

Received January 14, 2025



FMC Holdings Ltd.
[REDACTED]

January 14th, 2025

Dear Members of the Town Council,

We are writing to express support for the proposed commercial development at 1130 Rocky Creek Road, which is an important opportunity for the economic growth of Ladysmith and the development of the waterfront area.

However, there are concerns about the requirement for the developer to bear the significant cost of constructing a roundabout. The financial burden this imposes could jeopardize the feasibility of the project. Such costs are substantial and could prevent this key development from moving forward.

The site at 1130 Rocky Creek Road is positioned to serve as a critical part of Ladysmith's growth and revitalization. Allowing the project to proceed would provide significant economic benefits, including job creation, business growth, and increased tax revenue for the town.

I quote from the **Town's Economic Development Website** in part **..."Ladysmith is a Business Friendly Community.....must be augmented by forward-thinking policies, strategies and programs designed to ensure that the community is positioned as a destination of choice for business"**.

Please consider Ladysmith as a business friendly community and we respectfully request that the council work with the developer to find a viable solution that allows the project to move forward.

Thank you for your attention.

Frank and Mike Crucil

FMC Holdings, Rocky Creek Ventures and Raven Point Marina

A handwritten signature in blue ink, appearing to be "Frank Crucil", written in a cursive style.

Frank Crucil

A handwritten signature in blue ink, appearing to be "Mike Crucil", written in a cursive style.

Mike Crucil



OFFICE LOCATION

MAILING ADDRESS

"A Fully Bonded and Insured – General Contractor providing Civil and Residential Servicing"

Dear Ladysmith Council Members,

We are writing to express our support for the proposed project at 1130 Rocky Creek Road and to kindly ask the council to prioritize moving it forward. As a local business, we care deeply about the growth and well-being of our community. This property has been vacant for as long as we can remember, and every day as we pass by, we see the potential it holds to benefit both the community and local businesses like ours.

In 2023, we were one of five bidders who submitted quotes for the roundabout construction, and we were fortunate to be awarded the contract. However, the project has been at a standstill, and we would love to see progress so we can contribute to its success.

We have been working closely with the developer to find ways to make this project feasible for both sides. Unfortunately, the cost of the roundabout has proven to be a significant challenge. The current expense is a major barrier for the project to move ahead, making it difficult for any business or developer to proceed while remaining financially sustainable.

Moving forward with this project would benefit the community by revitalizing a long-vacant property and improving local infrastructure. As a local business, we are eager to be involved and would greatly appreciate the opportunity to see this development realized.

Thank you for your time and consideration. We are grateful for the council's ongoing efforts to support our community and look forward to seeing progress on this important initiative.

Sincerely,

A handwritten signature in black ink, appearing to be "D. Stalker", written over a horizontal line.

David Stalker Excavating Ltd.

Introduction

Thank you for taking the time to learn about our proposed development at 1130 Rocky Creek Road, located at the intersection of Rocky Creek Road and Ludlow on Highway 1. This site is a major gateway to the Town of Ladysmith, and we are deeply committed to ensuring that our development will be a positive addition to the community while aligning with the vision outlined in Ladysmith's Official Community Plan (OCP).

Oyster Harbor Development Company was founded by Ashley Garib, who has been working independently in commercial real estate development for 32 years. Ashley also consults for the shíshálh (Sechelt) Nation as an Advisor and Project Manager. He has been asked by the Nlaka'pamux Nation Tribal Council to be one of the Economic Leads for the NNTC-BC-GOC to help rebuild the town of Lytton after the devastating forest fires in 2021. He also works closely with BC Housing to help advance their projects and priorities. We are a small family run development company that prides itself on investing in and contributing to the communities we serve. We devote substantial time and resources to projects that we believe will benefit everyone in the long term. Our focus is on creating developments that foster sustainable growth and community enrichment, and we take immense pride in the quality and integrity of our work.

We share Ladysmith's enthusiasm for the Waterfront Area Plan and are excited about the potential for our development to serve as a catalyst for the area's revitalization. We have carefully designed our proposal to include a variety of amenities that we believe will enhance the community, such as electric vehicle charging stations, alternative transportation infrastructure (HandyDart), and businesses that will serve both residents and visitors. These features are intended to build momentum and attract further investment to Ladysmith, helping to bring the town's OCP vision to life.

We recognize that this process is about more than just buildings; it's about creating vibrant spaces that enrich lives and strengthen communities. We are eager to begin this project and are confident that our proposed development will make a meaningful contribution to Ladysmith's future.

We appreciate your consideration of our proposal and hope the information provided will address any questions you may have. Should you require further details or clarification, please do not hesitate to reach out.

Thank you again for your time.



Ashley Garib

Executive Summary

Please refer to each section for more details and information

Section 2: Original Approval Timeline	We were prevented from building earlier than Spring 2023 due to application processing delays and hindered as well by extremely late notification of the roundabout requirement – 3 years after we began discussions with TOL staff in 2018 and 1 year after submitting our application.
Section 3: Development Benefits	The development provides material direct economic benefits to TOL. This is the best and highest use for this site; it starts development now and directly increases both DCC budgets and annual revenues for TOL while providing employment for local residents.
Section 3: Development Benefits	The development enables TOL to realize significant community benefits, including alternative transportation infrastructure and helps build momentum for additional development
Section 4: Roundabout Information	The roundabout is not required for this development to maintain the efficiency and safety of the intersection as confirmed by multiple traffic studies including MOTI’s analysis. Appendix 1: Transportation
Section 5: Escalating Construction Costs	Escalating construction costs have delayed projects throughout the country including at TOL. This project has seen estimated costs go up by almost 200%, similar to the Waterfront Artist Studio that has been delayed and scaled back in scope.
Section 6: Latecomers & Developer's Contribution	The latecomers agreement as currently structured will not reimburse us or any developer who builds the roundabout for most of the excess costs incurred. There are more effective funding mechanisms available to TOL. Appendix 2: Latecomer Agreement Details; Appendix 3: Alternative Funding Mechanisms
Section 6: Latecomers & Developer's Contribution	We have already paid more than our proportionate share of the roundabout costs despite it not being required for our development.
Section 7: Strategic Plan Alignment	The roundabout is not a strategic priority in the 2023-2026 plan with other core infrastructure needs having higher priority.
Section 2, 5 & 6	We have been accommodating and always willing to collaborate with Ladysmith to achieve a beneficial outcome for all stakeholders.
Section 3 & 7	This development is a critical incremental step to developing the Waterfront Area Plan and gets TOL closer to realizing the OCP’s vision and funding the roundabout.

