



## CITY OF VANCOUVER

### ADMINISTRATIVE REPORT

Report Date: February 10, 2006  
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VanRIMS No.: 13-2000-30  
Meeting Date: February 28, 2006

TO: Vancouver City Council

FROM: General Manager of Engineering Services in Consultation with the Director of Real Estate Services and Director of Legal Services

SUBJECT: Proposed Closure of Vernon Drive Northerly of Powell Street and the Sale of Adjacent City-owned Lands at 1155 Powell Street East of Rogers Street

#### RECOMMENDATION

- A. THAT Council close, stop-up and convey to The Crown in Right of Canada as represented by the Vancouver Port Authority (VPA), all that portion of Vernon Drive (233.2 m<sup>2</sup>) lying east of [PID: 023-709-278] Parcel F (Reference Plan 19952) Block 2 District Lot 182 Group 1 New Westminster District Plan 14625, the same as shown hatched on the plan attached as Appendix "A", subject to the terms and conditions described in Appendix "C";
- B. THAT Council close, stop-up and convey to the Canadian Pacific Railway Company (CPR), all that portion of Vernon Drive (389.7 m<sup>2</sup>) lying east of [PID: 024-605-948] Parcel U Block 2 of Block A District Lot 182 Group 1 New Westminster District Plan LMP43458, the same as shown hatched on the plan attached as Appendix "B", subject to the terms and conditions described in Appendix "C";
- C. THAT Council close, stop-up and convey to The Crown in Right of Canada as represented by the VPA, all that portion of Vernon Drive north of Powell Street (80.1 m<sup>2</sup>), the same as shown cross-hatched on the plan attached as Appendix "A", in exchange for the conveyance to the City of the south 2.134 metres of VPA lands (62.8 m<sup>2</sup>), being [PID: 015-366-529, 015-366-537, 015-366-545, and 015-366-561] Lots 25, 26, 27 and 28, Each Except the Canadian Pacific Railway Right of Way, Block 3 of Block A District Lot 182 Plan 355, all consolidated as Lot A, for road purposes, as shown hatched on the plan attached as Appendix "A";

- D. THAT Council approve the establishment as road of the south 2.134 metres of said VPA lands consolidated as Lot A (62.8 m<sup>2</sup>), as conveyed to the City and described in Recommendation "C";
- E. THAT Council close, stop-up and convey to The Crown in Right of Canada as represented by the VPA, all that portion of Vernon Drive (155.8 m<sup>2</sup>) lying east of [PID: 023-918-616] Lot S Except: Firstly: Part Road on Plan LMP35881; Secondly: Part on Plan LMP43457; Block 2 of Block A District Lot 182 Group 1 New Westminster District Plan LMP35311, the same as shown hatched on the plan attached as Appendix "A";
- F. THAT Council authorize the sale and conveyance of said Lot S to the VPA;

Recommendations C, D, E and F being subject to the terms and conditions described in Appendix "C";

- G. THAT the proceeds from the property transactions be credited to the Engineering Property Acquisition Fund in the Capital Budget (\$150,300) and to the Vernon Drive Phase II Soil Study and Remediation Account (\$100,000) to fund the costs of environmental work;
- H. THAT the conveyances described in Recommendations A, B, C, D, E and F are to complete concurrently and in total in the Land Title Office, with no portion of the conveyances completing independently of the other;
- I. THAT any agreements are to be to the satisfaction of the Director of Legal Services;
- J. THAT the purchasers be responsible for all necessary plans, documents and Land Title Office fees; and
- K. THAT Council authorize the Director of Real Estate Services to execute all transfers and documents required.

## COUNCIL POLICY

The authority for closing and disposing of streets and lanes is set out in the Vancouver Charter.

It is Council policy that property held in the Capital Fund but deemed surplus to civic needs be transferred to the Property Endowment Fund (PEF) to be held as investments or sold. Council has provided exceptions to this policy in circumstances where the proceeds are appropriately applied to achieve a benefit related to the disposition.

