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Regional and Official Community Plan Implications

Pursuant to Regional District of Nanaimo Electoral Area ‘H’ Official Community Plan Bylaw No. 1335, 2017” (OCP), the subject property is designated within the Dunsmuir Rural Village Centre (RVC). The Dunsmuir RVC is identified in the OCP as one of three designated RVC’s intended to support local services, tourism-related activities, and light commercial development. The proposal to permit a mix of commercial, light industrial, and residential uses is consistent with the Regional Growth Strategy (RGS) vision for fostering economic development and community vitality within established RVC’s.

The proposed zoning amendment from residential to mixed use within the Dunsmuir RVC aligns well with several key policies of the RGS. The amendment is consistent with Policy 4.11, which envisions Rural RVCs as mixed-use hubs that support local commercial development, community services, and transit-friendly design. By introducing a zone that will support commercial and light industrial opportunities while permitting accessory, mid-level density residential development, the proposal contributes to the creation of a more complete and resilient community, in line with the RGS goals.

Furthermore, if the Dunsmuir RVC is ultimately determined to have limited potential to evolve into a fully developed mixed-use centre due to servicing constraints—as outlined in Policy 4.12—it may be re-designated as a ‘local service centre.’ Even under this designation, the proposed amendment remains appropriate, as it is designed to meet the needs of the local population without competing with larger commercial centres. Additionally, the proposed mini-storage use is expected to place minimal demand on the existing water service infrastructure, making the amendment both feasible and sustainable.

Importantly, the RGS and OCP are both driven by the Community Values Statement and the Development Guideline Criteria, which this proposal helps to uphold in the following ways:

- Value 1: The rezoning concentrates new development within the Dunsmuir RVC node, helping to contain growth and protect the broader rural character of the area.
- Value 3, 6 & 7: Development in this area can incorporate best practices in sewage, and stormwater management, which will be guided through the development permit process.
- Value 8 & 9: The proposed mixed-use zoning offers a zone option for future applications that supports a diversified local economy, enabling small-scale commercial, light industrial uses and higher density residential development that complements rural integrity where servicing is feasible.
- Value 19: By permitting residential uses as part of a mixed-use zone, the proposal contributes to a mixed community that includes housing and employment opportunities, helping to address affordability and local service needs.
- Value 13: By focusing development within the existing RVC, the proposal minimizes the encroachment of incompatible land uses into surrounding rural or environmentally sensitive areas.
- Value 20: The proposal location is near transportation corridors, including Horne Lake Road, and Island Highway West, assisting in transit ridership enhancement.

The Dunsmuir RVC is designated in the OCP as a focal point for mixed-use development. The vision for Dunsmuir is a compact, community-oriented hub that provides a range of residential, commercial, and light industrial opportunities. The proposed mixed-use rezone supports this vision by enabling comprehensive, flexible development that aligns with the character and function of the Dunsmuir RVC or other RVC’s that lie within the “Regional District of Nanaimo Zoning Amendment Bylaw No. 2500, 2024” (Bylaw 2500).

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Key RVC OCP policies supported by the proposal include:

- Policy 1 & 2: New commercial uses are directed to RVC's and shall be developed in accordance with form and character development permit to ensure appropriate revitalization of the RVC.
- Policy 5: The proposal will be in alignment with Section 5.1 Development Guideline Criteria.
- Policy 6: The proposal supports compact form of development over low-density sprawl.
- Policy 7: Rezoning which includes a privately owned wastewater treatment system must be accompanied by a Section 219 covenant requiring connection to a Regional District sewer service should one be established (See Attachment 6 – Condition of Approval)
- Policy 5: Requires consistency with Development Guideline Criteria and Community Values, both of which are supported by the rezoning.

Land Use Implications

The applicant has submitted a Geotechnical Hazard Assessment prepared by Lewkowich Engineering Associates Ltd., (Hazard Assessment) dated January 22, 2024; a Site Suitability assessment for on-site sewage treatment prepared by Gibson and Sons Consulting Ltd., dated December 5, 2023, a Topographic Site Plan (Topo Site Plan) and Proposed Development Site Plan (Conceptual Site Plan) prepared by Prism Land Surveying Ltd., dated June 20, 2024, and January 14, 2025, respectively confirming that the property can support the proposed development.

The Topo Site Plan highlights a steep slope at the westernmost section of the subject property. The Hazard Assessment identified slope stability as the primary geotechnical concern. Based on slope stability modeling under both static and seismic conditions, the report recommends a minimum development setback of 5.2 metres from the top of bank and 5.0 metres from the base of bank to mitigate the risk of deep-seated slope failure. These setbacks are intended to ensure a probability of property-damaging landslide occurrence of less than 2% in 50 years. As such, the applicant will be required to register a Section 219 covenant on the title of the property to ensure compliance with this report recommendations for future development applications.

The slope is currently considered stable, with no signs of global instability. However, minor surficial sloughing may occur during extreme weather events. The report emphasizes the importance of maintaining natural vegetation, managing surface water runoff, and avoiding concentrated drainage over the slope to preserve stability.

