



The Waterfront Protection Coalition

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FINANCIAL IMPACT ASSESSMENT DOCK MANAGEMENT PLAN



The following assessment of the financial implications of introduction of the draft proposed Dock Management Plan (DMP) is intended to relate only to the existing residential dock systems that are in shíshálh swiya area. It does not include any impacts to commercial docks or properties.

This assessment is based upon these criteria and assumptions, all of which have been influenced with professional input:

- The total number of residential dock systems within shíshálh swiya area is 1,305.
- The total number of residential boathouses within shíshálh swiya area is 331.
- The average current value of a residential property with a dock system (before any deduction related to the implications of the Dock Management Plan) is estimated at \$1.738M. This amount is based on MLS data and realtor input for all waterfront homes with private moorage that have sold in the last four years in shíshálh swiya area.
- The percentage of properties that will not be allowed to replace dock systems due to lack of depth near enough to shore to satisfy clearance under dock elements and maximum allowable dock length is 35%. Therefore only 848 of the existing 1,305 docks will be able to be replaced. It is estimated that half (424) of those replacements will be able to have a float comparable in size to the existing float, and half (424) will suffer significant reduction in size.
- The anticipated reduction in value of such properties if a replacement float of only 30 square meters replaces an existing larger float is 15%.
- The anticipated reduction in value of such properties if no replacement dock is allowed to be constructed is 35%.
- The estimated average cost of removal, destruction and disposal of existing dock elements as would be required (possibly only a float; but a pier, ramp, floats and anchors/chains/pilings also possible) is \$25,000 for ocean, and \$12,500 for freshwater docks (not including any fees, studies, reports, archeological or environmental work, etc.).
- The estimated average cost of removal, destruction and disposal of an existing boat house is \$40,000 for ocean, and \$20,000 for freshwater docks (not including any fees, studies, reports, archeological or environmental work, etc.).
- The estimated average cost of replacement of existing dock elements in compliance with the proposed criteria (may be just a float; or may require a new pier, ramp, float and pilings in a vastly different location than the original dock system) is \$82,000 for ocean and \$41,000 for freshwater docks (not including any fees, studies, reports, archeological or environmental work, etc.).

Over a half a billion dollars in residential impacts alone:

The financial impacts for individual residents were calculated for both freshwater and ocean within shíshálh swiya. The following estimates of docks and boathouses are from existing professional reports, physical counting, and aerial imagery investigation. Given that the shíshálh swiya area has an estimated 1,305 docks and 331 boathouses, the total financial impact for residential dock owners if the proposed Dock Management Plan is implemented will be **approximately 573 million dollars**. This does not include any consideration for commercial dock facilities, or for contingent future losses to local SCRD businesses in the affected area and beyond. The reduction of commercial dock space will also negatively impact tourism as many boating visitors will not be able to be accommodated.

FINANCIAL IMPACT ASSESSMENT

Proposed shíshálh swiya Dock Management Plan

Total Homes Affected by the DMP:

Ocean Properties	Docks	Boathouses	Average Home Value
Pender Harbour	326	105	\$2,000,000.00
Secret Cove	74	28	\$2,000,000.00
Nelson and Hardy Islands	105	1	\$1,500,000.00
Egmont and Jervis area	37	6	\$1,500,000.00
Halfmoon Bay	34	2	\$1,400,000.00
Porpoise Bay	5	0	\$2,000,000.00
other areas ocean	20	0	\$1,500,000.00
Blended average home value	601		\$1,830,000.00

Lake Properties	Docks	Boathouses	Average Home Value
Sakinaw Lake	492	166	\$1,800,000.00
Ruby Lake	116	23	\$1,500,000.00
Other freshwater lakes	96	0	\$1,200,000.00
Blended average home value	704		\$1,660,000.00

Financial Impact Assessment:

Description	Quantity	Applicable %	Unit Cost	Total Cost
Ocean Residential Properties				
Removal of existing dock elements	601		\$25,000.00	\$15,025,000.00
Removal of existing boathouses	142		\$40,000.00	\$5,680,000.00
Removal/disposal of Creosote pilings	909		\$2,000.00	\$1,818,000.00
Replacement of dock elements	391	65%	\$82,000.00	\$20,840,300.00
Permit/Arch/Enviro/Fees - removal	601		\$10,000.00	\$6,010,000.00
Permit/Arch/Enviro/Fees - replace	391		\$30,000.00	\$11,730,000.00
Upland real estate value reductions:				
No replacement dock possible	210	35%	\$1,830,000.00	\$134,505,000.00
Only smaller replacement dock possible	90	15%	\$1,830,000.00	\$24,705,000.00
Lake Residential Properties				
Removal of existing dock elements	704		\$12,500.00	\$8,800,000.00
Removal of existing boathouses	189		\$20,000.00	\$3,780,000.00
Replacement of dock elements	458	65%	\$41,000.00	\$12,205,000.00
Permit/Arch/Environmental Assessment Fees	704		\$20,000.00	\$14,080,000.00
Upland real estate value reductions:				
No replacement dock possible	457	35%	\$1,660,000.00	\$265,517,000.00
Only smaller replacement dock possible	196	15%	\$1,660,000.00	\$48,804,000.00
Financial Cost Total				\$573,500,000.00

Exclusions:

- This assessment is purely for monetary impact only. No consideration is given for contingent negative impacts to local tradition, personal livelihood, local commerce, quiet enjoyment of private property, depreciated family recreational opportunity, personal hardship and anxiety associated with the process, nor the affected communities in general.
- Nor has consideration been given to the diminished value of residents' boats or costs associated with the disposal of resident boats in a flooded market should moorage be curtailed. This will become an increasing population of homeless boats and boathouses that will be put to anchor & become derelict, adding to an already existing provincial problem.
- This assessment does not address the substantial environmental and archeological damage inevitable through the removal of existing dock systems and the replacement works. These disruptions cannot be valued in dollars.
- We are excluding consideration for the residents who simply do not have the financial resources to pay for the removal of their existing non-compliant dock facilities.

Feasibility of Implementation of the proposed DMP:

Since 1,305 shíshálh swiya residential dock systems will require substantial work in removing existing dock elements, and then production and installation of new dock elements, sincere consideration must be given to the resources required to undertake these tasks, exacerbated by a relatively brief period. When commercial facilities are also considered, this concern amplifies greatly. Consider: Secret Cove has 74 residential docks, but currently is home to more than 300 commercial tenants.

No doubt the total number of affected docks exceeds 2,000, and the negative financial impact when commercial facilities are included would exceed 1 Billion dollars. The further economic impact when contingent business losses are considered would be much more.

Currently the resources to satisfy these tasks simply do not exist. How and where these resources would be developed in the required time frame is not easily answered. Certainly, unless these activities are spread over decades, this process would be extremely disruptive at best, but more likely just not feasible in realistic terms.