



STAFF REPORT TO COMMITTEE

MEETING TYPE & DATE Electoral Area Services Committee of November 5, 2025
FROM: - Development Services
SUBJECT: Application No. RZ23A03 (Stonebridge)
FILE: RZ23A03

REPORT SUMMARY

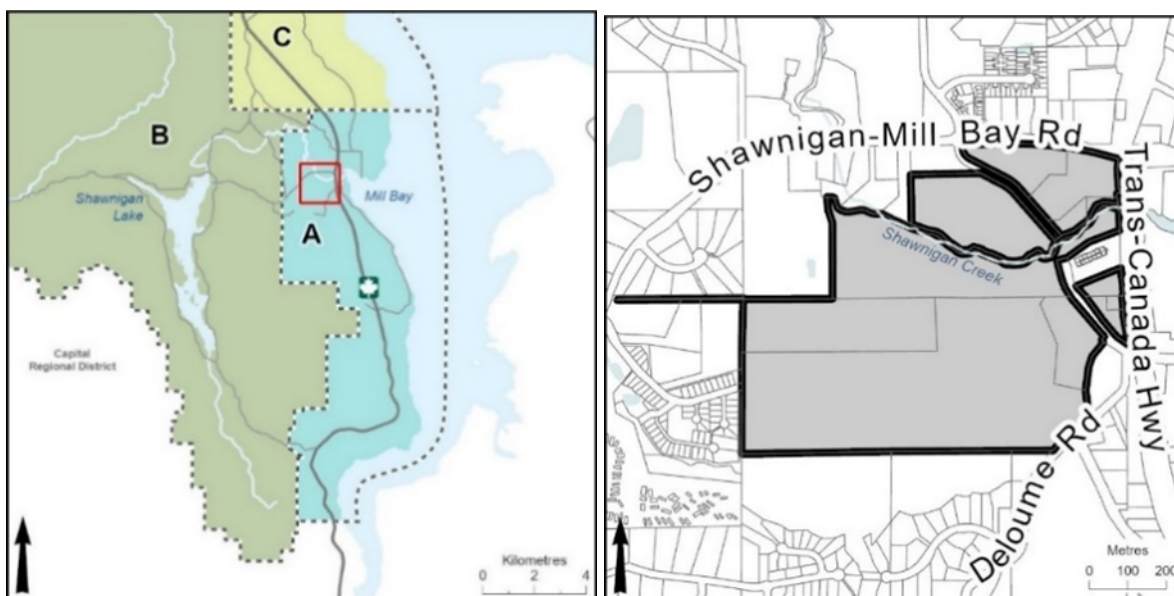
The purpose of this report is to provide an update on the application to consolidate and update zoning for the Stonebridge lands.

This report is being provided for information in advance of bylaws to be presented to the Board on November 12, 2025.

RECOMMENDED RESOLUTION

For Information.

LOCATION MAP



BACKGROUND

This application was first received by the Electoral Area Services Committee (EASC) on October 18, 2023, (the preliminary report), April 17, 2024, (detailing external agency feedback), and March 5, 2025, (detailing next steps).

The CVRD Board passed Resolution 25-164 on March 26, 2025, which included direction to seek updated comments from the Ministry of Transportation and Transit (MoTT), draft modifications to

the amenity covenant, and advance Official Community Plan (OCP) and Zoning Bylaw amendments.

The Board previously directed that the draft OCP Amendment (Amendment Bylaw No. 4636) for Application No. RZ23A03 (Stonebridge) be advanced. The OCP Amendment Bylaw was adopted July 23, 2025.

Since the OCP Amendment Bylaw has been adopted, and since MoTT has provided updated comments, the Zoning Amendment Bylaw (No. 4637) has been drafted and will be forwarded to the Board for consideration of bylaw readings.

COMMISSION / AGENCY / DEPARTMENTAL CONSIDERATIONS

The Board (Resolution 25-164) previously directed that prior to consideration of 2nd reading of the Zoning Amendment Bylaw, that staff provide updated comments from MoTT on their review and recommendations from the Traffic Impact Assessments for the north portion and south portions of the proposed Stonebridge development.

MoTT has provided updated comments:

1. The Traffic Impact Assessment (TIA) remains unresolved, but that despite this, MoTT has no objections in principle to the zoning amendment. At this point, MoTT will not require the TIA to be resolved prior to approval of rezoning.
2. MoTT will assess the TIA at each separate subdivision phase of the development MoTT does not anticipate future road widening at the Shawnigan-Mill Bay Road and Trans-Canada Highway intersection.
3. MoTT has no objections in principle to the rezoning amendment and has considered highway improvements that would not require further road dedication; however, it is possible that future road dedication could be required once preliminary plans for the adjacent properties are received. This will be assessed in the future as adjacent lands are developed.
4. The proponent will need to further engage with MoTT to secure design drawings for highway improvements, and MoTT reserves the right to direct additional improvements at each subdivision phase;
5. MoTT reserves the right to require new studies should significant enough changes to proposed land use or highway infrastructure occur.
6. MoTT at this time is not requiring a public highway dedication to connect the segments of Barry Road over the existing "*stone bridge*" structure. This may be re-assessed in the future as development proceeds.

CVRD Operations Department (Utilities and Parks & Trails Divisions) has also provided review of the proposed covenant:

- Under Section 14 of the covenant, the Grantor may not construct any stormwater infrastructure within designated Park Areas without written approval from the Regional District Board; further, there is a community drainage moratorium in place that would prevent future consideration of within designated Park Areas without written approval from the Region.

- In the future, should an owner/developer propose community stormwater infrastructure, the CVRD must first establish or agree to establish a drainage service area before any stormwater system is authorized.
- Any proposed drainage collection or disposal system must be designed and constructed to MMCD standards and conform to all applicable CVRD bylaws, policies, and engineering standards.
- If the drainage moratorium is lifted and in future and the Utilities Division is directed to consider taking on a stormwater system, CVRD staff would review the design of systems for conformance to their standards – and the CVRD's [Utility System Acquisition Policy](#) would apply.

Discussions with CVRD Operations and the applicant regarding the covenant are on-going, so further changes, refinement is anticipated prior to legal review.

PLANNING ANALYSIS

The Board previously directed (Resolution 25-164) that:

Item	Status
1) The draft OCP Amendment be prepared by staff and forward for consideration of bylaw readings and public hearing;	This occurred, and the OCP Amendment was adopted.
2) That the draft zoning amendment bylaw be prepared by staff and forward to the Board for consideration of 1 st reading;	The Bylaw has been drafted. Amendment Bylaw No. 4637 is expected to be considered at the Board meeting of November 12, 2025.
3) That the existing amenity covenant be maintained with limited modifications to ensure alignment with the proposed zoning;	The amenity covenant has been drafted. The Covenant will need to be registered prior to final adoption of the zoning bylaw. The covenant will be subject to review with the agent, review with CVRD divisions, and legal review. The covenant may require refinements and/or modifications.
4) That the draft zoning amendment include provisions for the amenities, including the transfer of park land, transfer of serviced parcels, and financial amenity contributions to the Parks Capital Reserve Fund;	The intent of this resolution has been met; however, these items are within the draft covenant and not the proposed zoning bylaw.
5) That prior to consideration of 2 nd reading of the zoning amendment bylaw, staff provide updated comments from MoTT regarding the traffic impact assessment for the proposed development	MoTT has returned comments. The Ministry has no objections in principle to rezoning and will not require the Traffic impact assessment to be resolved prior to approval of rezoning.

CVRD staff have worked with the proponent to further simplify the proposed Comprehensive Development Zone by providing a draft covenant that substantially achieves the intent of Resolution 25-164. This covenant will be subject to legal review and may undergo minor modifications prior to final registration.

If the application is advanced by the CVRD Board, following 3rd reading, staff would work with the applicant to register any covenants, and refer the draft bylaws to MoTT for approvals prior to returning for Board consideration of bylaw adoption.

Draft Zoning Bylaw:

Amendment Bylaw No. 4637 for the Stonebridge lands will consolidate the existing six (6) zones into a single comprehensive development zone. The draft zone will include, but is not limited to, the following changes:

1. A density limit of 1,000 dwelling units (subject to servicing);
2. Greater flexibility to construct multi-unit dwellings throughout the site;
3. Preservation of the Seniors Congregate Care use;
4. Allowances for a 'hotel use' with long-term stay options (workforce housing);
5. Standardizations of setback, impervious surface area, and parcel coverage, requirements;
6. Permission for 'drive through' uses with conditions (e.g. screening, setbacks, limited number);
7. A reduction in minimum parcel size for single-family lots, duplex lots, and senior congregate care facilities, and a reduction in the minimum lot size & width for secondary suites;
8. Private amenity space requirements for suites and multi-unit residential buildings;
9. Slight parking reductions (from 5.5 per 100 m² to 4.0 per 100 m²) for commercial uses (based on a parking study (Attachment C) provided by Watt); and
10. Increases and standardisations of impervious surface area coverage requirements.

