

Zero Impact Resort

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By Peter Mitham

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VANCOUVER ISLAND Booming developments and sensitive landscapes define future of the Pacific Rim

Zero impact resort

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The idyllic West Coast of Vancouver Island is a great vantage point to see the pressures starting to heat recreational real estate as a result of the recreational real estate tax cuts that exempt the province in the past three years.

With recreational property prices in B.C. continuing to set records, and major new developments promising to transform sleepy communities around the province into the next must-be destinations for retiring boomers, environmental issues are increasingly setting the tone for new projects.

Just north of Clayoquot Sound, that renowned haven of West Coast environmentalists, developer Elke Loef-Kochler of Marine Drive Properties Ltd. is seeking LEED gold certification for Wynlamas, her latest resort in Ucluelet. The project is also audited by Anso-ben International, which will provide an independent assessment of conservation practices.

Set on lands cleared 20 years ago and formerly held by Weyerhaeuser Corp., Wynlamas will ultimately have up to 1,000 homes, an 18-hole Jack Nicklaus golf course and luxury hotel. The cost of the project is pegged at \$620 million.

The 20 building lots, ranging from one-half acre and up, are expected to be priced from \$1.5 million, but ownership will come with privileges. Owners will not only be allowed access to 30,000 homes at Jack Nicklaus



Developer Elke Loef-Kochler with Jack Nicklaus (L) and Stephen Duke: 18-hole golf course in a golf and luxury resort development.

golf clubs around the world, they will face no peak membership fees, annual dues or green fees at any of the 27 locations.

At Wynlamas, owners in the exclusive Signature Circle enclave will have private access to a five-star luxury hotel, an eight-acre park with 18-hole practice area, a lake and walk-on beach access, all behind a security gate.

Marine Drive marketing director Stephen Duke said that if people are paying a premium for a development of the caliber Wynlamas represents, they want some assurance it is

inspiring the environment.

Green sells

"There's a heightened awareness, necessarily, because of where we're located, and a particular sensitivity to it," Duke said. "They want to know they're in a non-explosive environment when they spend their money on vacations or second homes or whatever."

Craig Leitchford, principal of Island West Development (2006) Ltd., which is seeking investors to support redevelopment of the Island

West Coast in Ucluelet, agrees. Leitchford purchased the 22-year-old resort in October 2006, inspired by the natural surroundings and the dynamics of the area. He wants to see that dynamism and beauty preserved.

"We're developing the area, but we're got to do it intelligently. I think that's what the market's demanding," he said. "[Being] closer to zero-impact is important there, [even so] that it is anywhere else, just because that's why they're going there."

The new resort will have an additional 60 residential units mixing full-ownership with quarter-ownership opportunities that Leitchford is branding as "non-ownership."

"You can afford to buy a ocean condominium in a wonderful place, but because you're sensitive to your footprint on the earth, you'll only buy a quarter," he explained. Quarter-shares, of course, are also more profitable for a developer.

The website matches with the local district's planning priorities. Ucluelet recently was recognized as "most sustainable community" at the International Awards for Livable Communities in Hangzhou, China, and also received a gold certificate for its official community plan.

But Felice Maxwell, planning director for the district of Ucluelet, knows that awards have to be backed up by hard work. The district's recent awards are the product of years of give-and-take with developers such as Loef-Kochler, and now the recognition is raising expectations among local residents.

"They're becoming more educated," Maxwell said of locals. "They want more transparency from the district and the developer."

To address some of the concerns, the district is adding a section devoted to planning issues on its website, and implementing a develop-

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ment checklist that will provide an easy means of tracking what developers have done and must do in the course of any given development project.

Duke says the changes reflect the concerns of trustee Marine Drive waded with the same quality in the initial stages of planning the Wyndansea project.

"One of the reasons they're winning awards is because they're asking developers to look at sustainable alternatives," Duke said. "That's what we were pushing for at Marine Drive Properties in the first place."

Tofino

An aging service infrastructure threatens to spoil the fun of the coast's pristine environment, however.

When government funds were made available in the mid-1990s to upgrade local systems, Ucluellet made the investments to support the benefit of fish plants still operating. Tofino, however, deferred the investment. It was a mistake that summer highlighted the disadvantages of which those decisions have placed the community.

