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# Ladysmith thinks big

## Seven-phase harbour project includes hotel, restaurant, marina

**Rob Shaw**
Times Colonist

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LADYSMITH -- A consortium of B.C. developers unveiled controversial plans Thursday to transform Ladysmith's polluted harbour from a mess of weeds and industrial garbage into a $300-million sprawling marina, hotel, residential and commercial village.

CREDIT: Darren Stone, Times Colonist

Ladysmith Mayor Rob Hutchins scoops up coal from Slag Point on the waterfront, where a 94-acre section of the area is being proposed for development.

The seven-phase plan, stretching into 2015, would build up 94 acres of waterfront town and provincial land -- almost everything on the east side of the Trans-Canada Highway between the Transfer Beach park and fishermen's wharf.

However, one strip remains private land, which would have to be acquired in the future.

The developer, Vancouver-based First Principles Development Group Ltd., wants to build: a 130-room hotel, 120-seat restaurant, 500 residential units, a 400-ship marina, a senior's centre, commercial village and 200-seat conference centre on the harbour.

It would pre-sell residential units to help finance the project, the company said. The hotel, which was called the cornerstone of the development, could be built by 2010.

"It's a lot of change for Ladysmith," said Mike McDonald, a Ladysmith businessman and development team member. "But we believe it's positive change."

Developers will offer $1 million for a marketing campaign and create more than 100 full-time jobs.

They will also clean up coal and heavy metals from the harbour, which could cost as much as $9 million, according to a 2005 report. McDonald said cleanup could even approach $30 million.

But it all came with a heavy dose of skepticism from more than 300 people in the audience at Ladysmith Secondary School.

The developers would not reveal how much money they are prepared to spend to buy or lease the town and provincial land, calling the information confidential. Hearing this, many in the audience started to boo.

The developers propose turning part of Transfer Beach park into housing and a hotel. The park is one of the bestknown Ladysmith landmarks, which one man in the audience called

"our playground."

A new section of the park would be built out of a cleaned-up dump of what developers admit is currently 2 million tonnes of waste coal. The deal would add 10.32 acres of total park, which more than compensates for housing in the area, the company said.

"I don't see the advantage to the people of Ladysmith," one local resident told developers during a question-and-answer session. The audience broke out in applause.

A committee of 30 people will review the proposal at a public meeting Saturday. Council will make a decision by the end of July, Mayor Rob Hutchins said.

The timeline prompted one member of the audience to exclaim, "Wow, that's fast."

Hutchins said: "If there's room for negotiations to tweak it, fix it, make it more accessible to the community then that's what we're going to do."

This is at least the third time Ladysmith has tried to develop the waterfront. The previous two attempts failed when the funding and agreements collapsed.

First Principles Development Group was the only company on a six-developer short list to give an actual proposal to the town in May.

The Ladysmith project represents one of the first bids for the relatively new consortium.

One of its principals is John Haibeck, whose ventures include trying to develop passenger rail service from Vancouver to Whistler and pushing a controversial $80-million exclusive hotel boutique through local opposition at Nita Lake near Whistler. Although Haibeck lost a court ruling on building the Nita Lake Lodge,

the provincial government invoked a rarely used law to overrule the court and allow the project to proceed in 2004.

Other group members include Kristi Wells, who unsuccessfully ran for mayor of Whistler in 2005, and Don Redden, a local developer.

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