

## NEWS RELEASE

Distributed May 7, 2015

### **City, Seaspan and Southern Rail enter into MOU**

*MOU a key step in redevelopment of 1 Port Drive*

#### **Summary**

The City of Nanaimo, Seaspan Ferries Corporation (SFC) and Southern Railway of Vancouver Island Limited (SVI) are pleased to announce that they have entered into a Memorandum of Understanding (MOU) to set out a process to move towards a partial discharge of the existing SFC right-of-way on City owned property at 1 Port Drive.

*Strategic Link:* Waterfront Enhancement, Transportation and Mobility, Taking Responsibility

#### **Key Points**

- The MOU confirms SFC's plans to relocate to Duke Point in 2017 and their ability to return up to 9.3 acres of land and water to the City of Nanaimo.
- The MOU indicates that the City will need to compensate SFC for the value of the portion of the right-of-way that will be returned to the City. A professional appraiser will be hired to arrive at a value to form the basis for negotiations.
- Prior to the discharge of the existing SFC right-of-way, a new right-of-way in favour of SVI will be granted by the City to ensure the long term viability of rail on Vancouver Island.
- The three parties anticipate a formalized deal by the end of 2015.

#### **Quotes**

"I'm very pleased to announce today that the City of Nanaimo, Seaspan and Southern Rail have come together to work collaboratively to unlock this important waterfront property. Given the complexity that can sometimes accompany initiatives like this one, I am encouraged at the speed by which important steps forward are now being taken."

Bill McKay  
Mayor  
City of Nanaimo

#### **Quick Facts**

- 1 Port Drive was acquired by the City of Nanaimo in 2013 for \$3,400,000.
- 1 Port Drive is 26.7 acres in size. The existing SFC right-of-way covers roughly 15.5 acres of the City owned property.

Continued... City, Seaspn and Southern Rail enter into MOU

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