

POINT HOPE MARITIME

September 29, 2017

Mayor and Council
City of Victoria
#1 Centennial Square
Victoria, BC V8W1P6

Mayor and Members of Council:

**RE: POINT HOPE GRAVING DOCK - DEVELOPMENT PERMIT APPLICATION
203 – 211 Harbour Road**

Point Hope Maritime is an integral part of Victoria's Working Harbour and the City's industrial economy. In 2003, the Ralmax Group of Companies acquired the bankrupt shipyard at the urging of the Council of the day to reinvigorate the industrial operation. Upon review, it was determined that the business had failed not because it was no longer relevant – it failed because the business had lost sight of where the industry was going.

Following an investment of more than \$20 million, Point Hope Maritime Ltd (Point Hope) reopened in 2006 featuring a new marine railway and 3 spurlines that increased the capacity at the shipyard by 300%. Point Hope has been operating at capacity since 2015 and today, with 4 spurlines, has set company records for the most activity at the shipyard and the largest payrolls; with more than 175 union employees on the site plus another 50 – 60 contractors and service providers. More than 650 businesses – the majority of them local, are suppliers and contractors to Point Hope.

In 2014, as part of a land exchange that would be a catalyst for economic development, the Provincial Government and the City of Victoria exchanged several key properties including the shipyard lands. The Province then divested these lands to Ralmax, the long-term lease holder, owners of Point Hope. Ownership of these lands provided Ralmax with the certainty necessary to commence plans to invest in ongoing modernization, new business development and training to meet the growing demand for skilled labourers.

In 2015, City Council adopted an economic action plan, *Making Victoria: Unleashing Potential*. *Making Victoria* focuses on supporting the City's key economic sectors, including the ocean and marine sector. One of the key objectives is to modernize marine facilities in the City. The plan supports the inclusion of a Graving Dock in Victoria Harbour.

Remaining competitive, relevant and responsive to the market are essential business success factors.

As part of Point Hope's ongoing plan for growth and economic sustainability, we respectfully request your consideration of our application for a Development Permit to modify our waterfront to construct a Graving Dock facility. The alteration of the foreshore is entirely compatible and in keeping with the new Johnson Street bridge construction and fendering. As the Graving Dock is constructed largely within the existing footprint of the shipyard, the new structure does not affect the navigable waterway.

The Graving Dock is a strategic economic asset for the City of Victoria and the Capital Region, is consistent with the shipyard's operation function, and aligns with the City's land-use priorities as set out in the *Official Community Plan*. As noted, the Graving Dock reflects one of six primary engines in *Making Victoria*.

Our corporate vision is to support:

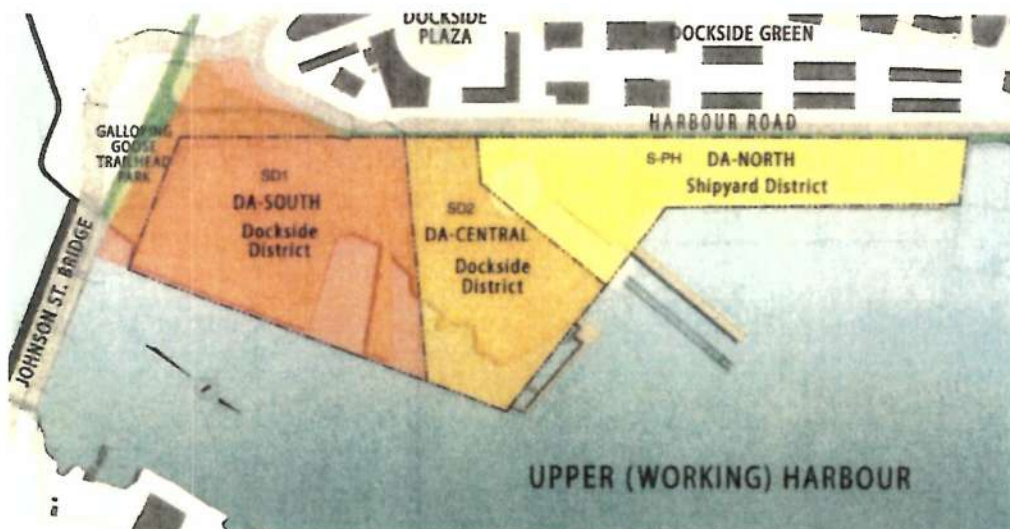
Sustainable, viable and responsible industry that leverages and optimizes the inherent value of the Victoria Harbour; industry that:

