
TO: Electoral Area Services Committee **DATE:** July 9, 2019

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**SUBJECT: OCP and Zoning Amendments for Nanaimo Airport
Draft Amendments for Consultation**

RECOMMENDATIONS

That the Board receive, for the purpose of community and stakeholder consultation, the draft Official Community Plan and zoning bylaw amendments for the Nanaimo Airport lands, as contained in Attachments 6 and 7.

SUMMARY

To consider draft Official Community Plan and zoning bylaw amendments for the Nanaimo Airport lands to facilitate development of the airport, as well as commercial uses complimentary to the airport on the portion of the property adjacent to the Trans-Canada Highway. Once received by the RDN Board, the draft Official Community Plan and zoning bylaw amendments will form part of the public consultation materials for this project.

BACKGROUND

The Regional District of Nanaimo (RDN) is currently undertaking a project to amend the Regional Growth Strategy (RGS), Electoral Area A Official Community Plan, 2011 (OCP), and Nanaimo Regional District Land Use and Subdivision Bylaw 500, 1987 (zoning bylaw) to support further development on the Nanaimo Airport lands in recognition of their role as a regional transportation hub and important part of the central Vancouver Island economy. At the January 22, 2019 meeting, the RDN Board endorsed the Terms of Reference including the Consultation Plan for the project.

The Nanaimo Airport is comprised of three parcels of land on 211 hectares owned by the Nanaimo Airport Commission (NAC), a federal not-for-profit corporation. A fourth, 33 hectare parcel north of Haslam Road is also owned by the NAC but is not within the federally designated Airport. An approximate 15 hectare area at the eastern boundary of the airport is located within the Cowichan Valley Regional District (Attachment 1 – Subject Property Map).

The RGS designates the area containing the airport terminal, hangars, parking and some undeveloped land as “Industrial”. The land fronting the Trans-Canada Highway and the ALR land including the runway, golf course, and parcel north of Haslam Road is designated “Resource Lands and Open Space” which is intended for resource use only. The Growth Containment Boundary is immediately across the Trans-Canada Highway from the Airport lands (Attachment 2 – Map of Current RGS Land Use Designation).

The current OCP designates the subject properties as “Nanaimo Airport” and does not contain any objectives or policies for this designation, instead supporting a future public process to add objectives and policies for these lands to the OCP (Attachment 3 – Current OCP Section 8.8 Nanaimo Airport and Attachment 4 – Map of Current OCP Land Use Designation). It has been a long-standing aim of the RDN to update the OCP and zoning for the Nanaimo Airport to reflect the current use of the airport and enable commercial uses not related to aeronautics.

Current RDN zoning of the subject properties does not reflect actual land uses. The zoning is Rural 4 or Agriculture 1, and are within Subdivision District 'D' (see Attachment 5 – Map of Current Zoning). The permitted uses in the Rural 4 zone are agriculture, aquaculture, home based business, produce stand, residential use, silviculture, and secondary suite. Permitted principal uses in the Agriculture 1 zone are farm use, agriculture and residential. The minimum parcel size in Subdivision District 'D' is 2.0 hectares, irrespective of the level of servicing available.

To regulate land use surrounding the Nanaimo Airport and support airport operations, Transport Canada could enact federal airport zoning regulations (AZR) and it is our understanding that the NAC is contemplating enacting an AZR in the near future. For the Board’s reference, AZRs restrict the heights of buildings, structures and objects (including natural growth, such as trees) on regulated land, and restrict land uses that could interfere with the safe operation of the airport. Legislation permitting for AZR’s is found in section 5.4 of the Aeronautics Act.

The RDN met with the NAC during development of the Terms of Reference and the draft OCP and zoning bylaw amendments. The NAC is aware of the recommendations in this report and the NAC has indicated that they do not support the proposed amendments to the OCP and zoning for the airport lands and are of the position that the RDN has no land use authority over these lands. In accordance with the direction in the Electoral Area A OCP and historical land use policy for the airport, the proposed bylaw amendments are supportive of the ongoing development of the airport as a regional economic hub and logistics centre. The proposed bylaws reflect the Nanaimo Airport Land Use Plan 2019 that was recently adopted by the NAC and reflect the legal authority granted to the RDN through the *Local Government Act*. Implementation of the OCP and Zoning amendments will continue the longstanding support that the RDN has provided to the NAC, respond to community input on the ongoing operation and expansion of the Nanaimo Airport and provide certainty for ongoing investment at the airport in accordance with their adopted Master Plan which guides the expansion and development of their airside and groundside lands.

Proposed Development

The NAC recently adopted the Nanaimo Airport Land Use Plan 2019, for development of their lands. The NAC Land Use Plan is comprised of their Strategic Plan (2019-2023), Master Plan, Land Use and Development Principals, and Land Use Development Plan 2019. The Land Use Development Plan includes a map with five land use zones, site plan, conceptual transportation network, and a set of objectives and general policies (Attachment 6 – Draft OCP Nanaimo Airport Designation). At this conceptual stage, details such as site servicing, building height, setbacks, landscaping, signage, and details of specific uses are not yet specifically addressed but will be guided by the objectives, policies and development principals of the Nanaimo Airport Land Use Plan.