1. History & Site Characteristics

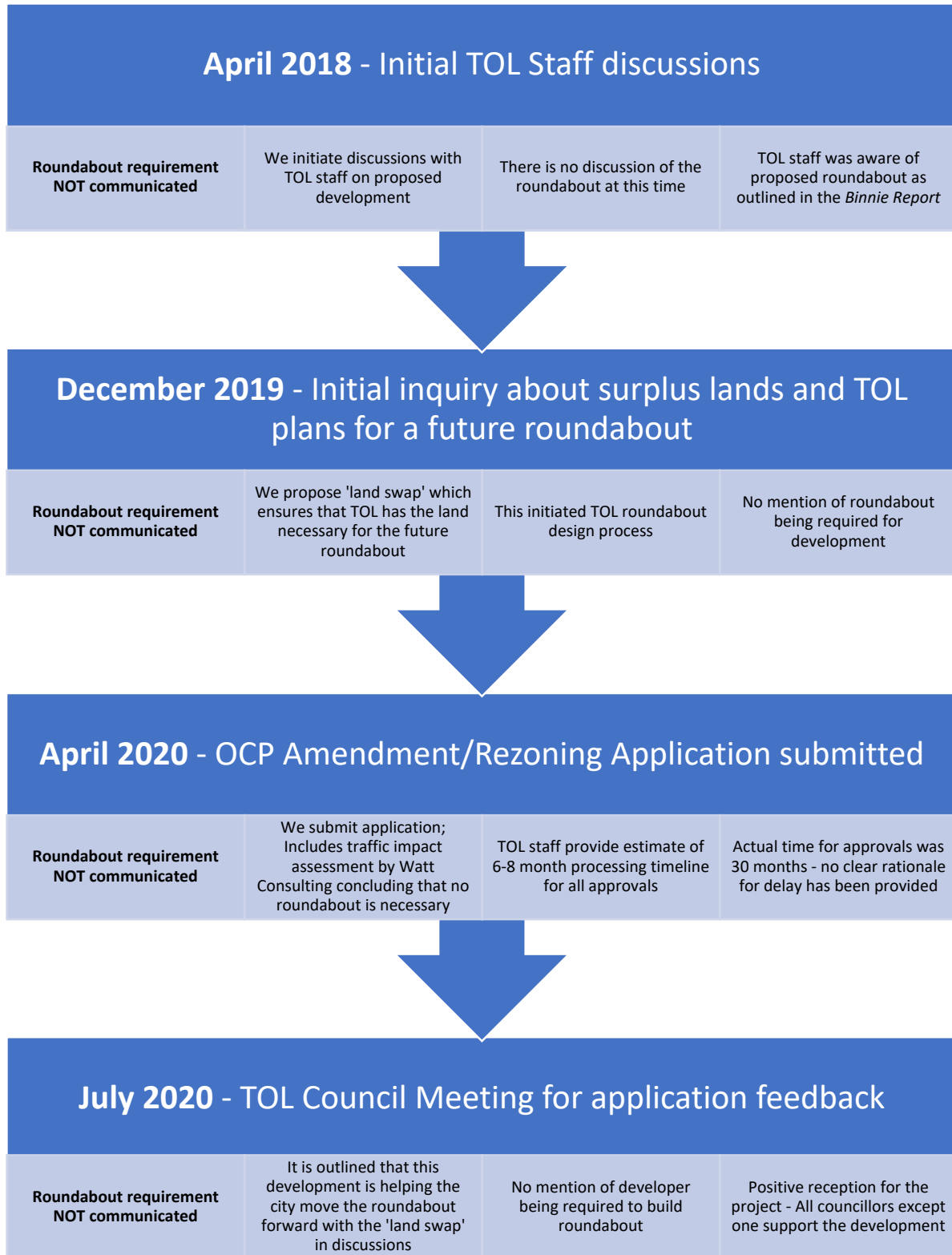
Physical and nearby existing uses

- Highway 1 adjacent – Ludlow Road and Rocky Creek Road
- Sloped site – challenges and additional costs with development
 - The land has sat vacant for a number of years.
 - An onsite retaining wall adjacent to the railway tracks is required to maximize the development.
 - This adds significant construction costs and timing considerations as cut and fill cannot be done in the rainy season on a sloped site.

Recent history prior to our involvement

- Previous developer applied to build a hotel; this development failed as it was not economically viable and the property went into foreclosure.
- This was even without the roundabout covenant being placed on the property, which has made any development of this site economically unfeasible.

2. Original Approval Timeline – Key Events



October 2020 - MOTI approvals received

Roundabout requirement NOT communicated	This confirms Watt's TIA Report findings submitted with the application that a roundabout is not needed for this development	This confirms findings of Binnie Report that focuses on Home Hardware and Waterfront Area development	This is the 3rd source confirming that a roundabout is not required for this development
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February 2021 - 'Land Swap' finalized to ensure TOL owned the land necessary for the future roundabout

Roundabout requirement NOT communicated	We complete 'land swap' with TOL and we pay \$170,000 to TOL for surplus land	These surplus land was not needed for the proposed development; transaction completed to benefit TOL	There is no mention of a roundabout requirement at this time despite directly related discussions
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April 2021 - TOL staff notify us that they will only support application if we construct roundabout as part of our development

Roundabout requirement FIRST communicated	No new information or developments have emerged to justify or indicate a changed need for the roundabout	This is one year after submitting application, 3 years after initial discussions began and after the 'land swap' directly related to roundabout was finalized	We express concern but given processing delays, time is of the essence, we agree with estimated cost of \$1.35M to allow us to start construction quickly
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October 2022 - TOL Council approves 4th reading and development permits

Roundabout requirement in place	We still require building permits that take approx 2 months before construction can begin	The cost of the roundabout has increased from an initial estimated cost of \$1.35M to \$1.95M while developer waited for TOL approvals	Spring 2023 is the earliest the project can start; building permits needed and we cannot start construction on a sloped site in the winter
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3. Development Benefits for Ladysmith

Direct economic benefits including DCCs, increased annual property tax revenue, and employment opportunities

- Increased DCC budgets; As of year end 2023, total DCCs for all of Ladysmith were less than \$9M, with \$1.59M allocated to roads in total
- Increased annual property tax revenue; Commercial rates are higher and help keep property taxes lower for residents on a long-term basis
- Employment opportunities for local residents; this helps keep residents in the community and minimizes commute times

Helps 'kickstart' the northern gateway to the Waterfront Area Plan and will help realize Ladysmith's vision for the Waterfront area

- Most current businesses in the area are industrial, like Western Forest Products, or destination businesses like Home Hardware and Bumper to Bumper
- The addition of retail businesses will help increase pedestrian traffic and attract additional development interest, building momentum in the development community
- Additional DCCs and tax revenue will help Ladysmith finance community amenities anchoring the Waterfront

Stable national tenants anchoring the development provides financial viability to enable the construction of additional CRU space that could be filled with local businesses.

- This also helps ensure the development is successful in the long run, minimizing vacancies and associated issues with not financially viable projects.

This development provides multiple community amenities including:

- Extended transit with a HandyDART Stop and Shelter
- EV Charging Stations
- Outdoor Electrical Supply to benefit the Festival of Lights and Light Up Parade
- Intense Landscaping for visual appeal

4. Roundabout Information

The roundabout was initially proposed by Ladysmith for consideration for Rocky Creek Road and Ludlow Road to accommodate:

- 1) Future growth in the Waterfront Area Plan including 300 residential units
- 2) Home Hardware access; movements in and out of Home Hardware and to enforce the no left turn traffic restriction onto Ludlow Rd when exiting Home Hardware.

