of Stz'uminus First Nation and others.
2. Explore opportunities to develop the Professional Office Space lands early as a showcase and anchor for the remainder of the Village Centre area.
3. Ensure that development of the Professional Office Space lands generally conforms to the layout and development configuration outlined in Figure 3 (Village Centre Concept Plan), which is provided in Section 4 of this document.

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### Professional Office Space Design Guidance:

- |                                    |  |
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| Orientation & Siting of Buildings: | - Adequate front, rear and side yard setbacks should be provided.  |
|                                    | - Buildings should face the street.  |
| Height:                            | - Buildings should be no more than four storeys in height.   |
| Density                            | - Floor area ratio (FAR: the ratio between building gross floor area and lot area) should be in the range of 0.5 to 1.5.   |
| Parking:                           | - A minimum of 3 parking spaces should be provided for every 100 square metres of gross floor area, subject to development of more detailed standards for specific uses. |
| Landscaping:                       | - A landscape plan should be prepared and implemented for all commercial development.  |
| Sustainability:                    | - Achievement of BuiltGreen™ or LEED™ certification is encouraged.   |

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### 3.3.6 Major Parks and Trails

The Major Parks and Trails designation applies to lands that demonstrate environmental sensitivities, lands that are to be preserved as open space, and lands that are to be developed as parks and trails. Planning objectives are:

- To provide for the development of a linked parks and trail network within Oyster Bay (I.R. 12);
- To provide trail and open space connections to surrounding lands; and,
- To protect environmentally sensitive areas as open space.



#### Major Parks and Trails Policies:

1. Initiate the development of a park / picnic area / visitor information centre at the location identified in Figure 3 (Village Centre Concept Plan), which is provided in Section 4 of this document.
2. Within the Village Centre area, ensure that waterfront developments provide a dedicated, publicly accessible waterfront pathway as identified in Figure 3 (Village Centre Concept Plan).
3. Work with developers to provide boardwalks into Ladysmith Harbour in the locations identified in Figure 3 (Village Centre Concept Plan).
4. Preserve the riparian zone around Bush Creek.
5. Preserve Environmentally Sensitive Areas as open space.
6. Work to identify future park and trail locations as part of the detailed planning process for additional sites.
7. Explore opportunities to provide a Bush Creek trail underpass.

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### **Major Parks and Trails Design Guidance:**

Major parks and trail areas may include landscape features, public amenities, and small buildings such as the proposed visitor information centre. The establishment of trail connections is encouraged throughout Oyster Bay I.R. No. 12.



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## 4.0 MIXED USE VILLAGE CENTRE CONCEPT PLAN

The land use plan identifies a mixed use village centre located off the Trans Canada Highway. The aim of the mixed use village centre is to create a heart to the new Oyster Bay community that combines retail, commercial and community facilities as well as high quality new housing. As well, the plan provides a legible layout (or urban structure) that is based around a logical and coherent arrangement of inter-connected streets and open spaces that would make it easy for people to find their way around. For the mixed use village centre, the overall land use concept is illustrated in Figure 3 (Mixed Use Village Centre Concept Plan).

The mixed use village centre concept plan illustrates how this area could be developed to achieve a number of key objectives. These include:

- Capitalizing on the natural setting of the site including the mature forest and the coastline;
- Sensitively integrating new housing with existing on the reserve;
- Creating a visually attractive village centre with a distinct sense of place;
- Providing a logical transition between the Trans Canada Highway and the waterfront;
- Creating a mix of land uses, including residential, office, commercial, and community uses;
- Providing a range of housing opportunities; and,
- Promoting a compact, walkable urban form.

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#### LEGEND

- 1 New housing integrated with existing
- 2 Boardwalks extending into harbour
- 3 Condominiums with waterfront views
- 4 Hotel with waterfront views
- 5 Retail with office/residential above
- 6 Gas station
- 7 Picnic area
- 8 Visitor information centre
- 9 Offices
- 10 New bridge crossing



**FIGURE 3: VILLAGE CENTRE CONCEPT PLAN**

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The mixed use village centre concept plan identifies a number of key features. These include:

1. New housing that is sensitively integrated with existing housing;
2. Two new boardwalks extending into the harbour, to provide public amenity spaces;
3. The development of condominiums in prime locations with waterfront views;
4. Identification of a future hotel site with waterfront views to the east;
5. Main street retail development with office space or residential development on upper storeys;
6. Preservation of the gas station site at the northeast corner of the Trans Canada Highway and Oyster Sto-Lo Road;
7. Development of a picnic area to anchor the south end of the main street, visible from the Trans Canada Highway;
8. Incorporation of a new visitor information centre at the south end of the main street;
9. Development of new Stz'uminus First Nation offices adjacent to Bush Creek and the Trans Canada Highway; and,
10. Construction of a new bridge crossing Bush Creek to provide pedestrian access to the east.

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## 5.0 ENVIRONMENTAL AND ARCHAEOLOGICAL PROTECTION

### 5.1 Overview

Oyster Bay I.R. No. 12 is located within BC's coastal rainforest, and much of the reserve is currently in a natural state. Key environmental features include mature trees and vegetation, Bush Creek, and the Ladysmith Harbour waterfront. Environmental overview assessment work has not been completed for the reserve. As a result, there is a need to review environmental considerations as part of the development process on a case by case basis. Additionally, there is a need to complete archaeological assessments prior to development. Environmental and archaeological objectives include:

- Preserving key natural environmental features as site assets;
- Protecting the quality of watercourses and the ocean; and,
- Ensuring that the development process provides opportunities for the consideration of environmental and archaeological values; and,
- Identifying natural features that require preservation.

### 5.2 Environmental Policies

1. Where possible, preserve trees and other natural assets to enhance the overall environmental quality of the area.
2. In accordance with INAC requirements, ensure completion an environmental overview assessment as part of the development process for all new developments, until such time that an environmental study is completed to identify key features that require protection on Oyster Bay I.R. No. 12.
3. Initiate a future study to provide an overview of Oyster Bay I.R. No. 12's natural setting, with an emphasis on identifying natural features to be protected or preserved as development proceeds.
4. In accordance with INAC requirements, ensure completion of archaeological overview assessments as part of the development process for all new developments.

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## 6.0 MOVEMENT

### 6.1 Overview

In many cases, future development will require the creation of new roads and facilities for pedestrians and cyclists on Oyster Bay I.R. No. 12. The establishment of this movement framework will create a new urban structure. Throughout the area, the overall goal is to create an interconnected movement framework that links streets, trails, parks, and other spaces to provide ease of access for pedestrians, cyclists, and vehicles. Key objectives include:

- Establishment of new publicly accessible roadways;
- Creation of a pedestrian-friendly movement framework, particularly in the Village Centre;
- Provision for future transit stops on Oyster Bay I.R. No. 12;
- Development of a new crossing of the Trans Canada Highway at Brenton Page Road; and
- Provision for future connections to Cedar Road.

### 6.2 Movement Policies

1. Ensure that all new roadways are publicly accessible.
2. Preserve the land required for all future roads indicated in Figure 2 (Land Use Plan).
3. Ensure that adequate sidewalks and other pedestrian facilities are provided in residential and commercial areas, especially throughout the village centre.
4. Include on-street parking in commercial and higher density residential areas.
5. Work with the Ministry of Transportation to extend Brenton Page Road across the west side of the Trans Canada Highway as illustrated in Figure 2 (Land Use Plan).
6. Work with surrounding local governments to encourage the provision of future transit service to Oyster Bay I.R. No. 12.
7. Facilitate trail connections to the proposed Island Corridor Trail system.
8. Establish road standards and subdivision regulations that are consistent with the cross-sections identified in Section 7.3 of this plan.
9. Work with the Ministry of Transportation to ensure the provision of future connections to Cedar Road.



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## 7.0 DESIGN GUIDANCE

### 7.1 Overview

Stzu'minus First Nation is committed to working with the development community to create a built environment that enhances the quality of life and provides a high standard of development. To this end, this section of the Land Use Plan provides additional design guidelines that will be used by Stzu'minus First Nation to articulate its vision for the built environment, and to assist in the evaluation of development proposals. The implementation of these guidelines will directly influence the quality of life, sense of place, and sense of community experienced by residents and visitors alike.

### 7.2 General Design Principles

There are a number of general design principles that will be applied when creating or evaluating development opportunities on Stz'uminus First Nation. These principles fall under three main categories:

- Site Context;
- Urban Structure and Connections; and,
- Detailing the Place.

#### 7.2.1 Site Context

##### **Existing Vegetation and Natural Features:**

- Sensitively integrate new buildings within the natural environment, preserving trees and natural vegetation where possible to maintain the West Coast character of the site.

##### **Views:**

- Capitalize on views out of the site and position higher density buildings such as hotels, multiple-unit residential dwellings, and offices in prime locations that take advantage of these views.
- Create interesting new views and vistas within the site that will add to its unique sense of place.

##### **Integration with Adjacent Sites:**

- Provide a high degree of connectivity between parcels.
- Ensure that development faces publicly accessible streets.

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- Avoid creating isolated “islands” of development, or gated, inward-facing communities.

### **7.2.2 Urban Structure & Connections**

#### **Mixing Uses:**

- Create a mix of land uses, including residential, office, commercial and community uses.
- Offer a range of housing opportunities and choices.

#### **Blocks and Parcels:**

- Promote a compact, walkable urban form by using generally small block and parcel sizes.

#### **Movement Framework:**

- Create an interconnected movement framework that links streets, trails, parks, and other spaces to provide a pedestrian-friendly layout.
- Develop complete streets with sidewalks and on-street parking in commercial and higher density residential areas.

#### **Parking:**

- Encourage the development of on-street parking in areas close to the village core, to reduce the need for off-street surface parking lots.
- Where off-street parking is provided, locate it to the side of or behind buildings to the greatest extent possible.
- Parking areas should respect the built form and the natural character of the site and be incorporated in an unobtrusive manner.

#### **Focal Points:**

- As the main focal point of Oyster Bay, create a visually attractive village centre with a distinct sense of place.
- Develop landmark features at the park area and boardwalk area on either end of the Main Street.

#### **Connections:**

- Provide a logical transition between the Trans Canada Highway and the waterfront.
- Preserve the land necessary for the future road connections shown on the Land Use Plan (Figure 2).

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### **7.2.3 Detailing the Place**

#### **Creating Positive Outdoor Space:**

- Site buildings so that they define public spaces such as streets and parks, in effect creating outdoor living rooms for the community.

#### **Animating Edges:**

- Ensure that buildings face the street.
- Provide visual interest at the street level, especially on the Main Street, with frequent doors, windows, patio spaces, canopies, etc.

#### **Building Form, Scale and Massing:**

- Use a sensitive approach to form and massing that respects the site's rural character. New development must respect views into and out of the site. Development of no more than four storeys is considered appropriate.

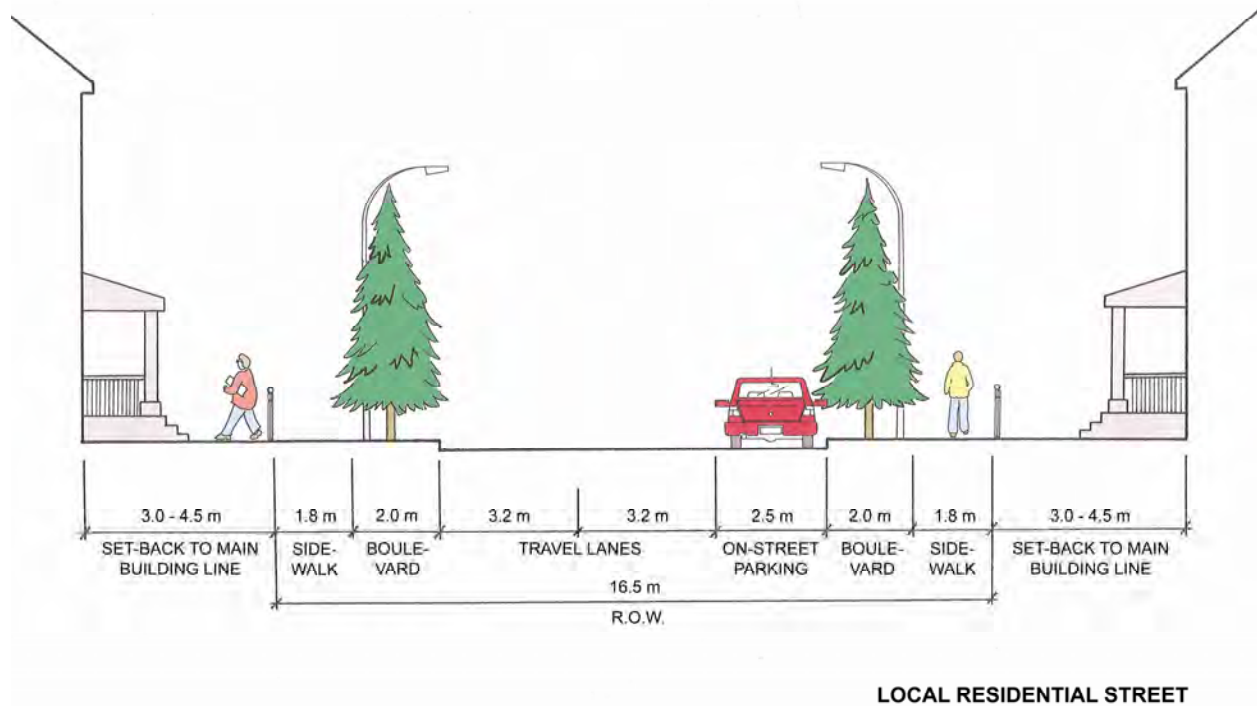
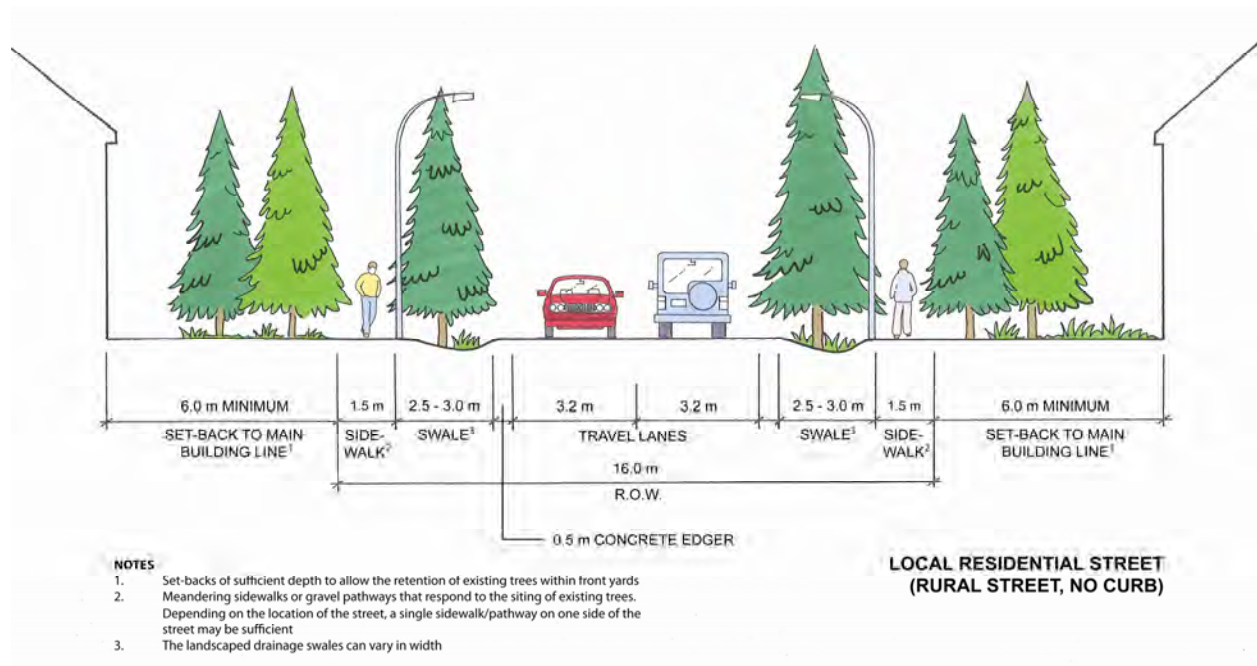
#### **Creating a Public Realm:**

- Ensure that streets and parks become truly public places. Avoid the creation of gated off developments.
- Treat streets and parks as opportunities for public art. Through signage, lighting, street furniture, and landscape architecture, create a distinctive aesthetic that is appropriate for Stz'uminus First Nation.

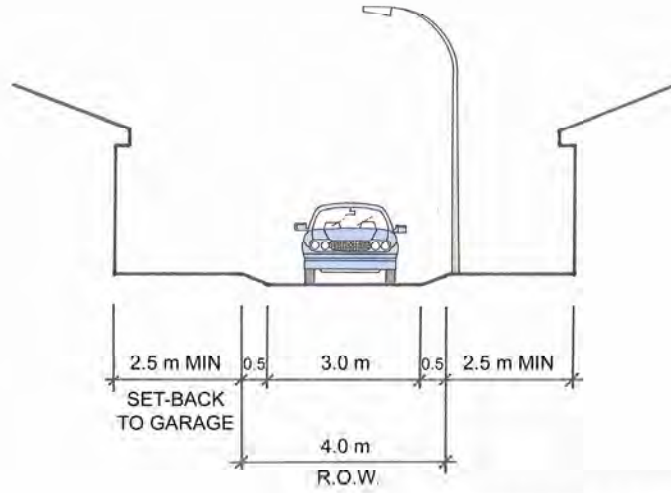
## **7.3 Roadway Design Guidance**

To provide a framework for the development of consistent road standards throughout Stz'uminus First Nation, four cross sections have been established to provide direction on matters such as: typical right-of-way width; pavement width; boulevard width; sidewalk width; and, landscaping. Sections are provided for: a) local residential road (rural); b) local residential road (urban); c) rear lane; and, d) main street. Additionally, the road sections illustrate typical building setbacks that are appropriate for specific land uses as identified in the Section 3.3 design guidance for various designations in this Plan. In the future, Stz'uminus First Nation will establish both subdivision and development regulations and zoning regulations to provide more detailed guidance on these matters.

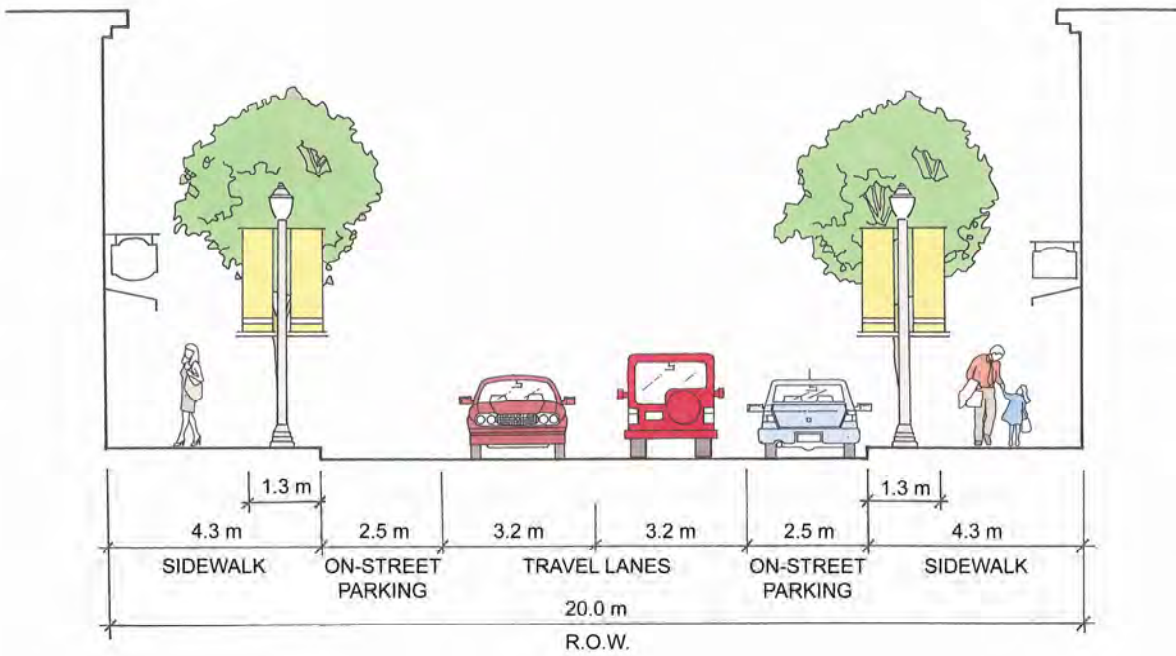
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**RESIDENTIAL LANE**



**MAIN STREET**

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## 8.0 IMPLEMENTATION FRAMEWORK

This Land Use plan provides policy directions and initial design guidance for future land use on Oyster Bay (I.R. 12). In the interim, the design guidance provides a framework for the evaluation of development proposals. Nevertheless, in the longer term, a number of steps will be required to manage development on Stz'uminus First Nation lands. Critical goals are:

- To achieve an ideal form of development;
- Predict future land uses with some degree of certainty;
- Avoid negative external effects of development (such as traffic, noise, pollution); and,
- Assure adequate infrastructure for development.

Key priorities are the development of an overall regulatory framework for development (including establishment of a Zoning Regulation, Development Permits, and Subdivision and Development Servicing Regulation), development of infrastructure servicing strategies for transportation, water, wastewater, and stormwater, and establishment of application and development review procedures.

### **Regulatory Framework:**

The regulatory environment provides the tools and approaches used to implement a community plan such as this one. Regulatory tools set the conditions under which development can occur, thus regulating the actions of citizens and the development community. Key tools, discussed below, include zoning, development permits, and control of subdivision.

*Zoning Regulation:* A Zoning Regulation is the principal land use regulatory tool. While the Land Use Plan is a future-oriented statement of policy, the Zoning Regulation deals with the use of land, and the use, density, siting, size, and dimensions of buildings and structures on that land. The Zoning Bylaw may also contain provisions for parking space requirements, run-off control, signage, screening and landscaping, and flood plains, or these can be contained in one or more separate bylaws. In this Land Use Plan, design guidance sets out the building blocks for zoning. However, there is a need to develop a more detailed Zoning Regulation in the future.

*Development Permits:* In many communities, development permit areas are used to ensure that development meets a certain form and character, to protect the environment, and/or to protect development from hazardous conditions. Development permit areas should reflect community aspirations and the special characteristics of areas. In the future, Stz'uminus First Nation could



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explore the use of a development permit system to ensure that development meets the design guidance that is outlined in this Land Use Plan.

*Subdivision and Development Servicing Regulation:* Subdivision involves the creation of new lots by subdividing larger ones, and it is a major activity in the growth of a community. Most communities supplement their Zoning Regulation with a Subdivision and Development Servicing Regulation. This regulation primarily sets the standards and conditions for the provision of services such as roads and walkways, street lighting, underground wiring, water, fire hydrants, sanitary sewer, drainage, etc. Subdivision and Development Servicing Regulations help to ensure that public services are installed at standards that are comparable to surrounding areas, and that improvements are paid for by the developer rather than general tax revenues. They may also require that services be provided adjacent to the subdivision or development that if they are directly attributable to that subdivision or development. Furthermore, subdividers may be required to dedicate lands for parkland, highways (roads), and school sites. In many cases, communities take up to five percent of land being subdivided as dedication for parks. While this Land Use Plan provides some guidance on typical road cross-sections, for example, Stz'uminus First Nation should work towards the ultimate development of a Subdivision and Development Servicing Regulation to deal with this and other topics in greater detail.

#### **Infrastructure Servicing Strategies:**

Infrastructure Servicing Strategies and Capital plans are necessary to identify required future growth-related infrastructure and appropriate costs accordingly. By far, the largest component of development costs is engineering infrastructure (roads, water, sewer, drainage). Before Stz'uminus First Nation considers development in new areas, it should assess the condition and capacity of infrastructure to service new areas and what off-site works, if any, are needed to support future development proposals. Appropriation of infrastructure costs is also an important consideration. For example, if a trunk water main requires extension solely to service a new development area, it would be in Stz'uminus First Nation's financial interest to employ a financing strategy which would require the developer to front end the cost of the trunk main. However, in many cases, infrastructure projects provide a benefit to both new and existing development. In such cases, the costs of the project should be allocated accordingly, and tools such as Development Cost Charges (DCCs) could be used to recover growth-related infrastructure costs from new development.

