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# TIMES COLONIST

A DIVISION OF POSTMEDIA NETWORK INC.

Friday, October 15, 2010

Victoria, British Columbia

High 13. Details, C6



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## Old Town proposal offers new life for old buildings



An architect's model shows a waterside view of a proposal for the lands occupied by the Northern Junk buildings in the Old Town section of Victoria. Developers envision a five-storey residential and retail complex for the site.

### Condo-retail development planned for Northern Junk site

CARLA WILSON  
Times Colonist

After decades of neglect, the derelict Northern Junk buildings are finally in line for restoration as part of a plan for a five-storey condominium and retail building with public space next to the Johnson Street Bridge.

"What we are really doing is inviting the public back on to the water," said John Stovell, president of Vancouver's Reliance Properties.

The \$25-million proposal on the western edge of Old Town would see Reliance buy city land next to the two Northern Junk warehouses, which were built in the 1860s. That would make room for a new 48-unit building with a contemporary design. The land consolidation includes reconfiguring the Wharf Street site and features a plaza, steps down to the existing marina, public paths and extending the waterfront walkway to the bridge.

But heritage advocate Victoria Coun. Pamela Madoff said more work needs to be done on the proposal before it would fit into the city's historic area, especially given its prominent location.

Reliance announced early this year that it had purchased the sloping Northern Junk property, totalling 16,000 square feet,



AERIAL PHOTO PLAN, MERRICK ARCHITECTURE

from Clara Kramer for \$1.5 million. Victoria had stepped in earlier to save the buildings when they were threatened with demolition.

The proposal will be vetted through city committees and needs rezoning approval. No public hearing date has been set. The developer is also seeking heritage building restoration grant money.

Victoria citizens vote Nov. 20 on whether to replace the Johnson Street Bridge. The Northern Junk project could go ahead regardless of whether the bridge is repaired or replaced, or whether it includes a section for rail, Stovell said. It may be possible to incorporate a station for rail on the ground floor of the new building, he said.

Under the plan, the two heritage buildings would be

repaired, and could be linked by a glass structure.

They are built of brick and stone rubble, which may have been used as ballast in ships. Final use still has to be decided, but it could be retail, a restaurant or include residential units, said the developer.

Victoria council voted to sell neighbouring city land, including a traffic island, at fair market value to the developer provided rezoning is approved and other municipal requirements are met. City land would add 32,000 square feet to the site.

The new building features a contemporary design with glass facing the water, and a curved glass and brick exterior on the Old Town side. It would exceed that area's height guidelines by 3.5 metres.

Its ground floor would have extra-high ceilings to reflect neighbouring Old Town and would be topped by four storeys of mid-priced condominiums. Condo prices have not been set, Stovell said.

Rezoning approval would lead to work beginning right away on the old buildings, while the start of condo construction depends on the state of the real estate market, Stovell said.

Plans call for 38 of the units to be two-bedrooms with a den, with an average size of 1,030 square feet, he said.

Merrick's plans state the site was designed to be pedestrian friendly, create a buffer from the street, and link to nearby Rees Park. There would be about 14,745 square feet of public space, up from the current 10,870 square feet.

Madoff said height is just one issue and has offered to meet with the developer for further discussion on the area's design principles and urban plans. Unlike plans for the new building, existing Old Town buildings are not curved. "Getting it right is really important," she said.

This development should help knit the old part of the city back together where it has become fragmented. For those entering the city from the bridge, this is the "first building you'll see," Madoff said. "It sets the tone."

Robert Randall, chairman of the Downtown Residents Association, said members like the idea of restoring the old buildings, adding something new to the area, and welcome residential use. They want to make sure new residents realize that they are on a working harbour, which can be noisy, and they would not support a nightclub in the buildings. Stovell said a conventional nightclub is not in any plans.

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> More images of proposal, B1

## Driver late, so two children ordered off bus

Transit spokeswoman says incident should never have happened

BILL CLEVERLEY  
Times Colonist

A B.C. Transit driver will be disciplined after two children were ordered off a bus at a busy Saanich intersection because he was running late.

Kat Rainsberry said she was appalled when her 11-year-old son, C.J., called from his cellphone at the corner of Quadra Street and McKenzie Avenue when he was supposed to be on his way to school. The driver of the Route 17 Cedar Hill School Special had told C.J. and another passenger he was too late to finish his route, she said.

"I was just shocked. I couldn't believe it," said Rainsberry. "To me this is a safety issue. I'm trusting that when I put my son on the bus that it's going to go where it says it's going to go, particularly when it's this route which has no other buses coming. "It's only one bus and it's for the middle school, which has Grades 6 to 8. These are not teenagers. These are young kids."

C.J., who is in Grade 6, usually catches the bus at the corner of Rogers Avenue and Douglas Street in the Lakehill area every day at 8:09 a.m. The overload service is laid on for students of Cedar Hill Middle School.

Yesterday, C.J. called at 8:15 a.m. to tell his mother the bus had not arrived. She was relieved when he called back at 8:20 to advise he was on his way, but a few minutes later he called to say he and the other passenger had been told to get off.

His mother passed on instructions to help C.J. catch another bus, then called B.C. Transit. "The person on the other end of the phone was equally shocked and suggested it should have been handled differently if there was a problem.

"At the end of the conversation, she said I would hear back from a transit supervisor, but it would take seven to 10 business days."

After hanging up, Rainsberry thought that was not good enough. "I'm sup-



DEBRA BRASH, TIMES COLONIST  
Kat Rainsberry with her son C.J., 11, complained to B.C. Transit after C.J. was ordered off a bus because the driver was late.

posed to put my son back on the bus again tomorrow morning. I need for this to be at least acknowledged and know that it's not going to happen again," she said.