Draft Covenant Changes:

The draft covenant proposed to replace CA5728036 will include, but is not limited to, the following changes:

1. Flexibility for the Board to consider replacement of the stone bridge with a modernized pedestrian crossing;
2. General language regarding the intent for trail connectivity;
3. Confirmation that the developer has met or exceeded their obligations under Section 510 of the *Local Government Act* to provide 5% of the lands as park;
4. The ability to take security for park improvement amenities; and,
5. Tying financial contribution requirements to the Consumer Price Index (Statistics Canada).

The draft covenant will be subject to further legal review that could result in changes and refinements.

OPTIONS

Option 1 - Receive for information

No action is required. Public notice has been initiated and the draft zoning amendment bylaw (No. 4637) will be brought forward for consideration at a future Board Meeting.

Option 2 - Request additional information

The Board could request additional information; however, changes can be made to bylaw No. 4637 at any point during 1st, 2nd, or 3rd reading.

Submitted by: R. Buchan, RPP, MCIP, Planner III, Development Services
Concurrence: M. Pressman, RPP, MCIP, MPlan, Manager, Development Services Division
Concurrence: A. Kjerulf, MCP, RPP, MCIP, General Manager, Land Use Services

Reviewed for form and content and approved for submission to the Committee:

Resolution:

Financial Considerations:

☒ Corporate Officer

☒ Chief Financial Officer

ATTACHMENTS:

Attachment A – Draft Zone

Attachment B – Draft Covenant



COWICHAN VALLEY REGIONAL DISTRICT

BYLAW No. XXXX

**A Bylaw for the Purpose of Amending South Cowichan Zoning Bylaw No. 3520
Applicable to Electoral Areas A - Mill Bay/Malahat and C - Cobble Hill**

WHEREAS the *Local Government Act*, hereafter referred to as the "*Act*", as amended, empowers the Regional Board to adopt and amend zoning bylaws;

AND WHEREAS the Regional District has adopted a zoning bylaw for Electoral Areas A – Mill Bay/Malahat and C – Cobble Hill, that being "CVRD South Cowichan Zoning Bylaw No. 3520, 2013" Applicable to Areas A - Mill Bay/Malahat and C - Cobble Hill";

AND WHEREAS the Regional Board voted on and received the required majority vote of those present and eligible to vote at the meeting at which the vote is taken, as required by the *Act*;

AND WHEREAS after the close of the notification period and with due regard to the public comments received, the Regional Board considers it advisable to amend South Cowichan Zoning Bylaw No. 3520;

NOW THEREFORE the Board of Directors of the Cowichan Valley Regional District, in open meeting assembled, enacts as follows:

1. CITATION

This bylaw shall be cited for all purposes as "**CVRD Bylaw No. XXXX – Electoral Areas A - Mill Bay/Malahat and C - Cobble Hill South Cowichan Zoning Amendment Bylaw (Stonebridge), 2025**".

2. AMENDMENTS

Bylaw No. 3520 is hereby amended as follows:

- a. Delete Section 11.9A CD-9A Village Comprehensive Mixed Use 9A
- b. Delete 11.9B CD-9B Village Comprehensive Residential 9B
- c. Delete and Replace Section 11.8 CD-8 Village Comprehensive Development 8 – Stonebridge South with the following:

11.8 CD-8 Village Comprehensive Development 8 – Stonebridge Comprehensive Development

Subject to compliance with the general regulations set out in Parts 4, 5, 6 and 7 of this Bylaw, the following regulations apply in the CD-8 Zone:

1. Definitions

Despite any other bylaw provision, the following definitions apply to the following terms used within the CD-8 Zone:

- a. **"Carport"** means a roofed structure free standing or attached to the principal building which is not enclosed in the front and at least one side.
- b. **"Drive-Through Facility"** means the use of land, buildings, or structures, or parts thereof, including the Drive-Through Queuing Lane, to provide products or services through an attendant, a window, or an automated machine to persons remaining in motorized vehicles that are in a lane designated for that purpose.
- c. **"Drive-Through Queuing Lane"** means the delineated on-site vehicular lane, located on the same lot as- and forms part of- a Drive-Through Facility, that is intended solely to accommodate vehicles waiting to access an ordering station, service window, pick-up point, or other service point of the drive-through. A drive-through queuing lane includes the area containing any required stacking spaces, but excludes parking spaces, loading spaces, and general internal drive aisles or circulation areas.
- d. **"Front Building Line"** means the closest extended line of the wall of a building which faces and is parallel to the front parcel line; or in the case of an open carport, the furthest extent of the roof overhang.
- e. **"Hotel"** means means a building or part thereof with a common entrance lobby and shared corridors, which provides sleeping accommodation for transient visitors and may include public facilities such as restaurants, banquet, beverage, meeting and convention rooms, recreation facilities, and personal service establishments for the convenience of guests. Payment for occupancy is usually on a daily or weekly basis to the operator. A Hotel use may include extended stay guests will book accommodations at a hotel for a week, month or longer.
- f. **"Dwelling, Multiple-Unit (or Multi-Unit Dwelling)"** means a building or cluster of buildings consisting of three or more dwelling units, which may be attached or detached. Includes: Congregate Housing; Excludes: Tourist accommodation unless expressly permitted in this Bylaw;
- g. **"Parcel Width"** means the horizontal distance between side parcel lines measured at right angles to the parcel depth at a 7 m setback from the front parcel line.
- h. **"Personal Service"** Means the use of a building to provide direct professional goods or services an individual which are related to the care and appearance of the body or the cleaning and repair of personal effects.

Includes: *Uses such as (but not limited to) barber shop, hair salon, tailor, tattoo parlour, shoe repair shop, photographer's studio, picture framing shop, manicurists, fitness studio, dry cleaning establishments; Accessory retail sales of goods, wares, personal merchandise, articles or things accessory to the provision of such services.*

Excludes: *Cannabis retail sales*
- i. **"Private Access Road"** means an access route which provides the primary vehicular access to a building or buildings, or to the parking areas associated with a building or buildings. This may include a strata road, a private right-of-way, or a private easement on private property.

2. Permitted Uses

The following uses and no others are permitted within the CD-8 Zone:

- a. Within that part of the lands identified as **Area 1** on the CD8 Zone Map:

Permitted Principal Uses	Permitted Accessory Uses
Personal Care Facility	Child Care facility;

Seniors' Congregate Housing	- Community service facility; - Convenience store with a maximum floor area of 85 m²; - Group daycare, preschool; - Office; - Personal service use; - Restaurant; - Retail commercial
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b. Within that part of the lands identified as **Area 2** on the CD8 Zone Map:

Permitted Principal Uses	Permitted Accessory Uses
- Single detached dwelling - Duplex dwelling - Multiple unit dwelling	- Secondary suite - Home based business - Community service facility - Unlicensed daycare - Group daycare (accessory to a Multiple unit dwelling, Congregate housing, or a Residential facility)

c. Within that part of the lands identified as **Area 3** on the CD8 Zone Map:

Permitted Principal Uses	Permitted Accessory Uses
- Single detached dwelling - Duplex dwelling - Multiple unit dwelling	- Secondary suite - Home based business - Community service facility - Unlicensed daycare - Group daycare (accessory to a Multiple unit dwelling)

d. Within that part of the lands identified as **Area 4** on the CD8 Zone Map:

Permitted Principal Uses	Permitted Accessory Uses
- All principal uses permitted in Area 5 of the CD8 Zone - Multiple unit dwelling - Hotel	- Home based business - Group daycare - Drive-Through Facility

e. Within that part of the lands identified as **Area 5** on the CD8 Zone Map:

Permitted Principal Uses	Permitted Accessory Uses
- Art gallery; artist studio; - Assembly use, including assembly hall; - Automotive parts and accessory sales, excluding external storage of goods; - Automobile service shop; - Bakery; - Bowling alley, arcade, billiard, and games room; - Brewery and distillery; - Business, finance, insurance institution and offices; - Childcare facility, including early childhood learning centre;	- Multiple unit dwelling including multiple unit residential above the ground floor of any building. - Drive-Through Facility

• Cultural facility, including community services and community centre; • Financial institution; • Funeral parlour excluding crematorium; • Garden centre; • Grocery store; • Group daycare; • Hardware and camping supply store, excluding exterior storage yard; • Hotel • Library, book store, printing and publishing; • Market; • Medical Clinic • Dental Clinic; • Museum; • Offices, including government offices; • Personal service use; • Pharmacy; • Plant nurseries, • horticulture, • retail sales of gardening supplies and produce, with outdoor storage; • Professional, scientific and technical services; • Pub; • Restaurant, including café, catering and take-out restaurant; • Retail stores, including liquor store; • Shopping centre; • Theatre; • Veterinary clinic;	
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3. Servicing

All occupied buildings in the CD-8 Zone shall be serviced by a community water system and a community sewer system as a condition of use.

- Parcels not connected to community water and sewer systems are not eligible to be subdivided.
- For clarity, (3.)(a) does not apply to lot line adjustments, road dedications, or park parcels.

4. Secondary Suites

- Only one secondary suite is permitted in a single detached dwelling in the CD-8 Zone;
- One secondary suite is permitted in each unit contained within a duplex in the CD-8 Zone;
- Provide private outdoor space for the secondary suite that is separated from the principal dwelling to a minimum of 7.5m², with no dimension of less than 2 m.