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### Application Procedures:

To ensure that development conforms to the regulatory framework in place, there is a need for a Application Procedures System. This system will help Stz'uminus First Nation to use a consistent, fair, and professional approach in development review, and it will provide the development community with clarity on how to navigate through the development approvals process. There are four main components to a development procedures system:

1. **Procedures Regulation** – this is typically adopted by Council;
2. **Manual** – outlines development procedures to be followed (used primarily by staff);
3. **Application Forms** – includes information that applicants prepare, including application fees, to allow Council and staff to assess the application; and,
4. **Brochures** – public information brochures in plain language that communicate what is required, and help applicants through the approvals system.

A Development Procedures System typically covers applications including Subdivision, Land Use Plan Amendments, Zoning Regulation Amendments, Development Permits, and Variances.

### Summary of Key Implementation Steps:

For planning purposes, the key implementation actions can be split into short term/high priority items (e.g. 2010/2011) and medium to longer term priorities (2012+). These are summarized as follows:

#### *Short Term Priorities:*

- Zoning Regulation
- Subdivision and Development Servicing Regulation
- Development Application Procedures

#### *Medium and Longer Term Priorities:*

- Infrastructure Servicing Plans and associated Development Finance Strategies
- Development Permit System

Over the next few months, completion of the high priority projects will provide Stz'uminus First Nation with a solid framework under which it can consider substantial growth and development activity while protecting its interests. Nevertheless, as these implementation steps are being

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completed, there may be a need to work with the development community on a case by case basis to ensure that proposed projects meet Stz'uminus First Nation's overall planning and engineering objectives, and set a high standard for future development.

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# APPENDIX A

## MARKET-BASED HIGHEST AND BEST USE STUDY (URBANICS)

# I.R. 12 OYSTER BAY HIGHEST & BEST USE MARKET STUDY



LADYSMITH,  
BRITISH COLUMBIA

URBANICS CONSULTANTS LTD.

# **I.R. 12 OYSTER BAY HIGHEST AND BEST USE MARKET STUDY**

**Ladysmith, B.C.**

Prepared for:  
Chemainus First Nation

December 2009

Prepared by:  
**Urbanics Consultants Ltd.**  
Suite 2000 - 355 Burrard Street,  
Vancouver, B.C., V6C 2G8



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# 1.0 INTRODUCTION

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Urbanics Consultants Ltd. has been retained by the Chemainus First Nation to carry out a market-based highest and best use study for the I.R.12 Oyster Bay property north of Ladysmith, B.C.

Because the development timeline and capacity of the site is not known, a study period extending out to 2031 has been used for the various on-site land uses under consideration, namely: residential, retail/commercial, office, and hotel. Industrial uses are not being considered for the site.

For purposes of conducting this study, information from a variety of sources, both public (Statistics Canada, BC Stats, CVRD, etc.) and private, have been used, and include the following:

- First-hand site assessment and evaluation of competitive inventory in a wide range of retail, commercial, residential, and related categories.
- Sourcing of trade area demographic and retail trade data for use in demand analyses from Statistics Canada.
- Population growth projections for the trade area based on census data, BC government projections, and the consultant's own forecasts.

As with all market studies, a number of forecasts and assumptions regarding the state of the economy, the state of future competitive influences, and population/expenditure projections have had to be made. These assumptions are made with great care and are based on the most recent and reliable information available. In addition to the specific assumptions identified throughout the report, this study is based on the following general assumptions:

- Real GDP growth for the province of British Columbia will average no less than 2% over the course of the study period to 2026.
- Real per capita expenditure growth for all trade area residents will average at least 1% per annum over the course of the study period.
- Actual population growth rates will not materially differ from those employed in this study.
- No unforeseen economic or political events will occur within the study period on a national, provincial, or local level, which would significantly alter the outcome of this study's findings and recommendations.

Short-term economic fluctuations are likely to occur, but long-term gradual growth rates are expected to prevail. Should these, or any of the other

assumptions noted in this study, be undermined by the course of future events, then the consultant recommends that the study's findings be re-examined.

Research for this study was undertaken by the consultant during the months of November and December 2009.

## 2.0 SITE DESCRIPTION

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This section provides a very brief overview of the physical and locational characteristics of the subject site, which will ultimately determine its suitability for development. It is important to note that the subject site is currently the subject of physical planning and that a number of variables will likely change over the course of the study period, namely the various road and highway connections and on-site utility connections.

This review can therefore only provide brief observations relating to such issues as on-site and surrounding land uses, existing road network considerations, site topography and views, site lines/exposure/visibility especially from the highway, and proximity to complementary facilities.

### 2.1 GENERAL DESCRIPTION

The subject site constitutes approximately 240 acres located within the Cowichan Valley Regional District, around five minutes north of Ladysmith. Refer to Table 1 for a map indicating the subject site's location.

The site has extensive waterfront along the northern tip of Oyster Bay, as well as views down the channel towards the mouth of the bay. However, because of the shallowness of the water, there is no potential for marina or other water-based recreational uses. Furthermore, there is potentially some contamination in the soil and water because of current and former industrial uses on and around the subject site. A small creek cuts through a portion of the site at the extreme south-east corner and empties into the bay.

The site is bisected by the Island Highway, and because of the highway and the natural features of the site (especially the water), can generally be divided into four discreet areas:

- A large area in the south-east, currently occupied by band offices and a few residences as well as a service station and fast food outlet, which can be accessed from the highway by Oyster-Sto-Lo Road
- A smaller area to the north-west that is separated from the remainder of the site by the highway and the water, and which can be accessed from a small service road alongside the highway
- A larger area north of the water and east of the highway, which can be accessed from Brenton-Page Road. Abutting this portion of the site is a heavy industrial property.

**TABLE 1**  
**SUBJECT SITE**



Source: Google Maps

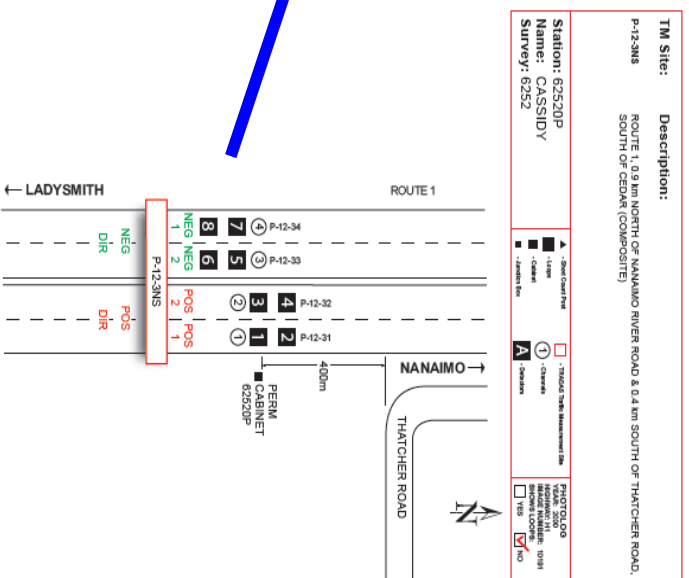
- The largest portion of the site lies to the west of the highway, and can be accessed at the southern end directly off the highway by Oyster Sto-Lo Road, and at the north end by Takala road and Thomas Road. There is a railway and utility alignment crossing this portion of the site from a south-east to north-west direction; however, the train runs infrequently and is sufficiently removed from the road that ingress/egress into this portion of the site should not be untowardly affected by the presence of the railway line.

Although the subject site enjoys considerable highway frontage and exposure, the configuration of the site does not readily lend itself to considerable amounts of highway-oriented development. On the eastern portion, the waterfront is so close as to generally preclude development along a large portion of the eastern highway exposure. On the western highway exposure, the railway and utility alignments are close enough to the highway that a considerable amount of the highway is rendered virtually undevelopable from an automobile-oriented perspective because the access becomes too awkward and the topography (there is an elevation difference along a large portion of the roadway) does not readily lend itself to this sort of development along most stretches of the highway.

That said, there is still considerable vehicular traffic passing by the site (see below), and some opportunities for highway-side development do exist, primarily at the so-called “Four Corners” where Oyster Sto-Lo Road intersects with the Island Highway at a traffic light-controlled four-way intersection. The excellent ingress/egress ability at this location owing to the traffic light should be conducive to a retail or commercial node at potentially all four corners of this intersection to capitalize on the combination of both exposure and accessibility afforded here.

Traffic counts undertaken by the Ministry of Transportation at the Cassidy highway counter (as seen on Table 2) indicate that approximately 24,000 vehicles pass along this stretch of highway on an average annual basis. Peak daily volumes typically occur on Fridays at around 28,000 vehicles per day, and trough daily volumes typically occur on Sundays at around 21,000 vehicles per day.





| 2008    | Average Daily Traffic |
|---------|-----------------------|
| Jan     | 21,666                |
| Feb     | 23,450                |
| Mar     | 24,559                |
| Apr     | 24,664                |
| May     | 25,276                |
| Jun     | 25,815                |
| Jul     | 26,775                |
| Aug     | 27,970                |
| Sep     | 25,481                |
| Oct     | 24,339                |
| Nov     | 23,276                |
| Dec     | 18,536                |
| Average | 24,317                |

|      | Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday | Average Daily Traffic |
|------|--------|--------|---------|-----------|----------|--------|----------|-----------------------|
| 2008 | 21,358 | 22,748 | 24,065  | 24,792    | 25,485   | 27,843 | 22,920   | <b>24,317</b>         |
| 2007 | 21,879 | 24,118 | 25,010  | 25,561    | 26,385   | 28,971 | 23,666   | <b>25,084</b>         |
| 2006 | 21,515 | 23,425 | 24,391  | 24,769    | 25,491   | 28,215 | 23,271   | <b>24,431</b>         |
| 2005 | 21,322 | 23,580 | 24,196  | 24,723    | 25,465   | 27,312 | 22,771   | <b>24,195</b>         |
| 2004 | 21,608 | 23,245 | 23,512  | 24,160    | 24,629   | 27,420 | 22,792   | <b>23,909</b>         |

**Source:** BC Ministry of Transportation

## 3.0 CONTEXTUAL OVERVIEW

---

In general, the study area for the subject site will have an area of influence largely comprised of:

- Nanaimo Regional District Area A
- Cowichan Valley Regional District Area H
- Town of Ladysmith
- IR 13, which is surrounded by CVRD Area H.

This study area acknowledges the competitive influences of Nanaimo to the north and Duncan to the south, and in cases where the distance from the subject site to either centre is equidistant, it is believed that because of the scale and accessibility of these centres, their competitive influence will prevail. This trading area is shown in Table 3.

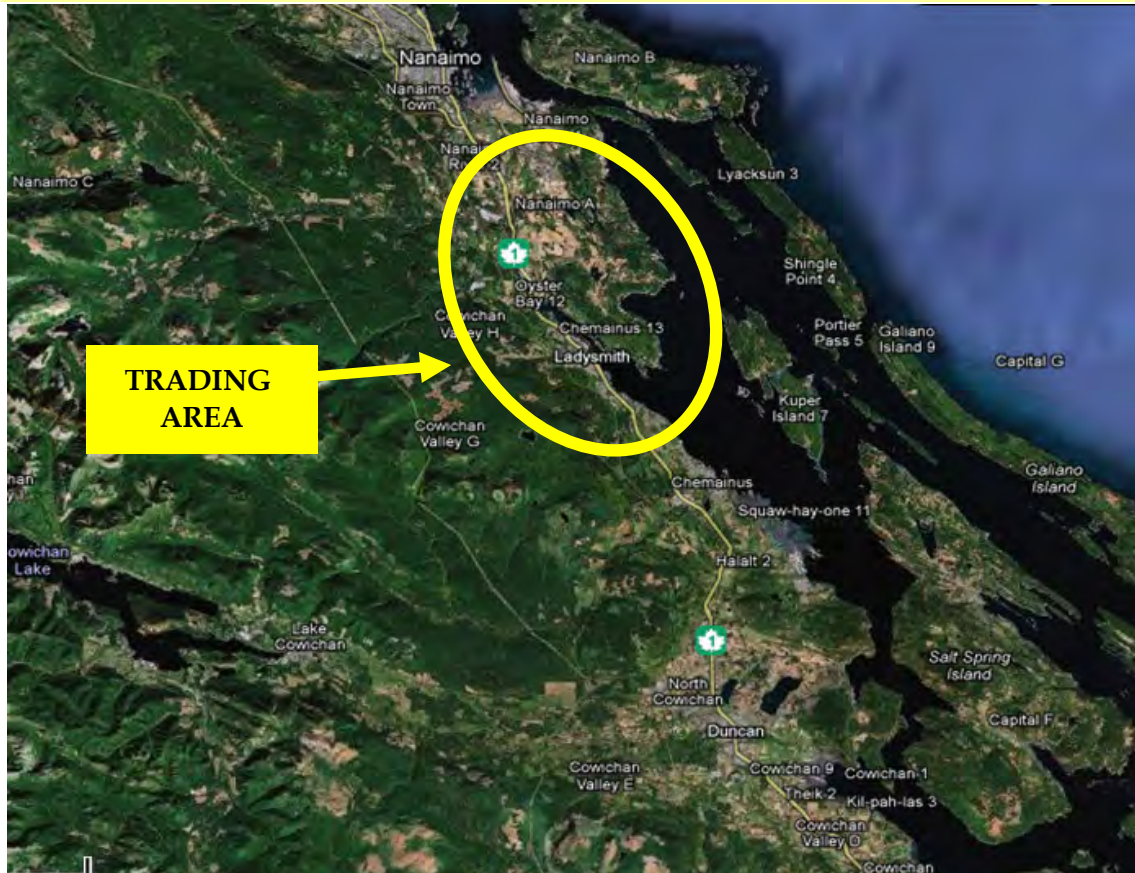
Although it is arguable that portions of other nearby areas might have been included in this study area, the more distant from the subject site these areas are, the less representative they become of the study area's anticipated core demographic, and become increasingly better suited for inclusion in other trading areas (because of, for example, geographic barriers, transportation routes, access to other town centres or retail facilities, etc.) and become increasingly subject to outside competitive pressures.

In terms of retail and similar commercial land use, a trade area can be defined as the area from which 85% to 95% of site sales will be generated. In this case, the consultant believes that the trade area for the subject site would also be generally identical to the above-noted study area, with a fairly low amount of "inflow sales" from outside communities (inflow sales are discussed in the retail market section of the report).

### STUDY AREA DEMOGRAPHIC PROFILE

Because the demographic profile of the current on-site residents of I.R.12 (which presently is comprised of only a couple dozen residents) is less than useful in assessing the demographic profile of the subject area or its surrounding areas, the demographic profile of the entire study area must be considered as a whole, with the understanding that, over time, and in light of demographic and economic trends (especially the anticipated growth in retirement and internal migration from other parts of the country and province to the study area), this demographic profile will likely change considerably.

**TABLE 3**  
**TRADING AREA**



Source: Google Maps

The current demographic profile for this study area can be found in Table 4a through 4d, which breaks down the study area demographic profile, respectively, into the following broad categories:

- Population and household characteristics
- Language and ethnicity
- Income and education
- Labour and industry

In all cases, the combined profile of the study area is compared with the demographic profile of the province of BC as a whole.

Although a wide range of data can be extracted from these tables, some of the more salient findings relevant to an analysis of the study area's likely market potential include:

- A total 2006 study area population of just over 17,000;
- Population growth in the delineated area has outpaced the province as a whole, at 8% growth over five years as compared to 5%;
- The median age of the study area is almost 5 years higher than the province as a whole;
- Homeownership is far more prevalent in the study area, with approximately 85% of households owning their occupied dwelling compared to 70% province-wide;
- An average household size only slightly smaller than the province as a whole (2.4 for the combined study area as compared to 2.5 for B.C.);
- Median household income around 5% lower than for BC as a whole (this can partially be explained by the lower incomes seen for the I.R.13 population);
- A higher proportion of Aboriginal population than the provincial average, and only around one-half the proportion of immigrants as a share of the provincial average;
- Both a lower employment rate and a higher unemployment rate in the study area as compared to the city as whole (owing to the lower participation rate for the study area, likely as a consequence of the older age profile and prevalence of retirement in the area);

**TABLE 4A**  
**DEMOGRAPHIC PROFILE - POPULATION CHARACTERISTICS**  
**BY STUDY AREA CENSUS SUBDIVISION**

| Census Tract  | Province of B.C. | Town of Ladysmith | Nanaimo RD Area A | Cowichan RD Area H | Chemainus IR 13 | Study Area Total |
|---|------------------|-------------------|-------------------|--------------------|-----------------|------------------|
| <b>Population and dwelling counts</b>   |                  |                   |                   |                    |                 |                  |
| Population in 2006  | 4,113,487        | 7,538             | 6,751             | 2,274              | 684             | 17,247           |
| Population in 2001  | 3,907,738        | 6,811             | 6,423             | 2,185              | 557             | 15,976           |
| 2001 to 2006 population change (%)  | 5.3              | 10.7              | 5.1               | 4.1                | 22.8            | 8.1              |
| Total private dwellings   | 1,788,474        | 3,303             | 2,868             | 1,028              | 170             | 7,369            |
| Private dwellings occupied by usual residents                                 | 1,642,715        | 3,185             | 2,755             | 969                | 170             | 7,079            |
| Population density per square kilometre                                       | 4                | 619               | 112               | 27                 | 59              | 320              |
| Land area (square km)   | 924,815          | 12                | 60                | 83                 | 12              | 167              |
| <b>Age characteristics</b>  |                  |                   |                   |                    |                 |                  |
| Total population  | 4,113,485        | 7,540             | 6,750             | 2,275              | N/A             | 16,565           |
| 0 to 4 years  | 201,880          | 345               | 270               | 80                 | N/A             | 695              |
| 5 to 9 years  | 220,700          | 385               | 365               | 85                 | N/A             | 835              |
| 10 to 14 years  | 257,025          | 515               | 485               | 120                | N/A             | 1,120            |
| 15 to 19 years  | 273,560          | 495               | 445               | 120                | N/A             | 1,060            |
| 20 to 24 years  | 265,905          | 295               | 280               | 90                 | N/A             | 665              |
| 25 to 29 years  | 245,275          | 300               | 235               | 60                 | N/A             | 595              |
| 30 to 34 years  | 254,575          | 320               | 335               | 95                 | N/A             | 750              |
| 35 to 39 years  | 290,645          | 455               | 490               | 135                | N/A             | 1,080            |
| 40 to 44 years  | 334,835          | 555               | 600               | 170                | N/A             | 1,325            |
| 45 to 49 years  | 344,140          | 600               | 630               | 185                | N/A             | 1,415            |
| 50 to 54 years  | 320,115          | 585               | 640               | 235                | N/A             | 1,460            |
| 55 to 59 years  | 289,425          | 630               | 545               | 275                | N/A             | 1,450            |
| 60 to 64 years  | 215,590          | 500               | 480               | 200                | N/A             | 1,180            |
| 65 to 69 years  | 169,765          | 420               | 350               | 120                | N/A             | 890              |
| 70 to 74 years  | 143,630          | 355               | 240               | 110                | N/A             | 705              |
| 75 to 79 years  | 120,435          | 335               | 175               | 80                 | N/A             | 590              |
| 80 to 84 years  | 89,925           | 240               | 95                | 55                 | N/A             | 390              |
| 85 years and over   | 76,045           | 215               | 80                | 60                 | N/A             | 355              |
| Median age of the population  | 40.8             | 45.9              | 43.9              | 49.9               | N/A             | 45.6             |
| % of the population aged 15 and over  | 83.5%            | 83.4%             | 83.5%             | 87.5%              | N/A             | 84.0%            |
| <b>Legal marital status characteristics</b>                                   |                  |                   |                   |                    |                 |                  |
| Total population 15 years and over  | 3,433,880        | 6,290             | 5,630             | 1,990              | N/A             | 13,910           |
| Not in a common-law relationship  | 3,154,005        | 5,670             | 4,995             | 1,780              | N/A             | 12,445           |
| In a common-law relationship  | 279,875          | 620               | 635               | 205                | N/A             | 1,460            |
| Total population 15 years and over  | 3,433,880        | 6,290             | 5,630             | 1,990              | N/A             | 13,910           |
| Never legally married (single)  | 1,102,395        | 1,475             | 1,545             | 450                | N/A             | 3,470            |
| Legally married (and not separated)   | 1,730,480        | 3,385             | 3,020             | 1,160              | N/A             | 7,565            |
| Separated, but still legally married  | 110,575          | 240               | 200               | 50                 | N/A             | 490              |
| Divorced  | 285,860          | 685               | 590               | 195                | N/A             | 1,470            |
| Widowed   | 204,570          | 500               | 270               | 140                | N/A             | 910              |
| <b>Housing Tenure</b>   |                  |                   |                   |                    |                 |                  |
| Total private dwellings occupied by usual residents                           | 1,145,050        | 2,575             | 2,400             | 875                | 75              | 5,925            |
| Number of owned dwellings   | 493,995          | 610               | 355               | 95                 | 20              | 1,080            |
| Owned dwellings as % of total dwellings                                       | 70%              | 81%               | 87%               | 90%                | 79%             | 85%              |
| <b>Occupied private dwelling characteristics</b>                              |                  |                   |                   |                    |                 |                  |
| Total private dwellings occupied by usual residents                           | 1,643,150        | 3,190             | 2,755             | 970                | 170             | 7,085            |
| Single-detached houses - as a % of total occupied private dwellings           | 49.2             | 71                | 87.3              | 87.6               | 88.2            | 80               |
| Semi-detached houses - as a % of total occupied private dwellings             | 3.1              | 3                 | 0.4               | 1                  | 5.9             | 2                |
| Row houses - as a % of total occupied private dwellings                       | 6.9              | 7.7               | 0                 | 0                  | 0               | 3                |
| Apartments; duplex - as a % of total occupied private dwellings               | 10               | 2.2               | 2.5               | 2.1                | 0               | 2                |
| Apartments in buildings with fewer than five storeys - as a % of total        | 20.9             | 11                | 1.3               | 0                  | 0               | 5                |
| Apartments in buildings with five or more storeys - as a % of total           | 7.1              | 0                 | 0                 | 0                  | 0               | -                |
| Other dwellings - as a % of total occupied private dwellings                  | 2.8              | 5                 | 8.7               | 9.8                | 8.8             | 7                |
| Number of dwellings constructed before 1986                                   | 1,017,335        | 1,815             | 1,785             | 615                | 100             | 4,315            |
| Number of dwellings constructed between 1986 and 2006                         | 625,815          | 1,370             | 965               | 355                | 65              | 2,755            |
| Dwellings requiring major repair - as a % of total                            | 7                | 9                 | 10                | 10                 | 44              | 11               |
| Average number of rooms per dwelling  | 6.4              | 6.8               | 7                 | 7.1                | 6.4             | 7                |
| Dwellings with more than one person per room - as a % of total                | 1.9              | 0.3               | 0.7               | 0                  | 8.8             | 1                |
| Average value of owned dwelling (\$)  | \$ 418,703       | \$ 290,213        | \$ 307,342        | \$ 388,774         | N/A             | \$ 310,727       |
| <b>Selected household characteristics</b>                                     |                  |                   |                   |                    |                 |                  |
| Total private households  | 1,643,150        | 3,185             | 2,755             | 970                | 170             | 7,080            |
| Households containing a couple (married or common-law) with children          | 432,420          | 710               | 720               | 195                | 65              | 1,690            |
| Households containing a couple (married or common-law) without children       | 486,040          | 1,135             | 1,030             | 445                | 25              | 2,635            |
| One-person households   | 460,580          | 860               | 595               | 215                | 20              | 1,690            |
| Other household types   | 264,105          | 485               | 405               | 105                | 60              | 1,055            |
| Average household size  | 2.5              | 2.3               | 2.4               | 2.3                | 4.0             | 2.4              |
| Median income in 2005 - All private households (\$)                           | \$ 52,709        | \$ 50,053         | \$ 51,348         | \$ 57,025          | \$ 22,966       | \$ 50,405        |
| Median income in 2005 - Couple households with children (\$)                  | \$ 79,509        | \$ 76,935         | \$ 66,758         | \$ 83,127          | \$ 30,887       | \$ 71,942        |
| Median income in 2005 - Couple households without children (\$)               | \$ 63,969        | \$ 58,093         | \$ 60,818         | \$ 62,322          | \$ 14,033       | \$ 57,970        |
| Median income in 2005 - One-person households (\$)                            | \$ 27,773        | \$ 25,075         | \$ 26,568         | \$ 29,903          | \$ 10,202       | \$ 25,706        |
| Median income in 2005 - Other household types (\$)                            | \$ 47,266        | \$ 43,524         | \$ 41,904         | \$ 38,139          | \$ 30,692       | \$ 41,671        |
| Median after-tax income in 2005 - All private households (\$)                 | \$ 46,472        | \$ 43,958         | \$ 45,283         | \$ 50,482          | \$ 22,966       | \$ 44,504        |
| Median after-tax income in 2005 - Couple households with children (\$)        | \$ 68,639        | \$ 65,645         | \$ 58,182         | \$ 73,399          | \$ 30,887       | \$ 62,368        |
| Median after-tax income in 2005 - Couple households without children (\$)     | \$ 55,748        | \$ 52,123         | \$ 51,061         | \$ 55,478          | \$ 14,033       | \$ 50,639        |
| Median after-tax income in 2005 - One-person households (\$)                  | \$ 24,987        | \$ 24,961         | \$ 24,173         | \$ 27,599          | \$ 10,202       | \$ 24,415        |
| Median after-tax income in 2005 - Other household types (\$)                  | \$ 43,242        | \$ 39,801         | \$ 39,358         | \$ 34,811          | \$ 30,692       | \$ 38,608        |
| Median monthly payments for rented dwellings (\$)                             | \$ 752           | \$ 662            | \$ 729            | \$ 551             | \$ -            | \$ 647           |
| Median monthly payments for owner-occupied dwellings (\$)                     | \$ 876           | \$ 722            | \$ 657            | \$ 733             | \$ -            | \$ 669           |
| <b>Mobility status - Place of residence 1 year ago</b>                        |                  |                   |                   |                    |                 |                  |
| Total population 1 year and over  | 4,034,385        | 7,410             | 6,695             | 2,240              | 670             | 17,015           |
| Lived at the same address 1 year ago  | 3,348,275        | 6,185             | 5,900             | 2,080              | 635             | 14,800           |
| Lived within the same province 1 year ago; but moved within the municipality  | 374,695          | 465               | 530               | 10                 | 25              | 1,030            |
| Lived within the same province 1 year ago; but moved within the province      | 194,090          | 655               | 215               | 125                | 10              | 1,005            |
| Lived in a different province 1 year ago                                      | 55,855           | 85                | 50                | 20                 | -               | 155              |
| Lived in a different country 1 year ago                                       | 61,470           | 20                | -                 | -                  | -               | 20               |
| <b>Mobility status - Place of residence 5 years ago</b>                       |                  |                   |                   |                    |                 |                  |
| Total population 5 years and over   | 3,871,915        | 7,165             | 6,480             | 2,190              | 620             | 16,455           |
| Lived at the same address 5 years ago   | 2,067,790        | 3,675             | 3,975             | 1,680              | 490             | 9,820            |
| Lived within the same province 5 years ago; but moved within the municipality | 904,705          | 1,420             | 1,250             | 135                | 85              | 2,890            |
| Lived within the same province 5 years ago; but moved within the province     | 528,500          | 1,610             | 1,000             | 270                | 40              | 2,920            |
| Lived in a different province 5 years ago                                     | 164,715          | 410               | 225               | 50                 | -               | 685              |
| Lived in a different country 5 years ago                                      | 206,210          | 55                | 25                | 50                 | -               | 130              |