On June 25, 1996, Council approved the recommendations of the General Manager of Engineering Services in an Administrative Report, dated June 14, 1996. Recommendation B of that report stated:

THAT Council approve the purchase of Lots 28 to 32, Each Except the CPR Right of Way, Block 2 of Block A District Lot 182 Plan 355, by Engineering Services from the PEF for a price of \$130,000, to be funded from Streets Capital Account 13/32/9809/999, for Minor Property Acquisition.

On June 1, 1999 Council approved the Recommendations of the General Manager of Engineering Services in an Administrative Report dated April 29, 1999 that authorized completion of the City obligations related to the Powell Street Relocation and Two-Lane Port Road Project.

## PURPOSE

The purpose of this report is to seek Council authority to:

1. Convey the said Lot S to the VPA;
2. Close, stop-up and convey three portions of Vernon Drive north of Powell Street and south of Stewart Street to the VPA;
3. Close, stop-up and convey a portion of Vernon Drive (between the portions to be conveyed to the VPA) to the CPR;
4. Establish as road the south 2.134 metres of said Remainder of Lots 25 to 28 for road purposes.

## BACKGROUND

To provide land for the construction of the two-lane port road, Powell Street has been shifted southerly. The June 9, 1997 VPA/City Agreement ( as detailed in the April 29, 1999 report of the General Manager of Engineering Services dealing with the relocation of Powell Street) established the general principles for the construction work, including that the City would perform the work required and the VPA would pay \$1.8 million for the same.

Section 7 of the Agreement details a number of property transfers to occur from the City to the CPR. These obligations are now completed. Section 8 of the Agreement details a number of potential property transfers from the City to the VPA. The VPA at that time elected not to proceed with these acquisitions.

## DISCUSSION

The construction to relocate Powell Street, which began in 1997, is now finished. The CPR commenced work to relocate their track southerly on or about June 15, 1998. That work is also complete. Further, the VPA has completed construction of the two-lane Port Roadway adjacent to Rogers Sugar.

As a condition of the June 14, 1996 Administrative Report (Recommendation B), Engineering Services purchased said Remainder of Lots 28 to 32 from the PEF for \$130,000, with funding from "Streets Capital Account for Minor Property Acquisition". On October 21, 1997, these

lands were consolidated into Lot S by the deposit of Plan LMP35311. On November 21, 1997, the Southerly 7 feet of Lot S was established as road.

When the June 9, 1997, VPA/City Agreement was being negotiated, the VPA expressed an interest in acquiring the balance of City-owned Lot S and two portions of Vernon Drive north of Powell Street. The VPA has approached the City recently to indicate that they are still interested in this purchase.

To prepare the site for sale, the City commissioned a Phase I and Phase II Environmental Site Assessment to determine the level of soil contamination, if any, on the site. Minor contamination was found and the City has agreed to remediate the site, with Roster review, at an estimated cost of \$100,000.00.

The General Manager of Engineering Services and the Director of Real Estate Services have determined that these lands are surplus to the City's needs. The City also has an interest in acquiring the southerly 2.134 metres of said Remainder of Lots 25 to 28 (VPA Lands) for road purposes.

In discussions with CPR they have also expressed interest in the purchase of that portion of Vernon Drive lying between the two portions which the VPA is interested in purchasing. As this portion of Vernon Drive would be left isolated with no access, it will be essential to close, stop-up and convey all portions of Vernon Drive at the same time.

The portion of Vernon Drive proposed to be closed, contains a GVS&DD force main sewer. The GVS&DD has confirmed that an existing "crossing agreement" between the CPR and the GVS&DD adequately protects the force main within the portion of Vernon Drive to be conveyed to the CPR. The GVS&DD has also confirmed that an existing easement agreement between the VPA and the GVRD will be amended to protect the GVS&DD force main within the portions of Vernon Drive to be conveyed to the VPA. Therefore, there are no public utility Statutory Right of Way requirements for road closure approval.