5. Regulatory Conditions

- Within that part of the lands identified as **Area 1 - Area 5** on the CD8 Zone Map

	Single detached dwelling	Duplex	Multiple Unit Dwelling	Commercial	All other uses
Minimum Width	10 metres	14 metres	6 metres	N/A	10 metres
Maximum	45%	50%	55%	50%	45%

Parcel Coverage					
Maximum Impervious Surface Coverage	55%	55%	65%	70%	65%
Minimum Parcel Size	300 m ² ;	500 m ² ;	1,000 m ² ;	1,000 m ² ;	1,000 m ² ;

b. Setback Conditions:

Setbacks	Single detached dwelling	Duplex	Multiple Unit Dwelling	Accessory Buildings	Commercial Only	All other uses (including mixed use)
<i>Front parcel line – to garage door</i>	5.8 metres	5.8 metres	4.5 metres	N/A	N/A	N/A
<i>Front parcel line – to Carport</i>	5.0 metres	5.0 metres	5.0 metres	N/A	N/A	N/A
<i>Front parcel line</i>	4.5 metres	4.5 metres	4.5 metres	5 metres	4.5 metres	5 metres
<i>Interior side parcel line</i>	1.5 metres	1.5 metres	3 metres	1 meter	3.5 metres	1.5 metres
<i>Exterior side parcel line</i>	3.5 metres	3.5 metres	4.5 metres	3 metres	4.5 metres	4.5 metres
<i>Rear parcel line</i>	4.0 metres	4.0 metres	4.0 metres	1 meter	4.0 metres	4.0 metres

- i. Within that part of the lands identified as **Area 4** and **Area 5** on the CD8 Zone Map, commercial buildings and structures are permitted to have a 1.0 m interior side parcel line setback.
- ii. Where a parcel within Area 5 has frontage along the Island Highway, the Island Highway frontage shall be considered the Front Parcel Line.
- iii. Where a parcel within Area 4 has frontage along Barry Road, the Barry Road frontage shall be considered the Front Parcel Line.

c. Within that part of the lands identified as **Area 1** on the CD8 Zone Map:

Maximum Building Height	Residential Facility	Personal Care Facility	Congregate Housing	Accessory Buildings
	22 metres	22 metres	22 metres	7.5 metres

d. Within that part of the lands identified as **Area 2** on the CD8 Zone Map:

Maximum Building	Single-Family	Duplex	Multiple Unit Dwelling	Accessory Buildings
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Height	10 metres	10 metres	22 metres	7.5 metres
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- e. Within that part of the lands identified as **Area 3** on the CD8 Zone Map:

Maximum Building Height	Single-Family	Duplex	Multiple Unit Dwelling	Accessory Buildings
	10 metres	10 metres	22 metres	7.5 metres

- f. Within that part of the lands identified as **Area 4** on the CD8 Zone Map:

Maximum Building Height	Mixed Use	Commercial	Multiple Unit Dwelling	Accessory Buildings
	22 metres	15 metres	22 metres	7.5 metres

- g. Within that part of the lands identified as **Area 5** on the CD8 Zone Map:

Maximum Building Height	Mixed Use	Commercial	Accessory Buildings
	22 metres	15 metres	7.5 metres

- h. Within **all Areas** on the CD8 Zoning Map, in addition to the Maximum Building Height permitted for a Multiple Unit Dwelling (including Mixed-Use), the elevation of the building floor of the highest storey shall not be any greater than 18 m from average finished grade.

6. Landscape Screening and Buffering

- a. A fully treed contiguous landscape buffer shall be maintained to a minimum 3.0 m depth, on all parcels or portions of parcels that abut the Trans-Canada Highway.
- i. This strip may be interrupted to provide necessary access to the parcel.

7. Specific regulations

- a. For single detached and duplex dwellings, the width of a garage door shall not exceed more than 55% of the building width.
- b. Not more than one single residential-detached dwelling unit is permitted per parcel, except for parcels in **Area 2** and **Area 3**:
- i. In **Area 2** and **Area 3**, parcels that are 1,200m² or larger may have more than one dwelling per parcel provide that the total number of single-family dwellings does not exceed one per each 300m² of parcel area;
- ii. Despite any other bylaw provision, a covenant under Section 219 of the Land Title Act shall not be required to prohibit further subdivision or the registration of any form of strata plan under the *Strata Property Act* for a parcel containing more than one dwelling.
- c. Private access roads shall have a minimum unobstructed width of 8.0m.
- i. cul-de-sacs within a private access road shall have a minimum turning radius of 14 m.
- ii. Private access roads shall be to be constructed to withstand up to 36,287 kg

8. Multiple unit dwelling, Special Regulations

- a. For mixed-use properties, all residential uses must be located above commercial use except for an entrance, lobby or amenities that are for the exclusive use of the residential use.
- b. Multiple unit dwelling units shall have a private amenity space per unit, of not less than 15 m² located to the rear or side of the dwelling unit. No dimension of this space shall be less than 3 m.
- i. This space shall be designed and landscaped for the outdoor leisure activities of the residents of the dwelling unit.
- ii. The amenity space may be located above grade where units are designed at different elevations.
- c. Notwithstanding 8(b.) where private amenity spaces are not provided, multiple unit dwellings shall have a common usable space available for safe and convenient use by occupants of

the building.

- i. If located outside, usable open space shall be at least 100 m² and shall have a compact, level surface, have no dimension of less than 6 m, and shall provide for recreational space and other outdoor leisure activities.

9. Drive Through Facility, Special Regulations

- a. Drive-Through Facilities, including the Drive-Through Queuing Lane, shall include the following design components:
 - i. Drive-Through Facilities shall not be located within, or attached to, a building that contains a residential use.
 - ii. Drive-through facilities shall be setback a minimum of 12 m from any parcel line shared with a zone that permits a residential use.
 - iii. Drive-through lanes, including queuing lanes, shall be screened from the public road and adjacent properties with a landscape buffer measuring at least 4.0 m wide, and 1.5 m tall.
 - iv. A minimum 1.5 m wide landscaped buffer shall be installed between the drive-through queuing lane and parking lot manoeuvring area. This buffer may be interrupted to provide necessary access to the lane.
 - v. The Drive Through Queuing Lane shall be a minimum of 60 meters in length to provide sufficient space for ten (10) vehicles
- b. The minimum parcel area required for an accessory Drive-Through Facility use is 5,000 m² (0.5 ha).
- c. There shall not be more than three (3) Drive through facilities in **Area 5**
- d. There shall not be more than two (2) Drive through facilities in **Area 4**
- e. Drive through facilities are prohibited in **Area 1, Area 2, and Area 3.**

10. Parking

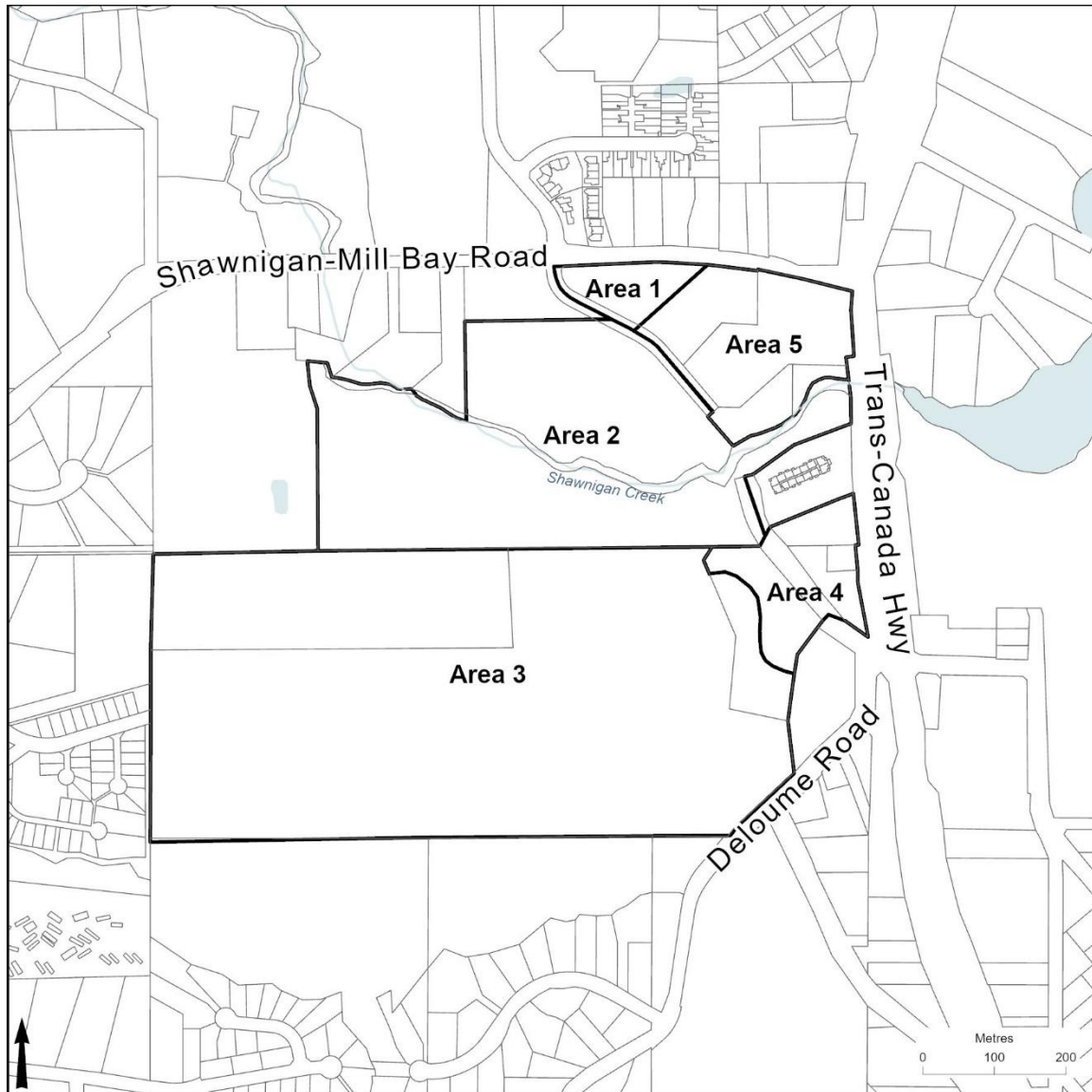
- a. In addition to any other bylaw provision, the following parking provisions apply within the CD-8 Zone:
 - i. For secondary suites, all required parking shall be provided outside of a garage;
 - ii. Parking spaces located within a front yard shall be wholly contained within the parcel that they serve.
- b. Despite any other bylaw provision, the following additional parking provisions apply within the CD-8 Zone:

Use	Required Parking Spaces	Required Loading Spaces
Shopping Centre	1 per 25m ² gross floor area	1 loading space per building

11. Density

- a. The maximum number of dwelling units (excluding suites), including dwellings within a Residential Facility and/or Congregate Housing use in the CD-8 Zone shall not exceed one-thousand (1,000).

12. CD-8 Zone Map



3. **FORCE AND EFFECT**

This bylaw shall take effect upon its adoption by the Regional Board.

PUBLIC NOTICE PROVIDED in ACCORDANCE WITH THE LOCAL GOVERNMENT ACT this	_____	day of	_____.	2025.
READ A FIRST TIME this	_____	day of	_____.	2025.
READ A SECOND TIME this	_____	day of	_____.	2025.
READ A THIRD TIME this	_____	day of	_____.	2025.

RECEIVED MINISTRY OF TRANSPORTATION & TRANSIT APPROVAL this	_____	day of	_____,	2025.
ADOPTED this	_____	day of	_____,	2025.

Chair

Corporate Officer

TERMS OF INSTRUMENT – PART 2

SECTION 219 COVENANT – STONEBRIDGE

THIS COVENANT dated for reference the ____ day of ____, 202__.

BETWEEN:

[name]
[address]
[City], BC [postal code]

(the "Grantor")

AND:

COWICHAN VALLEY REGIONAL DISTRICT, a regional district incorporated under the British Columbia *Local Government Act* having its offices at 175 Ingram Street, in the City of Duncan, Province of British Columbia, V9L 1N8

(the "Grantee")

WHEREAS:

- A. The Grantor is the registered owner in fee simple of the lands located within the jurisdiction of the CVRD legally described as:

PID: 029-533-601

LOT B SECTION 3 RANGE 8 SHAWNIGAN DISTRICT PLAN EPP49270

PID: 009-497-803

SECTION 3 RANGE 8 SHAWNIGAN DISTRICT EXCEPT PARCEL A (DD 43570I); PARCEL B (DD 45704I); PARCEL C (DD 91923I) AND EXCEPT THOSE PARTS IN PLANS 4171, 8239, 9554, 34171, 51404, VIP69873, VIP77020, EPP18211 AND EPP49270

PID: 010-208-089

PARCEL C (DD 91923I) OF SECTION 3 RANGE 8 SHAWNIGAN DISTRICT EXCEPT THAT PART IN PLAN 34171

PID: 025-942-310

LOT 1 SECTION 3 RANGE 8 SHAWNIGAN DISTRICT PLAN VIP77020

PID: 000-278-131

LOT B SECTION 3 RANGE 8 SHAWNIGAN DISTRICT PLAN 34171 EXCEPT

PART IN PLAN VIP51810

PID: 009-488-286

PARCEL B (DD 74982I) OF SECTION 2 RANGE 8 SHAWNIGAN DISTRICT EXCEPT THOSE PARTS IN PLANS 7124, 15016, VIP53899 AND VIP69873

PID: 009-487-221

THE NORTH 6.666 CHAINS OF THE WEST 25 CHAINS OF SECTION 2 RANGE 8 SHAWNIGAN DISTRICT SHOWN OUTLINED IN ORANGE IN PLAN DEPOSITED UNDER DD 14020F

PID: 009-528-601

SECTION 2 RANGE 8 SHAWNIGAN DISTRICT EXCEPT THE NORTH 6.666 CHAINS OF THE WEST 25 CHAINS; PARCEL B (DD 74982I) AND EXCEPT THAT PART LYING SOUTH EASTERLY OF DELOUME ROAD AND SHOWN COLOURED RED ON PLAN DEPOSITED UNDER DD 79301G

PID: 004-173-287

LOT 1 SECTION 2 RANGE 8 SHAWNIGAN DISTRICT PLAN 15016 EXCEPT PART IN PLAN 50299

(collectively, the “**Lands**”).

- B. The Grantee is the Cowichan Valley Regional District (“Grantee” or “CVRD”).
- C. The Grantor has previously offered to construct parks & trail amenities as part of a previous rezoning application: *Regional District Bylaw No. 4008 - South Cowichan Zoning Amendment Bylaw (Stonebridge CD Zone Amendments), 2016* (the “Previous Zoning Amendment Bylaw”), and secured registered a covenant (CA5728036) to clarify the timing and conditions of amenities required under Section 482 of the *Local Government Act* and provide additional amenities, over and above the amenities required under Section 482 of the *Local Government Act*.
- D. The Grantor has applied to the CVRD to rezone the Lands to a modified CD-8 (Village Comprehensive Development 8 – Stonebridge Comprehensive Development) (the “Zoning Amendment”); and has, on a voluntary basis, offered to replace covenant No. CA5728036 and provide voluntary park and trail improvements, park and trail dedication, and affordable housing units.
- E. The Grantor acknowledges that it is in the public interest that the development and use of the Lands be limited and wishes to grant this covenant to the CVRD;
- F. Section 219 of the *Land Title Act* provides that a covenant, whether of negative or positive nature, in respect of the use of land or the use of a building on or to be erected on land, and:
- that land is to be built on in accordance with the covenant;
 - that land is not to be built on or subdivided except in accordance with the covenant;

- that land or specified amenities be protected, preserved, conserved, maintained, enhanced, restored or kept in its natural or existing state in accordance with this covenant;

may be granted in favour of the CVRD and may be registered as a charge against the title to that land.

NOW THEREFORE THIS AGREEMENT WITNESSES that under Section 219 of the *Land Title Act*, and in consideration of the premises and the mutual covenants and agreements contained herein, and the sum of ONE (\$1.00) DOLLAR of lawful money of Canada now paid to the Grantor by the CVRD (the receipt and sufficiency of which is hereby acknowledged), and for other good and valuable consideration the parties covenant and agree each with the other as follows:

Part A – Definitions and Interpretation

1. In this Agreement the following words have the following meanings:

"General Amenities" means the following amenities:

- a) the transfer to the CVRD, or to an affordable housing provider that is acceptable to the CVRD, of the fee simple interest two lots created by subdivision of the Lands within the "Area 2" of CD-8 Zone (SCHEDULE "B"), each of which is suitable for the construction of one (1) duplex;
- b) the financial contribution of Three Hundred Thousand (\$300,000.00) Dollars to Electoral Area A Community Parks Capital Reserve Fund; and
- c) the transfer to the CVRD of the fee simple interest in all Riparian Areas for park and conservation purposes limited to the portions of lands identified as "Area 2" in SCHEDULE "B";
- d) the transfer to the CVRD of the fee simple interest in one (1) 'tot lot park land' parcel of at least 0.006 ha in size, with all associated site improvements and amenities described in this agreement, limited to the portions of lands identified as "Area 2" in SCHEDULE "B";
- e) the construction of a system of trails and trail improvements, including signage, limited to the portions of lands identified as "Area 2" in SCHEDULE "B";
- f) the transfer to the CVRD of the fee simple interest one or more titled parcels, together comprising not less than 8 hectares of land for a community park use, with a sufficiently large contiguous park area in a condition, configuration, and location acceptable to the CVRD. If satisfactory to the CVRD, this may include trails, environmental protection areas, and conservation areas. This is limited to the portions of lands identified as "Area 3" and "Area 4" in SCHEDULE "B";
- g) the transfer to the CVRD of the fee simple interest the Lands upon which the Stone Bridge is situated, or an alternative interest satisfactory to the CVRD in accordance with this covenant.

