



**TIDAL HARMONY HOLDINGS LTD.,  
Rezoning Amendment Application**

File #|3-D-16RZ CVRD Rezoning Amendment Bylaw 1015



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## 1.0 Introduction

This application is submitted on behalf of Tidal Harmony Holdings Ltd. (Tidal). Tidal holds a number of provincial leases in the area of what is commonly referred to as the “Westcan Terminal” (Terminal) and is a wholly-owned subsidiary of Western Stevedoring Company Limited (Western). Bayshore Planning Services Inc. is acting as the agent on this application on behalf of Tidal, which in turn has sub-lease agreements with Western Stevedoring, Pacific Industrial Marine Ltd. (PIM), Falt Towing and Western Canada Marine Response Corporation (WCMRC). This report has been prepared to support Tidal’s Rezoning Amendment Application - File # 3-D-16RZ.

The Cowichan Valley Regional District (CVRD) informed Tidal in 2016 that some of the current uses on the Terminal may not be consistent with the CVRD’s Zoning Bylaw 1015 (Bylaw 1015), which was adopted in 1986 and amended from time to time. As there have been a number of changes in the Terminal operation since adoption of the original Bylaw, Tidal has recently conducted a review of operations at the Terminal.

This application seeks to amend provisions of Bylaw 1015 (I-3) Zone (Transportation Based Industrial) and to introduce a new site-specific Transportation Based Industrial Zone (I3-A) that would permit manufacturing (assembly). This zoning would also preserve the activities of Falt Towing and permit Western Canada Marine Recovery’s storage of marine spill recovery equipment.

The intent of the I3-A Zone is to accommodate PIM’s low-impact assembly/manufacturing activity that has been occurring at the site since 1990. This is consistent with the *Cowichan Estuary Environmental Management Plan* (CEEMP), which is the dominant legal instrument governing the Cowichan Bay area. The CEEMP has designated the Terminal area for Industrial and Commercial use. The proposed I3-A Zone would also be consistent with the 2013 *Official Community Plan* (OCP) for Area D - Cowichan Bay that designates the Terminal for Marine Industrial uses.

PIM is a significant employer in the Cowichan Valley, providing approximately 50 well-paying, stable jobs in the Cowichan Valley. We seek the support of the CVRD Board to amend the current zoning to provide certainty that PIM’s business can continue at the Terminal.

## 2.0 Historical Context

In 1984, The Province of BC acquired the abandoned CNR right of way and in 1989 the property was leased for a period of 50 years to Tidal Harmony Holdings Ltd. In 2003, Western Stevedoring acquired Westcan and became the owner of Tidal. The Terminal continues to be used for as a deep sea port and for marine industrial uses.

### 3.0 Current Uses of the Site

The subject property is an industrially zoned parcel which builds marine access structures such as docks and bridges as well as all aspects of cargo handling. While the 2013 Official Community Plan (OCP) allows marine industrial uses at the Terminal, the specific I-3 zoning does not specify manufacturing being a permitted use.

**Figure 1. Site map below shows the subject property location.**



The provincial leases require that Tidal make reasonable and diligent use of the land for the purposes permitted under the lease. Lease 103107 states as follows, “The lessee shall use the Land only for the purpose of commercial and industrial uses including without limiting the generality of the foregoing, cargo assembly, storage and handling, and port related activities.” The marine fabrication and assembly activities of PIM are commonly carried out in ports around the world and are considered port-related activities as they require access to barging facilities.

The Terminal area is used for a number of functions and there are four business operations on site:

- Western Stevedoring – acquired Westcan Terminals (and therefore Tidal) in 2003.
- Falt Towing - in operation for almost 50 years.
- Pacific Industrial Marine (PIM) – in operation at the site since 1990.
- Western Canada Marine Response Corporation (WCMRC) – established a presence at the Terminal in 2016.

### **3.1 Western Stevedoring Operations**

The Terminal site serves as the headquarters of Western Stevedoring’s Vancouver Island operations, with an office and gear locker for use on vessels at all points on Vancouver Island. More than 250 Vancouver Island residents gain direct employment from the activity base at Cowichan Bay, which serves as a dispatch centre. The site is also still used for the storage of lumber, which departs the terminal on ocean-going barges to the mainland for trans load into shipping containers for ocean transport.

### **3.2 Falt Towing**

The Falt Towing operation has been located at the Cowichan Bay Terminal for 47 years and has a small footprint on the northeast corner of the main terminal. There are approximately 7 employees at Falt Towing. The area of operation on the Terminal will remain in the I-3 Zone.