- *The Community is proud to have on the Harbour, and;*
- *Profitably provides-family sustaining jobs for generations.*

The new facility will be able to service vessels up to 170 metres in length and 50,000 tonnes. The addition of the Graving Dock responds to market opportunities and once again, greatly increases the number and types of vessels we are able to service at the shipyard.

Harbour Road industrial Waterfront Design Guidelines (October 2008)

The new Graving Dock facilities (the Graving Dock, docks and yard space) will be constructed in the areas identified as the South and Central Development Areas, in the City's *Harbour Road Industrial Waterfront Design Guidelines* (the *Guidelines*).



While the *Guidelines* contemplate an increase in the number of buildings on the waterfront, no additional buildings are being constructed as part of the current plan. Our plan consolidates and redistributes our operations over the 4 acre site enhancing water access and moorage. All of the proposed work will take place largely within the existing footprint of the shipyard. There will be a concurrent application to Transport Canada for an additional water lot lease in front of the new foreshore (shown on the submission drawings for illustration purposes only) however this is not part of the Development Permit application.

The Graving Dock

The new development includes replacing the existing inefficient pile dock facilities (estimated to be 50 years old) and redefining a new foreshore with concrete caissons. The Graving Dock basin will be behind the newly defined foreshore and will be constructed of concrete with steel doors (see the submission drawings).

The reconfigured docks will provide 180 metres moorage alongside, to accept vessels before docking and after docking for completion of repairs. This will not only allow for increased work capacity, the new docks provide safer, more efficient and more environmentally sound moorage than the existing docks.

The Waterfront

The *Guidelines* contemplate the retention of the character of the traditional pile docks as an aesthetic character; however this is not practical or environmentally sound for a modern marine industrial operation. As noted above, the new dock will provide safer, more efficient and more environmentally sound moorage than the existing docks.

It is important to note that the height of the new dock will be the same height as the existing docks, dictated by the level of the centre height of the turntable. This means that between low and high tide there will be approximately between 2.7 m and 4.6 m of dock that will be visible.

While the configuration of the foreshore will be more linear than the current docks, the view of the new dock, from across the harbour and from the water, will be constantly changing and visually interesting as vessels come and go from the facility (see the submission renderings which approximate the view at mid-tide). Over time the new docks will provide habitat for intertidal species and sea life which will add to the visual interest for anyone viewing the area from the water.

Harbour Road

All of the work to build the Graving Dock facilities will take place along the water's edge and no change is contemplated on the Harbour Road frontage. The visual interest along Harbour Road will continue to be the changing nature of the work in the shipyard.

The street edge and viewing area, previously constructed by Point Hope, will continue to be maintained and provide areas for those who are interested in viewing the work in the shipyard. We will complete the same treatment of decorative fencing, and landscaping along the remainder of the Harbour frontage.

No changes are contemplated to the main entrances and exits. Deliveries of major components or materials will continue to be managed using traffic controllers. Given the nature and timing of deliveries this has proven to be the safest and most effective means of traffic management to and from the site; especially given the cycling traffic on Harbour Road.

Buildings

As noted above, no new buildings are contemplated as part of the Graving Dock construction. The existing office building is being retained and improved including new exterior cladding (the work is already underway). This building will be used as the Shipyard office and for employee facilities such as washrooms and a lunchroom.

The existing United Engineering Building will be either partially or fully demolished. If a portion of it is retained it will be fully upgraded. This would be part of a future DP application if necessary.