"CVRD Parks and Trails Standards and Specifications" means the standards and specifications for Type I and Type II Trails utilized by the CVRD Parks and Trails Division in the development and construction of parks, trails and similar amenities, as amended or replaced and in effect on the date that this s. 219 covenant is registered at the Land Title Office;

"Dwelling Unit" and **"Duplex"** have the same meaning as under the Zoning Bylaw;

“MoTT” Means the Ministry of Transportation and Transit for the Province of British Columbia.

“MMCD standards” means the master municipal specifications, forming part of the Master Municipal Construction Documents, as adopted or revised from time to time by the Master Municipal Construction Documents Association of British Columbia, and when applicable, Municipal Infrastructure Design Guidelines Manual and the Standard Specifications & Detail Drawings;

“Multi-Use Stonebridge Trail” means that trail shown outlined on the Park Area and Amenity Plan labeled “Multi-Use Stonebridge Trail” built to the CVRD Parks and Trails Standards and Specifications for a Type I Trail by the Grantor in accordance with this Agreement, which will form a part of the CVRD’s recreational trail system, and which starts at the end of Barry Road on the north side of Shawnigan Creek and travels across Shawnigan Creek via the Stone Bridge, where it joins with Barry Road on the south side of Shawnigan Creek, the general location of which is shown outlined and labeled “Multi-Use Stonebridge Trail” on the Park Area and Amenity Plan;

“Park Area and Amenity Plan” means the plan showing the Grantor’s proposed subdivision and development of the Lands, and the approximate location of lands and park amenities to be provided by the Grantor under this Agreement, attached as SCHEDULE “A”;

“Park Areas” means, collectively, those parts of the Lands comprising the:

- a) Tot Lot Park Land;
- b) Trail Corridor Dedication Areas;
- c) Trails;
- d) Multi-Use Stonebridge Trail; and
- e) Riparian Areas

all of which are to be transferred to the CVRD in accordance with this Agreement for park or conservation purposes;

“Phase” means an area of the Lands that is proposed to be subdivided by a single subdivision plan;

“Professional Engineer” means a professional engineer licensed to practice in British Columbia;

“Riparian Areas” means the Riparian Assessment Areas of Shawnigan Creek as well as those portions of Handysen/Hollings Creek in Area 2 at the confluence of both Shawnigan Creek and Handysen/Hollings Creek as generally shown in Schedule “B”. This includes the part of the Lands that has been determined to be the streamside protection and enhancement area (SPEA) in accordance with- and as defined by- the *Riparian Areas Protection Regulation, BC Reg 178/2019*, as generally shown outlined and labelled “Riparian” on the Park Area and Amenity Plan;

“Stone Bridge” means the historic stone bridge situated within the Park Area that crosses Shawnigan Creek;

“Subdivision” means a subdivision pursuant to the Land Title Act, including the division of land into two (2) or more legal parcels, including by plan, apt descriptive words or otherwise, and for certainty includes:

- a subdivision of land under the *Strata Property Act* into one or more strata lots, whether a building strata or bare land strata subdivision; and,
- a lease for a term exceeding three years of a portion of a lot, other than a building or part of a building.

"Tot Lot Park Land" means an area of the Lands comprising at least 0.06 hectares, which is to be close proximity to a Trail that connects with the system of Trails in the Riparian Areas, and which will be improved as a tot lot park by the Grantor with amenities, which will include a playground, park furniture, landscaping, irrigation, and such other amenities as agreed upon by the CVRD and the Grantor and as more particularly described in sections 16 to 21 of this Agreement, and the general location of which is shown outlined and labeled "Tot Lot" on the Park Area and Amenity Plan;

"Trail" or "Trails" means those trails on the Lands, to be constructed to the CVRD Parks and Trails Standards and Specifications for a Type II Trail by the Grantor in accordance with this Agreement, the locations of which are generally shown by the dotted lines on the Park Area and Amenity Plan, and that will form a part of the CVRD's recreational trail system; and

"Trail Corridor Dedication Areas" means those corridors on the Lands to be transferred to the CVRD for recreational trail purposes in accordance with this Agreement, and that will not be less than 7 metres in width unless an alternative width is deemed to be satisfactory by the CVRD.

Part B – Duplex Lots, Park Contributions, and Riparian Park

2. The Grantor covenants and agrees with the CVRD that it shall not construct any buildings on the Lands or subdivide the Lands except in strict accordance with this Agreement
3. The Grantor covenants and agrees that no later than the third or last subdivision of the Lands within the CD-8 Zone, Area 2, whichever is the earlier, it shall transfer the fee simple interest in two fully serviced lots within the CD-8 Zone, each of which is suitable for the construction of one duplex, to a not-for-profit affordable housing provider that is acceptable to the CVRD
 - a) The two duplex lots may be transferred to the Regional District if a not-for-profit affordable housing provider is not available;
 - b) The two duplex lots shall be transferred prior to any subdivision or building permit in Area 3 or Area 4 of the CD-8 Zone, excluding boundary adjustment, lot consolidation, road dedication plan or a subdivision to create a public amenity lot or park dedication.
4. The Grantor covenants and agrees that it shall make a total financial contribution to the Electoral Area A Community Parks Capital Reserve Fund in an amount not less than \$300,000.00, on the following schedule:
 - a) Concurrently with the first Subdivision within Area 2 of the CD8 Zone (Schedule B), the grantor covenants and agrees that it shall make a financial contribution of \$50,000.00 to the Electoral Area A Community Parks Capital Reserve Fund
 - b) Concurrently with the second Subdivision within Area 2 of the CD8 Zone (Schedule B), the grantor covenants and agrees that it shall make a second financial contribution of \$50,000.00 to the Electoral Area A Community Parks Capital Reserve Fund

- c) Concurrently with the third Subdivision within Area 2 of the CD8 Zone (Schedule B), the grantor covenants and agrees that it shall make a second financial contribution of \$100,000.00 to the Electoral Area A Community Parks Capital Reserve Fund
 - d) Concurrently with the fourth Subdivision within Area 2 of the CD8 Zone (Schedule B), the grantor covenants and agrees that it shall make a second financial contribution of \$100,000.00 to the Electoral Area A Community Parks Capital Reserve Fund.
- 5. For certainty, the Grantor covenants and agrees that:
 - a) It shall make a total financial contribution to the Electoral Area A Community Parks Capital Reserve Fund in an amount not less than \$300,000.00, regardless of the number of subdivisions the Grantor finally elects to make to the Lands within the CD-8 Zone, Area 2;
 - b) Notwithstanding section 4, the Grantor shall pay to the Regional District the entire remaining balance of the \$300,000.00 financial contribution to the Electoral Area A Community Parks Capital Reserve Fund concurrently with any subdivision or building permit in Area 3 or Area 4 of the CD-8 Zone, excluding boundary adjustment, lot consolidation, road dedication plan or a subdivision to create a public amenity lot, or park dedication; and,
 - c) effective the year of registration of this Agreement and future years until such time as the cash contribution has been remedied, the contribution of \$300,000.00 shall be indexed according to the annual Statistics Canada Consumer Price Index.
- 6. The Grantor covenants and agrees that it shall not subdivide the Lands in Area 2 of the CD-8 Zone unless it first transfers, or transfers concurrently with the first subdivision plan, the fee simple interest in the Riparian Areas to the CVRD, for park and conservation purposes, within Area 2 of the CD-8 Zone; but, will not include roadside ditches along Barry Road and Shawnigan-Mill Bay Road, and any roadside ditches created by subdivision.
- 7. The Grantor shall be solely responsible for the cost of subdividing the Lands as required to create the lots that are required to be transferred under the terms of this Agreement, including the lots to be transferred to an affordable housing provider under section 3 and the transfer of the Riparian Areas to the CVRD under section 6, and for certainty the cost of subdivision includes the cost of surveying the Lands, plan preparation, the servicing of the lots referred to in section 3 with water and sewer services as well as all other services required as a condition of subdivision, and the cost of preparing and registering at the Land Title Office all required plans and transfers.
- 8. Each of the parcels that are required to be transferred under the terms of this Agreement, including the parcels to be transferred to an affordable housing provider under section 3 and the transfer of the Riparian Areas to the CVRD under section 6, must be transferred by the Grantor free and clear of any rights of way, covenants, easements, financial charges or encumbrances, property taxes, or other liens, charges or encumbrances of any kind, other than charges that are approved in advance and in writing by the CVRD, such approval not to be unreasonably or arbitrarily withheld.

