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**REPORT TO PORT RENFREW UTILITY SERVICES COMMITTEE
MEETING OF THURSDAY 18 JUNE 2009**

**SUBJECT PORT RENFREW WATER SERVICE AREA – TIMBERWEST FOREST COMPANY
REQUEST FOR INCLUSION**

PURPOSE

To present to the Port Renfrew Utility Service Committee, information, alternatives and a recommendation regarding a request by TimberWest Forest Company, for inclusion in the water service area.

BACKGROUND

On 31 October 2008, a letter from TimberWest Forest Corporation (TimberWest) was received by Capital Regional District (CRD) staff requesting inclusion of 62 acres of industrial land (Sec. 6, SW 1/4, TP. 10, Renfrew District; PID 009-555-684) into the water service area of Port Renfrew (Attachment 1). Several brief informational meetings followed between the applicant and staff. CRD staff were contacted again in April 2009 which initiated a renewal of the request (Attachment 2), at which time TimberWest was asked to detail what contributions they would be offering the community in exchange for inclusion in the water service area.

TimberWest contends that they have satisfied their contribution commitments to the community by granting a Statutory Right of Way over their lands to permit the construction of a new water line and a newly developed well, eventually tying into the community's water system on Parkinson Road. These works would be performed under the Three Point Properties Ltd. Phase 1 water works.

CRD staff have requested a concept plan, to assess community impacts and consistency with the Official Community Plan and Land Use Bylaw (Attachment 3). The concept plan will form the basis of discussion regarding a possible covenant on land use for the purpose of determining appropriate cash or in-kind compensation for connection to the water system and inclusion in the water service area.

ALTERNATIVES

1. That the Port Renfrew Utility Services Committee receive this report for information.
2. That the Port Renfrew Utility Services Committee receive this report for information and direct staff to invite TimberWest Forest Corp. to the next committee meeting to address the community with their request.

FINANCIAL IMPLICATIONS

The inclusion of the TimberWest properties would marginally increase the tax base for the service, partially decreasing the individual parcel tax and user fee levels. An actual value for community contribution has not been calculated for the TimberWest request for inclusion as the proposed use of the land has not yet been determined. There is no anticipated negative financial implication to the community

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should TimberWest be included in the service area. There would be costs incurred to have the extension bylaw of the service area written and approved, but that cost should be borne by the applicant and not the community.

SUMMARY

Inclusion into a utility service should provide a direct benefit to the community in consideration of the value of the assets of the utility service, for which existing participants have previously paid. Based on the response by TimberWest to a request by the CRD for a description of proposed land use, the CRD will establish a required level of cash or in-kind compensation for capacity in the water system, and may also impose a restrictive covenant to reflect the proposed use of the land should it be included in the water service area.

RECOMMENDATION

That the Port Renfrew Utility Services Committee receive this report for information.



Gary Plevin, ASCT
Engineering Technician 5

GP:ls
Attachments: 3



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Capital Regional District
Environmental Services
Operations and Local Services
P.O. Box 1000, Victoria, B.C.
V8W 2S6

October 31, 2008

Ph: 250-360-3099
Cell: 250-478-0624
E-mail: ghendrens@crd.bc.ca

Attn: Mr. Gary Hendren
Engineering Coordinator

Further to our recent telephone discussion, please accept this letter as an official request from TimberWest Forest Company, a partnership of TimberWest Forest Corp. and TimberWest Forest Holdings Ltd. (TimberWest), to have Sec.6: SW1/4, Tp.10, Renfrew District (PID 009-555-684) included into the local water services area of Port Renfrew.

This land is currently zoned Industrial and is within the Local Area Plan Boundary of the Port Renfrew Comprehensive Community Development Plan. It is shaded yellow on the attached Land Use Zones Map #3.

Please contact the undersigned to arrange a meeting to discuss the process, timing and details for inclusion. I look forward to meeting with you.

Sincerely,
TIMBERWEST FOREST COMPANY

Murray Brandon
Project Manager
Real Estate

Wk: 250-729-3733
Cell: 250-246-0425
E-mail: brandonm@timberwest.com

cc: Frank Limshue, TWFC
Lee-Anne Anderson, TWFC





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April 08th, 2009

Our File: 47-854

Via E-mail: gpleven@crd.bc.ca (original via mail)

Capital Regional District
Environmental Services Division
625 Fisgard Street
Victoria, BC V8W.1R7

Attn: Mr. Gary Pleven

Re: Request for Inclusion into Port Renfrew Water Services Area

Further to our e-mail correspondence of March 30th, 2009 please accept this letter as an official request from TimberWest Forest Company, a partnership of TimberWest Forest Corp. and TimberWest Forest Holdings Ltd. (TimberWest), to have Sec.6: SW1/4, Tp.10, Renfrew District (PID 009-555-684) included into the local water services area of Port Renfrew. A map outlining the subject area is attached for your reference.

As discussed, a letter of request was previously sent to Mr. Gary Hendren, Engineering Coordinator with the Capital Regional District (CRD), October 31st, 2008 (copy attached). Upon submission, and subsequent discussion, CRD Staff recommended that the application from TimberWest be held in abeyance, pending the completion of a service agreement between Three Point Properties (TPP) and the CRD to expand the local water and sewer service areas.