Traffic Reports and Analysis Findings

- All traffic reports and analysis conducted on this development, 1130 Rocky Creek Road, have found that a roundabout is not needed for this development.
- Additional information on this is available in Appendix 1: Transportation

<p>September 2018 Waterfront Area Transportation review by R.F. Binnie & Associates was commissioned by TOL and is commonly referred to as the 'Binnie Report'</p>	<p>No roundabout required TOL Staff informed Binnie that they were planning a roundabout at Rocky Creek/Ludlow. This was incorporated in traffic scenarios the Report evaluated. Binnie recommended the roundabout based on the scenarios they were asked to evaluate, which assumed 300 residential units at the Waterfront and other developments that have not occurred to date. Financial considerations for infrastructure were not a factor in the recommendation.</p>
<p>April 2020 OCP Amendment Application included a Traffic Impact Assessment (TIA) Draft by Watt Consulting</p>	<p>No roundabout required Findings outline that current intersection and proposed access points to 1130 Rocky Creek Road maintain high Levels of Service (LOS B) for traffic movement.</p>
<p>October 2020 MOTI provides Referral Response for Application</p>	<p>No roundabout required MOTI does not require a roundabout at this location for this development. Only requirements are to address potential conflicting traffic movements on Ludlow Rd. 1130 Rocky Creek Road development addresses this with right out only modification to Ludlow Rd access.</p>
<p>April 2021 TIA by Watt Consulting is updated and finalized prior to 1st and 2nd reading on June 1, 2021</p>	<p>No roundabout required Same findings as initial assessment in April 2020.</p>
<p>October 2024 TIA by Watt Consulting is updated and finalized for this application</p>	<p>No roundabout required Anticipated development in <i>Binnie Report</i> has not occurred and current intersection is functioning at a high level. The opposite side (currently Home Hardware site) access concerns that have driven current roundabout considerations could be resolved by TOL enforcement of original access approvals and existing easements</p>

In summary, this development does not necessitate a roundabout as confirmed by 5 traffic reports and analyses. This includes the *Binnie Report*, that has been referred to as the basis of the roundabout requirement, which does not identify issues with traffic at this site and mainly calls for proposed development traffic to be analyzed.

5. Escalating Construction Costs

Many private and public projects have been delayed or cancelled by inflation, higher interest rates and increasing construction costs in the past few years. This is well recognized with multiple projects across the country being delayed due to these conditions.

Ladysmith has had its own projects indefinitely delayed and set back because of this economic environment including the Waterfront Artist Studio.

December 2022 – a consultant is retained to prepare a cost estimate. This results in a \$2.18M construction budget.

August 2023 – the project is put out for tender. There are 6 qualified bids, which average over 200% of the budget as reported in October 2023.

October 2023 – Artist Studio is paused due to budgetary constraints

February 2024 – The project is scaled back to Machine Shop renovations with the Artist Studio put on pause

This is a key part of the Waterfront Area Plan and a strategic priority for TOL and clearly illustrates that rising construction costs are a determining factor when proceeding with development projects.

The cost to build the roundabout has significantly increased in the past few years like most projects as shown in the below chart.

Estimated Costs for Roundabout Construction

Date	Estimated Cost	Total Cost % Increase	TOL Contribution	Developer Contribution	Developers Cost % Increase
April 2021	\$1,350,000	-	\$1,050,000	\$300,000	-
February 2022	\$1,770,000	31%	\$1,050,000	\$720,000	140%
July 2022	\$1,849,000	37%	\$1,050,000	\$799,200	166%
September 2022	\$1,950,000	44%	\$1,050,000	\$900,000	200%
<p>*October 2022 was 4th and Final Reading *December 2022 was earliest Building Permits could have been received *Spring 2023 was earliest construction could have occurred due to sloped site and inability to cut and fill in the rainy season *Developer was in discussions with TOL staff regarding these quotes and alternative options as soon as it was evident that construction costs were no longer reasonable and continually increasing</p>					
September 2023 Lowest Quote	\$2,210,000	64%	\$1,050,000	\$1,160,000	287%
September 2023 Average Quote	\$2,620,000	94%	\$1,050,000	\$1,470,000	390%
September 2023 Highest Quote	\$3,170,000	135%	\$1,050,000	\$2,120,000	606%

*Previous figures (April 2021-Sept 2022) all were cost estimates similar to TOL commissioned cost estimate by consultant in December 2022 for Waterfront Artist Studio rather than actual quotes from contractors.

*September 2023 Tender: All reputable contractors based in Ladysmith or nearby. Pricing was only held for 2 weeks to 30 days for all quotes. With rising prices, contractors are not able to confirm quotes past this shortened time period.

*All these detailed quotes were provided to TOL staff. TOL staff informed us that the only method to remove the roundabout condition was to apply for rezoning to have the covenant amended

*We submitted this application in November 2023, TOL staff required us to complete more traffic studies and then we only received 1st and 2nd reading over 13 months later without a clear explanation for the delay.

Detailed quotes – all provided to TOL staff for review

Contractor	Quote	TOL approved contractor
A	\$2,210,000	Yes
B	\$2,390,000	Yes
C	\$2,470,000	Yes
D	\$2,880,000	Yes
E	\$3,170,000	Yes

*Contractor A recently confirmed that if they bid again, it would be at a minimum the same price as originally bid but likely higher given cost increases still occurring

6. Latecomer Agreement & Developer’s Contribution

Based on the proposal today with the additional \$200,000 contribution, the developer will be contributing an additional \$474,000 towards the construction of the roundabout including cash in lieu for frontage works.

Developer’s Roundabout Contributions

Purpose	Amount	Notes
‘Land Swap’	\$170,000	*Not needed for development; only needed to offset land allocated to future roundabout; benefitted development by aligning it with curb as TOL design guidelines recommend *Land would otherwise have held no value to TOL; depth and breadth meant it could not have been developed separately *As noted in previous agenda package, council could direct staff to allocate this \$170K to roundabout but TOL staff has not proposed this to our knowledge
Frontage works	\$104,000 TBD Estimated	Cash in lieu contribution for frontage works as part of roundabout. This will be collected and can be directed to the roundabout construction
Proposed additional lump-sum roundabout contribution	\$200,000	Proposed during 1 st and 2 nd reading approvals at the Dec 17, 2024 council meeting
Total Contribution	\$474,000	

If another development went ahead and that developer took on the same terms to build the roundabout as 1130 Rocky Creek Road, we would only pay \$20,659.91 in latecomer fees

Latecomer vs construction scenario for 1130 Rocky Creek Road development

	Construction Scenario – based on lowest cost quote*	Latecomer Scenario – based on lowest cost quote*
Cost	\$1,160,000	\$20,660

*likely to be higher with actual construction

7. OCP, Waterfront Area Plan and Strategic Plan 2023-2026 Alignment

As outlined in Section 3, this project will generate additional DCC funds that will help TOL execute on DCC projects envisioned in the OCP and directly related to the development of the Waterfront Area Plan. Additional ongoing property taxes paid by this project will provide TOL with more financial resources on an ongoing basis to fund strategic priorities without increasing property taxes for Ladysmith residents.