The Director of Real Estate Services has determined the following to be reasonable and fair market value for the 3 portions of Vernon Drive and the Remainder of Lot S:

1. a total price of \$245,500.00 from the VPA, for the 233.2 m<sup>2</sup> and 155.8 m<sup>2</sup> portions of Vernon Drive to be closed and the said Lot S;
2. a price of \$4,800.00 from the CPR for the 389.7 m<sup>2</sup> portion of Vernon Drive to be closed.

In addition, the Director of Real Estate Services has determined that the value of the 80.1 m<sup>2</sup> portion of Vernon Drive to be closed, as shown cross-hatched on Appendix "A", is equivalent to the value for the south 2.134 metres of the VPA lands, said Remainder of Lots 25 to 28.

As a condition of the transfer to the VPA of the three portions of Vernon Drive and City-owned said Lot S, the lands are to be consolidated into two single parcels as shown in bold outline in Appendix "A". As a condition of transfer to CPR of the remaining portion of Vernon Drive, it is to be consolidated with the adjacent CPR properties, as shown in bold outline in Appendix "B".

It is recommended that the proceeds from these property transactions be allocated as follows:

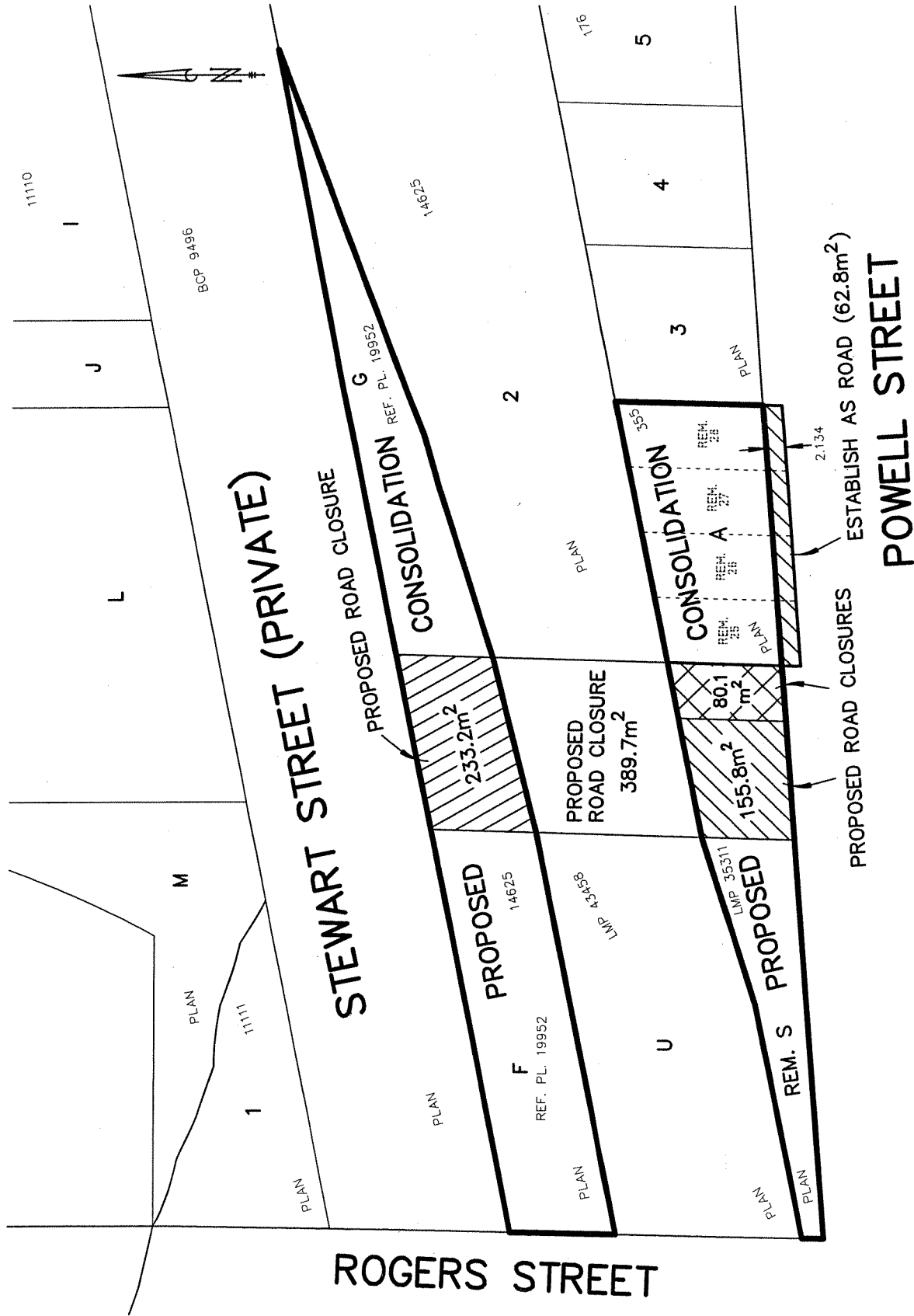
- \$8,200 from Recommendation A, \$4,800 from Recommendation B, and \$137,300 from Recommendations C, D, E and F to the Engineering Property Acquisition Fund to repay the original purchase cost of the property; and
- \$100,000 from Recommendations C, D, E and F to the Vernon Drive Phase II Soil Study and Remediation Cost Account.