Source: Statistics Canada - 2006 Census, by Census Subdivision



# TABLE 4B

## DEMOGRAPHIC PROFILE - LANGUAGE & ETHNICITY

### BY STUDY AREA CENSUS SUBDIVISION

| Census Tract  | Province of B.C. | Town of Ladysmith | Nanaimo RD Area A | Cowichan RD Area H | Chemainus IR 13 | Study Area Total |
|---|------------------|-------------------|-------------------|--------------------|-----------------|------------------|
| <b>Mother tongue</b>                                    |                  |                   |                   |                    |                 |                  |
| Total population  | 4,074,380        | 7,505             | 6,750             | 2,250              | 685             | 17,190           |
| English only  | 2,875,770        | 6,890             | 6,260             | 2,110              | 525             | 15,785           |
| French only   | 54,740           | 60                | 115               | 10                 | -               | 185              |
| English and French                                      | 5,920            | 10                | 10                | 10                 | -               | 30               |
| Other language(s)                                       | 1,137,945        | 550               | 365               | 125                | 160             | 1,200            |
| <b>Knowledge of official languages</b>                  |                  |                   |                   |                    |                 |                  |
| Total population  | 4,074,385        | 7,505             | 6,750             | 2,250              | 680             | 17,185           |
| English only  | 3,653,365        | 7,175             | 6,420             | 2,155              | 660             | 16,410           |
| French only   | 2,070            | -                 | -                 | -                  | 10              | 10               |
| English and French                                      | 295,640          | 315               | 325               | 90                 | -               | 730              |
| Neither English nor French                              | 123,305          | 15                | -                 | -                  | 10              | 25               |
| <b>Language spoken most often at home</b>               |                  |                   |                   |                    |                 |                  |
| Total population  | 4,074,385        | 7,505             | 6,750             | 2,245              | 685             | 17,185           |
| English   | 3,341,285        | 7,330             | 6,695             | 2,240              | 620             | 16,885           |
| French  | 15,325           | -                 | 10                | -                  | -               | 10               |
| Non-official language                                   | 639,380          | 165               | 35                | -                  | 55              | 255              |
| English and French                                      | 3,615            | 10                | -                 | -                  | -               | 10               |
| English and non-official language                       | 73730            | 10                | 0                 | 0                  | 0               | 10               |
| French and non-official language                        | 465              | 0                 | 0                 | 0                  | 10              | 10               |
| English; French and non-official language               | 580              | 0                 | 0                 | 0                  | 0               | -                |
| <b>Immigrant status and period of immigration</b>       |                  |                   |                   |                    |                 |                  |
| Total population  | 4,074,385        | 7,505             | 6,750             | 2,245              | -               | 16,500           |
| Non-immigrants  | 2,904,240        | 6,545             | 6,010             | 1,900              | -               | 14,455           |
| Immigrants  | 1,119,215        | 940               | 740               | 350                | -               | 2,030            |
| Before 1991   | 605,680          | 855               | 690               | 325                | -               | 1,870            |
| 1991 to 2000  | 335,695          | 55                | 40                | 10                 | -               | 105              |
| 2001 to 2006  | 177,840          | 35                | 10                | 15                 | -               | 60               |
| Non-permanent residents                                 | 50,925           | 15                | 10                | -                  | -               | 25               |
| <b>Citizenship</b>                                      |                  |                   |                   |                    |                 |                  |
| Total population  | 4,074,380        | 7,505             | 6,750             | 2,250              | -               | 16,505           |
| Canadian citizens                                       | 3,761,225        | 7,365             | 6,640             | 2,195              | -               | 16,200           |
| Canadian citizens under age 18                          | 801,105          | 1,560             | 1,410             | 345                | -               | 3,315            |
| Canadian citizens age 18 and over                       | 2,960,120        | 5,805             | 5,225             | 1,845              | -               | 12,875           |
| Not Canadian citizens                                   | 313,155          | 145               | 115               | 50                 | -               | 310              |
| <b>Generation status</b>                                |                  |                   |                   |                    |                 |                  |
| Total population 15 years and over                      | 3,394,910        | 6,265             | 5,630             | 1,990              | 480             | 14,365           |
| 1st generation  | 1,121,545        | 955               | 760               | 345                | 10              | 2,070            |
| 2nd generation  | 754,835          | 1,520             | 1,240             | 545                | 10              | 3,315            |
| 3rd generation or more                                  | 1,518,530        | 3,785             | 3,635             | 1,100              | 455             | 8,975            |
| <b>Aboriginal population</b>                            |                  |                   |                   |                    |                 |                  |
| Total Aboriginal and non-Aboriginal identity population | 4,074,385        | 7,505             | 6,750             | 2,250              | 680             | 17,185           |
| Aboriginal identity population                          | 196,070          | 310               | 300               | 95                 | 660             | 1,365            |
| Non-Aboriginal identity population                      | 3,878,310        | 7,190             | 6,445             | 2,155              | 25              | 15,815           |
| <b>Visible minority population characteristics</b>      |                  |                   |                   |                    |                 |                  |
| Total population  | 4,074,380        | 7,505             | 6,750             | 2,250              | 685             | 17,190           |
| Total visible minority population                       | 1,008,855        | 155               | N/A               | 40                 | N/A             | 195              |
| Chinese   | 407,225          | 40                | N/A               | 15                 | N/A             | 55               |
| South Asian   | 262,290          | 25                | N/A               | 15                 | N/A             | 40               |
| Black   | 28,315           | 10                | N/A               | -                  | N/A             | 10               |
| Filipino  | 88,075           | -                 | N/A               | -                  | N/A             | -                |
| Latin American  | 28,965           | 10                | N/A               | -                  | N/A             | 10               |
| Southeast Asian   | 40,685           | 45                | N/A               | -                  | N/A             | 45               |
| Arab  | 8,635            | -                 | N/A               | -                  | N/A             | -                |
| West Asian  | 29,810           | -                 | N/A               | -                  | N/A             | -                |
| Korean  | 50,490           | -                 | N/A               | -                  | N/A             | -                |
| Japanese  | 35,060           | 10                | N/A               | -                  | N/A             | 10               |
| Visible minority; n.i.e.                                | 3,880            | -                 | N/A               | -                  | N/A             | -                |
| Multiple visible minority                               | 25,420           | 10                | N/A               | 10                 | N/A             | 20               |
| Not a visible minority                                  | 3,065,525        | 7,350             | N/A               | 2,205              | N/A             | 9,555            |

Source: Statistics Canada - 2006 Census, by Census Subdivision



**TABLE 4C**  
**DEMOGRAPHIC PROFILE - INCOME & EDUCATION**  
**BY STUDY AREA CENSUS SUBDIVISION**

| Census Tract   | Province of B.C. | Town of Ladysmith | Nanaimo RD Area A | Cowichan RD Area H | Chemainus IR 13 | Study Area Total |
|--|------------------|-------------------|-------------------|--------------------|-----------------|------------------|
| <b>Educational attainment</b>  |                  |                   |                   |                    |                 |                  |
| Total population 15 years and over   | 3,394,910        | 6,260             | 5,635             | 1,990              | 480             | 14,365           |
| No certificate; diploma or degree  | 675,345          | 1,535             | 1,385             | 475                | 325             | 3,720            |
| High school certificate or equivalent  | 946,645          | 1,515             | 1,575             | 425                | 65              | 3,580            |
| Apprenticeship or trades certificate or diploma                                      | 368,355          | 975               | 940               | 405                | 45              | 2,365            |
| College; CEGEP or other non-university certificate or diploma                        | 565,900          | 1,195             | 925               | 360                | 35              | 2,515            |
| University certificate or diploma below the bachelor level                           | 184,395          | 330               | 250               | 85                 | 10              | 675              |
| University certificate; diploma or degree  | 654,265          | 705               | 555               | 240                | 10              | 1,510            |
| Total population aged 15 to 24   | 538,010          | 775               | 735               | 230                | 120             | 1,860            |
| No certificate; diploma or degree  | 200,900          | 440               | 345               | 135                | 95              | 1,015            |
| High school certificate or equivalent  | 222,060          | 270               | 270               | 75                 | 15              | 630              |
| Apprenticeship or trades certificate or diploma                                      | 20,750           | -                 | 15                | -                  | 10              | 25               |
| College; CEGEP or other non-university certificate or diploma                        | 43,660           | 35                | 40                | 10                 | -               | 85               |
| University certificate or diploma below the bachelor level                           | 16,285           | 25                | 25                | -                  | -               | 50               |
| University certificate; diploma or degree  | 34,355           | -                 | 35                | 10                 | -               | 45               |
| Total population aged 25 to 34   | 497,715          | 635               | 565               | 110                | 100             | 1,410            |
| No certificate; diploma or degree  | 46,860           | 85                | 80                | 15                 | 55              | 235              |
| High school certificate or equivalent  | 130,165          | 155               | 185               | 10                 | 20              | 370              |
| Apprenticeship or trades certificate or diploma                                      | 46,040           | 75                | 100               | 20                 | 15              | 210              |
| College; CEGEP or other non-university certificate or diploma                        | 99,325           | 185               | 110               | 25                 | 10              | 330              |
| University certificate or diploma below the bachelor level                           | 30,820           | 40                | 30                | -                  | -               | 70               |
| University certificate; diploma or degree  | 144,505          | 90                | 60                | 30                 | 10              | 190              |
| Total population aged 35 to 64   | 1,786,750        | 3,325             | 3,385             | 1,235              | 240             | 8,185            |
| No certificate; diploma or degree  | 235,340          | 505               | 625               | 205                | 160             | 1,495            |
| High school certificate or equivalent  | 461,105          | 775               | 915               | 265                | 30              | 1,985            |
| Apprenticeship or trades certificate or diploma                                      | 227,410          | 670               | 640               | 290                | 25              | 1,625            |
| College; CEGEP or other non-university certificate or diploma                        | 347,685          | 750               | 665               | 255                | 25              | 1,695            |
| University certificate or diploma below the bachelor level                           | 108,205          | 125               | 155               | 55                 | -               | 335              |
| University certificate; diploma or degree  | 407,010          | 500               | 390               | 165                | -               | 1,055            |
| <b>Major field of study</b>  |                  |                   |                   |                    |                 |                  |
| Total population 15 years and over   | 3,394,905        | 6,260             | 5,635             | 1,990              | 480             | 14,365           |
| No postsecondary certificate; diploma or degree                                      | 1,621,995        | 3,055             | 2,960             | 900                | 390             | 7,305            |
| Education  | 135,905          | 260               | 125               | 115                | 10              | 510              |
| Visual and performing arts; and communications technologies                          | 76,385           | 100               | 90                | 20                 | -               | 210              |
| Humanities   | 101,875          | 125               | 60                | 45                 | -               | 230              |
| Social and behavioural sciences and law  | 177,185          | 280               | 180               | 60                 | 10              | 530              |
| Business; management and public administration                                       | 366,975          | 620               | 475               | 170                | 25              | 1,290            |
| Physical and life sciences and technologies  | 63,415           | 95                | 75                | 15                 | -               | 185              |
| Mathematics; computer and information sciences                                       | 66,200           | 40                | 30                | 10                 | -               | 80               |
| Architecture; engineering; and related technologies                                  | 385,325          | 830               | 875               | 375                | 30              | 2,110            |
| Agriculture; natural resources and conservation                                      | 45,020           | 65                | 100               | 60                 | 10              | 235              |
| Health; parks; recreation and fitness  | 252,655          | 560               | 420               | 155                | -               | 1,135            |
| Personal; protective and transportation services                                     | 101,725          | 210               | 235               | 70                 | 10              | 525              |
| Other  | 245              | -                 | -                 | -                  | -               | -                |
| <b>Location of study</b>   |                  |                   |                   |                    |                 |                  |
| Total population 15 years and over   | 3,394,910        | 6,265             | 5,630             | 1,990              | 480             | 14,365           |
| No postsecondary certificate; diploma or degree                                      | 1,621,995        | 3,050             | 2,960             | 900                | 390             | 7,300            |
| Postsecondary certificate; diploma or degree   | 1,772,915        | 3,205             | 2,670             | 1,095              | 90              | 7,060            |
| Inside Canada  | 1,365,495        | 2,895             | 2,375             | 960                | 85              | 6,315            |
| Outside Canada   | 407,420          | 315               | 300               | 135                | -               | 750              |
| <b>Unpaid work</b>   |                  |                   |                   |                    |                 |                  |
| Population 15 years and over reporting hours of unpaid work                          | 3,101,125        | 5,720             |                   | 1,870              |                 |                  |
| Population 15 years and over reporting hours of unpaid housework                     | 3,059,710        | 5,680             |                   | 1,845              |                 |                  |
| Population 15 years and over reporting hours looking after children without pay      | 1,194,955        | 2,190             |                   | 555                |                 |                  |
| Population 15 years and over reporting hours of unpaid care or assistance to seniors | 593,385          | 1,090             |                   | 500                |                 |                  |
| <b>Earnings in 2005</b>  |                  |                   |                   |                    |                 |                  |
| Persons 15 years and over with earnings (counts)                                     | 2,392,805        | 4,070             |                   | 1,400              |                 |                  |
| Median earnings - Persons 15 years and over (\$)                                     | \$ 25,722        | \$ 23,996         |                   | \$ 26,603          |                 |                  |
| Persons 15 years and over with earnings who worked full year; full time (counts)     | 1,113,365        | 1,875             |                   | 645                |                 |                  |
| Median earnings - Persons 15 years and over who worked full year; full time (\$)     | \$ 42,230        | \$ 43,789         |                   | \$ 39,295          |                 |                  |
| <b>Income in 2005</b>  |                  |                   |                   |                    |                 |                  |
| Persons 15 years and over with income (counts)                                       | 3,230,565        | 5,880             |                   | 1,905              |                 |                  |
| Median income - Persons 15 years and over (\$)                                       | \$ 24,867        | \$ 25,498         |                   | \$ 26,409          |                 |                  |
| Median income after tax - Persons 15 years and over (\$)                             | \$ 22,785        | \$ 23,140         |                   | \$ 23,897          |                 |                  |
| Composition of total income (100%)   | 100              | 100               |                   | 100                |                 |                  |
| Earnings - As a % of total income  | 75.1             | 66.3              |                   | 67.7               |                 |                  |
| Government transfers - As a % of total income  | 10.7             | 16.4              |                   | 12.1               |                 |                  |
| Other money - As a % of total income   | 14.2             | 17.2              |                   | 20.2               |                 |                  |
| Income status of all persons in private households (counts)                          | 3,978,215        | 7,390             |                   | 2,215              |                 |                  |
| % in low income before tax - All persons   | 17.3             | 9.5               |                   | 8.6                |                 |                  |
| % in low income after tax - All persons  | 13.1             | 4.4               |                   | 6.3                |                 |                  |
| % in low income before tax - Persons less than 18 years of age                       | 19.6             | 8.9               |                   | 11.8               |                 |                  |
| % in low income after tax - Persons less than 18 years of age                        | 14.9             | 2.9               |                   | 8.8                |                 |                  |

Source: Statistics Canada - 2006 Census, by Census Subdivision

**TABLE 4D**  
**DEMOGRAPHIC PROFILE - LABOUR & INDUSTRY**  
**BY STUDY AREA CENSUS SUBDIVISION**

| Census Tract   | Province of B.C. | Town of Ladysmith | Nanaimo RD Area A | Cowichan RD Area H | Chemainus IR 13 | Study Area Total |
|--|------------------|-------------------|-------------------|--------------------|-----------------|------------------|
| <b>Labour force activity</b>   |                  |                   |                   |                    |                 |                  |
| Total population 15 years and over   | 3,394,910        | 6,260             | 5,635             | 1,990              | 480             | 14,365           |
| In the labour force  | 2,226,380        | 3,580             | 3,535             | 1,220              | 250             | 8,585            |
| Employed   | 2,092,770        | 3,375             | 3,315             | 1,160              | 165             | 8,015            |
| Unemployed   | 133,615          | 205               | 220               | 60                 | 90              | 575              |
| Not in the labour force  | 1,168,525        | 2,680             | 2,095             | 770                | 230             | 5,775            |
| Participation rate   | 65.6             | 57.2              | 62.7              | 61.3               | 52.1            | 59.8             |
| Employment rate  | 61.6             | 53.9              | 58.8              | 58.3               | 34.4            | 55.8             |
| Unemployment rate  | 6.0              | 5.7               | 6.2               | 4.9                | 36              | 6.8              |
| <b>Occupation</b>  |                  |                   |                   |                    |                 |                  |
| Total experienced labour force 15 years and over                                     | 2,193,115        | 3,545             |                   | 1,200              |                 | 4,745            |
| A Management occupations   | 229,945          | 285               |                   | 80                 |                 | 365              |
| B Business; finance and administration occupations                                   | 375,975          | 550               |                   | 170                |                 | 720              |
| C Natural and applied sciences and related occupations                               | 138,955          | 175               |                   | 80                 |                 | 255              |
| D Health occupations   | 120,360          | 155               |                   | 45                 |                 | 200              |
| E Occupations in social science; education; government service and religion          | 178,040          | 330               |                   | 125                |                 | 455              |
| F Occupations in art; culture; recreation and sport                                  | 76,460           | 95                |                   | 25                 |                 | 120              |
| G Sales and service occupations  | 555,880          | 900               |                   | 255                |                 | 1,155            |
| H Trades; transport and equipment operators and related occupations                  | 339,500          | 730               |                   | 260                |                 | 990              |
| I Occupations unique to primary industry   | 86,460           | 130               |                   | 100                |                 | 230              |
| J Occupations unique to processing; manufacturing and utilities                      | 91,545           | 195               |                   | 60                 |                 | 255              |
| <b>Industry</b>  |                  |                   |                   |                    |                 |                  |
| Total experienced labour force 15 years and over                                     | 2,193,115        | 3,545             |                   | 1,200              |                 | 4,745            |
| Agriculture and other resource-based industries                                      | 107,760          | 150               |                   | 130                |                 | 280              |
| Construction   | 166,100          | 260               |                   | 105                |                 | 365              |
| Manufacturing  | 189,120          | 495               |                   | 175                |                 | 670              |
| Wholesale trade  | 92,020           | 80                |                   | 35                 |                 | 115              |
| Retail trade   | 248,950          | 405               |                   | 90                 |                 | 495              |
| Finance and real estate  | 134,940          | 275               |                   | 75                 |                 | 350              |
| Health care and social services  | 213,085          | 355               |                   | 95                 |                 | 450              |
| Educational services   | 152,565          | 245               |                   | 65                 |                 | 310              |
| Business services  | 436,665          | 530               |                   | 155                |                 | 685              |
| Other services   | 451,905          | 745               |                   | 270                |                 | 1,015            |
| <b>Unpaid work</b>   |                  |                   |                   |                    |                 |                  |
| Population 15 years and over reporting hours of unpaid work                          | 3,101,125        | 5,720             |                   | 1,870              |                 | 7,590            |
| Population 15 years and over reporting hours of unpaid housework                     | 3,059,710        | 5,680             |                   | 1,845              |                 | 7,525            |
| Population 15 years and over reporting hours looking after children without pay      | 1,194,955        | 2,190             |                   | 555                |                 | 2,745            |
| Population 15 years and over reporting hours of unpaid care or assistance to seniors | 593,385          | 1,090             |                   | 500                |                 | 1,590            |
| <b>Language used most often at work</b>  |                  |                   |                   |                    |                 |                  |
| Total population 15 years and over who worked since 2005                             | 2,419,215        | 4,040             |                   | 1,400              |                 | 5,440            |
| English  | 2,308,370        | 4,020             |                   | 1,395              |                 | 5,415            |
| French   | 5,525            | -                 |                   | -                  |                 | -                |
| Non-official language  | 79,415           | -                 |                   | -                  |                 | -                |
| English and French   | 2,970            | -                 |                   | -                  |                 | -                |
| English and non-official language  | 22,435           | 10                |                   | -                  |                 | 10               |
| French and non-official language   | 125              | -                 |                   | -                  |                 | -                |
| English; French and non-official language  | 365              | -                 |                   | -                  |                 | -                |
| <b>Place of work status</b>  |                  |                   |                   |                    |                 |                  |
| Total employed labour force 15 years and over  | 2,092,770        | 3,375             |                   | 1,160              |                 | 4,535            |
| Worked at home   | 188,755          | 255               |                   | 190                |                 | 445              |
| Worked outside Canada  | 13,955           | 10                |                   | 10                 |                 | 20               |
| No fixed workplace address   | 274,055          | 525               |                   | 125                |                 | 650              |
| Worked at usual place  | 1,615,995        | 2,580             |                   | 830                |                 | 3,410            |
| Worked in municipality of residence  | 787,185          | 975               |                   | 55                 |                 | 1,030            |
| Worked in a different municipality within the census division of residence           | 746,830          | 680               |                   | 255                |                 | 935              |
| Worked in a different census division  | 72,020           | 915               |                   | 515                |                 | 1,430            |
| Worked in a different province   | 9,965            | 10                |                   | 10                 |                 | 20               |
| <b>Mode of transportation to work</b>  |                  |                   |                   |                    |                 |                  |
| Total employed labour force with a usual place of work or no fixed workplace address | 1,890,055        | 3,105             |                   | 960                |                 | 4,065            |
| Car; truck; van; as driver   | 1,353,790        | 2,660             |                   | 835                |                 | 3,495            |
| Car; truck; van; as passenger  | 145,840          | 180               |                   | 65                 |                 | 245              |
| Public transit   | 195,145          | 15                |                   | -                  |                 | 15               |
| Walked or bicycled   | 167,650          | 210               |                   | 40                 |                 | 250              |
| All other modes  | 27,620           | 40                |                   | 20                 |                 | 60               |
| <b>Mode of transportation to work</b>  |                  |                   |                   |                    |                 |                  |
| Total employed labour force with a usual place of work or no fixed workplace address | 100%             | 100%              |                   | 100%               |                 | 100.0%           |
| Car; truck; van; as driver   | 72%              | 86%               |                   | 87%                |                 | 86.3%            |
| Car; truck; van; as passenger  | 8%               | 6%                |                   | 7%                 |                 | 6.3%             |
| Public transit   | 10%              | 0%                |                   | 0%                 |                 | 0.2%             |
| Walked or bicycled   | 9%               | 7%                |                   | 4%                 |                 | 5.5%             |
| All other modes  | 1%               | 1%                |                   | 2%                 |                 | 1.7%             |

Source: Statistics Canada - 2006 Census, by Census Subdivision

## POPULATION PROJECTIONS

Population projections have been undertaken by the Province of BC for both the CVRD and the RDN. Because the study area overlaps the two regional districts, the anticipated population growth of the study area is naturally expected to be influenced by both projections.