### **3.3 Western Canada Marine Response Corporation (WCMRC)**

WCMRC has recently begun using the site and now stores various marine safety and spill recovery equipment at the Terminal. WCMRC is Transport Canada certified Response Organization with a mandate to ensure there is a state of preparedness in place to mitigate impacts if an oil spill occurs. This includes the protection of wildlife, economic and environmental sensitivities, as well as the safety of both the responders and the public. With the potential increase in activity within the regional marine basin, the Terminal in Cowichan Bay provides an effective location for a timely response in support of safety and environmental protection in the Strait of Georgia, Salish Sea and the Haro Strait. The area of operation on the Terminal will remain in the I-3 Zone.

### **3.4 Pacific Industrial Marine (PIM)**

PIM’s operation requires their area of operation at the Terminal will require rezoning to be a new I-3a Zone. This rezoning amendment is being requested as Cowichan Bay terminal has provided PIM with good accessibility to a deep sea port since 1990. PIM specializes in all aspects of marine and bridge construction and serves Vancouver Island and the west coast of British Columbia with expert quality manufacturing and service. The bridges and docks are often too large to be transported by road, making it essential for PIM to be located in Cowichan Bay’s deep sea port, which allows structures to be safely barged to their final

destination. The manufacturing facilities onsite include a steel fabrication shop and a pre-cast yard located at the south part of the Terminal. Painting and sandblasting are conducted in an enclosed area at the northern part of the yard.

A Summary of PIM’s client base is as follows:

**Table 1 – PIM’s client base**

<b>PIM Client Base</b>	
<b>Federal Government</b>	53%
<b>Provincial Government</b>	7%
<b>Harbour Authorities</b>	19%
<b>Municipal Governments</b>	1%
<b>Private Sector</b>	19%

The Terminal provides all lease holders with good accessibility to port facilities for moving finished goods to market. Various materials such as steel strapping, steel rods and timbers used in fabrication processes are stored on site. There is a metal shop at the southeast corner of the Terminal constructed on the footprint of a building that existed in the same location for similar purposes for many decades.

The tent structure in the northwest corner replaced an old shed, to allow safe and environmentally-responsible working conditions for staff. Within these structures, concrete floats and bridge components are fabricated for communities across Vancouver Island. The current structures can be compared to the 1989 lease document which shows the building footprints in the same location.

#### **4.0 The Proposal to Amend Zoning Bylaw 1015**

This application to amend the zoning bylaw will help the Terminal maintain its position as an economic driver in the Cowichan Valley and address community needs in the context of the OCP.

Amending Bylaw 1015 will optimize the industrial land base in Cowichan Bay by removing uses that are not compatible with the sensitive ecosystem and no longer relevant today or in the foreseeable future.

Highlights of the proposed re-zoning:

- Modification of the I-3 zone to remove onsite petroleum storage and the introduction of a site-specific I-3A zone designed to secure the continuation of PIM’s business operations.

- The W-7 water lease previously used for log storage will be re-designated for conservation purposes.
- A community amenity is being proposed in the form of a formalized trail that seeks to safely balance recreational and ecological reserve activities alongside the industrial access road that connects to the Terminal operations, subject to the provincial leases.
- Realignment of the southern dock entry will better protect eel grass.

**Figure 2. Highlights proposed changes in the Marine Industrial Zones:**



## 5.0 Policy Context

The proposal to amend the current zoning has taken into consideration foundational policies and the legal basis that guides land-use planning such as the 2013 OCP for Electoral Area D, the CVRD’s Economic Development Strategy and the CEEMP.

The Electoral Area D OCP supports a range of land use designations. The Marine Industrial (MI) designation is intended to accommodate marine industrial uses within the Plan Area. Marine

industrial uses contribute to the health of the local economy and provide living wage job opportunities to area residents.

The CVRD’s economic development strategy which promotes a strong local economy providing the foundation for a strong community where local employment provides opportunities for residents to work close to home

The CEEMP involved broad consultation and designated areas for the specific type of activities. Furthermore, the areas of the estuary which have been assigned a specific designation will be used to allow reasonable fulfillment of the potential each area offers for the activity indicated.