In addition to development of airside commercial areas, an air terminal reserve area, the runway, and future aviation area (currently the Cottonwood Golf Course), the Nanaimo Airport Land Use Plan includes a concept for commercial development adjacent to the Trans-Canada Highway that is currently occupied in part by an Arbutus RV sales lot and parking areas.

The proposal is to amend the Regional District of Nanaimo RGS, OCP, and zoning bylaw to acknowledge current aviation uses and support development of the Nanaimo Airport lands. Specifically, the following amendments are proposed:

- ***Regional Growth Strategy*** – extend the Growth Containment Boundary to include the portion of the Nanaimo Airport lands proposed for groundside commercial uses.
- ***Official Community Plan*** – Amend the text in Section 8.8 – Nanaimo Airport to reflect current and proposed uses of the airport as shown in their Land Use Plan, and add objectives and policies (Attachment 6 – Draft OCP Nanaimo Airport Designation). An amendment to the OCP designation map is not required as it already designates the NAC – owned parcels as ‘Nanaimo Airport’.
- ***Zoning Bylaw*** – For the three parcels south of Haslam Road, change the current zoning from RU4 and AG1 to a new zone called ‘Nanaimo Airport 1’ and include two sub-areas based on the Nanaimo Airport Land Use Plan. Development Area A would include the area identified in the NAC Land Development Site Masterplan map as Airside, Airside Commercial, and Air Terminal Reserve. Development Area B is adjacent to the Trans-Canada Highway and would include the area identified in the NAC Land Development Site Masterplan as Groundside Commercial, but excluding parking areas (Attachment 7 – Draft Nanaimo Airport Zone).

For the parcel north of Haslam Road, no change is proposed to the AG1 zone designation.

Regional Growth Strategy Implications

To implement the proposed OCP and zoning amendments, the RGS will also require amendment to include the area adjacent to the Trans-Canada Highway within the Growth Containment Boundary. Currently, an Industrial Lands RGS designation covers the airside commercial, air terminal, and some of the groundside commercial area, but some of the area proposed for groundside commercial is designated as Resource Lands and Open Space which is intended for resource use only.

The process recommended is to engage with the NAC, public, and other stakeholders on the OCP and zoning amendments first, and when these amending bylaws are given first reading, begin the RGS amendment process. This will allow for details of the proposed development and the specific area designated for groundside commercial uses to be clarified first, to provide a basis for the RGS amendment. The need for an RGS amendment will be communicated throughout the public engagement process, but the actual amendment should be initiated later in the process.

Official Community Plan Implications

The current OCP designates the four NAC-owned parcels as “Nanaimo Airport” and does not contain any objectives or policies for this designation, instead supporting a future public process to add objectives and policies for these lands to the OCP (Attachment 3 – Current OCP Section 8.8 Nanaimo Airport and Attachment 4 – Map of Current OCP Land Use Designation).

Attachment 6 contains draft text for the OCP Nanaimo Airport Designation based on the Nanaimo Airport Land Use Plan and additional recommended content from the RDN. An OCP map amendment is not required as the OCP currently designates the four parcels owned by the NAC as “Nanaimo Airport”.

Land Use Implications

A number of land use considerations for the proposed development include: aquifer protection; form and character of development; existing Agricultural Land Commission covenant; future use of the parcel north of Haslam Road; height; fire protection; parking; site servicing; transit exchange; and highway access upgrades.

Aquifer Protection and Form and Character of Development: Aquifer protection and form and character of development are proposed to be addressed through a Memorandum of Agreement with the NAC. A Memorandum of Agreement could also include other related land use impacts such as a process for addressing noise complaints.

Existing Agricultural Land Commission Covenant: An existing covenant, in favour of the Agricultural Land Commission, that restricts use of the land to airport-related commercial and light industrial, is registered against Lot 2 (Attachment 1 – Subject Property Map). OCP and zoning bylaw amendments not consistent with the covenant should not be adopted by the RDN. The NAC is working with the Agricultural Land Commission to address the use restrictions in the covenant.

Parcel north of Haslam Road: The NAC-owned parcel north of Haslam Road is not within the boundary of the federal airport designation as it was not part of the original airport lands. The Nanaimo Airport Land Use Plan identifies the parcel as “Agriculture / Future Aviation” and navigation lights for the airport are currently sited on this parcel. The draft zoning bylaw amendment makes no change to the zone for this parcel, currently AG1. Alternatively, the parcel could be zoned as “Nanaimo Airport 1”, but further discussion with the NAC is needed on this topic.