Table 5 provides the historical and projected population for both regional districts. The data show that both historically and going forward, the CVRD is expected to account for a fairly constant share of regional population growth, with the combined area rising from the 2006 population of 153,000 to 211,000 by 2013. Regional growth rates were stronger in the 1990's, having reached almost 4% growth per annum, but have slowed from this rapid pace to a more moderate 1%-2% per year. The regional population forecast indicates growth of only around 1.5% per year for the foreseeable future.

However, the consultant believes that the study area will experience growth at a somewhat faster rate than the region as a whole, largely because of the continued availability of developable land in the study area and the growing lack thereof in many other parts of the region – particularly closer to the larger urban centres. Accordingly, it is estimated that the study area will grow at around twice the rate of the region as a whole, or between 1% and 1.5% per year above the regional rate. This translates into growth from the 2006 level of around 17,200 people to around 32,600 people by 2031.

**TABLE 5**  
**POPULATION HISTORY & FORECASTS**

|                                      | HISTORICAL    |                |                |                |                | PROJECTED      |                |                |                |                |
|--------------------------------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                      | 1986          | 1991           | 1996           | 2001           | 2006           | 2011           | 2016           | 2021           | 2026           | 2031           |
| Cowichan Valley RD                   | 36,233        | 43,066         | 50,955         | 51,768         | 54,855         | 58,570         | 62,122         | 65,763         | 69,229         | 72,322         |
| Nanaimo RD                           | 62,445        | 75,940         | 89,404         | 91,403         | 98,561         | 106,428        | 114,959        | 123,523        | 131,424        | 138,532        |
| <b>Regional Population</b>           | <b>98,678</b> | <b>119,006</b> | <b>140,359</b> | <b>143,171</b> | <b>153,416</b> | <b>164,998</b> | <b>177,081</b> | <b>189,286</b> | <b>200,653</b> | <b>210,854</b> |
| Annual Regional Growth               | -             | 3.8%           | 3.4%           | 0.4%           | 1.4%           | 1.5%           | 1.4%           | 1.3%           | 1.2%           | 1.0%           |
| <b>Trade Area Estimate</b>           |               |                |                | <b>16,000</b>  | <b>17,300</b>  | <b>20,000</b>  | <b>23,000</b>  | <b>26,300</b>  | <b>29,500</b>  | <b>32,600</b>  |
| Trade Area 5-Year Incremental Growth |               |                |                |                | 1,300          | 2,700          | 3,000          | 3,300          | 3,200          | 3,100          |

Source: Population projections provided by B.C. Stats P.E.O.P.L.E. Population Projections by Regional District

Note: Trade Area projected to grow 1% faster than regional growth rate.

## 4.0 RESIDENTIAL MARKET

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This section examines the residential market potential for the subject site, first by examining the historical and forecasted housing composition, and translating population growth and market share forecasts into a demand projection over the course of the study period for each applicable residential land use type.

### HOUSING COMPOSITION

Historically, single family dwellings have accounted for an overwhelming majority of the housing stock. However, in recent years, under pressure both from affordability constraints and changing demographics which increasingly are dominated by retirees with smaller household sizes and housing requirements, as well as evolving urban planning preferences, attached and multi-family dwellings have become an increasingly prominent part of the local housing stock – a trend which has been observed in many other parts of the province.

Although it is impossible to foresee demand for housing according to a very exact breakdown of housing type (for the purposes of this study, three broad categories of dwellings will be used: single-family or detached dwellings, attached dwellings such as duplexes and row-houses, and multi-family dwellings such as apartments), it is possible to extrapolate the likely order of magnitude of such demand for each type by examining historical and projected population, historical housing starts, and by taking into consideration other relevant trends influencing housing demand by type, including:

- The diminishing buildable land base;
- Shrinking household size;
- Construction cost inflation which constrains affordability of larger homes/units
- Urban planning preferences (e.g. concentration residences around amenities, transportation facilities, waterfront areas, etc.)

With these considerations in mind, the consultant has made a rough estimate of the approximate demand in the study area for each housing type over five-year increments. These five-year projections are further disaggregated into annual incremental warranted demand for new units according to type. These projections can be found on Table 6. The findings of this projection are roughly in line with a very detailed demographic and housing analysis undertaken in October 2007 for the Nanaimo Regional District by Urban Futures entitled “Population and Housing Change in the Nanaimo Region, 2006 to 2036”.

**TABLE 6**  
**HOUSING STATISTICS PROJECTION - 2011-2031**

|   | HISTORICAL |        | PROJECTED |        |        |        |        |
|---|------------|--------|-----------|--------|--------|--------|--------|
|   | 2001       | 2006   | 2011      | 2016   | 2021   | 2026   | 2031   |
| Trade Area Population                       | 16,000     | 17,300 | 20,000    | 23,000 | 26,300 | 29,500 | 32,600 |
| Trade Area 5-Year Incremental Growth        |            | 1,300  | 2,700     | 3,000  | 3,300  | 3,200  | 3,100  |
| Trade Area Annual Incremental Growth        |            | 260    | 540       | 600    | 660    | 640    | 620    |
| Average Household Size                      |            | 2.4    | 2.3       | 2.2    | 2.1    | 2.0    | 2.0    |
| Estimated Annual New Dwellings              |            | 108    | 235       | 273    | 314    | 320    | 310    |
| Estimated Single-Family %                   |            |        | 70%       | 65%    | 60%    | 55%    | 50%    |
| Estimated Townhouse %                       |            |        | 20%       | 20%    | 20%    | 20%    | 25%    |
| Estimated Multi-Family %                    |            |        | 10%       | 15%    | 20%    | 25%    | 25%    |
| Estimated Annual New Single-Family / Duplex |            |        | 164       | 177    | 189    | 176    | 155    |
| Estimated Annual New Townhouse              |            |        | 47        | 55     | 63     | 64     | 78     |
| Estimated Annual New Multi-Family           |            |        | 23        | 41     | 63     | 80     | 78     |

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As shown in Table 6, the consultant has derived the incremental population growth for each year based on the population projections stated in Table 5. Applying the average household size (as noted earlier in the report), and assuming a downward trend in average household sizes of from the 2006 average of 2.4 to an average of 2.0 by the end of the study period as shown in the table, the consultant has derived the approximate incremental demand for new housing units per year.

By applying a steadily decreasing proportion of single-family detached dwellings and steadily rising proportion of multi-family dwellings (with a slight rise in the share of attached dwellings towards 2031) over the course of the study period, an approximate projection of the total housing demand by type can be seen for each 5-yearly segment. That is to say, the consultant has estimated that 10% of demand in 2011 is expected to be accommodated in multi-family units, generally as apartment complexes, and another 20% in attached forms like townhouses. This share is expected to grow over time, rising to 25% of all new housing demand by 2031 being comprised of multi-family and another 25% comprised of attached dwellings. As noted in the table, this will result in the multi-family share of future residential units growing to roughly 80 new units per year by the end of the study period.

During 2011, the consultant forecasts an incremental annual demand of around 164 single-family units in the area – consistent with historical demand based on population growth, with this figure receding to 155 new single-family units by 2031 as such demand moderates relative to population growth in the longer-term. Accordingly, the consultant’s estimate for the residential demand for single-family dwellings amounts to around 190 units per year in 2021 and 180 units per year by 2031. Although these figures might seem untowardly modest, they represent only the demand for single-family homes, and thus are indicative of the constraints on new demand for such product looking forward.

While attached/row housing will likely continue to capture approximately 20%-25% of the new housing market (consistent with wider regional trends), there is anticipated to be a widely growing divergence between the rate of growth in attached and single-family units. Although it may appear at first blush that the share of multi-family units is growing at an excessive rate (from 20 units per year in 2011 to 80 units by 2026), the above-cited factors will likely ensure that multi-family housing does indeed achieve such a rapid increase in the total share of new housing starts.



## DEMAND FORECAST

The primary home sub-market refers to residential demand for housing units targeted to the local market (i.e. residents of the RDN and CVRD). There is also anticipated to be a considerable amount of demand from the secondary market (that is, second homes and recreation properties as well as investment-specific property holdings). Because it is not yet clear to what extent the on-site homes will be absorbed by the primary and the secondary market, the analysis has been combined into a single demand forecast, based on three different scenarios of market share attraction. The consultant has tabulated the expected demand for these scenarios in Table 7, which is discussed and explained in further detail below.

## MARKET SHARE

While all efforts are made to base the variables in the following market analyses on either historical/quantifiable figures or accurate estimations, such as population projections, demographic profiles and other statistics, other variables upon which the analysis depends do not have the ease of having been quantified with a similar level of precise accuracy.

Such is the case with site or area market shares – particularly in light of the paucity of comparable developments in and around the subject area. The consultant is faced with the challenge of determining, within a reasonable level of accuracy, what portion of total market demand a site or area is likely able to attract. However, to base market shares on simply the competitive influences in the area would fail to recognize the broad array of other influences that will play a role in determining a site's potential capture rate.

These factors can be *external*, or factors that are beyond the control of the property owners, and *internal*, or matters over which the property owners have greater control. The former can include general economic conditions, unforeseen changes to the local/regional supply mix, geo-political shocks, local government changes and/or local government policy shifts, and changes in the rate of investment/completion of various planned public works (such as, for example parks and recreation infrastructure or transportation projects). The latter has to do with the developer's price point mix, unit size mix, amenity mix, and marketing initiatives, to name only a few.

Given that these factors are all unforeseeable, the consultant is forced to base all market share estimates based on normalized expectations, and with the further presumption that the overall site planning will not dramatically differ from the general practice as seen elsewhere in the Vancouver Island market.

TABLE 7

## FORECASTED RESIDENTIAL DEMAND BY HOUSING TYPE, 2011-2031

|   | 2012       | 2013       | 2014       | 2015       | 2016       | 2017       | 2018       | 2019       | 2020       | 2021       | 2022-2026    | 2027-2031    | TOTAL        |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|--------------|--------------|
| Estimated New Single-Family / Duplex per Period             | 177        | 177        | 177        | 177        | 177        | 189        | 189        | 189        | 189        | 189        | 880          | 775          | 3,484        |
| Estimated New Townhouse per Period                          | 55         | 55         | 55         | 55         | 55         | 63         | 63         | 63         | 63         | 63         | 320          | 388          | 1,295        |
| Estimated New Multi-Family per Period                       | 41         | 41         | 41         | 41         | 41         | 63         | 63         | 63         | 63         | 63         | 400          | 388          | 1,306        |
| <b>Estimated Annual New Total Housing Units</b>             | <b>273</b> | <b>273</b> | <b>273</b> | <b>273</b> | <b>273</b> | <b>314</b> | <b>314</b> | <b>314</b> | <b>314</b> | <b>314</b> | <b>1,600</b> | <b>1,550</b> | <b>6,085</b> |
| <b>Single-Family Dwellings <sup>(1)</sup></b>               |            |            |            |            |            |            |            |            |            |            |              |              |              |
| Estimated New Dwellings per Period                          | 177        | 177        | 177        | 177        | 177        | 189        | 189        | 189        | 189        | 189        | 880          | 775          | 3,484        |
| Forecasted Market Share - Low Scenario                      | 3%         | 3%         | 3%         | 3%         | 3%         | 3%         | 3%         | 3%         | 3%         | 3%         | 3%           | 3%           | 3.0%         |
| <b>Forecasted Study Area Market Share - Medium Scenario</b> | <b>5%</b>  | <b>5%</b>  | <b>5%</b>  | <b>5%</b>  | <b>5%</b>  | <b>5%</b>  | <b>5%</b>  | <b>5%</b>  | <b>5%</b>  | <b>5%</b>  | <b>5%</b>    | <b>5%</b>    | <b>5.0%</b>  |
| Forecasted Market Share - High Scenario                     | 7%         | 7%         | 7%         | 7%         | 7%         | 7%         | 7%         | 7%         | 7%         | 7%         | 7%           | 7%           | 7.0%         |
| Forecasted On-Site Market Demand - Low Scenario             | 5          | 5          | 5          | 5          | 5          | 6          | 6          | 6          | 6          | 6          | 26           | 23           | 105          |
| <b>Forecasted On-Site Market Demand - Medium Scenario</b>   | <b>9</b>   | <b>9</b>   | <b>9</b>   | <b>9</b>   | <b>9</b>   | <b>9</b>   | <b>9</b>   | <b>9</b>   | <b>9</b>   | <b>9</b>   | <b>44</b>    | <b>39</b>    | <b>174</b>   |
| Forecasted On-Site Market Demand - High Scenario            | 12         | 12         | 12         | 12         | 12         | 13         | 13         | 13         | 13         | 13         | 62           | 54           | 244          |
| <b>Townhouses</b>   |            |            |            |            |            |            |            |            |            |            |              |              |              |
| Estimated New Dwellings per Period                          | 55         | 55         | 55         | 55         | 55         | 63         | 63         | 63         | 63         | 63         | 320          | 388          | 1,295        |
| Forecasted Market Share - Low Scenario                      | 10%        | 10%        | 10%        | 10%        | 10%        | 10%        | 10%        | 10%        | 10%        | 10%        | 10%          | 10%          | 10.0%        |
| <b>Forecasted Study Area Market Share - Medium Scenario</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b>   | <b>15%</b>   | <b>15.0%</b> |
| Forecasted Market Share - High Scenario                     | 20%        | 20%        | 20%        | 20%        | 20%        | 20%        | 20%        | 20%        | 20%        | 20%        | 20%          | 20%          | 20.0%        |
| Forecasted On-Site Market Demand - Low Scenario             | 5          | 5          | 5          | 5          | 5          | 6          | 6          | 6          | 6          | 6          | 32           | 39           | 129          |
| <b>Forecasted On-Site Market Demand - Medium Scenario</b>   | <b>8</b>   | <b>8</b>   | <b>8</b>   | <b>8</b>   | <b>8</b>   | <b>9</b>   | <b>9</b>   | <b>9</b>   | <b>9</b>   | <b>9</b>   | <b>48</b>    | <b>58</b>    | <b>194</b>   |
| Forecasted On-Site Market Demand - High Scenario            | 11         | 11         | 11         | 11         | 11         | 13         | 13         | 13         | 13         | 13         | 64           | 78           | 259          |
| <b>Multi-Family Units / Apartments</b>                      |            |            |            |            |            |            |            |            |            |            |              |              |              |
| Estimated New Dwellings per Period                          | 41         | 41         | 41         | 41         | 41         | 63         | 63         | 63         | 63         | 63         | 400          | 388          | 1,306        |
| Forecasted Market Share - Low Scenario                      | 10%        | 10%        | 10%        | 10%        | 10%        | 10%        | 10%        | 10%        | 10%        | 10%        | 10%          | 10%          | 10.0%        |
| <b>Forecasted Study Area Market Share - Medium Scenario</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b> | <b>15%</b>   | <b>15%</b>   | <b>15.0%</b> |
| Forecasted Market Share - High Scenario                     | 20%        | 20%        | 20%        | 20%        | 20%        | 20%        | 20%        | 20%        | 20%        | 20%        | 20%          | 20%          | 20.0%        |
| Forecasted On-Site Market Demand - Low Scenario             | 4          | 4          | 4          | 4          | 4          | 6          | 6          | 6          | 6          | 6          | 40           | 39           | 131          |
| <b>Forecasted On-Site Market Demand - Medium Scenario</b>   | <b>6</b>   | <b>6</b>   | <b>6</b>   | <b>6</b>   | <b>6</b>   | <b>6</b>   | <b>6</b>   | <b>6</b>   | <b>6</b>   | <b>6</b>   | <b>60</b>    | <b>58</b>    | <b>196</b>   |
| Forecasted On-Site Market Demand - High Scenario            | 8          | 8          | 8          | 8          | 8          | 8          | 13         | 13         | 13         | 13         | 80           | 78           | 261          |

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## RESIDENTIAL DEVELOPMENT PROGRAM

The consultant has provided a sensitivity analysis highlighting the expected on-site absorption of future residential units based on varying market shares, namely “low”, “medium” and “high” capture scenarios. These results are as follows:

### Low Capture Scenario

Site market shares will remain slightly lower than their full potential in initial years, but are generally expected to rise in the medium-term as certain on-site improvements are made, internal transportation connections are upgraded, and as brand/name recognition for the subject site develops. However, this scenario assumes a weaker marketing program and/or heightened competition from other areas (most notably the planned Snuneymuxw development at the intersection of Duke Point Highway and Island Highway, which calls for as many as 2,000 new housing units) – all of which would hinder the subject site’s capacity to attract normalized market shares.

As shown on Table 7, site market shares for single-family or detached dwellings are expected to begin at only around two-thirds of the medium scenario, or around 3% of total demand in the study area by 2012, assuming that sales/presales can begin that year. Under these conservative assumptions, the subject site can expect to capture just 6 units of detached housing in that year. Because there are presently no major planned developments underway within the study area itself, the consultant has no need to decrease the anticipated market share over the course of the study period. This results in a total demand (that is, from 2012-2031) of 105 single-family dwellings under the low capture scenario.

Market shares for attached dwellings or townhouses are also expected to be around two-thirds of the medium scenario, or approximately 10% of total study area-wide demand by 2012, again assuming that sales/presales can begin that year. Under these conservative assumptions, the subject area can expect to capture just 6 units of attached housing in that year. The consultant further projects that the market share will likely remain fairly steady at this level over the course of the study period, resulting in a total demand for attached dwellings of 129 units by the end of 2031.

Market shares for multi-family are also expected to be much higher than for single-family dwellings, given the probable limited stock of competitive supply as compared to attached housing and single-family detached dwellings in the

study area. As with other forms of housing, assuming that sales/presales can begin in 2012, a consistent market share of 10% of study-area-wide demand for multi-family units will result in only four warranted units per year in the near term, rising to six units per year in the medium term, and a total site-wide demand of 131 units by the end of the study period – a reflection of the higher demand for multi-family units that becomes more pronounced as the study period progresses.

As shown in Table 8, which provides a summary of the annual and cumulative absorption of both unit types for each scenario, cumulative on-site demand under this low capture scenario could amount to around 60 units by 2015, and 130 units by 2019, although it is expected that, owing to the influence of the advent of new investments and growing recognition and development of scale for the area as a whole, the total absorption rate will accelerate to around 18-20 units per year thereafter, or 365 units by 2031. Of this total, an estimated 105 units of warranted demand would be in the form of detached dwellings, 129 units would be attached dwellings, and 131 would be in the form of multi-family units.

### **Medium Capture Scenario**

The medium capture scenario reflects the consultant's most probable estimates of market capture, and will form the basis upon which the final demand analysis summary as well as the retail demand analyses are predicated. The medium capture scenario assumes a sustained investment in on-site amenities and retail conveniences, as well as improved transportation connections in the local area, and is also predicated on a reasonably broad product offering, that is to say, competitive price-points and a diversity of unit types and sizes.

As shown on Table 7, site market shares for SFD's are expected to begin at 5% of total demand in the study area by 2012, assuming that sales/presales can begin that year. Under these assumptions, the subject site can expect to capture just 9 units of detached housing in that year. Because the supply of competitive housing in future years cannot readily be determined (that is, there are presently no major planned developments underway within the study area itself), the consultant has neither increased nor decreased the anticipated market share over the course of the study period. This results in a total demand (that is, from 2012-2031) of 174 single-family dwellings under the low capture scenario.

Market shares for townhouses are expected to begin at 15% of total demand in the study area by 2012, again assuming that sales/presales can begin that year. Under these assumptions, the subject area can expect to capture just 8 units of

attached housing in that year. The consultant further projects that the market share will likely remain fairly steady at this level over the course of the study period, resulting in a total demand for attached dwellings of 194 units by the end of 2031.

Market shares for multi-family units are expected to be much higher than for single-family dwellings, given the probable limited stock of competitive supply as compared to attached housing and single-family detached dwellings in the study area. As with other forms of housing, assuming that sales/presales can begin in 2012, a consistent market share of 15% of study-area-wide demand for multi-family units will result in only six warranted units per year in the near term, rising to nine units per year in the medium term, and a total site-wide demand of 196 units by the end of the study period – a reflection of the higher demand for multi-family units that becomes more pronounced as the study period goes forward.

As shown in Table 8, which provides a summary of the annual and cumulative absorption of both unit types for each scenario, cumulative on-site demand under this medium capture scenario could amount to around 93 units by 2015, although it is expected that, owing to the influence of the advent of new investments and growing recognition and development of scale for the area as a whole, the total absorption rate will accelerate to around 30 units per year thereafter, or over 560 units by 2031. Of this total unit count under this scenario, an estimated 174 units of warranted demand would be in the form of detached dwellings, 194 units would be attached dwellings, and 196 would be in the form of multi-family units.

### **High Capture Scenario**

The high capture scenario reflects an optimistic forecast in which not only do the investments in a series of on-site amenities (such as a boardwalk into the water) attract a high degree of interest, but also that other development initiatives in the area (such as the adjacent District Lot) are properly designed and marketed such that the subject area's development programme offers an attractive living environment as a whole (facilitated by strong on-site amenities such as shops and services) and the housing product features amenities that are beyond what would be expected for comparably-priced and situated units. At the same time, this scenario would require that other competing projects, for various reasons (price, type, tenure options, finishes, amenities, etc.), would be less competitive with the subject site and its broad program of amenities. Furthermore, regular jet service to major Alberta markets would likely be required as well in order to

broaden the product offering's target market to include a stronger element of seasonal and recreational property owners as well.

As shown on Table 7, site market shares for SFD's are expected to begin at about 50% higher than the medium-capture scenario, or around 7% of total demand in the study area by 2012, assuming that sales/presales can begin that year. Under these assumptions, the subject site can expect to capture around 12 units of detached housing in that year. Because the supply of competitive housing in future years cannot readily be determined, the consultant has no need to decrease the anticipated market share over the course of the study period. This results in a total demand (that is, from 2012-2031) of 244 single-family dwellings under the low capture scenario.

As shown on Table 7, site market shares for townhouses are expected to begin at 5% higher than the medium capture scenario, or approximately 20% of total demand for attached dwellings in the study area by 2012, assuming that sales/presales can begin that year. Under these more optimistic assumptions, the subject area can expect to capture around 11 units of town-housing in that year. This share is forecasted to remain constant for the remainder of the study period, and will result in around 13 units per year absorbed in the medium term. Total demand for attached housing by 2031 is expected to amount to around 260 units.

Market shares for multi-family are expected to be much higher than for single-family dwellings, given the probable limited stock of competitive supply as compared to attached housing in the study area for the foreseeable future, coupled with the attractive features noted above. As with other forms of housing, assuming that sales/presales can begin in 2012, a consistent market share of 20% of study-area-wide demand for multi-family units will result in around 8 units per year in the near term, rising to 13 units per year in the medium term, and a total site-wide demand of 261 units by the end of the study period – a reflection of the higher demand for multi-family units that becomes more pronounced as the study period progresses.