Yard Areas

The yard areas surrounding the Graving Dock will be hard surfaced and paved with asphalt and concrete. No ship repair activity will take place on apron area directly outside of the Graving Dock. Service water and storm water in the graving dock will be collected through stormceptors and directed to a water treatment plant for treatment to a standard acceptable for storm outfall discharge. A separate storm water and management procedure will be incorporated into the Construction Environmental Management Plan.

Habitat Restoration and Protection

Ralmax, the owner, of Point Hope Maritime has a strong relationship and history of working with the Veins of Life Society and other local organizations dedicating time and resources to the restoration and clean-up of Victoria Harbour. This commitment to the environmental health of the harbour was established long before the acquisition of Point Hope Maritime. Upon assuming ownership in 2003, Ralmax invested \$20m in modernizing the shipyard including the introduction of a water catchment and treatment operation which launched the journey of changing the culture of the workforce and the environmental and safety practices.

Point Hope will undertake habitat restoration and/or compensation as part of the development of the Graving Dock facilities. This part of the project is at a conceptual stage at this time. The specific design requirements for the habitat restoration or compensation will be discussed

in consultation with Transport Canada (TC) and Fisheries and Oceans Canada (DFO) as part of their review of our permit applications; including Fisheries Act and Navigation Protection Act authorization. Ralmax is in the process of preparing the necessary documentation to obtain these permits, including an environmental assessment report for TC and a "Request for Review" for DFO.

Responsible Industrial Operation

In addition to a Development Permit from the City of Victoria, Ralmax requires several approvals from a number of agencies and levels of Government including Transport Canada, the Department of Fisheries and Oceans and the Provincial Ministry of Environment. The Graving Dock will only proceed once we have measures in place to control, mitigate, and minimize potential environmental effects.

Point Hope Maritime is a responsible industrial operation and has achieved certification under:

- ISO 14001 – Certified Environmental Management System
- OHSAS18001 – Health and Safety Certification
- ISO9001 (Quality Management Certification)

For more information on the Point Hope Graving Dock Environmental and Regulatory Management Plan (please refer to Appendix A).

Good Neighbour Policy

Point Hope Shipyard recognizes the challenges and responsibilities of operating an industrial operation in an urban setting, and has developed a culture of pro-active engagement and collaboration with neighbours. We are committed to working within the City's established guidelines and bylaws for industrial operations.

Point Hope has developed positive and respectful relationships with our residential neighbours and the community at large. In the recent past this included collaboration on the new Master Plan for Dockside Green, resulting in the community-inspired relocation of the Dockside Green plaza to Harbour Road to optimize views of the shipyard. Importantly, we have established strong channels of communication between the residents and businesses at Dockside and the General Manager of the Shipyard. We are responsive to concerns when they are raised. In fact, very few complaints have been received over the past two years.

We are community-minded and support many local organizations and initiatives. In 2013 Point Hope held its first annual community open house at the shipyard and approximately 200 people attended for a tour. In 2015, Point Hope partnered with Dockside Green and the Resilient Neighbourhoods initiative to present VicWest Street Fest – a celebration of the Victoria West community built around the open house and tours at Point Hope. At the 2016 VicWest Street

Fest, Point Hope shared their vision of introducing a Graving Dock to over 2000 people from across the region, and in 2017, Point Hope welcomed over 3000 citizens for tours and the opportunity to view the Graving Dock renderings with Point Hope's new General Manager. (Please refer to Appendix B for an overview of recent and planned engagement).

Partnerships

Victoria Harbour is the traditional territory of the Songhees and Esquimalt Nations and a vital community and regional asset. Ralmax has been involved in and played a pivotal role in the restoration and clean-up of Victoria Harbour since 1990 and continues to champion this important objective. Ralmax has also been an active and engaged advocate for First Nations' interests in the region and on the harbour. In 2012, Ralmax acquired a water-born construction business and entered into an ownership partnership agreement with Songhees and Esquimalt Nations. With majority ownership held by the Nations, this business serves as an economic generator and a successful training ground for members of their communities helping develop interest, capacity and opportunities for apprenticeships and journeypersons training across all Ralmax companies.