The only barrier to this development going ahead is the inclusion of the roundabout condition and associated costs. Removing the roundabout condition is consistent with TOL's 2023-2026 Strategic Plan. This would allow development to proceed, which would help build momentum and additional financial resources for the development of the Waterfront Area Plan through DCCs and property taxes.

Conclusion

In conclusion, our development represents a significant opportunity to contribute to the growth and success of the Town of Ladysmith. By allowing our project to proceed, together with our contributions, the Town is moving significantly closer to achieving the goals of the roundabout construction, the Waterfront Area Plan and the vision outlined in its Official Community Plan (OCP). This decision will help move forward a project that aligns with the Town's long-term goals and enhances the community's vibrancy and economy. The timing of these approvals is crucial to start construction immediately so to have the project open as soon as possible.

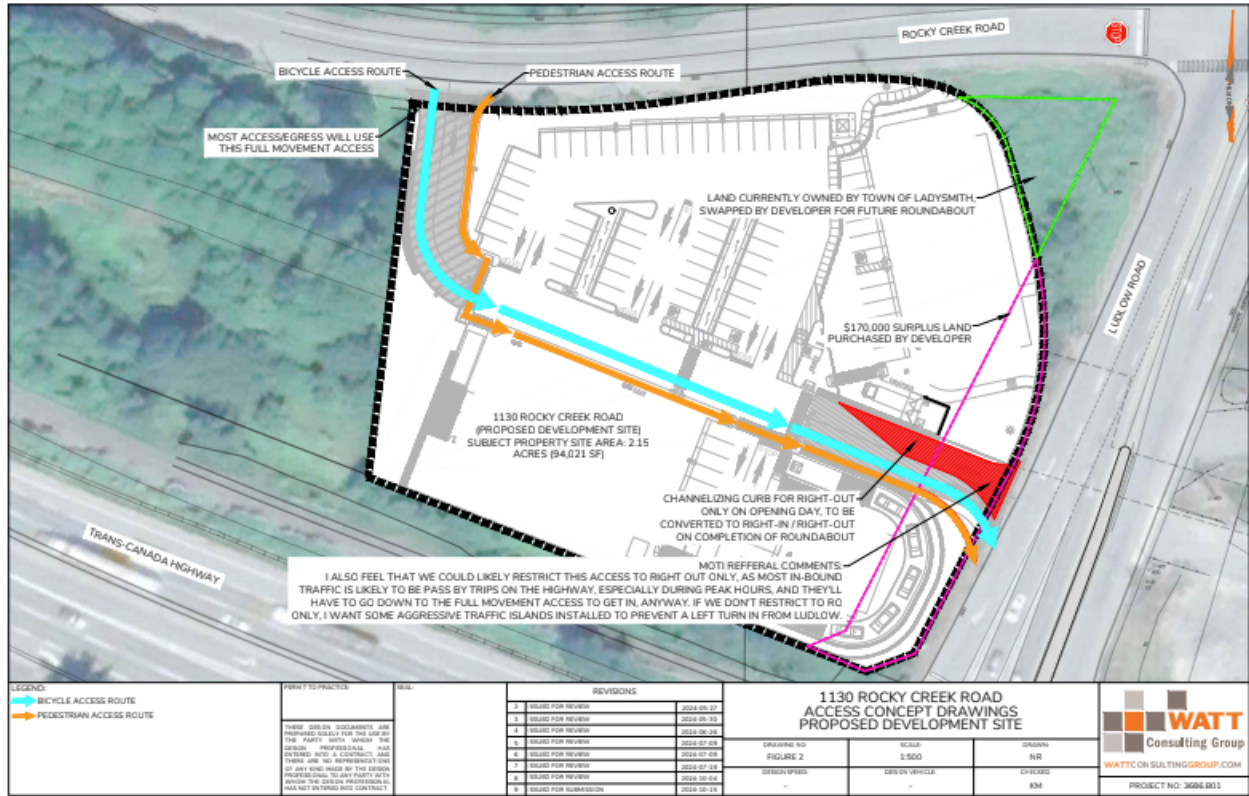
We remain fully committed to delivering a project that benefits everyone involved. Our team is available to address any specific questions or concerns at any time, and we are dedicated to creating win-win scenarios that support the Town's vision.

Appendix 1: Transportation

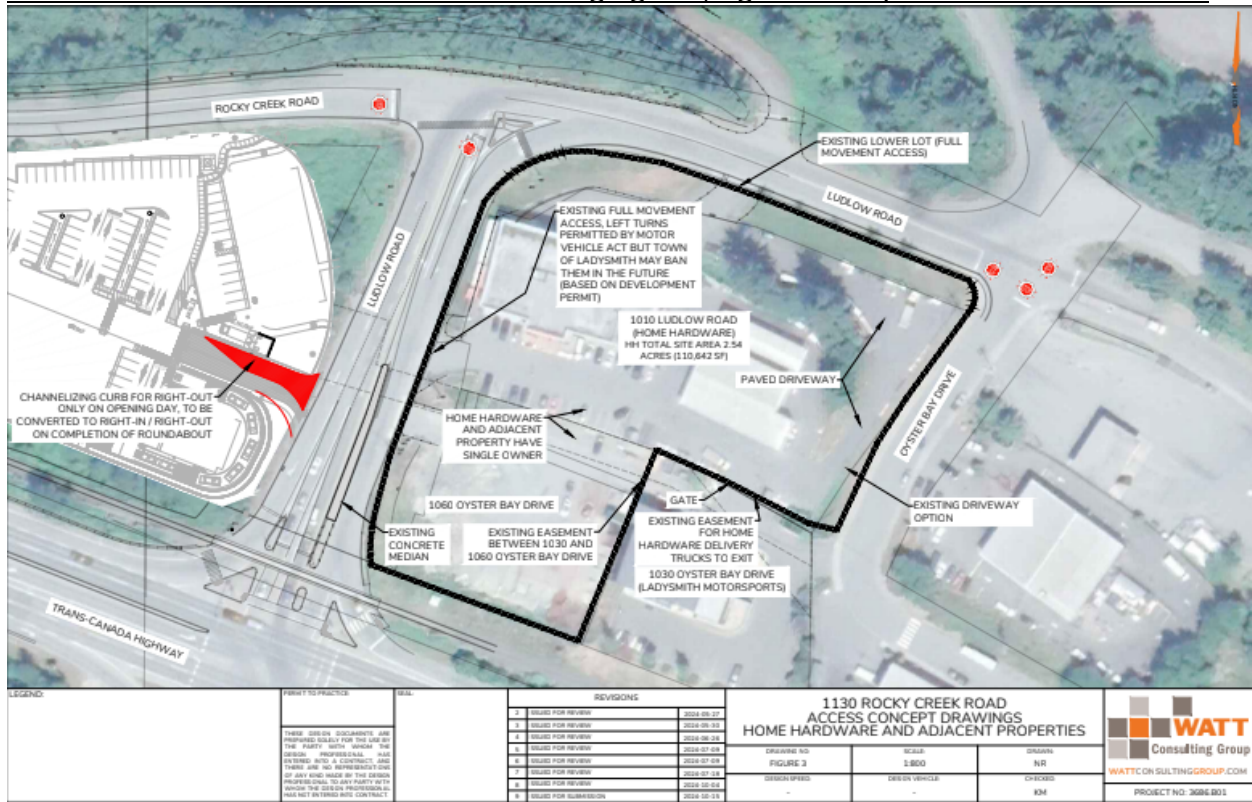
Transportation Impact Assessments

Excerpts from the February or October 2024 Watt Consulting TIA Report

Excerpt 1: The Ludlow Road access for the project is right out only until the construction of the roundabout. The site is accessed mainly from Rocky Creek Road.