As shown in Table 8, which provides a summary of the annual and cumulative absorption of both unit types for each scenario, cumulative on-site demand under this high capture scenario could amount to around 126 units by 2015, and 273 units by 2019, although it is expected that, owing to the influence of the advent of new investments and growing recognition and development of scale for the area as a whole, the total absorption rate will accelerate to around 40 units per year thereafter, or 764 units by 2031. Of this total, an estimated 244 units of warranted demand would be in the form of detached dwellings, 259 units would be attached dwellings, and 261 would be in the form of multi-family units – or nearly equal shares of total on-site housing demand being shared by each of the three principal housing types.

**TABLE 8**  
**FORECASTED RESIDENTIAL DEMAND - SUMMARY OF THREE SCENARIOS**

|   | 2012      | 2013      | 2014      | 2015      | 2016      | 2017      | 2018      | 2019      | 2020      | 2021      | 2022-2026  | 2027-2031  | TOTAL      | % of TOTAL  |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|-------------|
| <b>Total Unit Absorption - Low Scenario</b>         |           |           |           |           |           |           |           |           |           |           |            |            |            |             |
| Single Detached (Low Scenario)                      | 5         | 5         | 5         | 5         | 5         | 6         | 6         | 6         | 6         | 6         | 26         | 23         | 105        | 29%         |
| Townhouses (Low Scenario)                           | 5         | 5         | 5         | 5         | 5         | 6         | 6         | 6         | 6         | 6         | 32         | 39         | 129        | 36%         |
| Multi-Family / Apartments (Low Scenario)            | 4         | 4         | 4         | 4         | 4         | 4         | 6         | 6         | 6         | 6         | 40         | 39         | 131        | 36%         |
| <b>Total Units - Low Scenario</b>                   | <b>15</b> | <b>15</b> | <b>15</b> | <b>15</b> | <b>15</b> | <b>18</b> | <b>18</b> | <b>18</b> | <b>18</b> | <b>18</b> | <b>98</b>  | <b>101</b> | <b>365</b> | <b>100%</b> |
| <b>Total Unit Absorption - Medium Scenario</b>      |           |           |           |           |           |           |           |           |           |           |            |            |            |             |
| Single Detached (Medium Scenario)                   | 9         | 9         | 9         | 9         | 9         | 9         | 9         | 9         | 9         | 9         | 44         | 39         | 174        | 31%         |
| Townhouses (Medium Scenario)                        | 8         | 8         | 8         | 8         | 8         | 9         | 9         | 9         | 9         | 9         | 48         | 58         | 194        | 34%         |
| Multi-Family / Apartments (Medium Scenario)         | 6         | 6         | 6         | 6         | 6         | 9         | 9         | 9         | 9         | 9         | 60         | 58         | 196        | 35%         |
| <b>Total Units - Medium Scenario</b>                | <b>23</b> | <b>23</b> | <b>23</b> | <b>23</b> | <b>23</b> | <b>28</b> | <b>28</b> | <b>28</b> | <b>28</b> | <b>28</b> | <b>152</b> | <b>155</b> | <b>564</b> | <b>100%</b> |
| <b>Total Unit Absorption - High Scenario</b>        |           |           |           |           |           |           |           |           |           |           |            |            |            |             |
| Single Detached (High Scenario)                     | 12        | 12        | 12        | 12        | 12        | 13        | 13        | 13        | 13        | 13        | 62         | 54         | 244        | 32%         |
| Townhouses (High Scenario)                          | 11        | 11        | 11        | 11        | 11        | 13        | 13        | 13        | 13        | 13        | 64         | 78         | 259        | 34%         |
| Multi-Family / Apartments (High Scenario)           | 8         | 8         | 8         | 8         | 8         | 13        | 13        | 13        | 13        | 13        | 80         | 78         | 261        | 34%         |
| <b>Total Units - High Scenario</b>                  | <b>32</b> | <b>32</b> | <b>32</b> | <b>32</b> | <b>32</b> | <b>38</b> | <b>38</b> | <b>38</b> | <b>38</b> | <b>38</b> | <b>206</b> | <b>209</b> | <b>764</b> | <b>100%</b> |
| <b>SUMMARY</b>                                      |           |           |           |           |           |           |           |           |           |           |            |            |            |             |
| Cumulative Total On-Site Housing Unit Demand - LOW  | 15        | 30        | 45        | 59        | 74        | 93        | 111       | 129       | 147       | 165       | 264        | 365        | 365        |             |
| Cumulative Total On-Site Housing Unit Demand - MED  | 23        | 46        | 70        | 93        | 116       | 144       | 172       | 201       | 229       | 257       | 409        | 564        | 564        |             |
| Cumulative Total On-Site Housing Unit Demand - HIGH | 32        | 63        | 95        | 126       | 158       | 196       | 234       | 273       | 311       | 349       | 555        | 764        | 764        |             |

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## CONCLUSION

To summarize, the following commentary reflect the outputs of the “medium attraction” scenario. Using reasonably conservative and not untowardly optimistic market shares, the consultant has forecast an annual on-site demand of 23 units per year, or a cumulative 93 units by 2015 under the medium scenario, rising to an annual demand of almost 30 units in 2016 onwards – contingent on those conditions being in place as described above (namely a sales start date of 2012 and a sustained supportive development schedule for related on-site services such as shops, street improvements, waterfront accessibility, etc.)

Warranted cumulative demand for all residential units under the medium scenario is as follows:

- 46 units by 2013
- 93 units by 2015
- 144 units by 2017
- 201 units by 2019
- 257 units by 2021
- 409 units by 2026
- 564 units by 2031

Of this total, approximately 30% would be for detached units and approximately 35% of attached homes and 35% multi-family units (although ultimately there could be considerable cross-over between these very loosely-defined categories).

In order to derive an approximate on-site population (primarily for the purpose of the following retail analysis), the consultant has used a very crude estimate based on a factor of 3.5 people per detached single-family dwelling, 2.5 people per attached unit and 1.8 people per multi-family unit. This is a crude estimate because not only is the ultimate on-site unit count and configuration unknown, but also these multiples are highly sensitive to certain unit-type-specific variables, including number of bedrooms, total floor space per unit, etc. Furthermore, the ultimate on-site build out may, depending on the ultimate allowable density, occur earlier or later than 2031, the final year of the study period (beyond which it is virtually impossible to project demand with any meaningful degree of accuracy).

Using these ratios the consultant projects that, under the medium market share capture scenario, the on-site population is estimated to reach 250 residents by 2015, 600 residents by 2020, and 1,450 residents by 2031. These figures are provided in Table 9.

**TABLE 9**  
**FORECASTED RESIDENTIAL DEMAND - ON-SITE RESIDENTS (MEDIUM SCENARIO)**

|  | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022-2026 | 2027-2031 | TOTAL |
|--|------|------|------|------|------|------|------|------|------|------|-----------|-----------|-------|
| Annual SFD Absorption (Medium Scenario)          | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 9    | 9    |           | 39        | 174   |
| <b>Cumulative Townhouse Demand</b>               | 9    | 18   | 27   | 35   | 44   | 54   | 63   | 73   | 82   | 91   | 135       | 174       | 174   |
| Annual Townhouse Absorption (Medium Scenario)    | 8    | 8    | 8    | 8    | 8    | 9    | 9    | 9    | 9    | 9    | 48        | 58        | 194   |
| <b>Cumulative Townhouse Demand</b>               | 8    | 16   | 25   | 33   | 41   | 50   | 60   | 69   | 79   | 88   | 136       | 194       | 194   |
| Annual Multi-Family Absorption (Medium Scenario) | 6    | 6    | 6    | 6    | 6    | 9    | 9    | 9    | 9    | 9    | 60        | 58        | 196   |
| <b>Cumulative Multi-Family Demand</b>            | 6    | 12   | 18   | 25   | 31   | 40   | 50   | 59   | 68   | 78   | 138       | 196       | 196   |
| <b>Cumulative Total Unit Demand</b>              | 23   | 46   | 70   | 93   | 116  | 144  | 172  | 201  | 229  | 257  | 409       | 564       | 564   |
| <b>On-Site Residents</b>                         |      |      |      |      |      |      |      |      |      |      |           |           |       |
| Single Attached @ 3.5 people per unit            | 31   | 31   | 31   | 31   | 31   | 33   | 33   | 33   | 33   | 33   | 154       | 136       | 610   |
| Townhouses @ 2.5 people per unit                 | 20   | 20   | 20   | 20   | 20   | 24   | 24   | 24   | 24   | 24   | 120       | 145       | 485   |
| Multi-Family @ 1.8 people per unit               | 11   | 11   | 11   | 11   | 11   | 17   | 17   | 17   | 17   | 17   | 108       | 105       | 353   |
| Total New On-Site Residents per Period           | 63   | 63   | 63   | 63   | 63   | 74   | 74   | 74   | 74   | 74   | 382       | 386       | 1,448 |
| <b>Cumulative On-Site Residents</b>              | 63   | 125  | 188  | 250  | 313  | 386  | 460  | 533  | 607  | 680  | 1,062     | 1,448     | 1,448 |

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It should be noted that these projected absorption rates by product type do not necessarily mean that the exact amount of each type of unit will ultimately be warranted or even accommodated on-site. Rather, these analyses and projections provide an approximate indication of the warranted demand for various unit types over the longer course of the study period. Put another way, there may ultimately be only a portion of the projected demand for townhomes accommodated on the subject site, because the selection of multi-family units may be broad enough to satisfy a substantial segment of the demand for attached dwellings (i.e. larger unit sizes, higher bedroom counts, larger living/entertaining areas, etc.) that result in the demand for townhomes being partially met by comparable multi-family units. Likewise, it may be possible that some share of the single-family dwelling market will be taken by attached dwellings (or vice versa) if the price point and size/configuration are sufficiently able to substitute for one another.

Finally, it should be noted that the absorption schedule as described above will not be linear as implied in such analyses, but rather will be quite “lumpy” (some years will inevitably experience more or less absorption than forecasted, which is compensated by later years having a commensurate reduction or increase to revert to the mean). This is not only because precise absorption rates in any single given year are impossible to accurately forecast, but also because the on-site housing types are multi-family or attached dwellings which are inherently more “lumpy” than single-family dwellings on account of the larger scale and longer planning and construction period associated with these types. However, on the whole, the consultant is confident of the long-run cumulative absorption potential of this area to the extent described above.

## 5.0 RETAIL MARKET

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This is an assessment of retail and commercial opportunities, derived primarily from a forecast of population growth and real increases in per capita expenditures. Additionally, in view of the uncertainty in the market and economic environment, a variety of scenarios is employed in order to account for a range of likely market shares that the subject site might be able to capture – not necessarily as a means of pinpointing the exact amount of warranted retail space over the course of the study period, but rather to illustrate the order of magnitude and the potential variation according to different scenarios of performance.

The analysis of market opportunity is based on the consultant's previously outlined forecasts of trade area population and per capita expenditure growth, for the year ending 2031. In calculating the relative attractiveness of each category for the proposed development, each retail type is assessed individually.

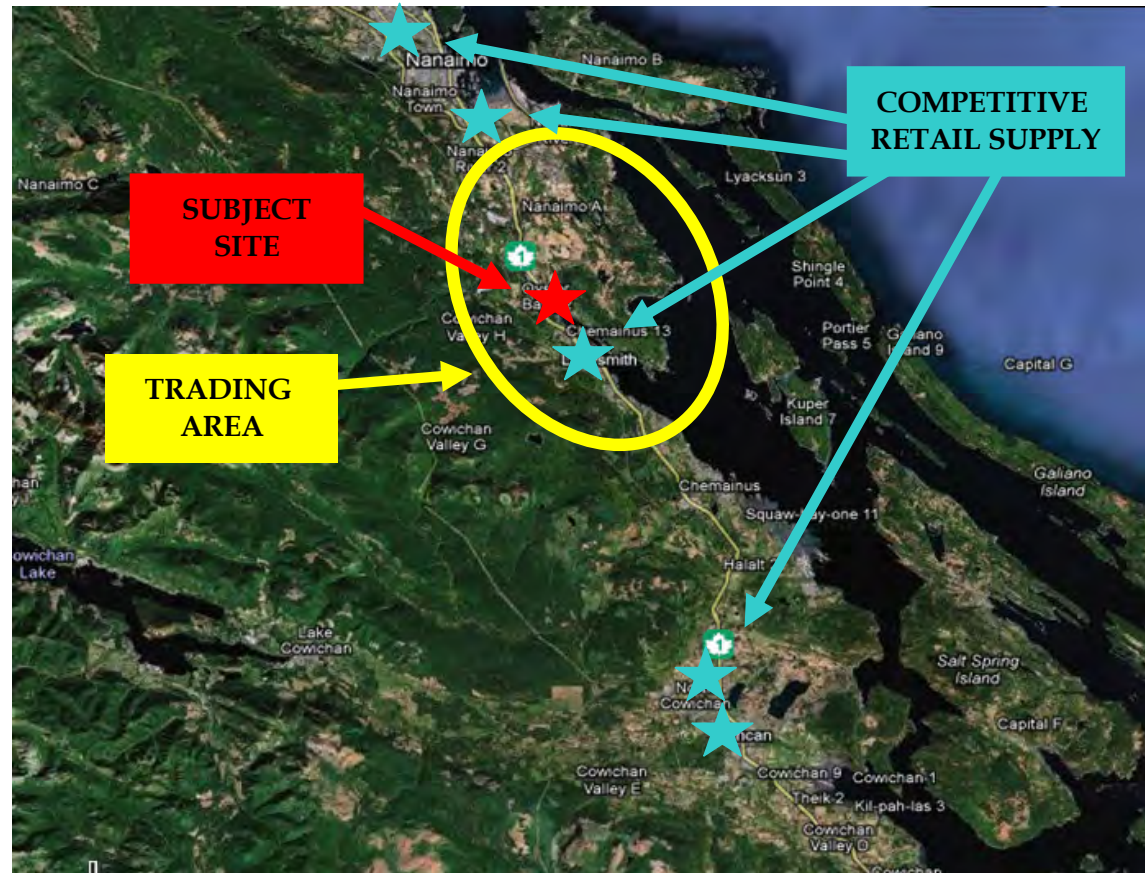
Within the trading area as described earlier in the report, this analysis breaks down the area into a primary trading zone and a secondary trading zone so as to provide a more refined analysis. The primary trading zone is defined as the subject itself and its future on-site population. The secondary trading zone is the remainder of the study area minus the primary zone.

It must be noted that certain assumptions regarding the future demand and supply conditions have been made by the consultant in order to determine the appropriate trade area market shares for each category. The market shares proposed for each category assume trade area demand is strongly influenced by the assumed presence or lack thereof of a complementary range of other retailers and commercial services, in recognition that many retail types require a sufficient critical mass to consistently attract trade area residents and inflow shoppers to a proposed development.

### RETAIL SUPPLY

The trading area has a relative paucity of competitive retail supply within the trading area itself, with the exception of the small-scale Ladysmith retail (which also includes a few larger retailers such as a hardware store and some supermarkets). However, both to the north and south of the trading area there either exists or is planned to be a major source of competitive supply.

**TABLE 10**  
**ESTIMATED RETAIL SUPPLY**  
**TRADE AREA AND SURROUNDING CONTEXT**



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Namely, there are three primary commercial areas of note: the large-format regional mall in North Cowichan (including Wal-Mart, Home Depot, etc.) and the extensive retail facilities on both sides of the highway in Duncan (including most major national stores), the planned super-regional mall in the South Nanaimo area on the Snuneymuxw First Nation land (present plans call for around a million square feet of business park / light industrial space, and another 800,000 or more square feet of retail space, plus 1500-2000 housing units), as well as the extensive retail facilities in the City of Nanaimo itself.

A diagram of these competitive influences can be seen on Table 10.

## **RETAIL DEMAND**

Using Statistics Canada's Retail Trade Survey Catalogue for the four most recent quarters for which data is available, the consultant has compiled relevant provincial averages of per capita expenditures for a select number of retail and commercial categories, as seen in Table 11. This includes all department store-type merchandise categories, as well as food and grocery, liquor/beer/wine, and eating and drinking. Automotive and auto-related expenditures are not included.

Table 12 provides an index for the trade area based on mean income as compared to B.C. as a whole, from which the per capita expenditures for the trade area can be estimated. Because of the slightly lower median income in the trading area vis-à-vis the province as a whole, a 5% decrease from the provincial spending average has been applied.

This results in a total estimated \$8,246 per capita for retail trade, and a further \$1,582 per capita on eating and drinking. Of the retail trade figure, the consultant has broken the total into two categories for the purpose of this analysis: convenience retail and comparison retail.

For purposes of this analysis, convenience retail includes supermarket, convenience and specialty food stores, pharmacy and personal care, and beer/wine/liquor stores. For purposes of this analysis, comparison retail includes all non-convenience store types, such as furniture and home furnishings, electronics and appliances, home centres and hardware, building materials and garden stores, clothing stores, shoe and accessory, general merchandise, sporting goods, hobby, music, book stores, and miscellaneous retailers. This does not include auto dealerships, auto parts and service, or service stations.



# TABLE 11

## BRITISH COLUMBIA PER CAPITA RETAIL EXPENDITURES

| Total B.C. Population - Jan.1 2009               |                        | 4,419,974                                    |                                     |               |               |               |
|--|------------------------|--|-------------------------------------|---------------|---------------|---------------|
| Retail Trade Category                            | Per Capita Expenditure | Province-Wide Yearly Total Expenditure (\$M) | Province-Wide Quarterly Expenditure |               |               |               |
|  |                        |  | Q1 2009 (\$M)                       | Q4 2008 (\$M) | Q3 2008 (\$M) | Q2 2008 (\$M) |
| Furniture stores                                 | \$ 263                 | \$ 1,163.4                                   | \$ 239.6                            | \$ 292.1      | \$ 322.3      | \$ 309.4      |
| Home furnishings stores                          | \$ 223                 | \$ 987.1                                     | \$ 201.4                            | \$ 277.7      | \$ 262.5      | \$ 245.5      |
| Computer and software stores                     | \$ 54                  | \$ 237.0                                     | \$ 57.9                             | \$ 60.5       | \$ 58.1       | \$ 60.5       |
| Home electronics and appliance stores            | \$ 498                 | \$ 2,201.3                                   | \$ 461.1                            | \$ 688.4      | \$ 562.2      | \$ 489.6      |
| Home centres and hardware stores                 | \$ 622                 | \$ 2,750.2                                   | \$ 501.8                            | \$ 636.9      | \$ 795.5      | \$ 816.0      |
| Specialized building materials and garden stores | \$ 200                 | \$ 883.6                                     | \$ 176.8                            | \$ 196.9      | \$ 249.3      | \$ 260.6      |
| Supermarkets                                     | \$ 2,281               | \$ 10,081.7                                  | \$ 2,415.8                          | \$ 2,586.4    | \$ 2,565.6    | \$ 2,513.9    |
| Convenience and specialty food stores            | \$ 225                 | \$ 994.1                                     | \$ 213.2                            | \$ 248.1      | \$ 268.4      | \$ 264.4      |
| Beer, wine and liquor stores                     | \$ 713                 | \$ 3,153.3                                   | \$ 657.9                            | \$ 847.9      | \$ 856.8      | \$ 790.7      |
| Pharmacies and personal care stores              | \$ 681                 | \$ 3,010.7                                   | \$ 682.7                            | \$ 812.3      | \$ 763.0      | \$ 752.7      |
| Clothing stores                                  | \$ 551                 | \$ 2,436.9                                   | \$ 485.0                            | \$ 723.4      | \$ 629.1      | \$ 599.4      |
| Shoe, clothing accessories and jewellery stores  | \$ 167                 | \$ 739.3                                     | \$ 145.9                            | \$ 228.7      | \$ 184.9      | \$ 179.8      |
| General merchandise stores                       | \$ 1,440               | \$ 6,366.2                                   | \$ 1,309.2                          | \$ 1,877.6    | \$ 1,607.5    | \$ 1,571.9    |
| Sporting goods, hobby, music and book stores     | \$ 410                 | \$ 1,809.8                                   | \$ 379.4                            | \$ 542.9      | \$ 467.9      | \$ 419.6      |
| Miscellaneous store retailers                    | \$ 367                 | \$ 1,623.6                                   | \$ 353.0                            | \$ 425.5      | \$ 435.4      | \$ 409.7      |
| Total Retail Trade Expenditures                  | \$ 8,696               | \$ 38,438.2                                  | \$ 8,280.7                          | \$ 10,445.3   | \$ 10,028.5   | \$ 9,683.7    |

| Eating and Drinking                           | Per Capita Expenditure | Province-Wide Yearly Expenditures |                   |                   |                   |                   |
|---|------------------------|-----------------------------------|-------------------|-------------------|-------------------|-------------------|
|   |                        | Estimated* 2008 (\$M)             | Historical        |                   |                   |                   |
|   |                        |                                   | 2007 (\$M)        | 2006 (\$M)        | 2005 (\$M)        | 2004 (\$M)        |
| Full Service Restaurant                       | \$ 780                 | \$ 3,446.8                        | \$ 3,251.7        | \$ 3,010.5        | \$ 2,865.1        | \$ 2,665.7        |
| Limited Service Restaurant                    | \$ 601                 | \$ 2,657.2                        | \$ 2,506.8        | \$ 2,435.1        | \$ 2,288.8        | \$ 2,183.8        |
| Drinking Places                               | \$ 153                 | \$ 674.3                          | \$ 636.1          | \$ 613.3          | \$ 569.3          | \$ 594.5          |
| Special Food Services, Catering, and Other    | \$ 135                 | \$ 596.7                          | \$ 562.9          | \$ 544.5          | \$ 520.0          | \$ 451.3          |
| <b>Total Eating and Drinking Expenditures</b> | <b>\$ 1,669</b>        | <b>\$ 7,375.0</b>                 | <b>\$ 6,957.5</b> | <b>\$ 6,603.4</b> | <b>\$ 6,243.2</b> | <b>\$ 5,895.3</b> |

\*Note: Eating and Drinking expenditures assumed to rise by 6% per annum for 2008, in keeping with approximate growth trend for previous years.

### Sources:

Statistics Canada: Retail Trade, by Type and Province

Statistics Canada: Food Services and Drinking Places by Province, 2004-2007. (Note that 2007 is last year for which this data is available.)



**TABLE 12**  
**PER CAPITA RETAIL EXPENDITURES ESTIMATE**

| Census Per Capita Income <sup>(1)</sup>                | BC        | Trade Area |
|--|-----------|------------|
| Average Per Capita Income (2006)                       | \$ 34,519 | \$ 32,733  |
| Per Capita Expenditure Adjustment Relative to Province | 0%        | -5%        |

| Retail Trade Category <sup>(2)</sup>             | BC              | Trade Area      |
|--|-----------------|-----------------|
| Furniture stores                                 | \$ 263          | \$ 250          |
| Home furnishings stores                          | \$ 223          | \$ 212          |
| Computer and software stores                     | \$ 54           | \$ 51           |
| Home electronics and appliance stores            | \$ 498          | \$ 472          |
| Home centres and hardware stores                 | \$ 622          | \$ 590          |
| Specialized building materials and garden stores | \$ 200          | \$ 190          |
| Supermarkets                                     | \$ 2,281        | \$ 2,163        |
| Convenience and specialty food stores            | \$ 225          | \$ 213          |
| Beer, wine and liquor stores                     | \$ 713          | \$ 677          |
| Pharmacies and personal care stores              | \$ 681          | \$ 646          |
| Clothing stores                                  | \$ 551          | \$ 523          |
| Shoe, clothing accessories and jewellery stores  | \$ 167          | \$ 159          |
| General merchandise stores                       | \$ 1,440        | \$ 1,366        |
| Sporting goods, hobby, music and book stores     | \$ 410          | \$ 388          |
| Miscellaneous store retailers                    | \$ 367          | \$ 348          |
| <b>Total Retail Trade Expenditures</b>           | <b>\$ 8,696</b> | <b>\$ 8,246</b> |
| Convenience Shopping <sup>(3)</sup>              | \$ 3,900        | \$ 3,699        |
| Comparison Shopping <sup>(4)</sup>               | \$ 4,796        | \$ 4,548        |

| Eating and Drinking                           | BC              | Trade Area      |
|---|-----------------|-----------------|
| Full Service Restaurant                       | \$ 780          | \$ 740          |
| Limited Service Restaurant                    | \$ 601          | \$ 570          |
| Drinking Places                               | \$ 153          | \$ 145          |
| Special Food Services and Other               | \$ 135          | \$ 128          |
| <b>Total Eating and Drinking Expenditures</b> | <b>\$ 1,669</b> | <b>\$ 1,582</b> |

**Sources:**

1. Statistics Canada - 2006 Census
2. Previous table

**Notes:**

3. For purposes of this analysis, convenience retail includes supermarket, convenience and specialty food stores, pharmacy and personal care, and beer/wine/liquor stores.
4. For purposes of this analysis, comparison retail includes all non-convenience store types, such as furniture and home furnishings, electronics and appliances, home centres and hardware, building materials and garden stores, clothing stores, shoe and accessory, general merchandise, sporting goods, hobby, music, book stores, and miscellaneous retailers. Does not include auto dealerships, auto parts and service, or service stations.

