



# District of Lantzville

Incorporated June 2003

September 18, 2014

Open Letter to Lantzville Residents

**Re: Memorandum of Understanding (MOU)  
District of Lantzville & Lone Tree Properties Ltd. (Storm Mountain Development Corporation)  
Development of the Lantzville Foothills Lands**

We write further to our open letter to residents dated July 4, 2013 which provided a brief synopsis of the lands we commonly refer to as the Foothills. Residents may recall that the subject property is approximately 1800 acres in size and was rezoned by Council in 2007 following execution of a Development Agreement (DA) between the District and the property owner. The DA identified a number of conditions that had to be met at various stages by the developer. Two of the more significant aspects of the DA are the dedication of 900 acres of parkland to the District and that no sale and/or transfer of the Foothills lands is to occur prior to the initial park dedication. In the summer of 2010, 2 of the 5 parcels which make up the 'Foothills Lands' were sold. Given that ownership of the land had changed since the DA was executed and in the interests of facilitating development in a manner that would be beneficial to the District, Council extended an invitation to the two owners in the spring of 2012, inviting them to participate in a process to update the DA and consider entering into a new phased development agreement in relation to the Foothills lands.

Some of the new phased development agreement considerations discussed at that time were as follows:

- timing of parkland dedication
- rights of way
- amenities
- contributions for legal fees
- works and services; and
- relocating and potentially increasing density, albeit slightly, 10 - 12%. {NOTE: Current approved density is 730 units. A 12% increase would see density increase to 814, if approved by Council}

Discussions amongst the parties relating to a new phased development agreement were ongoing even though the future ownership of these lands continued to be in the hands of the courts as a result of the financial challenges being experienced by one of the property owners. In the fall of 2012, the courts appointed a Receiver-Manager who was charged with filing a comprehensive report relating to these lands and the final report was shared with Lantzville residents in July of 2013. During the period of time that the Receiver-Manager was carrying out his independent review, negotiations regarding a new phased development agreement were placed in abeyance.

In January of 2014, the District of Lantzville was advised that the Foothills lands had returned to single ownership. While the District of Lantzville could simply require the owner to adhere to the conditions outlined in the 2007 DA, the District felt that with a newly executed phased development agreement, benefits to the community may exceed those previously agreed to, therefore, negotiations resumed.

I am pleased to advise that Council of the District of Lantzville entered into a Memorandum of Understanding (MOU) with respect to development of the Foothills lands with Lone Tree Properties Ltd., (Storm Mountain Development Corp) effective September 4, 2014. While the MOU is not a binding agreement, signing the MOU by both parties indicates the acceptance of the principles by both the District of Lantzville and Lone Tree Properties.

Principles of the newly executed MOU are as follows:

- immediate dedication of 900 acres of parkland upon execution of the phased development agreement (PDA) and final adoption of amended zoning and OCP bylaws
- water supply - developer remains responsible for their own water supply. If unsuccessful the District may consider, at the discretion of Council, grant the developer up to 16 connections per calendar year but only if the District has an agreement with the City of Nanaimo for the provision of water and have moved forward with making a connection to receive water. The developer would also be financially responsible for all fees associated with connection
- relocate density - build out remains at 730 units however, 140 units previously zoned CD26 are to be relocated to CD25 and with this relocation will be contained within the Foothills Urban Containment Boundary (UCB)
- amenities:
  - ✓ financial contribution to the District in the amount of \$7,945 per approved residential dwelling unit (payable at issuance of a building permit) up to a max. of \$5.8 million;
  - ✓ transfer of lands to the District to accommodate a fire hall and public works yard;
  - ✓ transfer of land to accommodate a reservoir (including construction of same), well and pump station
- financial contribution from the developer towards the District's legal fees for drafting the modified agreement and MOU, drafting the PDA and authorizing bylaw, including reviewing zoning and OCP bylaw amendments
- transfer of title in fee simple by the developer to the District of an area of lands consisting of approximately 200 acres;
- dedication of various roadway (including associated works) to the District

Since executing the MOU, the District is now in the process of preparing the phased development agreement and associated amendment bylaws. Please note that the bylaws addressing the phased development agreement, zoning and OCP amendments all require public consultation and formal public hearings. Public Hearings will be scheduled according to legislative requirements, in addition, the developer will be hosting public information meetings to share their development plans of the Foothills lands with the community.

Residents are invited to visit the District's website to view the executed MOU and if you have any additional questions regarding the Foothills lands you are invited to contact Twyla Graff, CAO, at the District Office, telephone 250.390.4006 or via email [twyla@lantzville.ca](mailto:twyla@lantzville.ca).

Sincerely



**Jack de Jong**  
**Mayor**

**District of Lantzville**