



## CORPORATION OF THE TOWNSHIP OF ESQUIMALT

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**DATE:** February 13, 2009 **REPORT NO.** EPW 09-011  
**TO:** Tom Day, Chief Administrative Officer  
**FROM:** Gilbert Coté, Director of Engineering & Public Works  
**SUBJECT:** Land Transfer from Transport Canada

### **RECOMMENDATION:**

That Council authorize the execution of the Transfer Agreement and the Contribution Agreement between the Township of Esquimalt and Transport Canada for the transfer a parcel of land in order to extend Head Street to provide municipal access and servicing to a property owned by Xhamasung Holdings LLP and to the Department of National Defence properties.

### **Background**

In 2005, the following two parcels were transferred from Transport Canada to Xhamasung Holdings LLP. Xhamasung Holdings LLP has two partners: Kosapsung Development Corporation representing the Esquimalt First Nation and the Ledwungen Development Corporation, representing the Songhees First Nation.

The two parcels are shown on the attached Figures 1 and 2 as are described as follows:

1. Parcel # 1 – Plan VIP 78776.

This parcel consists of a portion of the former bed of Victoria Harbour which was filled in 1984 in order to create an RV park. The filled foreshore area was leased by Transport Canada to West Bay Investments Ltd. When the filled foreshore was transferred to Xhamasung Holdings LLP, Transport Canada assigned the West Bay Investment lease for the RV Park to Xhamasung Holding LLP. The West Bay Investments' leasehold interest in the RV Park will expire on March 31, 2017

2. Parcel # 2 – Plan CIP 78775.

This parcel consists of a strip of land adjacent to parcel # 1 and is located along the former shoreline. A building known as the old Guardhouse is located on this parcel. The adjacent shoreline or "uplands" land was owned by the Department of National Defence. In 2003, the uplands area was transferred from the Department of National Defence to Transport Canada. In 2005 the uplands land was transferred by Transport Canada to Xhamansung Holding LLP

Both parcels are now owned in fee simple by Xhamansung Holdings LLP who is paying municipal taxes.

The Xhamansung Holdings LLP by virtue of being the upland owner of the filled foreshore is West Bay Investments' landlord for the RV Park lease. The Xhamansung Holdings LLP took an assignment from Transport Canada of the long term lease to West Bay Investments Ltd for the RV Park. West Bay Investments is continuing to operate and manage the RV Park under the lease that expires March 31, 2017.

When the lease expires, it is likely that the Xhamansung Holdings LLP will consider re-developing the site to a higher use. It is also our understanding that West Bay Investments is planning in the near future to renovate the old guardhouse and turn it into office space. Before carrying out any work and redevelopment, the owners of the property will have to obtain an amendment to the Official Community Plan designation, a change of zoning and a building permit.

When Transport Canada transferred the two parcels to the Xhamansung Holdings, the triangular parcel at the end of Head Street was not included in the land transfer because it also provides vehicular access to the DND installations at Work Point and includes a sanitary sewer, a storm drain and a watermain that service the DND installations. As a result, the land owned by the Xhamansung Holdings LLP was left landlocked with no legal access on a municipal road right-of-way.

To resolve this matter, it is proposed that the triangular parcel located at the intersection of Lyall and Head Streets be transferred from Transport Canada to the Township of Esquimalt and that this parcel be dedicated as road right-of-way. This would allow road access to both the DND and the Xhamansung Holdings LLP lands. Road access to the Xhamansung Holdings LLP land is now provided through the West Bay Marina. Sanitary sewer and water servicing to the RV Park is also provided through the West Bay Marina. When the lease with West Bay Investments expires and Xhamansung Holdings LLP redevelops the site, access to the site could be provided through the Head Street extension. Access to the site from the Head Street extension would likely be done by constructing an access road in the area presently occupied by a parking lot and located south of the old Guardhouse.

Sewer and water servicing for the proposed renovated Guardhouse will be provided from the lines located on the Head Street extension. Similarly, sewer and water servicing for the potential re-development of the RV site would also be provided from the Head Street extension. The developer will likely have to pump the sewage from potential redevelopments in the RV Park. This pumping station would be privately owned.

The sanitary sewer and drain storm pipes in the parcel to be transferred were inspected by the Municipality and found to be in good conditions. These pipes will be turned over to the municipality at the same time the land is transferred. The watermain was found to be in poor condition and DND will be paying the City of Victoria to replace this watermain. A new watermain will be installed this year.

The road requires some repairs and Transport Canada has agreed to pay \$10,000 to the municipality to repair the road.

Should the development company apply for works valued at more than \$300,000, they will be subject to the Subdivision and Development Control Bylaw and Council Policy Plan 23 which will require that they pay all required upgrades to the infrastructure in order to support the development.

Submitted by:

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Gilbert Coté, P.Eng.  
Director of Engineering & Public Works

**Approved for Council's  
consideration:**

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Tom Day, CAO