Please note that this is a somewhat crude distinction, given that many items sold at a store in the “convenience” category in fact exhibit “comparison” qualities (e.g. a specific wine, health care product, or specialty food – all of which would be sold in a “convenience”-type store under this classification), while the converse is true of many items sold at “comparison”-type stores that in fact exhibit more “convenience”-oriented qualities.

There is also the problem of various store types in one category offering merchandise that falls under that of the other category. For instance, many grocery stores also sell house-ware items, and conversely, many general merchandisers (such as Costco and Wal-Mart) sell a wide range of grocery items. On the whole, though, such exceptions as noted above are in the minority, and that said, observations based on these categorizations should generally be considered as the most reliable data sets available.

The above per capita expenditure estimates will be examined, along with the previously presented trade area population figures, to project the total retail expenditure potential in the subject area. These in turn will form the basis of subsequent market opportunity assessments, on a category-by-category basis.

A further amount of “inflow” spending is added to account for spending in the study area by residents outside of the trading area. This would likely come in the form of visitors and commuters/passers-by, as there are not likely to be many employees working at the subject site but who do not live within the study area. The increases in “inflow” assumptions used throughout this analysis are predicated on assumptions of increasing attraction and “destination-ness” of the area, and rely on the understanding that not only will improvements to the subject site readily come to fruition, but that the subject area will experience an expansion and improvement in its merchandising mix (that is, not just retail, but also eating and drinking, supporting services, and new facilities such as a boardwalk or waterfront park and promenade).

## CONVENIENCE SHOPPING

As is shown on Table 13, average annual per capita convenience retail expenditures have been estimated using per capita retail trade data, adjusted downward slightly to reflect the slightly lower average household incomes of the study area population. Further, per capita expenditures have been adjusted upward by a factor of 1% per annum (as per the medium scenario) to account for real increases in average per capita spending levels commensurate with presumed increases in average per capita incomes.

**TABLE 13**  
**RETAIL MARKET DEMAND PROJECTIONS - CONVENIENCE SHOPPING**

|  | 2006          | 2011          | 2016          | 2021           | 2026           | 2031           |
|--|---------------|---------------|---------------|----------------|----------------|----------------|
| <b>Primary Zone - On-Site</b>                            |               |               |               |                |                |                |
| Population <sup>(1)</sup> - Low Scenario                 | -             | -             | 313           | 680            | 1,062          | 1,448          |
| Population <sup>(1)</sup> - Medium Scenario              | -             | -             | 313           | 680            | 1,062          | 1,448          |
| Population <sup>(1)</sup> - High Scenario                | -             | -             | 313           | 680            | 1,062          | 1,448          |
| Per Capita Expenditures <sup>(2)</sup> - Low Scenario    | \$ 3,699      | \$ 3,887      | \$ 4,035      | \$ 4,189       | \$ 4,348       | \$ 4,514       |
| Per Capita Expenditures <sup>(2)</sup> - Medium Scenario | \$ 3,699      | \$ 3,887      | \$ 4,086      | \$ 4,294       | \$ 4,513       | \$ 4,743       |
| Per Capita Expenditures <sup>(2)</sup> - High Scenario   | \$ 3,699      | \$ 3,887      | \$ 4,188      | \$ 4,511       | \$ 4,860       | \$ 5,236       |
| Expenditure Potential - Low Scenario                     | \$ -          | \$ -          | \$ 1,261,506  | \$ 2,849,868   | \$ 4,619,451   | \$ 6,535,710   |
| Expenditure Potential - Medium Scenario                  | \$ -          | \$ -          | \$ 1,277,235  | \$ 2,921,380   | \$ 4,794,410   | \$ 6,867,824   |
| Expenditure Potential - High Scenario                    | \$ -          | \$ -          | \$ 1,309,164  | \$ 3,069,267   | \$ 5,163,037   | \$ 7,580,756   |
| Market Share of Primary Zone Spending - Low              | -             | 15%           | 17%           | 20%            | 22%            | 25%            |
| Market Share of Primary Zone Spending - Base             | -             | 20%           | 22%           | 25%            | 27%            | 30%            |
| Market Share of Primary Zone Spending - High             | -             | 25%           | 27%           | 30%            | 32%            | 35%            |
| Projected Sales Volume - Low Scenario                    | -             | \$ -          | \$ 214,456    | \$ 569,974     | \$ 1,016,279   | \$ 1,633,927   |
| Projected Sales Volume - Medium Scenario                 | -             | \$ -          | \$ 280,992    | \$ 730,345     | \$ 1,294,491   | \$ 2,060,347   |
| Projected Sales Volume - High Scenario                   | -             | \$ -          | \$ 353,474    | \$ 920,780     | \$ 1,652,172   | \$ 2,653,265   |
| <b>Secondary Zone - Remainder of Trade Area</b>          |               |               |               |                |                |                |
| Population <sup>(1)</sup> - Low Scenario                 | 17,300        | 20,000        | 22,687        | 25,620         | 28,438         | 31,152         |
| Population <sup>(1)</sup> - Medium Scenario              | 17,300        | 20,000        | 22,687        | 25,620         | 28,438         | 31,152         |
| Population <sup>(1)</sup> - High Scenario                | 17,300        | 20,000        | 22,687        | 25,620         | 28,438         | 31,152         |
| Per Capita Expenditures <sup>(2)</sup> - Low Scenario    | \$ 3,699      | \$ 3,887      | \$ 4,035      | \$ 4,189       | \$ 4,348       | \$ 4,514       |
| Per Capita Expenditures <sup>(2)</sup> - Medium Scenario | \$ 3,699      | \$ 3,887      | \$ 4,086      | \$ 4,294       | \$ 4,513       | \$ 4,743       |
| Per Capita Expenditures <sup>(2)</sup> - High Scenario   | \$ 3,699      | \$ 3,887      | \$ 4,188      | \$ 4,511       | \$ 4,860       | \$ 5,236       |
| Expenditure Potential - Low Scenario                     | \$ 63,987,510 | \$ 77,747,417 | \$ 91,551,553 | \$ 107,319,858 | \$ 123,659,031 | \$ 140,619,171 |
| Expenditure Potential - Medium Scenario                  | \$ 63,987,510 | \$ 77,747,417 | \$ 92,693,080 | \$ 110,012,816 | \$ 128,342,538 | \$ 147,764,774 |
| Expenditure Potential - High Scenario                    | \$ 63,987,510 | \$ 77,747,417 | \$ 95,010,292 | \$ 115,581,936 | \$ 138,210,377 | \$ 163,103,876 |
| Market Share of Secondary Zone Spending - Low            | -             | 0%            | 3%            | 5%             | 7%             | 7%             |
| Market Share of Secondary Zone Spending - Base           | -             | 3%            | 6%            | 8%             | 10%            | 10%            |
| Market Share of Secondary Zone Spending - High           | -             | 6%            | 9%            | 11%            | 13%            | 13%            |
| Projected Sales Volume - Low Scenario                    | -             | \$ -          | \$ 2,746,547  | \$ 5,365,993   | \$ 8,656,132   | \$ 9,843,342   |
| Projected Sales Volume - Medium Scenario                 | -             | \$ 2,332,423  | \$ 5,561,585  | \$ 8,801,025   | \$ 12,834,254  | \$ 14,776,477  |
| Projected Sales Volume - High Scenario                   | -             | \$ 4,664,845  | \$ 8,550,926  | \$ 12,714,013  | \$ 17,967,349  | \$ 21,203,504  |
| INFLOW SALES LEVEL:                                      |               | 10%           | 10%           | 10%            | 10%            | 10%            |
| Inflow Sales Volume - Low Scenario                       | -             | \$ -          | \$ 296,100    | \$ 593,597     | \$ 967,241     | \$ 1,147,727   |
| Inflow Sales Volume - Medium Scenario                    | -             | \$ 233,242    | \$ 584,258    | \$ 953,137     | \$ 1,412,874   | \$ 1,683,682   |
| Inflow Sales Volume - High Scenario                      | -             | \$ 466,485    | \$ 890,440    | \$ 1,363,479   | \$ 1,961,952   | \$ 2,385,677   |
| <b>TOTAL PROJECTED SITE SALES VOLUME:</b>                |               |               |               |                |                |                |
| Total Sales Volume - Low Scenario                        | -             | \$ -          | \$ 3,257,103  | \$ 6,529,563   | \$ 10,639,653  | \$ 12,624,996  |
| Total Sales Volume - Medium Scenario                     | -             | \$ 2,565,665  | \$ 6,426,834  | \$ 10,484,507  | \$ 15,541,619  | \$ 18,520,507  |
| Total Sales Volume - High Scenario                       | -             | \$ 5,131,330  | \$ 9,794,841  | \$ 14,998,272  | \$ 21,581,473  | \$ 26,242,445  |
| ESTIMATED PER SQ.FT. PRODUCTIVITY: <sup>(4)</sup>        | 350           | \$ 386        | \$ 427        | \$ 471         | \$ 520         | \$ 574         |
| <b>TOTAL WARRANTED FLOORSPACE (SQ.FT.):</b>              |               |               |               |                |                |                |
| LOW SCENARIO   |               | -             | 8,000         | 14,000         | 20,000         | 22,000         |
| MEDIUM SCENARIO  |               | 7,000         | 15,000        | 22,000         | 30,000         | 32,000         |
| HIGH SCENARIO  |               | 13,000        | 23,000        | 32,000         | 41,000         | 46,000         |

**Notes:**

1. See tables of per capita retail spending by category
2. Assumed real per capita expenditure per annum increases of 0.75% for low, 1% for medium, and 1.5% high scenarios, respectively.
3. For purposes of this analysis, convenience retail includes supermarket, convenience and specialty food stores, pharmacy and personal care, and beer/wine/liquor stores.
4. Productivity assumed to grow at a nominal 2% per annum.

Source: Urbanics Consultants Ltd.

In light of the presence of very strong competitive retail facilities outside of the subject area as detailed above, the consultant has applied relatively conservative site market shares – with market shares rising over the course of the study period to reflect a broader and deeper array of offerings in this merchandise category and to reflect the increasing strength and scale of new transit and civic investments. This is true both of the primary and secondary trading zones.

Under the medium-case scenario, starting at 20% and 3% of the primary and secondary trading zones, respectively, in 2011, the study area's market share is expected to rise to 30% and 10%, respectively, by the end of the study period. After accounting for anticipated "inflow" sales, this translates into an estimated study area expenditure level totalling \$6.4 million by 2016, rising to as much as \$15.5 million by 2021. All dollar values are expressed in 2009 dollar value terms. At an assumed productivity level of \$350 in sales per square foot a year, the medium scenario indicates demand for convenience retail space of around 15,000 square feet in 2016, rising to 30,000 square feet in 2026 and 32,000 square feet by 2031.

These figures indicate that in the short and medium term, there is the potential for a smaller-format grocery store and supportive convenience retailers such as a liquor store, and possibly potential for further incremental additions of small-scale other convenience retail in the medium and longer term, such as a pharmacy, specialty food shops, local/imported grocers or produce vendors, and other unmet grocery or wine/beer/spirit niche stores.

## COMPARISON SHOPPING

As is shown on Table 14, average annual per capita comparison retail expenditures have been estimated using per capita retail trade data, adjusted downward slightly to reflect the slightly higher median household incomes of the study area population. Further, per capita expenditures have been adjusted upward by a factor of 1% per annum (as per the medium scenario) to account for real increases in average per capita spending levels commensurate with presumed increases in average per capita incomes.

In light of the presence of very strong competitive retail facilities outside of the subject area as detailed above, the consultant has applied very conservative site market shares – albeit rising over the course of the study period to reflect a somewhat broader and deeper array of offerings in this merchandise category, as well as the expanded attraction of an increasingly well-developed Town Centre area.

**TABLE 14**  
**RETAIL MARKET DEMAND PROJECTIONS - COMPARISON SHOPPING**

|   | 2006                 | 2011                 | 2016                  | 2021                  | 2026                  | 2031                  |
|---|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Primary Zone - On-Site</b>                                   |                      |                      |                       |                       |                       |                       |
| Population <sup>(1)</sup> - Low Scenario                        | -                    | -                    | 313                   | 680                   | 1,062                 | 1,448                 |
| <b>Population <sup>(1)</sup> - Medium Scenario</b>              | -                    | -                    | <b>313</b>            | <b>680</b>            | <b>1,062</b>          | <b>1,448</b>          |
| Population <sup>(1)</sup> - High Scenario                       | -                    | -                    | 313                   | 680                   | 1,062                 | 1,448                 |
| Per Capita Expenditures <sup>(2)</sup> - Low Scenario           | \$ 4,548             | \$ 4,780             | \$ 4,962              | \$ 5,150              | \$ 5,347              | \$ 5,550              |
| <b>Per Capita Expenditures <sup>(2)</sup> - Medium Scenario</b> | <b>\$ 4,548</b>      | <b>\$ 4,780</b>      | <b>\$ 5,023</b>       | <b>\$ 5,280</b>       | <b>\$ 5,549</b>       | <b>\$ 5,832</b>       |
| Per Capita Expenditures <sup>(2)</sup> - High Scenario          | \$ 4,548             | \$ 4,780             | \$ 5,149              | \$ 5,547              | \$ 5,976              | \$ 6,438              |
| Expenditure Potential - Low Scenario                            | \$ -                 | \$ -                 | \$ 1,551,072          | \$ 3,504,028          | \$ 5,679,801          | \$ 8,035,917          |
| <b>Expenditure Potential - Medium Scenario</b>                  | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ 1,570,411</b>   | <b>\$ 3,591,954</b>   | <b>\$ 5,894,920</b>   | <b>\$ 8,444,265</b>   |
| Expenditure Potential - High Scenario                           | \$ -                 | \$ -                 | \$ 1,609,670          | \$ 3,773,787          | \$ 6,348,161          | \$ 9,320,844          |
| Market Share of Primary Zone Spending - Low                     | -                    | 2%                   | 3%                    | 4%                    | 5%                    | 5%                    |
| <b>Market Share of Primary Zone Spending - Base</b>             | -                    | <b>5%</b>            | <b>6%</b>             | <b>7%</b>             | <b>8%</b>             | <b>8%</b>             |
| Market Share of Primary Zone Spending - High                    | -                    | 8%                   | 9%                    | 10%                   | 11%                   | 11%                   |
| Projected Sales Volume - Low Scenario                           | -                    | \$ -                 | \$ 46,532             | \$ 140,161            | \$ 283,990            | \$ 401,796            |
| <b>Projected Sales Volume - Medium Scenario</b>                 | -                    | <b>\$ -</b>          | <b>\$ 94,225</b>      | <b>\$ 251,437</b>     | <b>\$ 471,594</b>     | <b>\$ 675,541</b>     |
| Projected Sales Volume - High Scenario                          | -                    | \$ -                 | \$ 144,870            | \$ 377,379            | \$ 698,298            | \$ 1,025,293          |
| <b>Secondary Zone - Remainder of Trade Area</b>                 |                      |                      |                       |                       |                       |                       |
| Population <sup>(1)</sup> - Low Scenario                        | 17,300               | 20,000               | 22,687                | 25,620                | 28,438                | 31,152                |
| <b>Population <sup>(1)</sup> - Medium Scenario</b>              | <b>17,300</b>        | <b>20,000</b>        | <b>22,687</b>         | <b>25,620</b>         | <b>28,438</b>         | <b>31,152</b>         |
| Population <sup>(1)</sup> - High Scenario                       | 17,300               | 20,000               | 22,687                | 25,620                | 28,438                | 31,152                |
| Per Capita Expenditures <sup>(2)</sup> - Low Scenario           | \$ 4,548             | \$ 4,780             | \$ 4,962              | \$ 5,150              | \$ 5,347              | \$ 5,550              |
| <b>Per Capita Expenditures <sup>(2)</sup> - Medium Scenario</b> | <b>\$ 4,548</b>      | <b>\$ 4,780</b>      | <b>\$ 5,023</b>       | <b>\$ 5,280</b>       | <b>\$ 5,549</b>       | <b>\$ 5,832</b>       |
| Per Capita Expenditures <sup>(2)</sup> - High Scenario          | \$ 4,548             | \$ 4,780             | \$ 5,149              | \$ 5,547              | \$ 5,976              | \$ 6,438              |
| Expenditure Potential - Low Scenario                            | \$ 78,675,210        | \$ 95,593,568        | \$ 112,566,307        | \$ 131,954,070        | \$ 152,043,739        | \$ 172,896,911        |
| <b>Expenditure Potential - Medium Scenario</b>                  | <b>\$ 78,675,210</b> | <b>\$ 95,593,568</b> | <b>\$ 113,969,859</b> | <b>\$ 135,265,169</b> | <b>\$ 157,802,299</b> | <b>\$ 181,682,716</b> |
| Expenditure Potential - High Scenario                           | \$ 78,675,210        | \$ 95,593,568        | \$ 116,818,965        | \$ 142,112,626        | \$ 169,935,202        | \$ 200,542,758        |
| Market Share of Secondary Zone Spending - Low                   | -                    | 1%                   | 2%                    | 3%                    | 3%                    | 3%                    |
| <b>Market Share of Secondary Zone Spending - Base</b>           | -                    | <b>3%</b>            | <b>4%</b>             | <b>5%</b>             | <b>5%</b>             | <b>5%</b>             |
| Market Share of Secondary Zone Spending - High                  | -                    | 5%                   | 6%                    | 7%                    | 7%                    | 7%                    |
| Projected Sales Volume - Low Scenario                           | -                    | \$ 955,936           | \$ 2,251,326          | \$ 3,958,622          | \$ 4,561,312          | \$ 5,186,907          |
| <b>Projected Sales Volume - Medium Scenario</b>                 | -                    | <b>\$ 2,867,807</b>  | <b>\$ 4,558,794</b>   | <b>\$ 6,763,258</b>   | <b>\$ 7,890,115</b>   | <b>\$ 9,084,136</b>   |
| Projected Sales Volume - High Scenario                          | -                    | \$ 4,779,678         | \$ 7,009,138          | \$ 9,947,884          | \$ 11,895,464         | \$ 14,037,993         |
| <b>INFLOW SALES LEVEL:</b>                                      |                      | <b>5%</b>            | <b>5%</b>             | <b>5%</b>             | <b>5%</b>             | <b>5%</b>             |
| Inflow Sales Volume - Low Scenario                              | -                    | \$ 47,797            | \$ 114,893            | \$ 204,939            | \$ 242,265            | \$ 279,435            |
| <b>Inflow Sales Volume - Medium Scenario</b>                    | -                    | <b>\$ 143,390</b>    | <b>\$ 232,651</b>     | <b>\$ 350,735</b>     | <b>\$ 418,085</b>     | <b>\$ 487,984</b>     |
| Inflow Sales Volume - High Scenario                             | -                    | \$ 238,984           | \$ 357,700            | \$ 516,263            | \$ 629,688            | \$ 753,164            |
| <b>TOTAL PROJECTED SITE SALES VOLUME:</b>                       |                      |                      |                       |                       |                       |                       |
| Total Sales Volume - Low Scenario                               | -                    | \$ 1,003,732         | \$ 2,412,751          | \$ 4,303,722          | \$ 5,087,567          | \$ 5,868,138          |
| <b>Total Sales Volume - Medium Scenario</b>                     | -                    | <b>\$ 3,011,197</b>  | <b>\$ 4,885,670</b>   | <b>\$ 7,365,430</b>   | <b>\$ 8,779,794</b>   | <b>\$ 10,247,661</b>  |
| Total Sales Volume - High Scenario                              | -                    | \$ 5,018,662         | \$ 7,511,709          | \$ 10,841,526         | \$ 13,223,450         | \$ 15,816,450         |
| <b>ESTIMATED PER SQ.FT. PRODUCTIVITY: <sup>(4)</sup></b>        | <b>350</b>           | <b>\$ 386</b>        | <b>\$ 427</b>         | <b>\$ 471</b>         | <b>\$ 520</b>         | <b>\$ 574</b>         |
| <b>TOTAL WARRANTED FLOORSPACE (SQ.FT.):</b>                     |                      |                      |                       |                       |                       |                       |
| LOW SCENARIO  |                      | 3,000                | 6,000                 | 9,000                 | 10,000                | 10,000                |
| <b>MEDIUM SCENARIO</b>  |                      | <b>8,000</b>         | <b>11,000</b>         | <b>16,000</b>         | <b>17,000</b>         | <b>18,000</b>         |
| HIGH SCENARIO   |                      | 13,000               | 18,000                | 23,000                | 25,000                | 28,000                |

**Notes:**

1. See tables of per capita retail spending by category
2. Assumed real per capita expenditure per annum increases of 0.75% for low, 1% for medium, and 1.5% high scenarios, respectively.
3. For purposes of this analysis, comparison retail includes all non-convenience store types, such as furniture and home furnishings, electronics and appliances, home centres and hardware, building materials and garden stores, clothing stores, shoe and accessory, general merchandise, sporting goods, hobby, music, book stores, and miscellaneous retailers. Does not include auto dealerships, auto parts and service, or service stations.
4. Productivity assumed to grow at a nominal 2% per annum.

Source: Urbanics Consultants Ltd.

This is true both of the primary and secondary trading zones. However, it should be noted that the secondary trading zone market shares in particular are projected to be very low, given the relative unattractiveness of the subject site and its surrounding precinct as a comparison retail destination.

Under the medium scenario, starting at 5% and 3% of the primary and secondary trading zones, respectively, in 2010, the study area's market share is expected to rise to 8% and 5%, respectively, by the end of the study period in 2031.

After accounting for a small degree of anticipated "inflow" sales in the order of 5%, this translates into an estimated study area expenditure level totalling just less than \$5 million by 2016, rising to as much as \$10 million by 2031. All dollar values are expressed in 2009 dollar value terms. At an assumed productivity level of \$350 per square foot a year, the medium scenario indicates demand for comparison retail space of around 11,000 square feet by 2016, rising to 18,000 square feet by 2031.

Although a large portion of this demand would be met by certain existing retail facilities in Nanaimo and North Cowichan (e.g. Cowichan Commons) and certain pre-existing retail areas like the small shops in Ladysmith, there is still some potential for incremental further additions of comparison-type retail in the subject area in a variety of merchandise categories. However, because the subject site cannot readily physically accommodate a substantial cluster of destination comparison retailers, it is not likely to become a regional destination, but rather continue to serve the local population and a small surrounding area.

## EATING AND DRINKING

The eating & drinking category refers to all purchases made in restaurants, both full-service and limited-service/fast-food. As is shown on Table 15, average annual per capita eating and drinking retail expenditures have been estimated using per capita retail trade data, adjusted to reflect the slightly lower average household incomes of the study area population. Further, per capita expenditures have been adjusted upward by a factor of 1% per annum (as per the medium scenario) to account for real increases in average per capita spending levels commensurate with presumed increases in incomes.

In light of the presence of competitive retail facilities outside of the subject area (albeit not quite to the same degree as evidenced in other retail categories), the consultant has applied conservative market shares – rising fairly rapidly over the course of the study period to reflect a broader and deeper array of restaurant and café offerings – especially once the site as a whole begins to attract a larger flow



of traffic, and new housing developments on-site and in the area generate a stronger on-site resident/consumer population. Again, market shares are expected to be relatively higher than evidenced in other retail categories, as on-site and nearby residents elect to visit restaurants and cafés in closer proximity, rather than traveling outside of the subject area. This rise in anticipated market shares should be true both of the primary and secondary trading zones, albeit more so for the primary zone.

According to the medium attraction scenario, market shares by 2011 might start at 20% and 5% of the primary and secondary trading zones, respectively, and the study area's market share would be expected to rise to 35% and 8%, respectively, by the end of the study period. After accounting for an above-average level of anticipated "inflow" sales (of around 20% owing to the highway exposure and high traffic volumes passing by the site), this translates into an estimated study area expenditure level totalling \$3.3 million by 2016, rising to as much as \$8 million by 2031. All dollar values are expressed in 2009 dollar value terms. At an assumed productivity level of \$400 per square foot a year, the medium scenario indicates demand for eating and drinking retail space of around 7,000 square feet by 2016, rising to 12,000 square feet by 2031.