To potentially reduce or eliminate the required setbacks, the construction of a segmental block retaining wall is proposed, subject to further detailed geotechnical design. Until such measures are implemented and approved, development must adhere to the recommended setbacks. Additionally, any future construction must follow the report's foundation design, drainage, and structural fill guidelines to ensure long-term site stability.

Qualicum Beach Horne Lake Water District (QBHLWD) provided referral comments on the original application which included a mini-storage and a four-unit townhouse development. Based on a 2023 System Demand Review by McElhanney, the district is currently experiencing a water supply deficit, with peak demands exceedingly well field capacity. As a result, QBHLWD has paused approvals for new development connections and are providing approvals for new connections on a case-by-case basis.

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Notwithstanding, the district has confirmed support for the mini-storage component of the proposal, as it places minimal demand on the water system. Due to the current water supply deficit identified by the QBHLWD, there is insufficient capacity to support any additional development beyond the proposed mini-storage use. As such, the applicant will be required to register a Section 219 covenant on the title of the property to ensure compliance with this approval for future development applications. This covenant will restrict land use to mini storage only, until such time as QBHLWD confirms that adequate water supply is available to support further development permitted under the proposed mixed-use zoning. This approach ensures alignment with servicing constraints while allowing limited, low-impact use of the site in the interim.

Additionally, as the subject property is not currently serviced by a community sewer system, the applicant will be required to install an on-site wastewater treatment system to support the proposed mini-storage use or any future development. To ensure alignment with Rural Village Centre Policy No. 7, the applicant will also be required to register a Section 219 covenant on the property title to mandate connection to a Regional District sewer service, should one become available in the future.

The application was referred to relevant internal and external agencies. The comments summarized in the next section “Intergovernmental Implications” were received and will be considered at the time of development through a future development permit application.

The proposed zoning amendment from RS2 to CD22 within the RVC aligns with the Development Guideline Criteria outlined in the Electoral Area ‘H’ OCP. The amendment supports the Community Values Statement and the RGS by concentrating growth within a designated RVC, preserving rural character, and promoting a compact, mixed-use community. Technical studies, including a geotechnical hazard assessment and site suitability review for on-site sewage, confirm the site can support the proposed development. While current water supply constraints limit development to mini-storage, a Section 219 covenant will restrict further uses until adequate servicing is available. The proposal incorporates best practices in slope stability, stormwater management, and environmental protection, and has been referred to relevant agencies for review. Overall, the amendment supports a resilient, service-oriented rural hub while ensuring future development aligns with environmental, servicing, and community planning objectives.

The applicant has demonstrated that the subject property can support a mini-storage development and will not have a negative impact on the environment nor the surrounding neighbourhood.

Conditions of Approval are provided in Attachment 6 and proposed “Regional District of Nanaimo Zoning Amendment Bylaw No. 2500.06” is included in Attachment 7.

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Intergovernmental Implications

The application was referred to external and internal departments. The following includes feedback for consideration:

Ministry of Transportation and Transit (MOTT): Stormwater must not discharge directly onto Island Highway 19A. Landscaping and signage must remain entirely on private property and must not encroach onto Kenmuir Road or Island Highway 19A. Additionally, they must not obstruct sight lines or clear zones.

Island Health: The proposed development will be serviced by the Qualicum Bay - Horne Lake Waterworks District, a regulated drinking water system. Compliance with the *Drinking Water Protection Act and Regulation* is required to ensure potable water is provided. The proposed sewerage system qualifies as a community/strata system and must be designed and installed by an Authorized Person, with documentation submitted to Island Health. Any new food premises must obtain appropriate construction and operating permits from Island Health.

Qualicum Beach Horne Lake Water District (QBHLWD): The original proposal included the currently proposed mini storage and a 4-plex townhouse style development. In their referral response QBHLWD noted that; In August 2023, QBHLWD commissioned McElhanney to conduct a System Demand Review. The study found that the district's Well Field Capacity is 14.0 L/s, while the Maximum Daily Demand is 20.1 L/s—indicating a current water supply deficit, with reliance on storage to meet peak demands. The report concluded that any additional development would worsen this deficit, making the system unsustainable. As a result, the QBHLWD trustees have decided to pause approvals for new connections until the supply issue is resolved. Therefore, this development will not receive a connection approval for proposed 4-plex however, QBHLWD has confirmed support for the mini-storage proposal.

RDN Emergency Services: Access to the property may be possible from Kenmuir Road. However, any new or modified civic address must be reviewed by fire services, and changes in access could require an update to the civic address. FireSmart principles to be further reviewed and implemented at the DP stage.

RDN Building Services: Septic system design details, including reserve field location, and confirmation of fire flow capacity will be addressed at the Development and Building Permit stage through the appropriate technical reviews.

Volunteer Fire Department: No concerns were raised regarding the application.

RDN Parks: Parks staff and the applicant have agreed that a community amenity contribution directed toward the enhancements at Lions Community Park or other community park or trail improvements within Electoral Area H, would be a benefit to the community.