Ralmax is also a founding member of South Island Prosperity Project supporting the economic development goals of the Capital Region and sponsor of Camosun College's trades program. Ralmax is a generous contributor – both in kind with services and financial - to local organizations and responsive to the needs in the community. (Please refer to Appendix B for an overview of partnerships)

Conclusion

As long as boats float, there is a constant demand for modern ship repair and maintenance expertise. Victoria's Upper Harbour is one of a very few safe protected harbours on the west coast of North America where a shipyard can thrive - today and for future generations.

Receiving a Development Permit from the City of Victoria will allow us to proceed with all of the regulatory approvals with the Federal Government. While we have already made an application to the Federal Government, we have been advised by Transport Canada that they will not proceed until we have received a Development Permit from the City. The construction of the Graving Dock will only proceed if all regulatory approvals are in place.

Thank you for your consideration of our application. We look forward to continuing to work with the City to make this important project happen.



Ian Maxwell,
President
Point Hope Properties Ltd

Appendix A

**Point Hope Graving Dock Project –
Environmental & Regulatory Management Program - July 2017**

Environmental Commitment

Ralmax is committed to executing work for the Point Hope Graving Dock (PHGD) in a manner that:

- *controls, mitigates, and minimizes potential environmental effects;*
- *fully complies with applicable laws and regulations; and*
- *aligns with environmental performance expectations of the community and First Nations.*

Execution Plan

Ralmax has established a Permit Team that is dedicated to ensuring Project activities are conducted in accordance with the environmental commitments. The Permit Team positions are as follows:

- Ralmax Environmental Coordinator
- SNC-Lavalin Environment/ Permit Manager
- SNC-Lavalin Environmental Effects Coordinator
- Specialized SNC-Lavalin personnel as required (e.g. Senior Aquatic Biologists and Contaminated Site Specialists)

In order to proceed with construction, a number of permits, authorizations and approvals are required. The Permit Team has identified the permits, authorizations and approvals which are applicable to the PHGD Scope of Work; a complete listing has been provided below.

The PHGD project is still in the design phase; therefore specific measures to mitigate potential impacts to the environment are still in the development phase. That being said, the Permit Team will continue to work with provincial and federal regulatory bodies to identify any additional environmental requirements, address environmental issues, and ensure exchange of accurate and timely information.

Prior to the commencement of construction activities, a wide variety of project and site specific environmental management plans and procedures will be developed. An Environmental Protection Plan (EPP) will provide a mechanism to control, minimize and minimize potential negative effects on the environment during the construction phase. In order to ensure that commitments within the EPP will be implemented, site specific plans and procedures will be developed; these may include:

- Environmental Management Plan
- Contaminated Soil Management Plan
- Discharge Management Plan
- Waste Management Plan
- Spill Prevention & Response Plan
- Regulatory Compliance Plan

Permits, Authorizations and Approvals:

1. Facilities Alteration Permit

The Facilities Alteration Permit (FAP) will allow Ralmax modify the current water lot lease agreement in order to meet the needs of the PHGD. The FAP also provides a mechanism for various Transport Canada groups to review Project components, and make informed decisions on how Project activities may impact their mandates.

2. Environmental Effects Determination

The PHGD Project will require coordination and review by federal authorities to determine potential environmental effects. Federal authorities include Transport Canada and the Department of Fisheries and Oceans. The regulatory process for regulatory authority review of Project environmental effects consists of the following steps:

- a. Submission of a Project Description (complete)
- b. Submission of the Environmental Effects Evaluation Document which includes:
 - technical review by federal authorities;
 - incorporation of concerns arising from Project description, engagement activities with the public, First Nations and federal authorities
- c. Environmental Effects Determination

A determination will be made by each Federal Authority in accordance with the requirements of Section 67 of CEAA 2012 and related guidance provided by the Canadian Environmental Assessment Agency. If the project is determined unlikely to cause significant adverse effects, the Authorities may allow the project to proceed, taking into account mitigation measures determined through the environmental evaluation process.