She called Transit back. Another person told her he would mark the complaint urgent but could offer no guarantee that she would hear back any sooner.

Joanna Morton, spokeswoman for B.C. Transit, confirmed the incident. She said it should never have happened. "It wasn't the right course of action. Safety and customer service are our top priority here at B.C. Transit and the driver didn't take either of those into consideration," said Morton. "He has been spoken to. He will be disciplined under our performance management program."

Morton said the driver was running 25 minutes late and radioed in to say he would continue to the school. He subsequently changed his mind. The driver advised his two passengers which bus to catch, Morton said.

B.C. Transit was trying to contact Rainsberry to apologize, said Morton.

"And we apologize to the kids who were on that bus. It's never been a problem for us and we certainly don't intend to have that happen again," she said. [bcleverley@timescolonist.com](mailto:bcleverley@timescolonist.com)

### Metchosin cell tower war heats up

Metchosin Mayor John Ranns says the site Telus has targeted for a proposed cell tower on Rocky Point Road is not acceptable. Telus spokesman Shawn

Hall says if the municipality cannot come up with an alternative, the company would erect a tower on the site whether council liked it or not. Details, page A4

# BUSINESS



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## FROM A1: NORTHERN JUNK PROPOSAL



Victoria city council will consider a proposal from Vancouver's Reliance Properties that could bring new life to a neglected corner of downtown Victoria.

From top: Architect's drawing shows how a new residential and retail building will look from an Inner Harbour pathway.

Interior view shows the existing condition of one of the two Northern Junk buildings on the site. The buildings, built in the 1860s, are to be restored.

Architect's drawing illustrates how the developers envision the project will appear from the Johnson Street Bridge.

A model of the new residential building shows how the project will look from Wharf Street.

IMAGES COURTESY MERRICK ARCHITECTURE BOROWSKI SAKUMOTO FLUGG LTD



## Foundation weak for rising loonie

U.S. dollar slides, bringing it to near-parity with Canadian dollar

JOHN MORRISSY  
Financial Post

OTTAWA — Analysts are calling the Canadian dollar's brief brush with parity a trip through the looking glass, one driven by a kind of Mad Hatter's tea party south of the border and not by any sound financial underpinnings.

"It's being driven by U.S. efforts to export its years of profligacy to its trading partners and blame everyone else in a process engineered through debasement of the greenback," said Derek Holt, economist at Scotia Capital.

"That is also sparking flows out of the U.S. dollar into commodities that in turn reinforce strength in commodity-related foreign-exchange crosses like the Canadian dollar."

For the first time since April, the loonie traded at or above par with the U.S. dollar at about 11 a.m. PT. It reached as high as \$1.0019 US earlier in the morning. The Canadian dollar slipped back below par after trade figures were released at 11:30 a.m. and closed down 12 basis points at 99.40 cents US.

But this time is different from the last run at parity, which was fuelled by Canada's strong fiscal position, outperforming domestic fundamentals, expectations for Bank of Canada interest rate hikes and bullish investor sentiment, said

Scotia Capital chief currency strategist Camilla Sutton. "Strength in the Canadian dollar is a U.S. dollar story, not a Canadian dollar story," she wrote in a commentary. "This most recent move has actually been on the back of weakening Canadian-dollar fundamentals."

The U.S. dollar's unrelenting slide has been driven by mounting expectations that the U.S. Federal Reserve will soon pump massive amounts of money into its economy, through a measure known as quantitative easing, which effectively dilutes the value of the dollar.

Although the U.S. gives frequent lip service to its "strong-dollar" policy, countries like China, which have large U.S.-dollar holdings, have voiced concerns about U.S. actions which appear to contradict that.

Holt and Sutton warned in strong terms of potential unexpected consequences as the U.S. and other countries, such as Japan, all try to drive their currencies lower in order to boost exports.

Sutton said the U.S. dollar has further to fall and could easily slip another three per cent to mirror its lows of 2009.

"The violence of the move, which teeters on disorderly, combined with the [price] levels will be what worries global policy-makers," said Sutton.

## Carmanah could save \$1 million on acquisition

ANDREW A. DUFFY  
Times Colonist

A Victoria company is cheering for the Canadian dollar as it flirts with parity to the U.S. greenback.

As it stood with the loonie closing at 99.4 cents US yesterday, Carmanah Technologies Corp. would save more than \$1 million on the purchase price of an Israeli company that manufactures components for LED lighting. "Right at this moment the dollar is helping us quite a bit," said Ted Lattimore, Carmanah's CEO. "It's a wonderful situation if it holds."

Carmanah doesn't feel the pain or enjoy any kind of break because of currency fluctuations. All of its costs are in U.S. dollars as are the vast majority of its sales. But Lattimore said because Carmanah is raising \$18.5 million US to buy Lightech Electronic Industries with Carmanah shares — which are on the Toronto Stock Exchange in Canadian dollars — every increase in the loonie means savings in the takeover deal.

For every cent the loonie rises against the greenback Carmanah saves \$200,000 in that transaction. "In the time since we first became seriously interested in Lightech, we could have saved more than \$1 million by the way the Canadian dollar has gotten so strong," Lattimore said.

However, the deal is not complete and the money has not yet been raised, meaning Carmanah isn't sure what it will save or lose due to the currency situation. Lattimore said it could be a few weeks or as long as until the end of the year before the deal is done.

"We determined we were going to purchase Lightech when the Canadian dollar was around 95 cents US; it has to go way down below that 95 cent level and beyond before we're into bad news area."

Lightech shareholders will receive 8.6 million Carmanah common shares worth about \$6.2 million and \$12.3 million in cash. Shares in Carmanah (TSX: CMH) closed down \$0.01 at 67 cents yesterday. [aduffy@timescolonist.com](mailto:aduffy@timescolonist.com)