Although the precise nature of this restaurant space cannot be determined at this time, the most important consideration is that of diversity. An ideal circumstance would include a variety of eating and drinking options at different price points and serving different market segments (convenience, family, pub, ethnic, contemporary, etc.) with special emphasis on branded or chain operators (particularly for those facilities catering to highway-borne traffic and less to pedestrian traffic). It should also be emphasized that this new supply need not necessarily be in direct competition with the existing supply just outside of the subject site (i.e. in Ladysmith), since the anticipated market orientations may be quite different.

**TABLE 15**  
**RETAIL MARKET DEMAND PROJECTIONS - EATING AND DRINKING**

|  | 2006          | 2011          | 2016          | 2021          | 2026          | 2031          |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Primary Zone - On-Site</b>                            |               |               |               |               |               |               |
| Population <sup>(1)</sup> - Low Scenario                 | -             | -             | 313           | 680           | 1,062         | 1,448         |
| Population <sup>(1)</sup> - Medium Scenario              | -             | -             | 313           | 680           | 1,062         | 1,448         |
| Population <sup>(1)</sup> - High Scenario                | -             | -             | 313           | 680           | 1,062         | 1,448         |
| Per Capita Expenditures <sup>(2)</sup> - Low Scenario    | \$ 1,582      | \$ 1,663      | \$ 1,726      | \$ 1,792      | \$ 1,860      | \$ 1,931      |
| Per Capita Expenditures <sup>(2)</sup> - Medium Scenario | \$ 1,582      | \$ 1,663      | \$ 1,748      | \$ 1,837      | \$ 1,931      | \$ 2,029      |
| Per Capita Expenditures <sup>(2)</sup> - High Scenario   | \$ 1,582      | \$ 1,663      | \$ 1,791      | \$ 1,930      | \$ 2,079      | \$ 2,240      |
| Expenditure Potential - Low Scenario                     | \$ -          | \$ -          | \$ 539,637    | \$ 1,219,094  | \$ 1,976,072  | \$ 2,795,793  |
| Expenditure Potential - Medium Scenario                  | \$ -          | \$ -          | \$ 546,365    | \$ 1,249,684  | \$ 2,050,914  | \$ 2,937,862  |
| Expenditure Potential - High Scenario                    | \$ -          | \$ -          | \$ 560,024    | \$ 1,312,946  | \$ 2,208,602  | \$ 3,242,835  |
| Market Share of Primary Zone Spending - Low              | -             | 15%           | 20%           | 25%           | 30%           | 30%           |
| Market Share of Primary Zone Spending - Base             | -             | 20%           | 25%           | 30%           | 35%           | 35%           |
| Market Share of Primary Zone Spending - High             | -             | 25%           | 30%           | 35%           | 40%           | 40%           |
| Projected Sales Volume - Low Scenario                    | -             | \$ -          | \$ 107,927    | \$ 304,773    | \$ 592,821    | \$ 838,738    |
| Projected Sales Volume - Medium Scenario                 | -             | \$ -          | \$ 136,591    | \$ 374,905    | \$ 717,820    | \$ 1,028,252  |
| Projected Sales Volume - High Scenario                   | -             | \$ -          | \$ 168,007    | \$ 459,531    | \$ 883,441    | \$ 1,297,134  |
| <b>Secondary Zone - Remainder of Trade Area</b>          |               |               |               |               |               |               |
| Population <sup>(1)</sup> - Low Scenario                 | 17,300        | 20,000        | 22,687        | 25,620        | 28,438        | 31,152        |
| Population <sup>(1)</sup> - Medium Scenario              | 17,300        | 20,000        | 22,687        | 25,620        | 28,438        | 31,152        |
| Population <sup>(1)</sup> - High Scenario                | 17,300        | 20,000        | 22,687        | 25,620        | 28,438        | 31,152        |
| Per Capita Expenditures <sup>(2)</sup> - Low Scenario    | \$ 1,582      | \$ 1,663      | \$ 1,726      | \$ 1,792      | \$ 1,860      | \$ 1,931      |
| Per Capita Expenditures <sup>(2)</sup> - Medium Scenario | \$ 1,582      | \$ 1,663      | \$ 1,748      | \$ 1,837      | \$ 1,931      | \$ 2,029      |
| Per Capita Expenditures <sup>(2)</sup> - High Scenario   | \$ 1,582      | \$ 1,663      | \$ 1,791      | \$ 1,930      | \$ 2,079      | \$ 2,240      |
| Expenditure Potential - Low Scenario                     | \$ 27,372,060 | \$ 33,258,162 | \$ 39,163,184 | \$ 45,908,422 | \$ 52,897,861 | \$ 60,152,933 |
| Expenditure Potential - Medium Scenario                  | \$ 27,372,060 | \$ 33,258,162 | \$ 39,651,497 | \$ 47,060,393 | \$ 54,901,334 | \$ 63,209,621 |
| Expenditure Potential - High Scenario                    | \$ 27,372,060 | \$ 33,258,162 | \$ 40,642,735 | \$ 49,442,707 | \$ 59,122,518 | \$ 69,771,258 |
| Market Share of Secondary Zone Spending - Low            | -             | 2%            | 3%            | 4%            | 5%            | 5%            |
| Market Share of Secondary Zone Spending - Base           | -             | 5%            | 6%            | 7%            | 8%            | 8%            |
| Market Share of Secondary Zone Spending - High           | -             | 8%            | 9%            | 10%           | 11%           | 11%           |
| Projected Sales Volume - Low Scenario                    | -             | \$ 665,163    | \$ 1,174,896  | \$ 1,836,337  | \$ 2,644,893  | \$ 3,007,647  |
| Projected Sales Volume - Medium Scenario                 | -             | \$ 1,662,908  | \$ 2,379,090  | \$ 3,294,228  | \$ 4,392,107  | \$ 5,056,770  |
| Projected Sales Volume - High Scenario                   | -             | \$ 2,660,653  | \$ 3,657,846  | \$ 4,944,271  | \$ 6,503,477  | \$ 7,674,838  |
| <b>INFLOW SALES LEVEL:</b>                               |               | <b>30%</b>    | <b>30%</b>    | <b>30%</b>    | <b>30%</b>    | <b>30%</b>    |
| Inflow Sales Volume - Low Scenario                       | -             | \$ 199,549    | \$ 384,847    | \$ 642,333    | \$ 971,314    | \$ 1,153,915  |
| Inflow Sales Volume - Medium Scenario                    | -             | \$ 498,872    | \$ 754,704    | \$ 1,100,740  | \$ 1,532,978  | \$ 1,825,506  |
| Inflow Sales Volume - High Scenario                      | -             | \$ 798,196    | \$ 1,147,756  | \$ 1,621,141  | \$ 2,216,075  | \$ 2,691,592  |
| <b>TOTAL PROJECTED SITE SALES VOLUME:</b>                |               |               |               |               |               |               |
| Total Sales Volume - Low Scenario                        | -             | \$ 864,712    | \$ 1,667,670  | \$ 2,783,443  | \$ 4,209,029  | \$ 5,000,300  |
| Total Sales Volume - Medium Scenario                     | -             | \$ 2,161,781  | \$ 3,270,385  | \$ 4,769,873  | \$ 6,642,905  | \$ 7,910,528  |
| Total Sales Volume - High Scenario                       | -             | \$ 3,458,849  | \$ 4,973,609  | \$ 7,024,942  | \$ 9,602,993  | \$ 11,663,564 |
| <b>ESTIMATED PER SQ.FT. PRODUCTIVITY: <sup>(4)</sup></b> | <b>400</b>    | <b>\$ 442</b> | <b>\$ 488</b> | <b>\$ 538</b> | <b>\$ 594</b> | <b>\$ 656</b> |
| <b>TOTAL WARRANTED FLOORSPACE (SQ.FT.):</b>              |               |               |               |               |               |               |
| LOW SCENARIO   |               | 2,000         | 3,000         | 5,000         | 7,000         | 8,000         |
| MEDIUM SCENARIO  |               | 5,000         | 7,000         | 9,000         | 11,000        | 12,000        |
| HIGH SCENARIO  |               | 8,000         | 10,000        | 13,000        | 16,000        | 18,000        |

**Notes:**

1. See tables of per capita retail spending by category
2. Assumed real per capita expenditure per annum increases of 0.75% for low, 1% for medium, and 1.5% high scenarios, respectively.
3. Productivity assumed to grow at a nominal 2% per annum.

Source: Urbanics Consultants Ltd.

## SERVICE COMMERCIAL

These facilities generally include barber shops, hair stylists, day spa and beauty parlour, dry-cleaning services, laundromats, etc. but exclude financial services, insurance, real estate, travel agency, video rental, and the like. The consultant has derived the per capita expenditure figure for service-commercial transactions based on the Statistics Canada Survey of Household Spending for BC, which indicate per capita expenditures amounted to approximately \$250 in 2006. This amount is adjusted upward over the course of the study period by assuming an annual real increase in these expenditures of 1% per annum (as per the medium scenario) commensurate with presumed increases in average per capita incomes.

Because service commercial is generally of a local-serving orientation as opposed to regional, the consultant has applied much more aggressive market shares than was the case with other retail categories, and rising over the course of the study period to reflect a broader and deeper array of offerings in this commercial category. This is true both of the primary and secondary trading zones, as the increased depth and breadth of on-site facilities should attract business from throughout the subject site and the remainder of the trading area.

However, inflow sales are expected to be incremental, and more in-line with convenience retail characteristics.

Under the medium scenario, starting at 10% and 5% of the primary and secondary trading zones, respectively, in 2011, the study area's market share is expected to rise to 30% and 10%, respectively, by the end of the study period. After accounting for a low degree of anticipated "inflow" sales amounting to no more than 5%, this translates into an estimated study area expenditure level totalling \$0.6 million by 2016, rising to as much as \$1.2 million by 2031. All dollar values are expressed in 2009 dollar value terms.

At an assumed productivity level of \$300 per square foot a year, the medium scenario indicates demand for service commercial space of only around 1,500 square feet in 2016, rising to 2,500 square feet by the end of the study period. These figures can be found in Table 16.

**TABLE 16**  
**RETAIL MARKET DEMAND PROJECTIONS - SERVICE-COMMERCIAL**

|  | 2006         | 2011         | 2016         | 2021         | 2026         | 2031          |
|--|--------------|--------------|--------------|--------------|--------------|---------------|
| <b>Primary Zone - On-Site</b>                            |              |              |              |              |              |               |
| Population <sup>(1)</sup> - Low Scenario                 | -            | -            | 313          | 680          | 1,062        | 1,448         |
| Population <sup>(1)</sup> - Medium Scenario              | -            | -            | 313          | 680          | 1,062        | 1,448         |
| Population <sup>(1)</sup> - High Scenario                | -            | -            | 313          | 680          | 1,062        | 1,448         |
| Per Capita Expenditures <sup>(2)</sup> - Low Scenario    | \$ 260       | \$ 273       | \$ 284       | \$ 294       | \$ 306       | \$ 317        |
| Per Capita Expenditures <sup>(2)</sup> - Medium Scenario | \$ 260       | \$ 273       | \$ 287       | \$ 302       | \$ 317       | \$ 333        |
| Per Capita Expenditures <sup>(2)</sup> - High Scenario   | \$ 260       | \$ 273       | \$ 294       | \$ 317       | \$ 342       | \$ 368        |
| Expenditure Potential - Low Scenario                     | \$ -         | \$ -         | \$ 88,677    | \$ 200,331   | \$ 324,724   | \$ 459,428    |
| Expenditure Potential - Medium Scenario                  | \$ -         | \$ -         | \$ 89,783    | \$ 205,358   | \$ 337,023   | \$ 482,773    |
| Expenditure Potential - High Scenario                    | \$ -         | \$ -         | \$ 92,028    | \$ 215,754   | \$ 362,935   | \$ 532,889    |
| Market Share of Primary Zone Spending - Low              | -            | 5%           | 10%          | 15%          | 20%          | 25%           |
| Market Share of Primary Zone Spending - Base             | -            | 10%          | 15%          | 20%          | 25%          | 30%           |
| Market Share of Primary Zone Spending - High             | -            | 15%          | 20%          | 25%          | 30%          | 35%           |
| Projected Sales Volume - Low Scenario                    | -            | \$ -         | \$ 8,868     | \$ 30,050    | \$ 64,945    | \$ 114,857    |
| Projected Sales Volume - Medium Scenario                 | -            | \$ -         | \$ 13,467    | \$ 41,072    | \$ 84,256    | \$ 144,832    |
| Projected Sales Volume - High Scenario                   | -            | \$ -         | \$ 18,406    | \$ 53,939    | \$ 108,881   | \$ 186,511    |
| <b>Secondary Zone - Remainder of Trade Area</b>          |              |              |              |              |              |               |
| Population <sup>(1)</sup> - Low Scenario                 | 17,300       | 20,000       | 22,687       | 25,620       | 28,438       | 31,152        |
| Population <sup>(1)</sup> - Medium Scenario              | 17,300       | 20,000       | 22,687       | 25,620       | 28,438       | 31,152        |
| Population <sup>(1)</sup> - High Scenario                | 17,300       | 20,000       | 22,687       | 25,620       | 28,438       | 31,152        |
| Per Capita Expenditures <sup>(2)</sup> - Low Scenario    | \$ 260       | \$ 273       | \$ 284       | \$ 294       | \$ 306       | \$ 317        |
| Per Capita Expenditures <sup>(2)</sup> - Medium Scenario | \$ 260       | \$ 273       | \$ 287       | \$ 302       | \$ 317       | \$ 333        |
| Per Capita Expenditures <sup>(2)</sup> - High Scenario   | \$ 260       | \$ 273       | \$ 294       | \$ 317       | \$ 342       | \$ 368        |
| Expenditure Potential - Low Scenario                     | \$ 4,498,000 | \$ 5,465,252 | \$ 6,435,614 | \$ 7,544,046 | \$ 8,692,608 | \$ 9,884,820  |
| Expenditure Potential - Medium Scenario                  | \$ 4,498,000 | \$ 5,465,252 | \$ 6,515,857 | \$ 7,733,347 | \$ 9,021,835 | \$ 10,387,120 |
| Expenditure Potential - High Scenario                    | \$ 4,498,000 | \$ 5,465,252 | \$ 6,678,746 | \$ 8,124,829 | \$ 9,715,494 | \$ 11,465,382 |
| Market Share of Secondary Zone Spending - Low            | -            | 2%           | 5%           | 7%           | 7%           | 7%            |
| Market Share of Secondary Zone Spending - Base           | -            | 5%           | 8%           | 10%          | 10%          | 10%           |
| Market Share of Secondary Zone Spending - High           | -            | 8%           | 11%          | 13%          | 13%          | 13%           |
| Projected Sales Volume - Low Scenario                    | -            | \$ 109,305   | \$ 321,781   | \$ 528,083   | \$ 608,483   | \$ 691,937    |
| Projected Sales Volume - Medium Scenario                 | -            | \$ 273,263   | \$ 521,269   | \$ 773,335   | \$ 902,183   | \$ 1,038,712  |
| Projected Sales Volume - High Scenario                   | -            | \$ 437,220   | \$ 734,662   | \$ 1,056,228 | \$ 1,263,014 | \$ 1,490,500  |
| INFLOW SALES LEVEL:                                      |              | 5%           | 5%           | 5%           | 5%           | 5%            |
| Inflow Sales Volume - Low Scenario                       | -            | \$ 5,465     | \$ 16,532    | \$ 27,907    | \$ 33,671    | \$ 40,340     |
| Inflow Sales Volume - Medium Scenario                    | -            | \$ 13,663    | \$ 26,737    | \$ 40,720    | \$ 49,322    | \$ 59,177     |
| Inflow Sales Volume - High Scenario                      | -            | \$ 21,861    | \$ 37,653    | \$ 55,508    | \$ 68,595    | \$ 83,851     |
| <b>TOTAL PROJECTED SITE SALES VOLUME:</b>                |              |              |              |              |              |               |
| Total Sales Volume - Low Scenario                        | -            | \$ 114,770   | \$ 347,181   | \$ 586,040   | \$ 707,099   | \$ 847,134    |
| Total Sales Volume - Medium Scenario                     | -            | \$ 286,926   | \$ 561,473   | \$ 855,127   | \$ 1,035,761 | \$ 1,242,721  |
| Total Sales Volume - High Scenario                       | -            | \$ 459,081   | \$ 790,721   | \$ 1,165,675 | \$ 1,440,490 | \$ 1,760,861  |
| ESTIMATED PER SQ.FT. PRODUCTIVITY: <sup>(4)</sup>        | 300          | \$ 331       | \$ 366       | \$ 404       | \$ 446       | \$ 492        |
| <b>TOTAL WARRANTED FLOORSPACE (SQ.FT.):</b>              |              |              |              |              |              |               |
| LOW SCENARIO   |              | 300          | 900          | 1,500        | 1,600        | 1,700         |
| MEDIUM SCENARIO  |              | 900          | 1,500        | 2,100        | 2,300        | 2,500         |
| HIGH SCENARIO  |              | 1,400        | 2,200        | 2,900        | 3,200        | 3,600         |

**Notes:**

1. See tables of per capita retail spending by category
2. Assumed real per capita expenditure per annum increases of 0.75% for low, 1% for medium, and 1.5% high scenarios, respectively. Includes tailoring, clothing storage and other clothing services, laundry and dry-cleaning services, laundromats and self-service dry cleaning, hair grooming and other personal services. Excludes financial services, insurance, real estate, travel agency, video rental, etc.
3. Productivity assumed to grow at a nominal 2% per annum.

Source: Urbanics Consultants Ltd.

## OTHER

In addition to the retail and service-commercial space requirements noted above, the need for other types of commercial space will be required to house businesses that have a quasi-retail character, including certain financial, insurance, and real estate services, travel agencies, video rental, rental car, and other similar commercial functions with retail-like characteristics. As the on-site population continues to expand, there should be sustained growth in demand for these service types, even if the total square footage is likely to be quite limited.

The space required for such functions is conservatively estimated at around 20% of the total retail space in the subject area, with a range provided to indicate the possible variation upwards or downwards by a few percentage points.

Based on this ratio, the consultant anticipates as much as 7,000 square feet of such space in the subject area by 2016, rising to 12,000 square feet by 2026, under the assumption of the medium growth scenario and with a ratio of 20% of total retail space demand.

## RETAIL MARKET SUMMARY

The projected retail space demand from 2016 to 2031 can be seen in Table 17, which indicates that over the course of the study period, approximately 78,000 square feet of retail and retail-like activity should be warranted in the subject area.

It should also be re-emphasized that market share assumptions employed throughout these analyses are quite conservative, but are in recognition of the subject site's presumed lack of scale and destination-ness for retail shopping. Furthermore, because the tenant decisions for these retail facilities will themselves determine market share to a great extent, and given that these tenant considerations are still unknown, it is appropriate to use more conservative estimates of market share.

Also, as important as the "number crunching" analysis may be, in the development of successful mixed-use precincts, there are many other variables that will determine whether a project enjoys, on a sustainable basis, high or low levels of attraction and investment. In arriving at objectively-conceived market shares, it is necessary to consider a number of important site-related planning and design variables.

**TABLE 17**  
**RETAIL MARKET DEMAND PROJECTIONS - SUMMARY**

| RETAIL CATEGORY                                     | 2011          | 2016          | 2021          | 2026          | 2031          |
|---|---------------|---------------|---------------|---------------|---------------|
| <b>CONVENIENCE SHOPPING</b>                         |               |               |               |               |               |
| TOTAL WARRANTED FLOORSPACE (sq.ft.):                |               |               |               |               |               |
| LOW SCENARIO  | -             | 8,000         | 14,000        | 20,000        | 22,000        |
| <b>MEDIUM SCENARIO</b>                              | <b>7,000</b>  | <b>15,000</b> | <b>22,000</b> | <b>30,000</b> | <b>32,000</b> |
| HIGH SCENARIO                                       | 13,000        | 23,000        | 32,000        | 41,000        | 46,000        |
| <b>COMPARISON SHOPPING</b>                          |               |               |               |               |               |
| TOTAL WARRANTED FLOORSPACE (sq.ft.):                |               |               |               |               |               |
| LOW SCENARIO  | 3,000         | 6,000         | 9,000         | 10,000        | 10,000        |
| <b>MEDIUM SCENARIO</b>                              | <b>8,000</b>  | <b>11,000</b> | <b>16,000</b> | <b>17,000</b> | <b>18,000</b> |
| HIGH SCENARIO                                       | 13,000        | 18,000        | 23,000        | 25,000        | 28,000        |
| <b>EATING AND DRINKING</b>                          |               |               |               |               |               |
| TOTAL WARRANTED FLOORSPACE (sq.ft.):                |               |               |               |               |               |
| LOW SCENARIO  | 2,000         | 3,000         | 5,000         | 7,000         | 8,000         |
| <b>MEDIUM SCENARIO</b>                              | <b>5,000</b>  | <b>7,000</b>  | <b>9,000</b>  | <b>11,000</b> | <b>12,000</b> |
| HIGH SCENARIO                                       | 8,000         | 10,000        | 13,000        | 16,000        | 18,000        |
| <b>SERVICE-COMMERCIAL</b>                           |               |               |               |               |               |
| TOTAL WARRANTED FLOORSPACE (sq.ft.):                |               |               |               |               |               |
| LOW SCENARIO  | 300           | 900           | 1,500         | 1,600         | 1,700         |
| <b>MEDIUM SCENARIO</b>                              | <b>900</b>    | <b>1,500</b>  | <b>2,100</b>  | <b>2,300</b>  | <b>2,500</b>  |
| HIGH SCENARIO                                       | 1,400         | 2,200         | 2,900         | 3,200         | 3,600         |
| <b>OTHER SERVICES</b>                               |               |               |               |               |               |
| TOTAL WARRANTED FLOORSPACE (sq.ft.):                |               |               |               |               |               |
| @ 15% of total retail space                         | 1,000         | 3,000         | 4,000         | 6,000         | 6,000         |
| <b>@ 20% of total retail space</b>                  | <b>4,000</b>  | <b>7,000</b>  | <b>10,000</b> | <b>12,000</b> | <b>13,000</b> |
| @ 25% of total retail space                         | 9,000         | 13,000        | 18,000        | 21,000        | 24,000        |
| <b>TOTAL WARRANTED FLOORSPACE (sq.ft.):</b>         |               |               |               |               |               |
| TOTAL WARRANTED FLOORSPACE (rounded):               |               |               |               |               |               |
| LOW SCENARIO  | 6,000         | 21,000        | 34,000        | 45,000        | 48,000        |
| <b>MEDIUM SCENARIO</b>                              | <b>25,000</b> | <b>42,000</b> | <b>59,000</b> | <b>72,000</b> | <b>78,000</b> |
| HIGH SCENARIO                                       | 44,000        | 66,000        | 89,000        | 106,000       | 120,000       |
|   | 2011          | 2016          | 2021          | 2026          | 2031          |
| <b>TOTAL RETAIL SPACE (SQ.FT., MEDIUM SCENARIO)</b> | <b>25,000</b> | <b>42,000</b> | <b>59,000</b> | <b>72,000</b> | <b>78,000</b> |

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The extent to which an area-wide concept fully exploits the positive aspects of these variables (such as waterfront, views, natural setting, pedestrian-oriented precincts, etc.), particularly in concert with one another, will determine, to a greater extent than not, whether the area achieves relatively high or low market shares.

While none of these variables are expected to be resolved immediately, they do go to some length in determining not only the scale of retail facilities that might be warranted but equally importantly, the annual average per square foot productivity of such space and the attendant rents that can be expected to be achieved. Some of these important variables worthy of noting in the context of market share determination for this site include:

- Insuring optimum “internal” and “external” connectivity, which in turn creates synergy amongst various area-wide planned developments.
- The location and availability of weather-protected connectivity between buildings, in relation to retail facilities, especially in light of the rainy climate of the Island during a large part of the year.
- Creating a highly attractive pedestrian-oriented retail program close to the waterfront.
- Place-making – becoming of increasing importance particularly in terms of creating a quasi-destination for visitors, new and prospective residents, and highway-borne passers-by.



## 6.0 OFFICE & INSTITUTIONAL USES

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This section offers a brief examination of the potential for office and office-like institutional land uses that might be suitable to the subject site from a market perspective.