If a Project is likely to cause significant adverse effects the authorities must not carry out the project or refer the project to the Governor in Council to determine if the significant effects are justifiable if the project were to proceed.

3. Fisheries Act Authorization

As per Section 35(1) of the Fisheries Act, “No person shall carry on any work, undertaking, or activity that results in serious harm to fish that are part of a commercial, recreational or Aboriginal fishery, or to fish that support such a fishery.” In response to this requirement, a Serious Harm Assessment (SHA) has been drafted, and will be submitted to Fisheries and Oceans to determine if the project will cause serious harm to commercial, recreational or Aboriginal (CRA) fisheries. The SHA will also highlight measures that will be implemented in order to mitigate serious harm to CRA fisheries. The DFO will review and determine whether a Fisheries Act Authorization is required. The DFO will also determine the scope of additional requirements (i.e., habitat offset, surveys etc.).

4. Navigable Protection Program (NPP) Notice

Under Section 5(2) of the Navigation Protection Act, a work that substantially interferes with navigation will require a NPP approval from Transport Canada. The Project team will consult with Transport Canada to obtain necessary NPP approval.

5. Environment Canada Disposal at Sea Permit

Pursuant to the Canadian Environmental Protection Act, 1999 (CEPA 1999), A Disposal at Sea Permit is required to dispose of materials at sea or load materials for that purpose. It sets out conditions controlling the disposal, including the type of material, the quantity, the location of the loading site and disposal site, equipment use and requirements and restrictions such as the timing of disposal operations. Ralmax is exploring disposal options for non-contaminated dredged material. It is not yet decided if this will be the chosen disposal method, but in the event that Ralmax would like to pursue this option, the appropriate steps, including consultation with Environment Canada, will be followed.

6. Environmental Assessments

Under the Canadian Environmental Assessment Act, 2012 (CEAA 2012), an environmental assessment focuses on potential adverse environmental effects that are within federal jurisdiction. The Canadian Environmental Assessment Agency (the Agency) is responsible for administering the federal environmental assessment process (excluding nuclear, pipeline, and transmission line projects) and regulates works that are designated activities under the CEAA 2012.

A Project Summary was submitted to the Agency on February 16, 2016 for review. It was determined by the Agency that the proposed Project is not considered a 'designated project' and does not trigger further environmental assessment under the CEAA 2012.

The Permit Team consulted with the Environmental Assessment Office on July 11, 2017. It was determined by the EAO that the proposed Point Hope Graving Dock does not fall within the thresholds that would make a project reviewable under the Reviewable Projects Regulation.

Laws & Regulations:

Ralmax recognizes that there are environmental & regulatory requirements that do not necessarily fall under a permit or authorization (e.g. waste management). The Permit Team will work collaboratively to identify these requirements, and ensure these requirements are met through the development and implementation of site specific plans and procedures.

Appendix B

**Community Engagement – Introduction of Graving Dock
As of September 30**

DATE	Organization	#Attendance	Activity
June			
3	Dockside Green Residents	52	Reception and tour of the shipyard with station dedicated to graving dock; Veins of Life Society and Victoria Harbour Migratory Bird Sanctuary participating partners in the tours; Operating Engineers Union promoting trades and employment
4	Open House/VicWest Street Fest	Over 3000	Tours of the shipyard with focus on graving dock. Dockside Green partner in the event (3 rd consecutive year). Veins of Life Society and Victoria Harbour Migratory Bird Sanctuary participating partners in the tours; Operating Engineers Union promoting trades and employment; Harbour Ferries participating partners.
August			
3	Dockside Green Norm Shearing President	2	Developer of adjacent neighbourhood
September			
9	Salish Sea Industrial Services Directors meeting	5	Briefing and Aboriginal Employment strategy discussion
13	Truffles/Canoe Club Keith Barbon meeting	1	Briefing and coordination of neighbour engagement opportunity at Canoe Club (October)
15	GVHA Board of Directors meeting	13	Esquimalt Nation host
19	Victoria Chamber of Commerce	47	Breakfast presentation and shipyard tour with Chamber members
DATE	Organization and Contact	#Attendance	Activity