## CONCLUSION

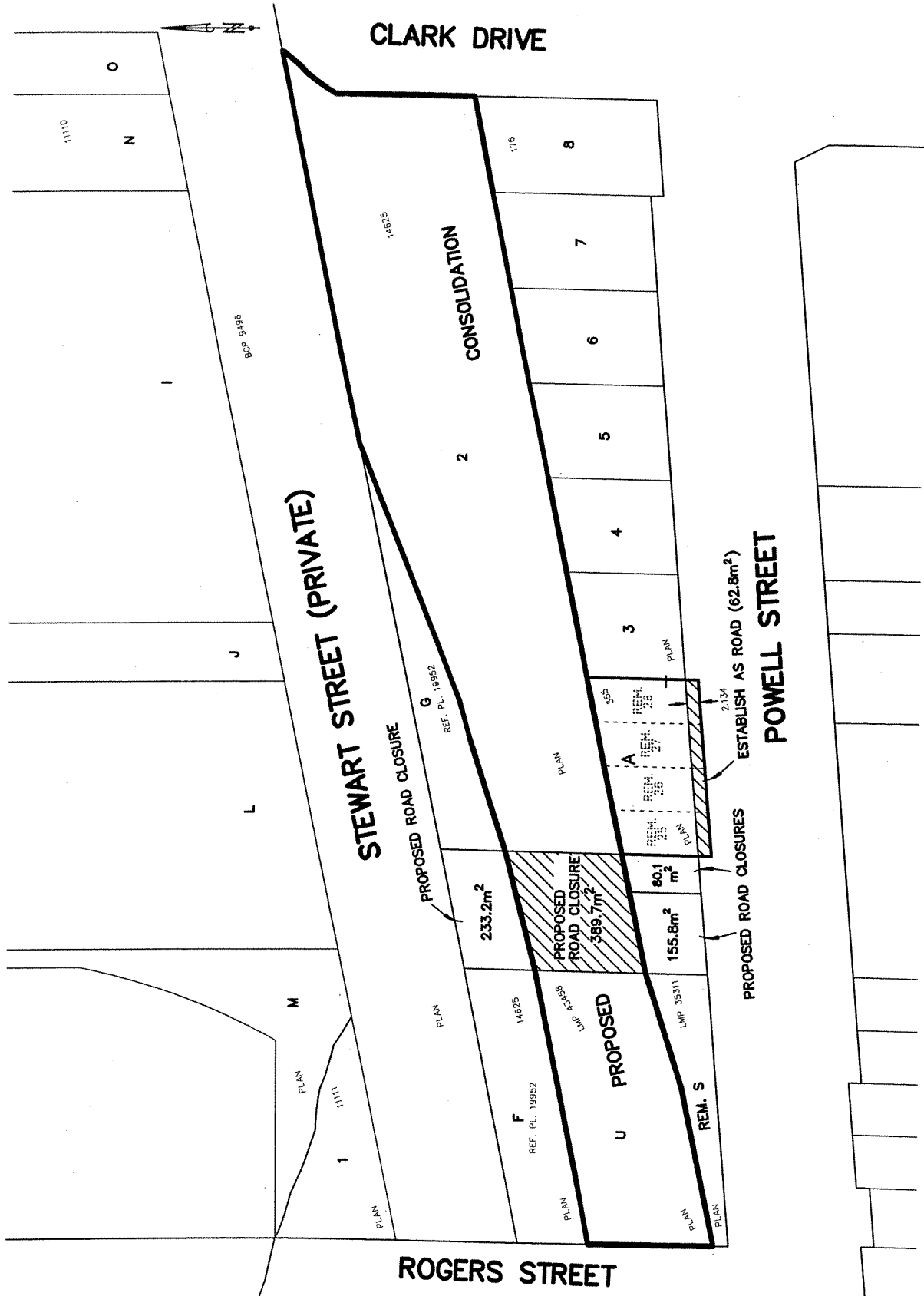
The General Manager of Engineering Services, in consultation with the Director of Real Estate Services and the Director of Legal Services, recommends approval of Recommendations A to K, inclusive.