Request for Inclusion

It is our understanding that Mr. Hendren has since retired and that you have inherited his duties. It is also our understanding that negotiations between Three Point Properties and the CRD have progressed, and that an agreement will be finalized this spring or early summer. Accordingly, we wish to proceed with our application and request that it be added to the agenda for the next regularly scheduled Port Renfrew Utility Services Committee meeting, June 18th, 2009.

Community Benefits

As noted in your e-mail, an application for inclusion into the water service area should provide a community benefit and that a contribution towards local service upgrades may be considered. In earlier discussions with Staff, the following items were recognized as satisfying the intent of the community benefit:

- As part of the CRD's negotiations with TPP, Timberwest assisted in facilitating a statutory right of way over our lands identified under PID No's 009.555.111, 009.555.021 and 009.554.785. The purpose of this SRW was to allow for construction and maintenance of a water distribution line to service the community of Port Renfrew and the Pacheedaht First Nation.






- The current water service line passes directly across the frontage of the subject property, and is readily accessible for connection. No additional off-site extensions are required to service the lands. Furthermore, the addition of the lands will assist in reducing the overall fees paid by current residents as the number of users will increase.
- The subject site is the only industrial zoned property within the Port Renfrew Local Area Plan, and represents approximately 14% (62.21ha) of the total planning area. Currently, the minimum parcel size for industrial lots is 4ha where there is no connection to a community water system, and 2ha when connected. Affectively, connection of the water system will double the efficiency of the current industrial land base, and limit future pressure to expand the planning area.
- Development of the lands for industrial use will diversify the current economic base within the community and will compliment future residential and tourist commercial growth. In addition, development in the area will stimulate growth in the region by attracting additional services as well as provide indirect economic spin-offs to existing businesses and services.

It is our belief that the above contributions satisfy the community benefits requirement noted within your e-mail and we ask that our application be brought forward for consideration by the Utility Services Committee.

Please contact the undersigned to arrange a meeting to discuss the process, timing and details for inclusion. I look forward to meeting with you.

Sincerely,

Couverdon Real Estate



Jason Carvalho
Project Manager
Couverdon Real Estate

C.c Frank Limshue, Director of Planning, Couverdon Real Estate
Murray Brandon, Project manager, Couverdon real Estate
E.c. Mike Hicks, Juan de Fuca Electoral Area Director (Via Fax: 250.642.5274)
Robert Latham, General Manager, CRD Planning and Protective Services (Via E-mail: rlapham@crd.bc.ca)





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April 27, 2009

Attachment 3

File: 5600-20.35

Mr. Jason Carvalho, Project Manager
Couverdon Real Estate
#3 – 4890 Rutherford Road
Nanaimo, B.C. V9T 4Z4

Dear Mr. Carvalho:

**RE: REQUEST FOR INCLUSION INTO PORT RENFREW WATER SERVICES AREA
YOUR FILE 47-854**

This letter is in response to the April 8, 2009 official request from TimberWest Forest Company, a partnership of TimberWest Forest Corp. and TimberWest Forest Holdings Ltd. to have Sec. 6; SW 1/4, Tp.10, Renfrew District (PID 009-555-684) included into the local water service area of Port Renfrew.

Regarding your earlier discussions with Capital Regional District (CRD) staff, there is no written reference as to what the intended use of your property will be in the near or distant future. Although development of lands for industrial use will diversify the economy of the community, a concept plan is required to help the CRD better understand the impact that your property development may have on the community's infrastructure, and how it pertains to CRD Bylaw 3109; Official Community Plan Land Use Bylaw for Port Renfrew. Based on your submitted concept plan, the CRD may wish to place certain covenants over the property based on the proposed or intended land use.

The identified *community benefits* may partially offset or reduce the required contribution of like value for inclusion of the lands in the service area. Until a concept plan has been received and reviewed by staff, CRD staff are not in the position to recommend the nature and scope of community benefits sufficient to warrant inclusion of the lands.

At this time, Three Point Properties Ltd. and the CRD have only a draft MOU regarding the RTOWN Holdings ULC development and as yet no formal agreement. The CRD recommends that your application remain in abeyance until such time that a completed service agreement between the parties (RTOWN and CRD) has been finalized regarding the expansion of the water service area. The Pacheedaht First Nation may no longer be a component of the water service area inclusion plans and therefore should not be considered being benefitted by works or contributions to date.

Staff will prepare an information only report for the Port Renfrew Utility Services Committee's June 18, 2009 meeting, advising them of your request for inclusion in the water service area.

I look forward to receiving your concept plan and further details and comments for inclusion to the information report to the committee.

Yours truly,



Gary Pleven ASCT
Engineering Technician 5
Operations and Local Services Division
Environmental Services Department

cc: Larisa Hutcheson, A/General Manager, Environmental Services
Ted Robbins, A/Senior Manager, Operations and Local Services
Robert Lapham, General Manager, Planning and Protective Services
Colwyn Sunderland, Local Services Engineering Coordinator
June Klassen, Planning and Protective Services
Chair, Port Renfrew Utility Services Committee