### OFFICE LAND USES

Although it is difficult to imagine the market supporting a great deal of office-space on-site, there would certainly be potential for a small array of on-site and local-serving professional arts space and offices (that is, medical, dental, and optical clinics; realty, insurance and financial/accounting services; and other similar services to support the on-site population).

However, it must be said that the subject site's location between Duncan and Nanaimo is not especially helpful for non-local-serving office users – it is close enough to both place to be subject to their competitive influence (especially Nanaimo's) but the site is at the same time far enough from both that it would likely be considered an inconvenient office location. Add to this the fact that the property will, even at build-out, have a relative small on-site population, and it is accordingly not anticipated that many regional-serving office tenants would be strongly attracted to the site.

Furthermore, the competitive influence of the Snuneymuxw / North-West Properties project at the confluence of Duke Point Highway and Island Highway cannot be over-stated. As noted in a previous section of this study, present plans call for around a million square feet of business park / light industrial space, and another 800,000 or more square feet of retail space, plus 1500-2000 housing units. In the face of such considerable competitive pressure, even if the plans are ultimately scaled back considerably, it is unlikely that any of Oyster Bay's on-site commercial facilities (both retail and office) would be capable of attracting anything more than a mostly convenience orientation for residents living on and around the subject property.

### INSTITUTIONAL LAND USES

New institutional land uses, because of the locational dynamics noted above and the paucity of on-site population for the foreseeable future, should not be considered for the subject area in this study. The obvious exception, of course, is the office space requirements for the Chemainus First Nation itself should it

choose to remain on-site during and after on-site development. For purposes of forecasting on-site office demand, the consultant has estimated that 10,000 square feet of leasable space will ultimately be occupied by the CFN on-site. Should this assumption prove false or prove to over- or under-state the actual office space requirements, the following demand forecast will have to be adjusted accordingly.

It is also possible that, with the Chemainus First Nation as an office anchor tenant, it might be possible to attract one or more other First Nation office/institutional use(s) to the site as a means of creating a sort of service cluster for regional First Nations residents. Again, should this assumption prove false or prove to over- or under-state the actual office space requirements for such group(s), the following demand forecast will have to be adjusted accordingly.

## **MARKET DEMAND FOR OFFICE USES**

The estimated demand for on-site office use is guided by the two above-noted office types:

- Local-serving office space and professional arts
- Local/regional serving office/institution space

The demand for these is noted in Table 18, where an industry-standard ratio of local-serving office space per capita (i.e. 8 square feet per person) is used in tandem with the projected on-site population to derive the local-serving office space projection, along with a base estimate of CFN and related office space requirements. The total on-site office space projection is found at the bottom of the table, which indicates that it is unlikely that there will be much more than 30,000 square feet of office space on the subject site by the end of the study period.

**TABLE 18**  
**OFFICE MARKET**

| OFFICE CATEGORY   | 2011 | 2016          | 2021          | 2026          | 2031          |
|---|------|---------------|---------------|---------------|---------------|
| <b>Local-Serving Office Space *</b>   |      |               |               |               |               |
| Typical Ratio of Local-Serving Office Space to Population (sq.ft. per capita) | 8.0  | 8.0           | 8.0           | 8.0           | 8.0           |
| Projected On-Site Population  | 0    | 313           | 680           | 1062          | 1448          |
| Projected On-Site Local-Serving Office Space (sq.ft.)                         | -    | 2,501         | 5,443         | 8,499         | 11,583        |
| <b>Regional/Institutional Office Space</b>                                    |      |               |               |               |               |
| Presumed Chemainus First Nation Office Space Requirements                     | 0    | 10,000        | 10,000        | 10,000        | 10,000        |
| Other Office User / Institutional Use   | 0    | 5,000         | 5,000         | 10,000        | 10,000        |
| <b>Total Projected Warranted On-Site Office Space (rounded)</b>               | -    | <b>18,000</b> | <b>20,000</b> | <b>28,000</b> | <b>32,000</b> |

\* Note: Local-serving office space is generally comprised of medical/dental/optical uses, financial services, accounting, realty, legal services, and other professional services.

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## 7.0 HOTEL MARKET

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In evaluating, at least on a preliminary basis, the potential for a hotel on the subject site, at least on a preliminary basis, two general considerations are:

- Is there sufficient supply to meet the demand generated by the study area population? and
- Is there some special characteristic of the subject site that can be expected to generate its own source of new demand?

The answer to the second question is, in the opinion of the consultant, unfortunately not. Although there is some waterfront opportunity, there is no other supporting waterfront attraction such as a beach, marina, tour operators, etc. Furthermore, although the views from the subject site waterfront are attractive, they are not deemed to be sufficient to warrant the necessary investment in a hotel for the foreseeable future.

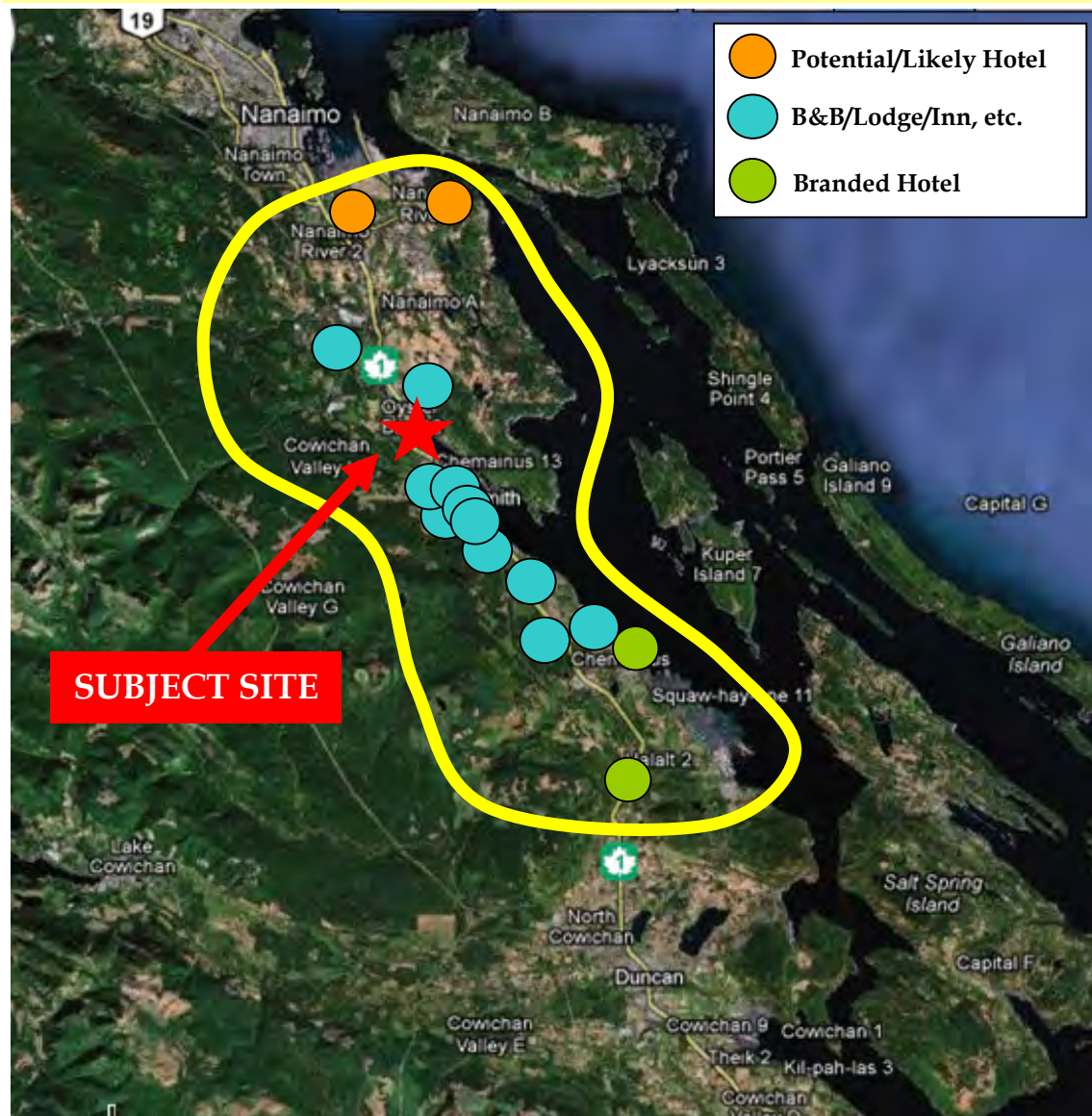
The answer to the first question is based on the inventory of supply in the surrounding area of the subject site. A study area slightly larger than that employed for the retail section has been used, as seen in Table 19, which extends to the borders of Nanaimo at the north end and deep into North Cowichan at the south end.

The accompanying Table 20 reveals the inventory of current and planned supply of hotels, motels, B&Bs, and other accommodation space within the study area that are deemed to be competitive with a potential hotel on the subject property. There are three general classes of properties here: very small-scale operations such as B&Bs, inns, and similar small-scale establishments; hotels and motels, and potential/planned hotels.

The two existing branded hotels (incidentally both are branded with Best Western) are already able to offer almost 120 rooms of accommodation. Two motels in the area add another 50 rooms, and the plethora of B&B and other guest accommodation provide another 70 rooms. Furthermore, the potential hotels noted in this inventory at the north end of the study area could offer perhaps 180 to 200 new rooms in total, and are of considerable importance because:

- In the instance of the Snuneymuxw site there is anticipated to be a considerable on-site population, as well as a very considerable cluster of business and retail activities and would be the most logical location in the study area for a new mid-market branded hotel.

**TABLE 19**  
**HOTEL SUPPLY MAP**



Urbanics Consultants Ltd.; Map provided by Google

**TABLE 20**  
**HOTEL SUPPLY DATA**

| Name                                 | Type          | # Rooms    | Starting Rates (\$) | Notes                           |
|--------------------------------------|---------------|------------|---------------------|---------------------------------|
| Carleton House B&B                   | B&B           | 3          | 45-65               |                                 |
| Castlebury Cottage                   | B&B           | 3          | 120-240             |                                 |
| Chemainus Bay B&B                    | B&B           | 2          | N/A                 |                                 |
| Jarid's Corner B&B                   | B&B           | 3          | 105-135             |                                 |
| Timeless Rose B&B                    | B&B           | 3          | 115-185             |                                 |
| Wistful Vista B&B                    | B&B           | 2          | 120-125             |                                 |
| Birdsong B&B                         | B&B           | 3          | 95-125              |                                 |
| Small World B&B                      | B&B           | 3          | 95-115              |                                 |
| Scented Garden                       | B&B           | 3          | 80-130              |                                 |
| Eagles Nest B&B                      | B&B           | 3          | N/A                 |                                 |
| Island Estuary B&B                   | B&B           | 3          | 120-150             |                                 |
| Hawley Place B&B                     | B&B           | 3          | 135                 |                                 |
| Chemainus Tudor Inn                  | B&B           | 3          | 95-165              |                                 |
| Island Serenity B&B                  | B&B           | 1          | 125                 |                                 |
| Castle Cove Inn                      | B&B           | 3          | N/A                 |                                 |
| Pacific Shores Inn                   | B&B           | 3          | N/A                 |                                 |
| Chemainus Garden Camping Park        | Cottage/Cabin | 2          | 65-85               |                                 |
| Rondalyn Resort                      | Cottage/Cabin | 1          | 100                 | Also has campground spaces      |
| Mermaid Cove Resort                  | Cottage/Cabin | 4          | 100-160             | Also has campground spaces      |
| Seaview Marine Resort                | Cottage/Cabin | 5          | 100-120             |                                 |
| Kiwi Cove Lodge                      | Inn           | 13         | 100-200             |                                 |
| Fuller Lake Motel                    | Motel         | 34         | 70-150              |                                 |
| Holiday House Motel                  | Motel         | 14         | 70-160              |                                 |
| Best Western Chemainus Festival Inn  | Hotel         | 75         | 120-200             |                                 |
| Best Western Cowichan Valley         | Hotel         | 42         | 125-185             |                                 |
| (Possible Snuneymuxw Hotel)          | Hotel         | 100        | N/A                 | Possible future hotel           |
| (Possible Oceanview Resort Hotel)    | Hotel         | 80         | N/A                 | Possible future up-market hotel |
|                                      |               |            |                     |                                 |
| <b>B&amp;Bs/Inns/Cottages/Cabins</b> |               | <b>69</b>  |                     |                                 |
| <b>Existing Hotel/Motels</b>         |               | <b>165</b> |                     |                                 |
| <b>Proposed/Likely Future Hotels</b> |               | <b>180</b> |                     |                                 |
| <b>Hotel Study Area Total</b>        |               | <b>345</b> |                     |                                 |

Source: HelloBC, Google Maps, Hotel Websites



- In the instance of the Oceanview Resort site, there is anticipated to be as many as 36 holes of golf course, several hundred on-site residences, and a series of amenities (such as an upmarket spa) that would generate considerable demand for a new up-market hotel in the region.

These factors, combined with the fact that the subject site on its own does not appear to be capable of generating its own source of new demand (unlike, say, the potential Oceanview Resort hotel), indicate to the consultant that there is insufficient unmet demand to warrant the necessary investment in a new hotel on the subject site.

A final note about hotel development is that, particularly in the current and foreseeable economic climate, the tourism sector as a whole continues to be under stress, and hotel development has become more and more risky – not only from a market perspective, but also from a financial perspective. Financing the creation of a new hotel property has become increasingly difficult and many prospective investor/developers and hotel operators are no longer willing to make the necessary investment to build and sustain new hotel properties in the absence of off-setting condo-hotel units – particularly in marginal locations (from a tourism perspective) such as the subject site.



## 8.0 COMMERCIAL ENTERTAINMENT

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Commercial entertainment is a broad category that includes such activities as:

- Cinemas
- Gaming and gambling
- Sports/Leisure activities (bowling, laser tag, batting cages, etc.)
- Other entertainment types (e.g. video arcades, mini golf, children's gaming centres, etc.)

In general, many forms of commercial entertainment are not especially well-suited to new construction projects because many of the uses in this category are very space-consumptive and are not generally able to generate sufficient revenue to cover the costs of new construction. For this reason, these facilities are generally found in suburban or exurban locations, as well as older buildings, cheaper/less-desirable areas, and industrial areas.

Naturally, there are circumstances where it may be considered worthwhile to include some sort of commercial entertainment as part of a larger retail or mixed-use development because the traffic-generating function of the use can act as an anchor to support the primary on-site uses (for instance, a movie theatre as part of a shopping centre, or a casino as a part of a hotel).

The obvious exception to the above-noted caveats is gaming and gambling, where, depending on the nature of the facility and its associated activities, sufficient revenue can often be generated to warrant the cost of new construction. Indeed, in some cases, the gaming can itself be the attraction and the surrounding facilities to support it (for instance, a large casino with a hotel attached). However, it should be noted that gaming can in some cases be associated with increased social problems either real or perceived, and can be detrimental to the marketability of other surrounding land uses (especially residential uses), and is one of the reasons that gaming is often not included in larger master-planned communities with a high residential content (local zoning issues notwithstanding).

In the case of the subject site, the consultant believes that there is little, if any, opportunity for any non-gaming commercial entertainment on the site, either because of lack of scale or because of the anticipated high costs of new development – the combination of which generally precludes any new cinemas, bowling alleys, children's activity centres, etc. However, if a gaming facility can be planned in such a way that it does not interfere with other on-site uses (particularly the anticipated on-site residential uses), it could be a valuable use to the site – especially in the earlier years of site development while demand for retail

is still fairly low because of the limited on-site population. Furthermore, such a facility might, if it included food and licensed liquor service, help to satiate some of the present unmet eating and drinking demand in the study area, and could enjoy some synergies with other on-site eating and drinking facilities and other services.

That said, the consultant does not expect that on-site commercial entertainment uses, in all of its manifestations, would amount to more than a total of 10,000 square feet over the entirety of the study period.

## 9.0 MARKET FINDINGS

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The following provides a summary of the market-based highest and best use for the subject site, based on the land use analyses undertaken above, all of which is also summarized in Table 21.

### MARKET-BASED LAND USE PROJECTION SUMMARY

Warranted cumulative demand for residential units as follows:

- 116 units by 2016
- 257 units by 2021
- 409 units by 2026
- 564 units by 2031

Of this total, approximately one third would be for single-family detached units, and a further third for attached units (duplexes, triplexes, quad-plexes, row-homes, etc.), and the remaining third for multi-family units (although ultimately there could be considerable cross-over between the latter two loosely-defined categories).

In order to derive an approximate on-site population (primarily for the purpose of the following retail analysis), the consultant used a very crude estimate based on a factor of 3.5 people per detached unit, 2.5 people per attached unit and 1.8 people per multi-family unit. This is a crude estimate because not only is the ultimate on-site unit count and configuration unknown, but also these multiples are highly sensitive to certain unit-type-specific variables, including number of bedrooms, total floor space per unit, etc. Furthermore, the ultimate on-site build out may, depending on the ultimate allowable density, occur earlier or later than 2031, the final year of the study period (beyond which it is virtually impossible to project demand with any meaningful degree of accuracy). Using these ratios the consultant projects that, under the medium market share capture scenario, the on-site population is estimated to reach 250 residents by 2015, 600 residents by 2020, and 1,450 residents by 2031.

The projected warranted retail space demand for the subject area, based on the medium market share capture scenario, is as follows:

- 25,000 square feet by 2011
- 42,000 square feet by 2016
- 59,000 square feet by 2021
- 72,000 square feet by 2026
- 78,000 square feet by 2031

**TABLE 21**  
**MARKET SUMMARY**

| LAND USE TYPE                   | 2011   | 2016   | 2021   | 2026   | 2031   |
|---------------------------------|--------|--------|--------|--------|--------|
| <b>Residential</b>              |        |        |        |        |        |
| Single-Family Dwellings         | -      | 44     | 91     | 135    | 174    |
| Attached Dwellings              | -      | 41     | 88     | 136    | 194    |
| Multi-Family Dwellings          | -      | 31     | 78     | 138    | 196    |
| <b>Retail</b>                   | 25,000 | 42,000 | 59,000 | 72,000 | 78,000 |
| <b>Commercial Entertainment</b> | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| <b>Office</b>                   | -      | 18,000 | 20,000 | 28,000 | 32,000 |
| <b>Hotel</b>                    | -      | -      | -      | -      | -      |

\* Note that this summary assumes the Medium-Capture Scenario for both retail and residential land uses.

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Over and above this amount, the consultant expects no more than a further 10,000 square feet of commercial entertainment uses on-site, which also exhibit retail-like properties.

The projected warranted office space demand forecast for the subject site is as follows:

- 18,000 square feet by 2016
- 20,000 square feet by 2021
- 28,000 square feet by 2026
- 32,000 square feet by 2031

The consultant does not expect that an on-site hotel will be a market-supported land use, and accordingly has not forecasted any space in this land use category.

### **OTHER COMMENTS**

It should be noted that the ultimate development program may not exactly reflect these levels, as some retail investments are made earlier in the study period in anticipation of capturing expected future demand for retail services.

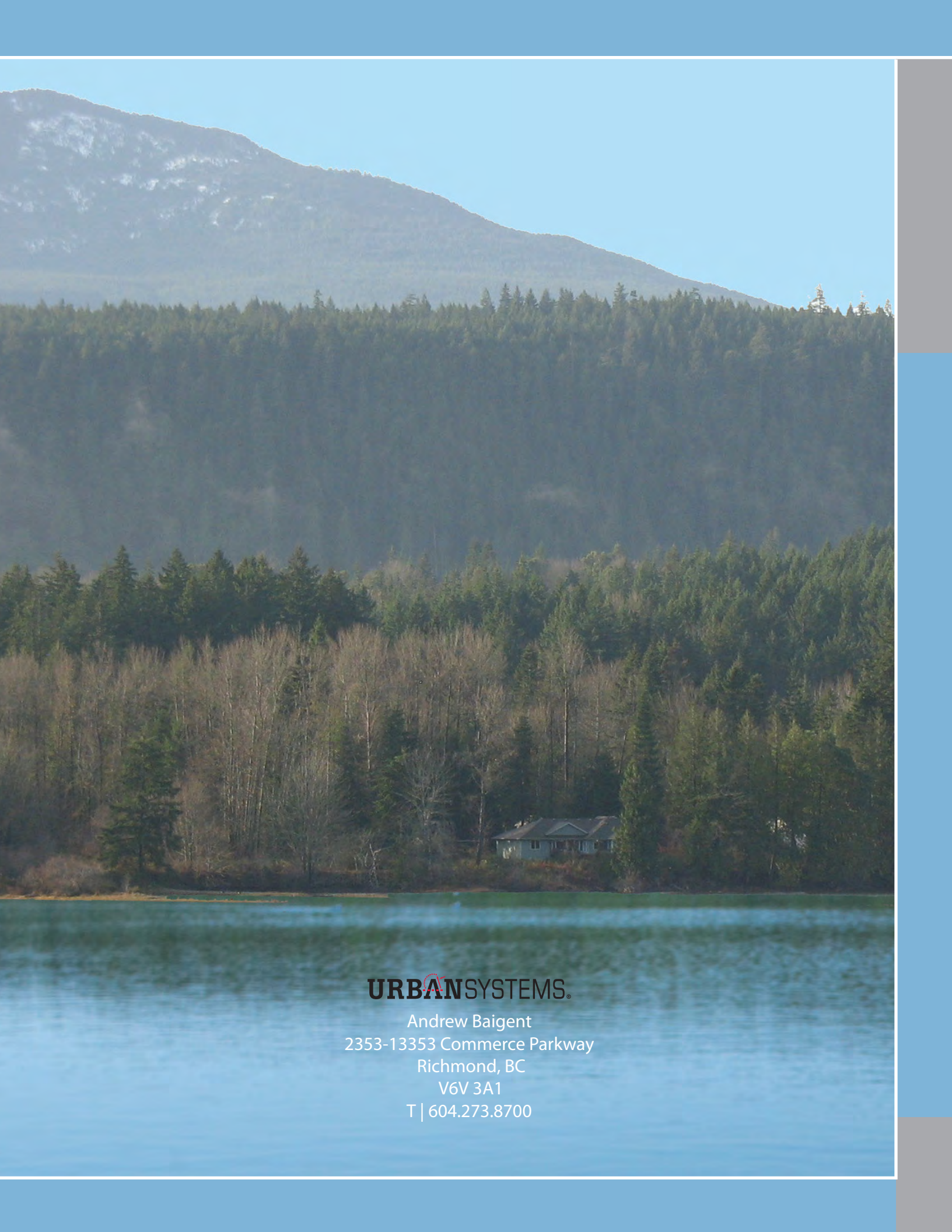
It should also be noted that these projected absorption rates by product type do not necessarily mean that the exact amount of each type of unit or retail space will necessarily even be accommodated on-site. Rather, these analyses and projections provide an approximate indication of the warranted demand for each unit type and retail space over the longer course of the study period, and may in fact exceed the buildable capacity of the subject area. And although the study period extends to 2031, it is possible that the ultimate on-site build out may, depending on unforeseeable market and demographic shifts, occur earlier or later than 2031 (beyond which it is virtually impossible to project demand with any meaningful degree of accuracy).

Furthermore, as important as the “number crunching” analysis may be, in the development of successful mixed-use precincts, there are many other variables that will determine whether a project enjoys, on a sustainable basis, high or low levels of attraction and investment. In arriving at objectively-conceived market shares, it is necessary to consider a number of important site-related planning and design variables. The extent to which an area-wide concept fully exploits the positive aspects of these variables, particularly in concert with one another, will determine, to a greater extent than not, whether the area achieves relatively high or low market shares. With respect to the subject site, the most prominent of these variable includes the maximum exploitation of the waterfront properties,

as well as the creation of an attractive precinct that fully leverages the natural elements already present on-site.

Finally, it should be noted that the absorption schedule as described above will not be linear as implied in such analyses, but rather will be quite “lumpy” (some years will inevitably experience more or less absorption than forecasted, which is compensated by later years having a commensurate reduction or increase to revert to the mean). This is not only because precise absorption rates in any single given year are impossible to accurately forecast (for example, because of economic fluctuations), but also because a considerable share of the on-site housing types are multi-family or various forms of attached dwellings which can be inherently more “lumpy” than single-family dwellings on account of the larger scale and longer planning and construction period associated with these types. However, on the whole, the consultant is confident of the long-run cumulative absorption potential of this area to the extent described above.





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