Water supplies to the community were cut off for several days, with a backup reservoir topped for water supplies directed exclusively to businesses serving tourists. The tourists themselves, who number well in excess of 15,000 on the peak holiday weekends, were nevertheless urged to stay away to avoid hindering the supply.

A one-25 million investment expansion completed a month later but with new construction in the community reaching \$20 million annually, the project was delayed too late to keep up with the demand.

A further investment to increase capacity is planned this year, with the help of provincial funding, which will help the community serve new businesses seeking to set up in the district, including the 44-unit Longwood Resort, the



Wyndansea: Future site of the eighth green - with Audubon International's blessing.

Shore and two others.

A similar situation faces Tofino's sewage system. What is currently pumped into a community located in a remote area of the coast, a system that whisks the sewage into the Pacific, a system

Tofino clerk administrator Laila Prosser said is efficient but which hardly lives up to the district's environmental-friendly reputation.

"The image of Tofino is a green place, and we want to maintain that image," he said. "We're looking at it as serving future needs, as well as providing the proper image."

The treatment plant could be built by 2011. Original estimates peg the cost at \$11 million,

but the cost could top \$17 million by the time it is complete.

Ucluellet is luckier. It invested \$8 million in its waterworks in the 1990s, and while current development is prompting the

district to consider establishing new provisions to accommodate the 1000 million in development projects ongoing in the community, it hasn't run into the difficulties Tofino has. The challenge now is to ensure the existing infrastructure meets the demands of the future.

This will require financing, something Ucluellet plans to accomplish through the first

Quick facts



Tofino

Population (2006): 1,075
Major Industry: Tourism

Ucluellet

Population (2006): 1,407
Major Industry: Tourism, construction

increase the district has made in over a decade to its development cost charges. The current policy, which passed last month in March, calls for increases of between 101 per cent to 200 per cent relative to current charges.

High DCCs supported

Commercial accommodation, such as hotels, will see the most dramatic increase, with charges poised to reach \$5,811 a unit from a current level of \$2,000 a unit.

The move makes sense to Stephen Duke. "Ucluellet's in a unique position to capture a lot of tax base, primarily from second home owners, which is really high tax and has impact on services. So they're supporting a lot of their tax burden to non-residents," Duke said. "Those will pay for a lot of the infrastructure growth and development that needs to happen." ■

Wealthy investors seek a "non-exploitive environment"

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The idyllic West Coast of Vancouver Island is a good vantage point to see the pressures coming to bear on rustic real estate as a result of the recreational real estate tsunami that's swept the province in the past three years.

With recreational property prices in B.C. continuing to set records, and major new developments promising to transform sleepy communities around the province into the next must-be destinations for retiring boomers, environmental issues are increasingly setting the terms for new projects.

Just south of Clayoquot Sound, that renowned hotbed of West Coast environmentalists, developer Elke Loof-Koehler of Marine Drive Properties Ltd. is seeking LEED gold certification for Wyndansea, her latest venture in Ucluellet. The project is also audited by Audubon International, which will provide an independent assessment of conservation practices.

Set on lands clear cut 20 years ago and formerly held by Weyerhaeuser Corp., Wyndansea will ultimately have up to 1,000 homes, an 18-hole Jack Nicklaus golf course and luxury hotel. The cost of the project is pegged at \$650 million.

The 30 building lots, ranging from one-half acre and up, are expected to be priced from \$1.5 million, but ownership will come with privileges. Owners will not only be allowed access to Nicklaus homes at Jack Nicklaus golf clubs around the world, they will face no pesky membership fees, annual dues or green fees at any of the 25 locations.

At Wyndansea, owners in the exclusive Signature Circle enclave will have private access to a five-star luxury hotel, an eight-acre park with 18-hole practice area, a lake and walk-on beach access, all behind a security gate.

Marine Drive marketing director Stephen Duke said that if people are paying a premium for a development of the calibre Wyndansea aspires to, they want some assurance it is respecting the environment.

Green sells

“There’s a heightened awareness, necessarily, because of where we’re located, and a particular sensitiveness to it,” Duke said. “They want to know they’re in a non-exploitive environment when they spend their money on vacations or second homes or whatever.”