Part C – Park Land and Park Improvement Amenities**TRANSFER OF PARK AREAS OTHER THAN RIPARIAN AREAS IN AREA 2**

9. The Grantor shall not deposit or register a subdivision plan that subdivides the Lands into one or more parcels comprising all or a portion of a Phase unless concurrently with that subdivision the Grantor creates and transfers to the CVRD the fee simple interest in the portion of the Lands comprising the Park Areas that are contained within that Phase. For greater certainty, Part C of this Agreement applies to the subdivision and transfer to the CVRD of all Park Areas other than the Riparian Areas referenced in Part B of this Agreement.
10. The Grantor shall be solely responsible for the cost of subdividing the Lands as required to create each legal parcel or parcels comprising a Park Area capable of being transferred to the CVRD, and for certainty the cost of subdivision includes the cost of surveying the Lands, plan preparation, and the cost of preparing and registering at the Land Title Office all required plans and transfers but expressly excludes any property transfer tax, or goods and services tax applicable to such transfer.
11. The final surveyed boundaries of all Park Areas as shown on a subdivision plan must be acceptable to the CVRD, such acceptance and approval not to be unreasonably withheld, and:
 - a) in the case of the portions of the Lands that must be transferred to the CVRD to accommodate the Trails, and the Multi-Use Stonebridge Trail in Area 2, the width and actual layout of the Trail Corridor Dedication Areas in each case shall be determined by the CVRD, acting reasonably, at the time of subdivision based on site conditions and trail requirements, including without limitation the requirement that the Trail Corridor Dedication Areas that pass between residential lots in the locations generally shown outlined and labeled as "Trail Corridors" on the Park Area and Amenity Plan, and must not be less than 7 metres in width unless an alternative width is agreed to by CVRD;
 - b) in the case of the Tot Lot Park Land in Area 2, the location and boundaries of the Tot Lot Park Land shall be as approved by the CVRD, acting reasonably.
 - c) in the case of the 8.0 hectares of land in Area 3, the condition, configuration, and location shall be acceptable to the CVRD. This may include trails, environmental protection areas, and conservation areas.
12. All Park Areas shall be transferred to the CVRD free and clear of any rights of way, covenants, easements, financial charges or encumbrances, overhead services, property taxes, or other liens, charges or encumbrances of any kind, other than charges that are approved in advance and in writing by the CVRD, such approval not to be unreasonably or arbitrarily withheld. Any part of the Lands required to be created by subdivision and to be transferred to the CVRD under this Agreement shall not be included within any area of the Lands that is required to be dedicated as highway or public roadway as a condition of subdivision.
13. Nothing in this Covenant imposes an obligation for the CVRD to accommodate underground services or utility works within the Park Areas. The Grantor shall not construct or install underground services or utility works including, but not limited to, those underground services or utility works on those parts of the Lands that will be transferred to the CVRD under this Agreement without first obtaining the written approval of the CVRD Board.

Without limiting the other circumstances in which the Cowichan Valley Regional District may withhold approval, approval may be withheld if the following conditions are not met

- a) except where written approval of the CVRD Board is obtained, all such infrastructure is located underground;
- b) the location of the infrastructure will not affect the CVRD's ability to develop or use the Park Area for park, trail, or conservation purposes;
- c) where practical the infrastructure is or will be aligned with a Trail or the Multi-Use Stonebridge Trail; and,
- d) the Grantor registers such easements or statutory rights of way as are necessary for the construction and maintenance of the infrastructure, such easements or statutory rights of way to be on terms that are to the CVRD's satisfaction in accordance with section 12 of this Agreement.

- 14. The Grantor covenants and agrees that it will not construct any stormwater infrastructure within the Park Areas without first obtaining the written approval of the Cowichan Valley Regional District Board. Such approval is not guaranteed.

AMENITIES AND TRAIL IMPROVEMENTS

- 15. The Grantor covenants and agrees that it shall construct at its sole cost and expense:
 - a) improvements required for the establishment and use of the Trails and the Multi-Use Stonebridge Trail (the **"Trail Improvements"**) with each phase of development in Area 2;
 - i. in the event that the Grantor wishes to provide alternative trail configurations within Area 3, they may, subject to the written approval of the CVRD Board, propose to substitute portions of the trails within Area 2 with constructed trails within Area 3.
 - ii. The CVRD agrees that it shall not consider dedication of trails in Area 3 to be treated as a subdivision pursuant to this agreement.
 - b) amenities and improvements required for the establishment and use of the Tot Lot Park Land (the **"Tot Lot Amenities"**) prior to or concurrently with any subdivision in Area 2;
 - c) all signage which identifies the boundaries between the Park Areas and private property (**"Park Area Signage"**) with each phase of development in Area 2.
- 16. The Grantor covenants and agrees that the Trail Improvements, Tot Lot Amenities, and Park Area Signage must be constructed in accordance with this Agreement and to the satisfaction of the CVRD prior to the subdivision and transfer of the fee simple interest in the parcel or parcels comprising the Park Area in which the Trail Improvements, Tot Lot Amenities or Park Area Signage is located.
- 17. All Trail Improvements, Tot Lot Amenities and Park Area Signage to be constructed under this Agreement shall be designed and constructed by the Grantor to the satisfaction of the CVRD and to CVRD Parks and Trails Standards and Specifications, Type I for the Multi-use Stonebridge Trail and Type II for all other Trails.
- 18. The CVRD and the Grantor agree that the general intent for trails depicted in the conceptual Park Area and Amenity Plan (Schedule A) is to provide:
 - a) A main North-to-South trail corridor;

- b) East-to-west trail corridors on both sides of Shawnigan Creek that connect to the main north-to-south corridor;
 - c) Trail Corridor Dedication Areas that pass between residential lots to ensure that dead-end streets have connections to the east-to-west trails corridors;
 - d) Trail connections to Tot Lot Amenities; and,
 - e) Trail connections so that future phases in Area 3 and 4 of the CD-8 Zone can tie into the trail corridors within Area 2.
- 19. Trail Improvements are to generally only be located within Park Areas; however, subject to the CVRD's written approval, trails may be situated within Road Rights of Way:
 - a) In the event that the CVRD provides written approval for trails within Road Rights of Way, the CVRD is responsible to obtain agreements from MoTT including but not limited to Multi-Use Path Agreements ("MUPA"), for any proposed trails that are proposed to be located within an existing or proposed road allowance owned by MoTT.
 - b) The Grantor shall be released of its obligation to construct the trail within an existing or proposed road allowance owned by MoTT, in the event that the CVRD is unable or unwilling to obtain a MUPA, and provided that the CVRD agrees that alternative trail locations are not available within park areas.
- 20. Prior to the construction of any Trail Improvements, Tot Lot Amenities, or Park Area Signage, the Grantor shall submit to the CVRD, for the CVRD's written approval, a set of drawings and specifications prepared by a qualified landscape designer, in such detail as is reasonably necessary to demonstrate that the Trail Improvements, Tot Lot Amenities and Park Area Signage will comply with the requirements of this Agreement, and that, where applicable, provide details of:
 - a) all site preparation work;
 - b) all hard surfaces;
 - c) all landscaping including grassed areas and trees;
 - d) signage;
 - e) playground equipment and park furniture where required; and
 - f) site services including water, sewer and hydro where applicable.
- 21. The Tot Lot Amenities must include:
 - a) potable water, irrigation, and storm drainage services at locations that are acceptable to the CVRD;
 - b) playground equipment suitable for the size of the Tot Lot Park Land and that meets the current Canadian Standards Association standards, which equipment must be approved in writing by the CVRD prior to the purchase and installation of the equipment, such approval not to be unreasonably withheld, and all playground equipment must be installed by a certified playground equipment contractor;
 - c) park furniture that meets CVRD Parks and Trails Standards or such other standard as the CVRD may, in its sole discretion, approve in substitution;
 - d) landscaping suitable for the size and use of the Tot Lot Park Land, as determined by the CVRD acting in its sole discretion; and
 - e) all other amenities and improvements that the parties agree are reasonably required or desirable for the use of the Tot Lot Park Land as a tot lot park.
- 22. The Grantor covenants and agrees that it shall construct, at its sole cost and expense, the Multi-Use Stonebridge Trail, and all other Trails in accordance with CVRD Parks and Trails Standards, and within the Trail Corridor Dedication Areas, or such other area of the Lands

that the CVRD in its sole discretion may direct in substitution.

- a) The Grantor is responsible for a one-year maintenance period for completed Works from the date of turnover to the CVRD.
- b) This includes responsibility for remediating product or functional deficiencies that arise within the one-year maintenance period at the Grantor's sole cost and expense, but does not include responsibility for items considered to fall under regular park operations and maintenance.

SECURITY FOR PARK IMPROVEMENT AMENITIES

23. Notwithstanding provisions in this agreement, if the Park Improvement Amenities contained in Part C are not 100% complete, the Grantor may request that the CVRD not withhold final approval of a subdivision plan if the Grantor provides to the CVRD financial security for the improvements not yet complete:
- a) the CVRD in its sole discretion may accept or reject this request.
 - b) If the CVRD accepts this request, the Grantor and the CVRD will enter into a Security Agreement to the satisfaction of the CVRD that confirms the term and administration of the Security, including but not limited to the amount of security, the form of security, partial releases of the security, warranty provisions related to the security, completion date of the works, and other related information and responsibilities in such agreements.
 - c) The CVRD requires an engineer's estimate for completion of the Park Improvement Amenities, which at its sole discretion it may accept or reject.