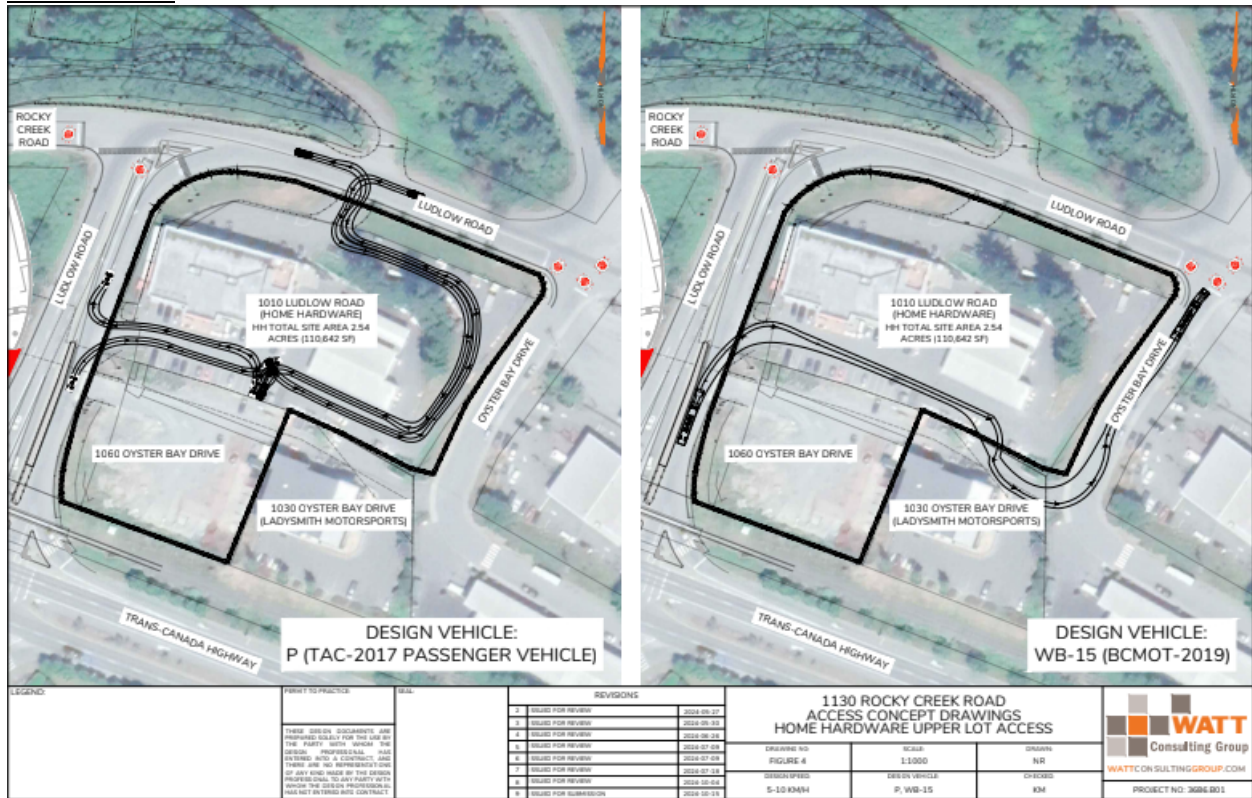


Excerpt 2: Original approvals for Home Hardware site provided easements onto Oyster Bay Drive to facilitate traffic exit while maintaining right in, right out only on Ludlow Road access.



LEGEND	<p>PRINT TO PRACTICE</p> <p>THESE 2D/3D DOCUMENTS ARE PREPARED ONLY FOR THE USE OF THE PARTY WITH WHOM THE DESIGN PROFESSIONAL HAS ENTERED INTO A CONTRACT AND THERE ARE NO REPRESENTATIONS OF ANY KIND MADE BY THE DESIGN PROFESSIONAL TO ANY PARTY OTHER THAN THE DESIGN PROFESSIONAL HAS NOT ENTERED INTO CONTRACT</p>	<p>REVISIONS</p> <table border="1"> <tr> <th>NO.</th> <th>DESCRIPTION</th> <th>DATE</th> </tr> <tr> <td>1</td> <td>ISSUED FOR REVIEW</td> <td>2022-09-27</td> </tr> <tr> <td>2</td> <td>ISSUED FOR REVIEW</td> <td>2022-09-28</td> </tr> <tr> <td>3</td> <td>ISSUED FOR REVIEW</td> <td>2022-09-28</td> </tr> <tr> <td>4</td> <td>ISSUED FOR REVIEW</td> <td>2022-07-09</td> </tr> <tr> <td>5</td> <td>ISSUED FOR REVIEW</td> <td>2022-07-09</td> </tr> <tr> <td>6</td> <td>ISSUED FOR REVIEW</td> <td>2022-07-14</td> </tr> <tr> <td>7</td> <td>ISSUED FOR REVIEW</td> <td>2022-07-14</td> </tr> <tr> <td>8</td> <td>ISSUED FOR REVIEW</td> <td>2022-08-04</td> </tr> <tr> <td>9</td> <td>ISSUED FOR SUBMISSION</td> <td>2022-08-18</td> </tr> </table>	NO.	DESCRIPTION	DATE	1	ISSUED FOR REVIEW	2022-09-27	2	ISSUED FOR REVIEW	2022-09-28	3	ISSUED FOR REVIEW	2022-09-28	4	ISSUED FOR REVIEW	2022-07-09	5	ISSUED FOR REVIEW	2022-07-09	6	ISSUED FOR REVIEW	2022-07-14	7	ISSUED FOR REVIEW	2022-07-14	8	ISSUED FOR REVIEW	2022-08-04	9	ISSUED FOR SUBMISSION	2022-08-18	<p>1130 ROCKY CREEK ROAD ACCESS CONCEPT DRAWINGS HOME HARDWARE AND ADJACENT PROPERTIES</p>			<p>WATT Consulting Group WATTCONSULTINGGROUP.COM</p>
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<p>DRAWING NO. FIGURE 3</p> <p>DESIGN SPEED -</p>	<p>SCALE 1:800</p> <p>DESIGN VEHICLE -</p>	<p>DRAWN NR</p> <p>CHECKED RM</p>	<p>PROJECT NO. 3684-001</p>																																	

Excerpt 3: Multiple access egress via easements from Home Hardware to Oyster Bay Drive and Ludlow Road



Summary of Recent Traffic Findings

- Traffic movements facilitated by the roundabout are all on the south side of Ludlow Rd out of Home Hardware and would be addressed without a roundabout by having Home Hardware utilize the easements that were originally approved and envisioned for access to and from the site. The left hand access onto Ludlow Road has always been an exception
- As outlined in multiple documents and most recently by the Director of Development Services at 1st and 2nd readings for the roundabout covenant removal at the TOL council meeting on December 17th, 2024, the roundabout “is not legally required” and “in terms of the trigger, essentially it’s activities that would generate traffic. So at some point the traffic need or traffic patterns would cause the roundabout to be needed. The obvious one is the Waterfront Area Plan implementation and the development of that area.”