## **5.1 Proposed Zoning Amendment**

We are proposing to amend three specific zones and create a new zone within the subject property. We request that the existing I-3 zone be modified and a new site specific zone I-3A be created to explicitly allow for manufacturing and assembly. The same I-3 permitted uses would remain and be included in the I-3A. The only difference between the two zones is that the I-3A will include manufacturing and assembly, predominately for PIM’s marine transportation activities.

As part of the rezoning amendment application, we have reviewed the W-7 zoning that allows log storage. We propose to amend this zoning to W-1 (water conservation). This means future log storage will not be permitted in the current W-7 zone. The water leases will be reviewed if required as part of the rezoning process with the Ministry of Forests, Lands and Natural Resource Operations (FLNRO) and CEEMP committee.

The intent of this application is to essentially “downzone” the property by reducing the overall industrial footprint in the Cowichan estuary. Appendix A provides an Overview Map of Current and Proposed Zoning) and Appendix B provides a Site Plan of the Cowichan Bay Leases) and includes the following information:

- a. Boundaries of the current Provincial leases
- b. Boundaries of the current CVRD zoning
- c. Required setbacks/changes to the CVRD zoning

The size of the W-7 Water Industrial area has been reduced extensively and the portions to the west and south are now noted as W-1 Water Conservancy. The W-7 zoning preserves the access to the south end of the terminal (part of the often-mentioned provincial lease 103103 that is still in use by Tidal). The new I-3A designation will involve a review of the contours of the provincial leases to reflect the proposed activities. Please note access for Falt Towing must be assured through this rezoning process, as they are specified under the water lease at the north end of the terminal under the existing I-3 zone and in the lease area 103106. On the southern

side of the terminal, the adjustments suggested align with the access to the former chip loading site used by PIM to store equipment.

## 5.2 Permitted Uses in Existing I-3 Zoning

Some of the permitted uses in the current zoning are obsolete and do not reflect the current or anticipated future economic needs of operations on the Terminal. Please see below for the current zoning:

- **Existing Zoning I-3 - Transportation Based Industrial Description**

(a) Permitted Uses:

The following uses and no others are permitted in an I-3 zone:

- (1) Terminal facilities for automobile, truck and rail transportation of goods, materials and people, including storage facilities; and
- (2) Petroleum terminal facility, including storage facilities but excluding liquefied natural gas
- (3) One single family dwelling per parcel, accessory to a principle use permitted in Section 11.1 (a) (1) and (2)

(b) Conditions of Use:

- (1) the parcel coverage shall not exceed 20% of all buildings and structures;
- (2) the height of all buildings and structures shall not exceed 15.0 metres;
- (3) buildings and structures shall be located not less than 30 metres from all parcel lines;

- **Revised I-3 Zone would include the following permitted uses:**

- (1) Terminal facilities for automobile, truck and rail transportation of goods, materials and people, including storage facilities; and
- (2) Storage and operation of marine safety operations
- (3) Marine cargo assembly, storage and handling
- (4) Industrial road activity
- (5) One single family dwelling per parcel, accessory to a principle use permitted in Section 11.1 (a) (1) and (2)

The conditions of use would stay the same and would also be included in the proposed I3-A zone discussed below.

### 5.3 Proposed Site Specific - I3-A Zone:

It is proposed that a portion of the site be rezoned to accommodate PIM's fabrication/assembly operations. The proposed definition is outlined as follows:

- ***Proposed I-3 A Zone Transportation Based Industrial Designation***

*(a) Permitted Uses:*

The land should be used only for the purpose of commercial and industrial uses without limiting the generality of the foregoing support of port and marine related activities. The following shall be permitted in an I-3 A Zone:

- (1) Terminal facilities for automobile, truck, rail and marine (local and deep sea) transportation of goods, materials and people, including storage and laydown facilities for related tools, provisions and resources.*
- (2) Manufacturing, including the fabrication and assembly of floats, wharfs, and bridges;*
- (3) Storage and operation of marine safety operations*
- (4) Marine cargo assembly, storage and handling*
- (5) Industrial road activity*

*(b) Conditions of Use:*

- (1) The parcel coverage shall not exceed 20 % of all buildings and structure*
- (2) The height of all buildings and structures shall not exceed 15.0 metres*
- (3) Buildings and structures shall conform to applicable setback requirements.*

## 5.4 Amendments to Water Zoning

Currently, Part Twelve of Bylaw 1015 specifies permitted uses in water use zones. Tidal is proposing to amend the zoning from W-7 (Water Industrial) to W-1 (Water Conservancy). The water zone definitions are outlined as follows:

## 5.5 Definition of W-7 Zone – Water Industrial

### **(1) Principal Uses:**

The following principal uses and no others are permitted:

- (a) Environmental protection, restoration and enhancement;*
- (b) Environmental education;*
- (c) Boat building, repairs or sales;*
- (d) Log storage and handling;*

### **(2) Conditions of Use**

- (a) No building or structure shall exceed a height of 6.0 m;
- (b) The minimum setback for buildings and structures is 4.5 m from any parcel line abutting a public road and 3.0 m from all other parcel lines;

## 5.6 W-1 Zone - Water Conservancy

### **(1) Permitted Uses**

The following uses and no others are permitted in the W-1 Zone:

- (1) Activities directed towards environmental protection and habitat enhancement;
- (2) Passive recreational activities;
- (3) Management of a waterbody, lake or reservoir, by an improvement district, municipality or regional district for use as a community water supply; and
- (4) Non-commercial private wharf, dock or float.

### **(2) Conditions of Use**

For any parcel in the W-1 Zone:

- (1) No building or structure shall exceed a height of 4.0 metres;
- (2) No residential use of floats, piles or vessels of any kind is permitted.

**Table 2. Summary of permitted uses of proposed zoning amendments:**

<b>PROPOSED ZONING AMENDMENTS</b>				
<b>Remove</b>		<b>Create and Amend</b>		
<b><i>I-3 ZONE to REMOVE the current permitted use:</i></b>	<b><i>W-7 REMOVE: INDUSTRIAL Lease #103103</i></b>	<b><i>1-3 ZONE AMEND to permit the following uses:</i></b>	<b><i>1-3 A CREATE SITE SPECIFIC ZONE to permit Manufacturing/ Fabrication</i></b>	<b><i>W1 – ADD: WATER CONSERVATION Amend Lease # 103103</i></b>
1. Petroleum and liquefied natural gas terminal facility.  <b><i>*Intent is to remove the capacity from the terminal to bulk store petroleum for cargo shipments either by sea, road or rail.</i></b>	1. Current W-7 includes log storage and allows log booms to be stored in the estuary.	1. Terminal facilities for automobile, truck, rail and marine (local and deep sea) transportation of goods, materials and people, including storage and laydown facilities for related tools, provisions and resources.	1. Terminal facilities for automobile, truck, rail and marine (local and deep sea) transportation of goods, materials and people, including storage and laydown facilities for related tools, provisions and resources.	1. The W-7 water lease held by Tidal be replaced with the W-1 designation that will preserve the ecosystem. 2. Realign the South entrance around the dock area to provide further protection of established eel grass beds.
		2. Storage and operation of marine safety operations	<b><i>2. Fabrication and assembly, for example of floats, wharfs and bridges, etc.</i></b>	
		3. Marine cargo assembly, storage and handling	3. Storage and operation of marine safety operations	
		4. Industrial road activity	4. Marine cargo assembly, storage and handling	
		5. One single family dwelling per parcel, accessory to a principle use permitted in Section 11.1 (a) (1) and (2)	5. Industrial road activity	

## 5.7 Provincial Water Leases

There are six Crown leases that are relevant for this application: 103102, 103103, 103104, 103105, 103106, & 103107. We will engage with FLNRO as required during this rezoning process. See Appendix C for copies of the Crown leases.

## 6.0 Community Impacts of the Proposed Rezoning

Through rezoning, our goal is to preserve the ecological integrity of the Cowichan Valley estuary while maintaining secure employment opportunities. Many of PIM's contracts are with Provincial and Federal agencies that commission large engineered structures for marine infrastructure projects located on BC's west coast.

PIM's continued viability as a local employer is dependent on access to barging facilities that are provided at its current location at the Terminal. Relocation of PIM is not feasible. There is limited supply of industrial land with direct access to tide water in the Cowichan Valley.

There are considerable positive economic spin-offs in the local community from activities at the Terminal. The OCP's Marine Industrial (MI) designation is intended to accommodate marine industrial uses within the Plan Area. Marine industrial uses at the Terminal contribute to the health of the local economy and will preserve family-supporting job opportunities to area residents.

The businesses located at the Cowichan Bay terminal are valuable stewards of the Cowichan estuary. Western Stevedoring and PIM have the capacity to provide quick response to emergency situations which it does so on a frequent basis.