Craig Lochhead, principal of Island West Development (2006) Ltd., which is seeking investors to support redevelopment of the Island West Resort in Ucluelet, agrees. Lochhead purchased the 22-year-old resort in October 2006, stunned by the natural surroundings and the dynamism of the area. He wants to see that dynamism and beauty preserved.

“We’re densifying the area, but we’ve got to do it intelligently. I think that’s what the market’s demanding,” he said. “[Being] closer to zero-impact is important there, [more so] than it is anywhere else, just because that’s why they’re going there.”

The new resort will have an additional 94 residential units mixing full-ownership with quarter-ownership opportunities that Lochhead is branding as “eco-ownership.”

“You can afford to buy a resort condominium in a wonderful place, but because you’re sensitive to your footprint on the earth, you’ll only buy a quarter,” he explained. Quarter shares, of course, are also more profitable for a developer.

The attitude meshes with the local district’s planning priorities. Ucluelet recently won recognition as “most sustainable community” at the International Awards for Liveable Communities in Hangzhou, China, and also received a gold certificate for its official community plan.

But Felice Mazzoni, planning director for the district of Ucluelet, knows that awards have to be backed up by hard work. The district’s recent awards are the product of years of give-and-take with developers such as Loof-Koehler, and now the recognition is raising expectations among local residents.

“They’re becoming more educated,” Mazzoni said of locals. “They want more transparency from the district and the developer.”

To address some of the concerns, the district is adding a section devoted to planning issues on its website, and implementing a development checklist that will provide an easy means of tracking what developers have done and must do in the course of any given development project.

Duke says the changes reflect the outcome of battles Marine Drive waged with the municipality in the initial stages of planning the Wyndansea project.

“One of the reasons they’re winning awards is because they’re asking developers to look at sustainable alternatives,” Duke said. “That’s what we were pushing for at Marine Drive Properties in the first place.”

Tofino

An aging service infrastructure threatens to spoil the lure of the coast’s pristine environment, however.

When government funds were made available in the mid-1990s to upgrade local systems, Ucluelet made the investments to support the handful of fish plants still operating. Tofino, however, deferred the investment. A water shortage last summer highlighted the disadvantage at which those decisions have placed the community.

Water supplies to the community were cut off for several days, with a backup reservoir tapped for water supplies directed exclusively to businesses serving tourists. The tourists themselves, who number well in excess of 15,000 on the peak holiday weekends, were nevertheless urged to stay away to avoid burdening the supply.

A new \$5 million reservoir expansion completed a month later, but with new construction in the community totalling \$20 million annually, the reservoir arrived too late to keep up with the demand.

A further increase to reservoir capacity is planned this year, with the help of provincial funding, which will help the community serve new businesses seeking to set up in the district, including the 44-unit Longboard Resort, the Shore and two others.

A similar situation faces Tofino's sewage system. Waste is currently poured into a conveniently located tidal stream that whisks the sewage into the Pacific, a system Tofino clerk administrator Leif Peterson said is efficient but which hardly lives up to the district's environment-friendly reputation.

"The image of Tofino is a green place, and we want to maintain that image," he said. "We're looking at it as serving future needs, as well as providing the proper image."

The treatment plant could be built by 2012. Original estimates peg the cost at \$11 million, but the cost could top \$15 million by the time it completes.

Ucluelet is luckier. It invested \$8 million in its waterworks in the 1990s, and while current development is prompting the district to consider establishing new pressure zones to accommodate the \$800 million in development projects ongoing in the community, it hasn't run into the difficulties Tofino has. The challenge now is to ensure the existing infrastructure meets the demands of the future.

This will require financing, something Ucluelet plans to accomplish through the first increase the district has made in over a decade to its development cost charges. The current policy, which passed third reading in March, calls for increases of between 165 per cent to 280 per cent relative to current charges.

High DCCs supported

Commercial accommodation, such as hotels, will see the most dramatic increase, with charges poised to reach \$5,617 a unit from a current level of \$2,000 a unit.

The move makes sense to Stephen Duke. "Ucluelet's in a unique position to capture a lot of tax base, primarily from second home owners, which is really high tax and low impact on services. So they're exporting a lot of their tax burden to non-residents," Duke said. "Those will pay for a lot of the infrastructure growth and development that needs to happen."