Additional Information and Excerpts from the Binnie Reports

Summary of Binnie Report findings:

- a. A roundabout is incorporated into projections and analysis on the recommendation of TOL staff.
- b. The roundabout is identified as a recommendation for consideration by the Binnie Report. It is not identified as necessary but as a proposal for TOL staff to consider in the context of other DCC projects, infrastructure needs and the costs and resources available.
- c. Suggests an extended signal cycle length at Ludlow Rd/Hwy 1/1st Avenue to maintain levels of service at that intersection.
- d. Indicates that as the area grows and traffic increases, geometric variations should be evaluated to maintain Levels of Service.
- e. The projected growth has not occurred, including multiple developments outlined in the Binnie Report that did not proceed (e.g. Xtrend Rentals and 300 residential units at the Waterfront). The Waterfront Area Plan residential component was a key growth driver in modelling; this is not planned in the foreseeable future.

Waterfront Area Plan - Transportation Review Sept 2018

Excerpt 5: Analysis Parameters



8 – **BINNIE** File No. 17-0943-05
Waterfront Area Plan - Transportation Review

3 FUTURE CONDITIONS

There are three proposed developments within the Study area that are expected to be fully built out by the 2023 horizon year.

The vacant lot at 1130 Rocky Creek Road is expected to rezone to I-1 zoning. The parcel is expected to provide approximately 15,000 sq. ft. of retail space, restaurant space, and various other automobile services. Based on the information provided, the 1130 Rocky Creek Road development is expected to create two additional driveways: one connecting to Ludlow Road along the east frontage of the property, and one connecting to Rocky Creek Road along the north frontage of the property. For a conservative approach for this Study, all traffic generated from the 1130 Rocky Creek Road development will be channeled through the access at Ludlow Road. The proposed access for the 1130 Rocky Creek Road development on Ludlow Road is expected to be a right-in right-out (RIRO) configuration. The Town has received inquiries regarding the possible rezoning of this property into a coffee shop with a drive-through window. If this occurs, an additional traffic study will be required to reflect the land use changes and revised trip generation estimates.

The development at 1030 Oyster Bay Drive is currently under an application to develop a new building for Xtend Rental, which rents and supplies equipment for site development and landscaping purposes. The proposed development is expected to be approximately 1,500 sq. ft. Based on the information provided, the 1030 Oyster Bay Drive development is proposing a new RIRO access onto Ludlow Road along the western frontage of the site.

The vacant portion at the south end of the 930 Ludlow Road property is expected to develop a new building for E. Madill. The proposed building is expected to provide approximately 21,500 sq. ft. in office supply warehousing space.

Excerpt 6: Proposed Scenarios Analyzed

3.2 Proposed Driveway Access Scenarios

Based on discussions with the Town and BC MOTI, the following driveway access scenarios were analyzed:



10 – **BINNIE** File No. 17-0943-05
Waterfront Area Plan - Transportation Review

- **Scenario 1:** A new driveway is proposed for the Xtend development, which provides access onto Ludlow Road and would be approximately 15 m south of the existing Home Hardware access.
- **Scenario 2:** The access to and from the Xtend development onto Ludlow Road would be allowed through the existing Home Hardware access. The existing Home Hardware access at Ludlow Road would be signed and reconfigured for RIRO movements only. To facilitate convenient access to Highway 1, a roundabout is proposed for the intersection of Ludlow Road at Rocky Creek Road.
- **Scenario 3:** Driveway accesses for 930 Ludlow Road and 1130 Rocky Creek Road would be evaluated based on sightline requirements. The proposed driveway accesses for 1130 Rocky Creek Road would be directly across the Home Hardware access with a second access on Rocky Creek Road. The proposed driveway access for 930 Ludlow Road is expected to be shared with the existing access for the Wash Me car wash site.

Excerpt 7: Scenario 2 is proposed to enforce the intended traffic access to Home Hardware (HH) which is intended to be right in, right out; a roundabout is proposed to facilitate access to the HH site. This was published and provided to TOL Staff in 2018 when they allocated \$1M in DCC funds to construction of the roundabout.

3.2.2 Scenario 2 – Shared Existing Driveway with New Roundabout

In the analysis for Scenario 2, the proposed driveway for Xtend Rental was assumed to be consolidated with the existing access to Home Hardware. This scenario also assumes the enforcement of a RIRO configuration at the driveway to Home Hardware. The existing median is recommended to be extended along Ludlow Road to Rocky Creek Road to help facilitate the enforcement of the RIRO configuration from Home Hardware. Based on discussions with the Town, a roundabout is proposed for the existing stop-controlled intersection of Rocky Creek Road and Ludlow Road to facilitate vehicles wishing to access Highway 1 from exiting the existing Home Hardware access. The roundabout should be designed to accommodate the B-train vehicles that utilize the intersection to access the existing lumber mill north of the Study area.

5 RECOMMENDATIONS

The following recommendations are offered for consideration:

- The proposed driveway access at 1030 Oyster Bay Drive is recommended to be consolidated with the existing Home Hardware access to become a RIRO configuration due to inadequate sight distances as well as safety concerns. Alternatively, a right-in only access at 1030 Oyster Bay Drive will accommodate ingress traffic, while egress traffic can exit the property via the existing driveway along Oyster Bay Drive. The intended right-in only configuration at the existing Home Hardware access must also be enforced.



20 – **BINNIE** File No. 17-0943-05
Waterfront Area Plan - Transportation Review

- The existing median along Ludlow Road can be extended to enforce the RIRO restriction at the proposed 1130 Rocky Creek Road and the consolidated Home Hardware Access.
- The existing stop-controlled intersection of Rocky Creek Road and Ludlow Drive is recommended to be upgraded to a roundabout to allow for vehicles to make a U-turn to access Highway 1 from Home Hardware. Changing the stop-controlled intersection to a roundabout would help enforce the RIRO configuration at the Home Hardware access and the proposed Xtend Rental access. The roundabout should be designed to accommodate the B-train vehicles that utilize the intersection to access the existing lumber mill north of the Study area
- Two driveway accesses are recommended for the 1130 Rocky Creek Road development. The first driveway location is suggested to be directly across from the existing Home Hardware access with a RIRO restriction. The second driveway is suggested on Rocky Creek Road to be at least 85 m from the center of the access width to the intersection of Ludlow Road and Rocky Creek Road for a full-movement access.
- Based on the existing grades, the driveway access for the proposed development at 930 Ludlow Road is recommended to be consolidated with the existing accesses for the Wash Me car wash site and CO-OP Cardlock gas station along Ludlow Road.