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20	Songhees Nation Chief and Council presentation	6	Songhees presentation of Strategic Plan; Ralmax presentation of Graving Dock and training and employment strategy
23 10am – 10:30am	Jane's Walk Saturday Marion Pape organizer Resident of Dockside Green	25	Tour of Point Hope and Dockside Green to explore achievements and goals of a sustainable neighbourhood.
23 12:30 – 1:30/2:00	Vic West Community Association Harbour committee	15	Members of Vic West Community Association brought their questions and toured the shipyard with focus on the graving dock
28	Matullia Aboriginal Networking Committee (12 First Nations Communities)	8 Hosted by Tseycum First Nation	Presentation on Ralmax, graving dock and Aboriginal employment training and employment opportunities Career, Employment & Education Resources for the Victoria Native Friendship Centre; Employment and training Program, Songhees Nation; Bladerunners; Coast Salish Employment & Training Society; Indigenous Community Liaison Camosun College; Manager of Operations Camosun Coastal Centre
October			
5	Coast Guard Harbour Working Group		Presentation on graving dock to the working group
5	Victoria Rotary Club David McCaul		Presentation on working harbour and graving dock at Point Hope
15	Community Open House - Recreational Paddlers - Neighbours and community at large -	Estimate: 1000	Tours of the shipyard with focus on the graving dock
DATE	Organization	#Attendance	Activity
28 29	Information display at Canoe Club		Outreach to Downtown Victoria Residents Association; Mermaid Wharf and Janion residents

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30	South Island Prosperity	Board of Directors	Tour of shipyard with focus on graving dock
November			
14 th	Kerri Moore – City of Victoria and Economic Development Task Force members		Graving Dock presentation
DATES			
TBD			
TBD	CRD	Board	Graving Dock presentation
TBD	Tourism Victoria	Board	Graving Dock presentation
TBD	Victoria Esquimalt Harbour Society	Board	Graving Dock presentation
TBD	Victoria Harbourside Rotary – Harbourside	Membership	Graving Dock presentation

Appendix C

Ralmax Group is an engaged and active community partner with in-kind contributions in excess of \$200,000/year. Some examples include:

Organization	Activity
Vic West Street Fest	Annual community festival on Harbour Road
Veins of Life Society	Salish sea conservation efforts; Victoria harbour restoration
Derelict Boat Clean Up	Cadboro Bay abandoned vessel clean up
Gorge Waterway Clean Up	
Symphony Splash	Barging and recycling services
Canada Day celebrations	Fireworks contributions and recycling services
Salish Sea Industrial Services	Apprenticeships and employment coaching
Camosun College	Sponsor of Trades (Coastal College)
Songhees Jobs Fair	Event sponsor
National Aboriginal Day	Event sponsor
North American Indigenous Games	Athlete sponsorship
Youth Empowerment Program	Souper bowls of Hope
Youth Futures Education Fund	Scholarship funding for former youth in care
Hero Works	Staff and equipment provided
Minor Hockey	Team sponsors
Canadian Juniors (curling)	Event sponsor
Community Micro-lending	Funding for aboriginal loan fund and administrative costs
Meal program funding	4 Elementary schools (Quadra, Craigflower, VicWest and Shoreline)
Playground construction assistance	Quadra Elementary
Island Women in Science and Technology	Conference sponsor
Victoria Conservatory of Music	Mother's Day Tour sponsor
Urban City Challenge	Event sponsor in support of Prostate Cancer Research

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