STONE BRIDGE

24. Concurrently with the subdivision of that part of the Lands upon which the Stone Bridge is situated, the Grantor shall transfer its interest in the Stone Bridge to the CVRD, free of all liens, charges and encumbrances, together with the portion of the Lands on which any part of the Stone Bridge is situated, that surrounds the Stone Bridge and that is reasonably required for the CVRD's use and maintenance of the Stone Bridge as part of the CVRD's recreational trail system.
- a) In the event that the Ministry of Transportation and Transit (MoTT) requires the lands that the Stone Bridge is situated on to be dedicated as Road, the Grantor may transfer an alternative interest in the bridge infrastructure (such as a License of Occupation) that is satisfactory to the CVRD. The Grantor will assign any rights or ownership of the bridge infrastructure to the CVRD.
 - b) In the event that CVRD obtains from MoTT an alternative interest in the bridge infrastructure such as a License of Occupation, the Grantor will assign any rights or ownership of the bridge infrastructure to the CVRD.
 - c) The Grantor shall be released of its obligation to transfer an alternative interest and undertake the works referenced in section 25 in the event that the CVRD is unable or unwilling to obtain an alternate interest from MoTT such as a License of Occupation, or MoTT is unwilling to provide the CVRD with said alternative interest.
 - i. In the event that the Grantor is unable to provide the CVRD with an alternative interest and MoTT is unwilling to provide the CVRD with an alternative interest, the Grantor shall provide an alternative pedestrian crossing to provide a main north-to-south connection as referenced in Section 18 of this agreement.

25. Prior to the transfer, the Grantor shall, at its sole expense:
- a) retain a Professional Engineer to inspect and assess the Stone Bridge and prepare, for the CVRD's written approval, a report detailing all work and upgrades that must be completed before the Stone Bridge may be safely used by the public as a bridge for pedestrians and non-motorized vehicles, which work must include, but shall in no way be limited to, the construction of a hand-railing on both sides of the Stone Bridge;
 - b) perform all work and upgrades to the Stone Bridge in accordance with the Professional Engineer's report to the satisfaction of the CVRD; and,
 - c) In the event that the Stone Bridge suffers catastrophic failure(s) beyond the control of the Grantor, or in the event that the Grantor and the CVRD agree that all works and upgrades to the Stone Bridge are not feasible, the Grantor agrees to replace the Stone Bridge with a new pedestrian bridge to the satisfaction of the Cowichan Valley Regional District.

NO DISTURBANCE OF LAND PENDING TRANSFER TO CVRD

26. Except as may be necessary to construct the Trail Improvements, Park Area Amenities and Park Area Signage required under this Agreement, the Grantor agrees that it shall not disturb or remove any soil and/or vegetation on that part of the Lands that might reasonably be expected to be transferred for park or conservation purposes under this Agreement, whether before or after the transfer of the Park Areas, including, but not limited to, any such disturbance or removal undertaken as part of any land clearing or construction activities, without the prior express written consent of the CVRD.

LOCAL GOVERNMENT ACT REQUIREMENTS FOR PROVISION OF PARK LAND OR PAYMENT FOR PARKS PURPOSES

a

27. The CVRD confirms that in the event that the Grantor develops the Lands in accordance with this Section 219 covenant, the Grantor shall be deemed to have met its obligation to provide 5% of the lands as 'park', under Section 510 of the *Local Government Act*, and the CVRD shall not require the provision of any additional park land at time of subdivision of the Lands.

GENERAL PROVISIONS

28. It is mutually understood, acknowledged and agreed by the parties hereto that the CVRD has made no representations, covenants, warranties, guarantees, promises or agreements (oral or otherwise) with the Grantor other than those contained in this Agreement.
29. The restrictions and covenants herein contained shall be covenants running with the Lands and shall be perpetual and shall continue to bind all of the Lands when subdivided, and shall be registered in the Victoria Land Title Office pursuant to section 219 of the *Land Title Act* as covenants in favour of the CVRD as a first charge against the Lands.
30. Where the Grantor is not in default herein and has satisfied the requirements in this Covenant for a phase of the Lands, the "Approved Phase", upon request by the Grantor and at the Grantor's cost, the CVRD will execute and deliver a partial release of this Covenant over the Approved Phase, thereby leaving this Covenant in full force and effect

against the remainder of the Lands not included in the Approved Phase.

GRANTOR'S RESPONSIBILITIES

31. All costs of complying with the requirements of section 2 herein will be borne by the Grantor.
32. The Grantor is solely responsible, at the Grantor's expense, to comply with all laws, regulations and orders of all authorities having jurisdiction over the Lands, transit facilities and public road.
33. At the Grantor's expense, the Grantor must do everything necessary to secure priority of registration and interest for this Agreement and the Section 219 Covenant it creates over all registered and pending charges and encumbrances of a financial nature against the Lands.

LIMITATION ON GRANTOR'S OBLIGATIONS

34. The Grantor will not be liable for any breach of any covenant, promise or agreement herein with respect to any portion of the Lands conveyed or otherwise disposed of, occurring after the Grantor has ceased to be the owner thereof.

APPLICABLE LAWS

35. The Grantor acknowledges that there are or may be federal, provincial or local government laws, regulations and orders affecting the Lands, or the location and design of transit-related infrastructure, and the Grantor acknowledges that the acceptance of this Covenant by the CVRD does not relieve the Grantor from complying with all applicable aspects of those requirements.

DISCHARGE AGAINST PUBLIC INTEREST

36. In respect of a possible application to discharge this Covenant pursuant to the provisions of the *Property Law Act*, the Grantor acknowledges that it is in the public interest that this Covenant remain registered against the title to the Lands.

INDEMNITY

37. The Grantor agrees to release, indemnify, defend and save harmless the CVRD and its elected and appointed officials, officers, employees and agents, from and against any and all liabilities, losses, suits, actions, damages, claims, demands, costs and other harm arising out of or in any way connected with this Covenant or its subject matter. This indemnity and release shall survive the discharge of this Covenant from title to the Lands.

DISPOSITION OF LAND

38. The Grantor will not sell, transfer, lease, rent or otherwise dispose of the Lands or propose to do any of them without giving all purchasers, tenants, and affected persons written notice of this Covenant.

NO OBLIGATIONS ON CVRD

39. The Grantor and the CVRD agree that the enforcement of this Covenant shall be entirely within the discretion of the CVRD and that the execution and registration of this Covenant against the title to the Lands shall not be interpreted as creating any duty on the part of the CVRD to the Grantor or to any other person to enforce any provision or the breach of any provision of this Agreement.
40. The rights given to the CVRD by this Covenant are permissive only and nothing in this Covenant:
- a) imposes any duty of care or other legal duty of any kind on the CVRD to the Grantor or to anyone else;
 - b) obliges the CVRD to enforce this Covenant, which is a policy matter within the sole discretion of the CVRD; or
 - c) obliges the CVRD to perform any act or to incur any expenses for any of the purposes set out in this Covenant.

NO EFFECT ON LAWS OR POWERS

41. This Covenant does not:
- a) affect or limit the discretion, rights or powers of the CVRD under any enactment or at common law, including in relation to the use or subdivision of the Lands; or
 - b) affect or limit any law or enactment relating to the use or subdivision of the Lands.

PRIORITY OF CHARGES

42. This Covenant shall be registered as a first charge against the Lands and the Grantor agrees to execute and deliver all other documents and provide all other assurances necessary to give effect to the covenants contained in this Covenant.

INTERPRETATION

43. References in this Covenant to:
- a) the singular includes a reference to the plural, and references to the plural includes a reference to the singular, unless the context requires otherwise,
 - b) a particular numbered section or lettered schedule is a reference to the corresponding numbered section or lettered schedule of this Covenant,
 - c) an "enactment" is a reference to an enactment as that term is defined in the *Interpretation Act* on the reference date of this Covenant,
 - d) any enactment is a reference to that enactment as amended, revised, consolidated or replaced, and
 - e) a party is a reference to a party to this Covenant.

COVENANT RUNS WITH THE LAND

44. The Grantor covenants for itself, its heirs, executors, successors in title and assigns that it will, at all times, perform and observe the requirements and conditions contained in this Covenant.
45. This Covenant shall run with, and bind the successors in title to the Lands, and each and every part into which the Lands may be subdivided by any means (including by deposit of a strata plan of any kind under the *Strata Property Act*), and shall be perpetual, and shall

be registered in the Victoria Land Title Office pursuant to Section 219 of the *Land Title Act* in favour of the CVRD.

REGISTRATION

46. The Grantor will do everything reasonably necessary, at the Grantor's expense, to ensure that this Covenant is registered against title to the Land with priority over all financial charges, liens and encumbrances registered, or the registration of which is pending, at the time of application for registration of this Covenant.
47. If this Covenant is registered prior to the adoption of the rezoning bylaw, and if the rezoning bylaw is not adopted by the Board of the Cowichan Valley Regional District within one (1) year following the date of registration of this Covenant, then the Cowichan Valley Regional District shall deliver to the Grantor a full and final release of this Covenant. The registration of such release shall be at the expense of the Grantor.

WAIVER

48. An alleged waiver of any breach of this Covenant is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver by the CVRD of a breach of this Covenant by the Grantor does not operate as a waiver of any other breach of this Covenant.

SEVERANCE

49. If any part of this Covenant is held to be invalid, illegal or unenforceable by a court having the jurisdiction to do so, that part is to be considered to have been severed from the rest of this Covenant and the rest of this Covenant remains in force unaffected by that holding or by the severance of that part.