Traffic Operations Review – January 2019

- The additional Binnie Report published in January 31, 2019 evaluated traffic at key Highway 1 intersections including the Highway 1 and Ludlow/1st Avenue Intersection.
- Binnie suggests that increasing the cycle length from 96.3 seconds to 100 seconds at Highway 1 and Ludlow Rd would be sufficient for current traffic volumes.
- The Binnie Report only mentions a roundabout at Rocky Creek and Ludlow as an alternative proposal by TOL staff and then evaluates the potential impacts of this.
- The actual suggestion in the Binnie Report is to alter signal length. It was TOL staff that proposed a roundabout at Rocky Creek Road and Ludlow Road, which the Binnie Report assessed.

Excerpt 9: Section 4.2.2 outlining recommendations and TOL staff notification to Binnie Report authors that a roundabout is proposed.

4.2.2 Highway 1 and Ludlow Road/1st Avenue Intersection

As the Highway 1 and Ludlow Road/1st Avenue intersection eastbound left-turn movement is currently operating at LOS F, the addition of more vehicles making this movement is expected to further increase the delay; however, by implementing the signal timing improvements discussed in **Section 4.1**, additional capacity can be accommodated by this movement and the expected PM peak delay may improve to LOS D.

Alternatively, based on information provided by the Town, a roundabout has been proposed at the existing Rocky Creek Road and Ludlow Road T-intersection. Should this proposed reconfiguration be constructed, the Grouhel Road eastbound vehicles would be able to access Highway 1 northbound by making the right-out movement onto Highway 1 southbound, making the left-turn movement onto Ludlow Road, and using the roundabout as a turnaround facility. Given the existing low southbound left-turn volume at the Highway 1 and Ludlow Road/1st Avenue intersection, which operates as a protected-permissive movement, it is expected that the intersection will be able to accommodate the additional vehicles without any significant impacts.

Appendix 2: Latecomer Agreement Details

Key considerations with existing latecomer agreement drafted by TOL staff

There is limited ability to recoup costs with the latecomer agreement.

Approximately 72.34% of latecomer fee allocations are either:

- 1) Unlikely to be collected
- 2) Unable to be collected
- 3) Will materially increase new housing costs
- 4) Will materially increase costs to develop the Waterfront Area Plan

Key Latecomer Allocation Concerns

- 1) 1.96% or \$20,660 of latecomer fees to be paid to developer is allocated to the subject property so this is uncollectable. The developer would not pay themselves latecomers.
- 2) 30.11% or \$317,551 is attributed to active Western Forest Products operations and unlikely to be developed in a manner that triggers latecomer's fees in the next 15 years
- 3) 8.51% or \$89,717 is an already approved housing development, this will increase the costs to build this housing in contradiction to stated TOL goals to facilitate housing development
- 4) 17.69% or \$186,513 is attributed to TOL Waterfront Area Plan land; this will increase the costs to develop the Waterfront Area Plan, which is already facing challenges with increased construction costs and interest rates causing a scaling back of the proposed Waterfront Artist Studio.
- 5) 13.93% or \$146,903 is attributed to land with PIDs that are not available in the Land Title and Survey Authority (LTSA) records.
- 6) 0.14% or \$1473 is attributed to undevelopable creek land

Chart 1: Latecomer agreement excess capacity cost allocation based on TOL staff provided information and based on lowest cost* Sept 2023 quote

*could end up higher \$\$ amounts

PID	Parcel Size	Existing % allocation	New \$ allocation	Notes
027-329-135	0.148 ha	0.36%	\$3,774.90	
027-329-143	0.148 ha	0.36%	\$3,774.90	
027-329-151	0.157 ha	0.38%	\$4,004.45	
027-329-160	0.160 ha	0.39%	\$4,080.97	
027-329-178	0.172 ha	0.42%	\$4,387.04	
				1130 Rocky Creek Rd – Subject Property included in latecomer calculation – not collectable
024-839-370	0.81 ha	1.96%	\$20,659.91	
027-236-986	0.736 ha	1.78%	\$18,772.46	

030-721-083	0.291 ha	0.70%	\$7,422.26	
030-721-091	0.296 ha	0.72%	\$7,549.79	
026-789-990	0.348 ha	0.84%	\$8,876.11	
027-104-770	0.529 ha	1.28%	\$13,492.71	
027-104-788	0.343 ha	0.83%	\$8,748.58	
010-208-682	1.064 ha	2.57%	\$27,138.45	
030-553-164	0.599 ha	1.45%	\$15,278.13	
010-208-712	0.114 ha	0.28%	\$2,907.69	Town of Ladysmith owned
90048005	1.49 ha	3.60%	\$38,004.03	Not listed in LTSA
009-449-914	16.6 ha	30.11%	\$317,550.47	Includes active Western Forest Products operations
025-202-341	0.346 ha	0.63%	\$6,618.82	
025-202-332	0.346 ha	0.63%	\$6,618.82	
025-202-324	0.202 ha	0.37%	\$3,864.17	
025-202-316	0.202 ha	0.37%	\$3,864.17	
025-980-688	0.606 ha	1.10%	\$11,592.51	
025-202-278	0.202 ha	0.37%	\$3,864.17	
030-801-460	4.69 ha	8.51%	\$89,717.57	Approved housing development
030-801-478	3.36 ha	6.09%	\$64,275.28	Not listed in LTSA
028-404-645	1.25 ha	2.27%	\$23,911.93	
024-644-650	0.210 ha	0.38%	\$4,017.20	
009-579-541	3.06 ha	5.55%	\$58,536.41	
009-579-630	0.69 ha	1.25%	\$13,199.39	
009-450-068	2.34 ha	4.24%	\$44,763.14	Not listed in LTSA
000-879-100	0.077 ha	0.14%	\$1,472.98	Crown Agency – appears to be creek from satellite view
	0.48 ha	0.87%	\$9,182.18	No PID provided
027-764-893	0.15 ha	0.27%	\$2,869.43	
030-552-893	0.411 ha	0.75%	\$7,862.24	
029-272-751	0.146 ha	0.26%	\$2,792.91	
029-272-769	0.137 ha	0.25%	\$2,620.75	
010-208-828	9.745 ha	17.69%	\$186,513.08	Town of Ladysmith Waterfront Area Plan

Appendix 3: Alternative Funding Mechanisms

As outlined in TOL Meeting Agenda from 1st and 2nd reading on June 1, 2021, TOL required the developer pay the balance of roundabout costs because TOL did not have sufficient DCC funds to complete the roundabout without increasing taxes or delaying other projects.