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APPENDIX A



# APPENDIX B



**Recommendation "A" conditions:**

1. VPA to pay \$8,200.00 plus G.S.T. if applicable in accordance with the recommendation of the Director of Real Estate Services;
2. The purchase price to be credited to Property Acquisition Unappropriated Group CB3EA4E006 - Account No. 30008630;
3. Consolidation of the 233.2 m<sup>2</sup> portion of Vernon Drive with the adjacent VPA lands, being the said Parcel F, to the west, and [PID: 023-709-260] Parcel G (Reference Plan 19952) Block 3 District Lot 182 and of the Public Harbour of Burrard Inlet Group 1 New Westminster District Plan 14625, to the east, into a single parcel, the same as generally shown in heavy bold outline on the plan attached as Appendix "A".

**Recommendation "B" conditions:**

1. CPR to pay \$4,800.00 plus G.S.T. if applicable, in accordance with the recommendation of the Director of Real Estate Services;
2. The purchase price to be credited to Property Acquisition Unappropriated Group CB3EA4E006 - Account No. 30008630;
3. Consolidation of the 389.7 m<sup>2</sup> portion of Vernon Drive with the adjacent CPR lands, being the said Parcel U and [PID: 016-059-344] Lot 2, Except Part in Reference Plan 19952, Block 3 District Lot 182 and of the Public Harbour of Burrard Inlet Plan 14625, into a single parcel, the same as generally shown in heavy bold outline on the plan attached as Appendix "B".

**Recommendation "C, D, E and F" conditions:**

1. VPA to pay \$237,300.00 plus GST if applicable, as the total value for the 155.8 m<sup>2</sup> portion of Vernon Drive (shown hatched on Appendix "A") to be closed and the said Lot S, in accordance with the recommendation of the Director of Real Estate Services;
2. \$137,300.00 of the purchase price to be credited to Property Acquisition Unappropriated Group CB3EA4E006 - Account No. 30008630, so as to re-pay the Streets Capital Account for the June 1996 purchase of said Remainder of Lot S from the PEF, and \$100,000.00 of the purchase price to be credited to Vernon Drive Phase II Soil Study and Remediation Cost Account Group CB3EA4E002 - Account No. 30007821, to cover the costs of the environmental (soils) reports and remediation;
3. Consolidation of the 155.8 m<sup>2</sup> and 80.1 m<sup>2</sup> portions of Vernon Drive with the adjacent VPA lands, being said Remainder of Lots 25, 26, 27 and 28, all consolidated as Lot A (less the 62.8 m<sup>2</sup> portion established as road) and the said Lot S, into a single parcel, the same as shown in bold outline on the plan attached as Appendix "A".

**For Recommendations A to F, Inclusive:**

No legal right or obligation shall be created and none shall arise hereafter, until the documents are executed.