For example, PIM has carried out the following initiatives voluntarily:

- Frequent removal of derelict vessels in Cowichan Bay;
- Assistance / rescue of vessels in distress;
- Coordinated the removal of a deceased whale from the Bay;
- Responded to protection of wildlife and bird habitat in collaboration with BC Hydro;
- Donated time and resources to Community organizations such as CERCA and the Cowichan Marine Centre with regards infrastructure improvements around the estuary; such as, bridge and trail building;
- Worked with the Cowichan Tribes to reestablish Chinook salmon fry in the estuary.

## 7.0 Community Trail Building:

Western Stevedoring supports the community's vision to formalize trail access along the foreshore. Through the rezoning amendment process we plan to review the safety of recent structural installations and collaborate with stakeholders to provide safe public access to trails.

We plan to work in conjunction with the CVRD and FLNRO to review trail areas in the context of the existing tenures.

## **8.0 Planning Rationale for Rezoning**

The 2013 OCP for Electoral Area D (Cowichan Bay) designated the Terminal as Marine Industrial. Zoning Bylaw 1015 was adopted in 1986 and supports industrial activity at the Terminal. Some of the existing uses have changed since 1986. We believe the creation of a site-specific I-3A industrial zone will have less potential impact on the Cowichan Bay estuary. These amendments seek to preserve the environmental integrity of the estuary.

Western Stevedoring and PIM were part of the 2013 OCP review process and were operational at the Terminal at that time. We support the goals of the 2013 OCP as it is designed to strike a balance between environmental conservation and economic development. This application has taken into consideration the CEEMP and the CVRD's Electoral Area D's OCP goals, and how they pertain to the Marine Industrial Zone.

Approval of this application will see no substantive change in operations at the site. It will continue to be used primarily as a transportation hub with limited site-specific manufacturing (fabrication/assembly).

The proposed rezoning amendment will not adversely impact the environmentally sensitive area, and the current businesses have policies and procedures in place designed to reflect best management practices. Western Stevedoring is intending to engage with the community on the proposed rezoning application.

Our overall goal is to amend the zoning bylaw to recognize the current uses on site at PIM, which have been ongoing for the past 27 years. The approval of this application will secure job opportunities for 50 employees and their families. Protecting these jobs is the catalyst for Tidal to apply to amend the current zoning. Without support from the CVRD, 50 families are at risk of losing their livelihood. PIM provides long-term skilled jobs for local families that provide direct and indirect economic benefits to local businesses in Cowichan Bay and the Duncan area.

## **9.0 Environmental Implications**

We expect no adverse environmental implications from amending the current zoning to permit manufacturing to occur on site. We have contracted Enviro-Chem to conduct an environmental audit of the site.

As with other properties in the area potable water is trucked in and we have properly maintained sewage systems on site. The majority of the site is paved with asphalt and concrete and there is an oil water separator on site to control surface water runoff.

Changes in the river channel over the last 30 years that have resulted in eel grass being re-established in the vicinity of the Terminal. Furthermore, this rezoning application includes realigning the entrance around the southern part of the dock area to provide further protection of established eel grass beds.

## 10.0 Summary

This application is in the name of Tidal Harmony Holdings Ltd.. Tidal holds the Provincial leases in the area and is a wholly-owned subsidiary of Western Stevedoring Company Limited.

Western Stevedoring has a strong working relationship with long-term lease holders at the Cowichan Bay Terminal. Our goal is to support these businesses as they complement the type of operations we wish to accommodate at the site.

The CVRD notified Western Stevedoring in 2016 that some of the uses on site were not consistent with the CVRD's Zoning Bylaw 1015, which was adopted in 1986. As there have been many changes at the Terminal since adoption of the original Bylaw, Tidal has reviewed its operations at the Terminal and has proposed amendments to the I-3 zone. Through the rezoning process we intend to respond to comments from various agencies and members of the public.

All operators on site, including PIM and their 50 employees and Western Stevedoring, are proud of their environmental management practices and community contributions in the form of employment opportunities and stewardship of the Cowichan Bay Estuary.

Through the rezoning process and collaboration with local stakeholder groups, we are proposing a sustainable approach to retaining local jobs, continuing to be active stewards of Cowichan Bay and supporting safe, accessible trails that will benefit the local community.

If you have any questions or comments regarding the attached Rezoning Amendment Application, please contact Sharon Horsburgh at 250.710.0238 or shorsburgh6@gmail.com.

## **Appendix A. Overview Map- Current and Proposed Zoning**

## **Appendix B. Site Plan-Cowichan Bay Leases**

## **Appendix C. Provincial Water Leases**