Excerpt 10: Alternative funding options proposed at June 1, 2021 TOL Council Meeting Agenda

<p>Amend the DCC Bylaw to increase the estimated cost of the roundabout and change the amount covered by DCC's and other funding sources.</p>	<ul style="list-style-type: none"> Section 564 of the <i>Local Government Act</i>, requires the Town to carefully consider DCC's against a long list of prescribed criteria. An extensive analysis would be required prior to submitting DCC's for provincial approval, which would be an unbudgeted expense to the Town and an added delay for the developer. DCC amendments must be approved by the Province under section 560 of the <i>Local Government Act</i>. This would delay the proposed development and there is no guarantee that the Province would approve the changes. Currently there is only \$1.2 million in the DCC roads reserve. Even if the amount to be covered by DCC's is increased, there is not enough money yet in the account to cover the cost \$1.7 million cost of the roundabout. The proposed development would need to be either delayed while the Town waited for more DCC's to come in, or the Town would have to borrow, tax or halt other projects to cover the shortfall in the interim.
<p>The Town could pay the full cost of the roundabout as an excess service and collect latecomer fees under section 508 of the <i>Local Government Act</i>.</p>	<ul style="list-style-type: none"> The amount of latecomer fees that the Town would collect is unpredictable and would likely not cover the full cost. The Town would finance this option by borrowing from other reserves or through property tax. The final cost to the Town would depend on future development in the area.
<p>The Town could pay the full cost of the roundabout as an excess service and charge a service tax under section 508 of the <i>Local Government Act</i> and</p>	<ul style="list-style-type: none"> A majority of impacted property owners would need to agree to the charge, which makes this option very uncertain. This would cause a substantial delay for the 1130 Rocky Creek Road development.
<p>Page 139 of 230</p>	
<p>Alternative:</p>	<p>Comments:</p>
<p>Division 5 of Part 7 of the <i>Community Charter</i>.</p>	<ul style="list-style-type: none"> The Town would finance this option by borrowing from other reserves or through property tax. The Town would collect funds annually through the service tax.
<p>The Town could pay the full cost of the roundabout from the capital or reserve budget.</p>	<ul style="list-style-type: none"> The Town would need to pay an additional \$700,000 for the difference between the amount budgeted through the DCC Bylaw and the current cost estimates. Since the property taxes have been set for 2021, the roundabout could only be funded this year by deferring other planned projects. The additional \$700,000 would likely result in a future property tax increase.

Received January 17, 2025

Within Circulation Area

Dear Council and Town of Ladysmith,

Attached, you will find a letter outlining the concerns that Jason and I, as owners of Ladysmith Home Hardware, have regarding the proposed development plan for 1130 Rocky Creek Road.

Additionally, I have included an email from Brian Childs of Childs & Co., which highlights a concern shared by many of our customers if the proposed plan is approved under the current proposals.

We trust that these perspectives will be carefully considered as you review the development plans.

Thank you for your attention to this matter. Please feel free to reach out if you require any further details or clarification.

Best regards,

Sean Dunlop
Ladysmith Home Hardware Building Centre

January 14, 2025

To: Town Council and Members of the Community

Subject: Concerns Regarding Proposed Amendments to Covenant CB215820 and Development Permit for 1130 Rocky Creek Road

Dear Council Members and the Town of Ladysmith,

We are writing to express our serious concerns about the proposed amendments to Covenant CB215820, specifically in relation to the Development Permit for 1130 Rocky Creek Road. As the business owners of Ladysmith Home Hardware, we strongly believe the current proposal poses significant safety risks to our customers and detrimental effects on our business operations.

Primary Concern: Safety Risks for Customers

A key issue is the proposed traffic changes, which include extending a meridian to the bottom of Ludlow Road without incorporating a roundabout. Under these conditions, our customers would be limited to making right-hand turns when exiting our property. This restriction would force them to travel approximately 1.5 kilometers along a logging road just to access the highway.

With up to 600 vehicles exiting our property daily, this inconvenient traffic pattern could encourage drivers to make unsafe and illegal U-turns to return to the highway. Ludlow Road, frequently used by large commercial vehicles such as B-train tractor-trailer units, is ill-suited for such maneuvers. The risk of severe collisions, including potential fatalities, is alarmingly high in these circumstances.

Should the Town approve this development under the current traffic guidelines, we believe it could bear liability for accidents or injuries resulting from these unsafe conditions. Forcing a high volume of vehicles into a poorly designed traffic system will likely lead to errors, injuries, and possibly tragic consequences.

Impact on Business Operations

In addition to safety concerns, the proposed traffic changes would significantly disrupt our business. Customers exiting our property would have only two options: drive down the 1.5-kilometer logging road via Transfer Beach Road or attempt an illegal U-turn to access the highway. Both scenarios are highly inconvenient and could deter customers from visiting our location altogether.

Our business has been a vital part of the Ladysmith community for nearly 14 years. During this time, we have contributed approximately a million dollars to the local property tax base and supported numerous community initiatives and youth sports programs. We have also provided employment to 27-35 people, whose livelihoods would be at risk if the current proposals are approved, and our business suffers as a result.

While we do not seek special treatment, we ask that the Town recognize the importance of preserving the viability of established businesses like ours. It would be deeply disheartening to see our operations compromised in order to accommodate new development that has yet to demonstrate any meaningful contribution to the community's well-being.

We are not opposed to development and welcome new businesses, but we believe that growth should not come at the expense of longstanding businesses. Any changes that would hinder access to our business could have severe consequences for both our safety and continued success.

Call to Action

We strongly urge the Council to reconsider the proposed amendments and prioritize the safety and well-being of our customers and the broader community. We are committed to working collaboratively with the Town and developers to identify a solution that ensures safe and efficient access for all. Our recommendation is to maintain the current traffic pattern, with the possibility of adding traffic arrows for improved clarity. If this approach is not feasible, we believe that a roundabout should be considered, especially if the only alternative is a median extending to the bottom of Ludlow Rd.

Thank you for your attention to this critical matter. We look forward to your response and hope for a resolution that reflects the best interests of all stakeholders.

Thank you,



Sean Dunlop & Jason Dunlop
Owners of Ladysmith Home Hardware



Sean Dunlop [REDACTED]

Letter to Counsel

[REDACTED]
To: Sean Dunlop [REDACTED]

Wed, Jan 15, 2025 at 3:43 PM

Hello Jason

As a supporter of the Home Hardware, and a significant customer, We at Brian Childs & Company Ltd. Would find it very expensive and inconvenient to have our employees on a daily basis have to take significant time in order to shop at the store and drive all the way back to Transfer beach in order to reach our projects. We can't believe you are considering this proposal without the roundabout to have proper egress to this most important business to us.

Sincerely

Brian Childs

[Quoted text hidden]

Received January 21, 2025

January 21, 2025

Dear Town of Ladysmith Council,

I'm writing to support the proposed development at 1130 Rocky Creek Road. This long-vacant land is a prime spot to bring new business to Ladysmith. With some of the new housing going in the commercial space would see strong traffic from residents in the area. As a business operator in the area I would welcome the development.

This project will revitalize the area, boost our local economy, and make the town more attractive to visitors and residents. Please move forward with this opportunity to make the most of this valuable space.

Thank you for your work to improve our community.

A handwritten signature in black ink, appearing to read "Ehren Madill". The signature is written in a cursive, flowing style.

Ehren Madill