Height: Suggested heights in the draft zoning bylaw are within the capacity of available firefighting apparatus. Greater heights can be considered if firefighting can be provided. The draft bylaw includes maximum height in Development Area B of ‘10.0 m or 3 storeys’ which is consistent with the Nanaimo Airport Land Use Plan. Hotel use is permitted a maximum height

of '15.0 m or 4 storeys' anticipating a potential future need. Any maximum heights in the zone for the subject property could be further restricted by flight path requirements.

Fire Protection: The subject properties are within the Cassidy Fire Protection District where the Cranberry Fire Department is contracted by the RDN to provide firefighting services. While the Cranberry Fire Department does not have a ladder truck, the 10.0 metre building height is within their firefighting capabilities. A building of 15.0 m may require a ladder truck for firefighting, which is accessible through automatic aid with the North Cedar Fire Department. To ensure sufficient water is available for firefighting, on site water storage may be required.

Parking: The zoning bylaw includes parking standards that would apply to commercial development on the Nanaimo Airport lands, but not the terminal parking provided for airport staff or travelers flying out of the airport, which is integral to the airport operations and would not be regulated by the RDN. Parking is included in the list of permitted uses in Development Area B to support the potential for commuter parking related to a transit exchange.

Site Servicing: The existing airport development is serviced by onsite water and wastewater disposal. It is understood that there is substantial future capacity and this should be confirmed through development of a Memorandum of Agreement related to aquifer protection, and at the building permit stage. The draft OCP land use designation includes policy 8.8.7 encouraging the NAC to consider coordinating shared wastewater treatment with the Cassidy Village Centre, a potential opportunity that has been discussed for a number of years.

Transit Exchange: The Nanaimo Airport Land Use Plan includes planning and development of a multi-modal transportation hub as a guiding principal. A transit exchange will be contemplated in a future project.

Highway Access Upgrades: Commercial development at the Nanaimo Airport may require upgrades at the intersection of the Trans-Canada Highway and Spitfire Road, and a new second entrance to the south as shown on the NAC's land use plan would require approval from the Ministry of Transportation and Infrastructure.

Environmental Implications

Environmental sensitivities identified on the subject property include the underlying aquifer and habitat of the Coastal Vesper Sparrow. A Memorandum of Agreement between the NAC and RDN should be developed to address aquifer protection. Protection of the Coastal Vesper Sparrow nesting habitat should be addressed with the Canadian Wildlife Service.

Intergovernmental Implications

The Terms of Reference, including a consultation plan for the project, was adopted by the Board on January 22, 2019. The consultation plan includes working with NAC, referrals to the adjacent regional district and municipality, First Nations, and relevant provincial and federal agencies, including the NAC. (Attachment 8 – Project Terms of Reference)

Public Consultation Implications

The Terms of Reference (Attachment 8) for the project outlines steps in the consultation process, including both in person and on-line methods of obtaining feedback, as well as both broad consultation such as a public open house, and targeted key stakeholder engagement. Communication with the NAC will continue throughout the project. Due to the time taken to seek

further input from the NAC before finalizing this report, the launch of public engagement is four months behind the schedule in the Terms of Reference. An updated schedule is provided in within Attachment 8 – Project Terms of Reference.

ALTERNATIVES

1. To approve the draft OCP and zoning bylaws attached to this report and proceed with the Nanaimo Airport Planning Bylaw Updates Project.
2. To amend the draft OCP and/or zoning bylaws attached to this report and proceed with the Nanaimo Airport Planning Bylaw Updates Project.
3. To not approve the draft OCP and zoning bylaws attached to this report and provide alternate direction.

FINANCIAL IMPLICATIONS

The resources needed for this project are largely staff time. The 2019 budget includes an amount for advertising and community engagement such as facility rentals and printed materials. There will be legal fees related to bylaw review.

Approximately 0.5 full-time staff equivalent from Strategic and Community Development and mapping resources will be assigned to the project through to completion. All community, stakeholder and First Nations engagement, along with bylaw drafting, communication materials drafting and design will be completed by RDN staff.

STRATEGIC PLAN IMPLICATIONS

The Board's 2019-2022 Strategic Plan recognizes "economic coordination" and this project will advance the goal to "set the table to enable diverse economic opportunities across the region." The process balances the local matter of land use with the regional provision of air transportation. Goals of other focus areas of the Strategic Plan for "environmental stewardship" and "people and partnerships" will also be advanced through this project.



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Reviewed by:

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- G. Garbutt, General Manager, Strategic & Community Development
- P. Carlyle, Chief Administrative Officer

Attachments

1. Subject Property Map
2. Map of Current RGS Land Use Designation
3. Current OCP Section 8.8 Nanaimo Airport
4. Map of Current OCP Land Use Designation
5. Map of Current Zoning
6. Draft OCP Nanaimo Airport Designation
7. Draft Nanaimo Airport Zone
8. Project Terms of Reference