NO OTHER COVENANTS

50. This Covenant is the entire agreement between the parties regarding its subject.

ENUREMENT

51. This Agreement shall enure to the benefit of the CVRD and shall be binding upon the parties hereto and their respective successors and assigns.

FURTHER ACTS

52. The Grantor must do everything reasonably necessary to give effect to the intent of this Covenant, including execution of further instruments.

DEED AND CONTRACT

53. By executing and delivering this Covenant the Grantor intends to create both a contract and a deed executed and delivered under seal.

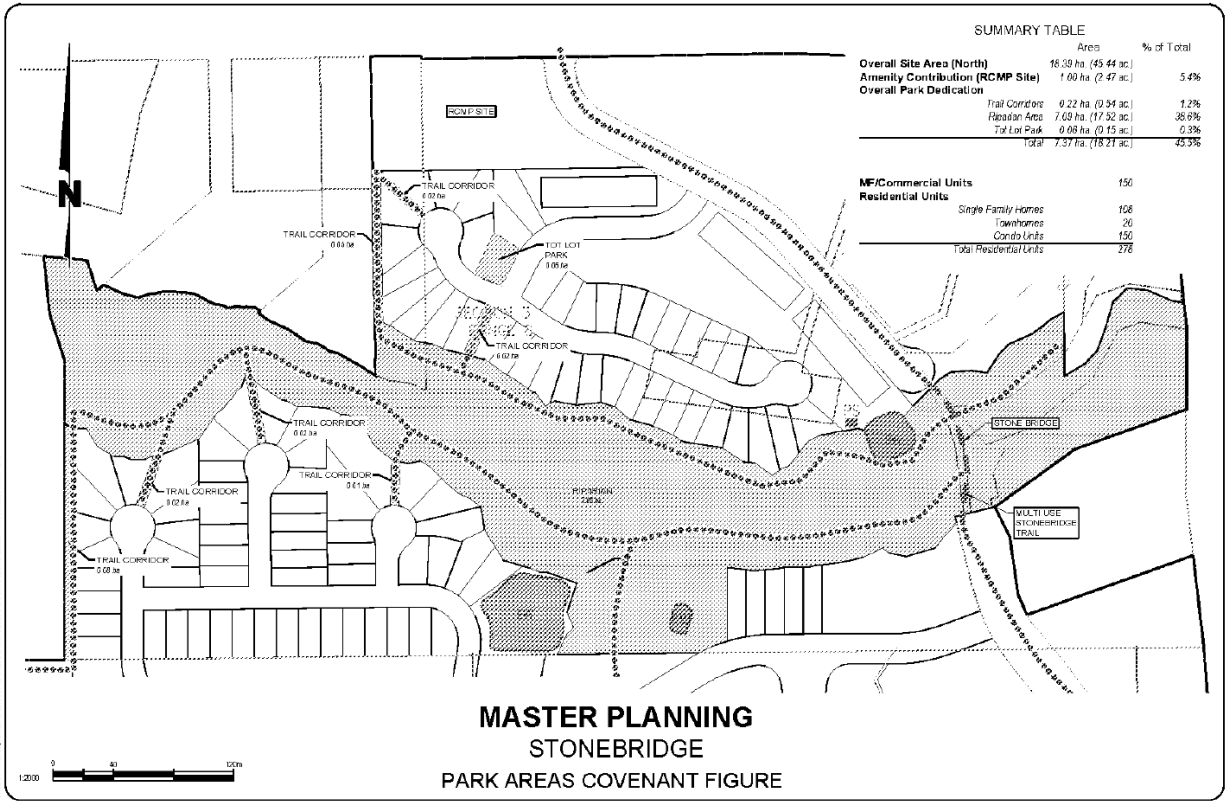
POWERS RESERVED

54. Nothing contained or implied in this Covenant shall impair, limit, prejudice or affect the CVRD's rights and powers in the exercise of its functions pursuant to the *Local Government Act*, or the *Community Charter* or any other enactment including the CVRD's bylaws, orders, policies and regulations, and all such powers and rights may be fully and effectively exercised in relation to the Lands as if this Covenant had not been executed and delivered by the CVRD.

IN WITNESS OF THIS COVENANT the Grantee and the Grantor have executed this Covenant by signing the Form C – General Instrument – Part 1 attached hereto.

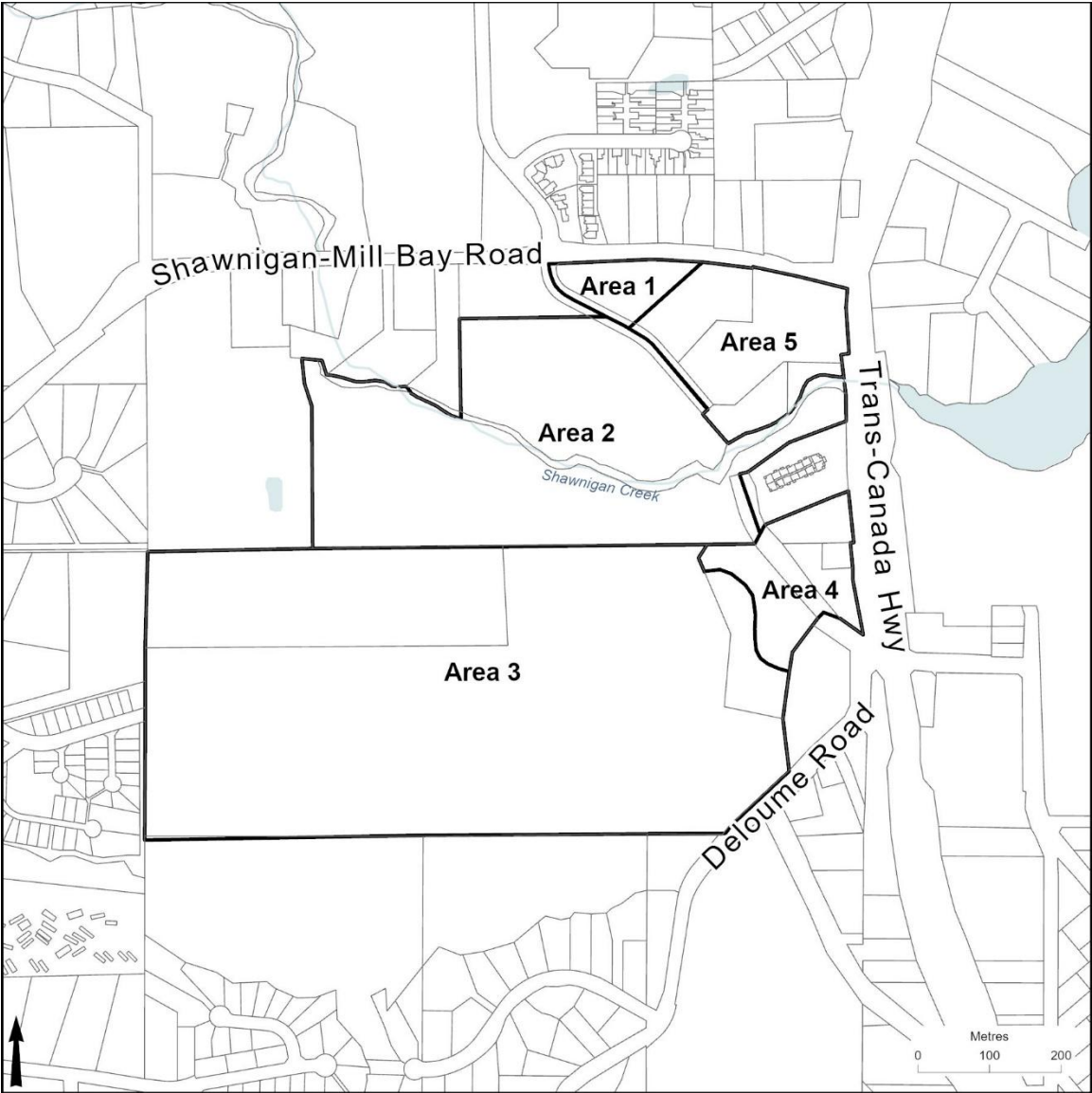
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SCHEDULE “A” – GENERAL LOCATION OF IMPROVEMENTS



NOTES: this sketch is conceptual only.

SCHEDULE “B” – DESCRIPTION OF THE CD-8 ZONE AREAS



CONSENT AND PRIORITY AGREEMENT

WHEREAS [bank] (herein called the "**Chargeholder**") is the holder of a Mortgage and Assignment of Rents registered in the Victoria Land Title Office under instrument Nos. [] (herein collectively called the "**Charges**"), encumbering the Lands as defined in the attached Covenant (the "**Covenant**").

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Grantee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Covenant and the Chargeholder hereby agrees that the Covenant will be binding upon its interest in and to the Lands described in the Covenant; and
2. grants to the Grantee priority for the Covenant over the Chargeholder's right, title and interest in and to the Lands described in the Covenant, and the Chargeholder does hereby postpone the Charges and all of its right, title and interest thereunder to the Covenant as if the Covenant had been executed, delivered and registered prior to the execution, delivery and registration of the Charges.

IN WITNESS WHEREOF the Chargeholder has duly executed this Consent and Priority Agreement by signing on the Form C above on the date set out therein.