



# CITY OF VANCOUVER

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## ADMINISTRATIVE REPORT

Report Date: November 23, 2006  
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Meeting Date: December 12, 2006

TO: Vancouver City Council

FROM: General Manager of Engineering Services

SUBJECT: Proposed Lease of Portions of Kent Avenue South, Hartley Street, Kinross Street, Dudley Street, and Cromwell Street

### RECOMMENDATION

- A. THAT Council close, stop-up and lease to the abutting owners all those portions of:
- (a) Kent Avenue South from the westerly limit of Hartley Street to the westerly limit of Boundary Road;
  - (b) Hartley Street, Kinross Street, and Dudley Street lying between the northerly shore of the north arm of Fraser River and the southerly limit of Kent Avenue South;
  - (c) That portion of Cromwell Street being That Part of Lot 62 in Reference Plan 2733, Except Part in Reference Plan 3234, Blocks 24 to 29 District Lot 331 Plan 1477 established as road by DF31747 on November 13, 1940;
- the same as each shown in heavy outline on the plan attached hereto as Appendix "A" (the "Streets") subject to the terms and conditions as noted in Appendix "B".
- B. THAT the Director of Legal Services be authorized to execute all documents required.
- C. THAT no legal right or obligation shall be created and none shall arise hereafter, until the documents are executed to the satisfaction of the Director of Legal Services.

## **COUNCIL POLICY**

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

## **PURPOSE**

The purpose of this report is to seek Council authority to close, stop-up, and lease to the abutting owner (Park Lane White Pines Development Ltd.) the Streets shown on plan attached as Appendix "A".

## **BACKGROUND**

Portions of the subject lands have been leased to neighbouring sawmill operators at least since 1931. The ownership of the adjacent lands has changed over the years from MacMillan Bloedel Limited to Weyerhaeuser Company and more recently to Park Lane White Pines Development Limited ("Parklane").

Environmental remediation by Parklane for the Streets and adjacent lands is underway.

Parklane served the City with notice of termination to cancel the lease effective April 30, 2005 claiming that the Streets were no longer required by them. Since the Streets are fenced in with the adjacent lands and being used by Parklane, staff has taken the position that Parklane needs to enter into a new lease agreement to recognize and clarify their continued occupancy and use of the Streets.

It is to the mutual benefit of Parklane and the City to keep the Streets fenced off in order to prevent un-authorized use such as garbage dumping and trespass. A new lease will place the Streets under the stewardship of Parklane for the interim while environmental remediation and redevelopment of the area progresses.

Parklane has agreed to enter into a new lease with the City retroactive to May 1, 2005. The rent for the new lease is reduced from \$225,000 per annum to \$35,000 to reflect a proposed non-market use of the Streets that is a reduced and less intensive use than that of the former industrial tenant.

## **DISCUSSION**

Most of the sawmilling infrastructure has been dismantled and the Streets are not presently required for municipal purposes. The site is now within the boundary of the East Fraser Lands Official Development Plan (ODP), approved at public hearing November 14, 2006 and Parklane intends to submit a rezoning application in early 2007.

Parklane plans to phase the development of the adjacent lands, bounded by Marine Way, the Fraser River, Kerr Street, and Boundary Road, in accordance with the ODP, over a twenty year construction period and will require use of the Streets for ingress and egress. The ODP calls for a re-configuration of the street and open space network to reflect current City transportation priorities.

It is anticipated that over the next twenty years as the development progresses components of the Streets may be re-opened as road, or permanently closed and conveyed to the adjacent lands owner in accordance with the ODP. This lease provides tenure to Parklane for the interim.

The lessee's use of the Streets will be restricted to ingress and egress to the adjacent lands, remediation work, and other uses as may be permitted by the City Engineer. The lessee may seek written permission from the City Engineering Services to include the Streets in development site preparation together with the adjacent lands subject to the terms and conditions stipulated by the City Engineer.

The Director of Real Estate Services has negotiated a new lease, for a 5 year term, subject to a six month notice of cancellation, with the an annual rental of \$35,000.00 plus GST.

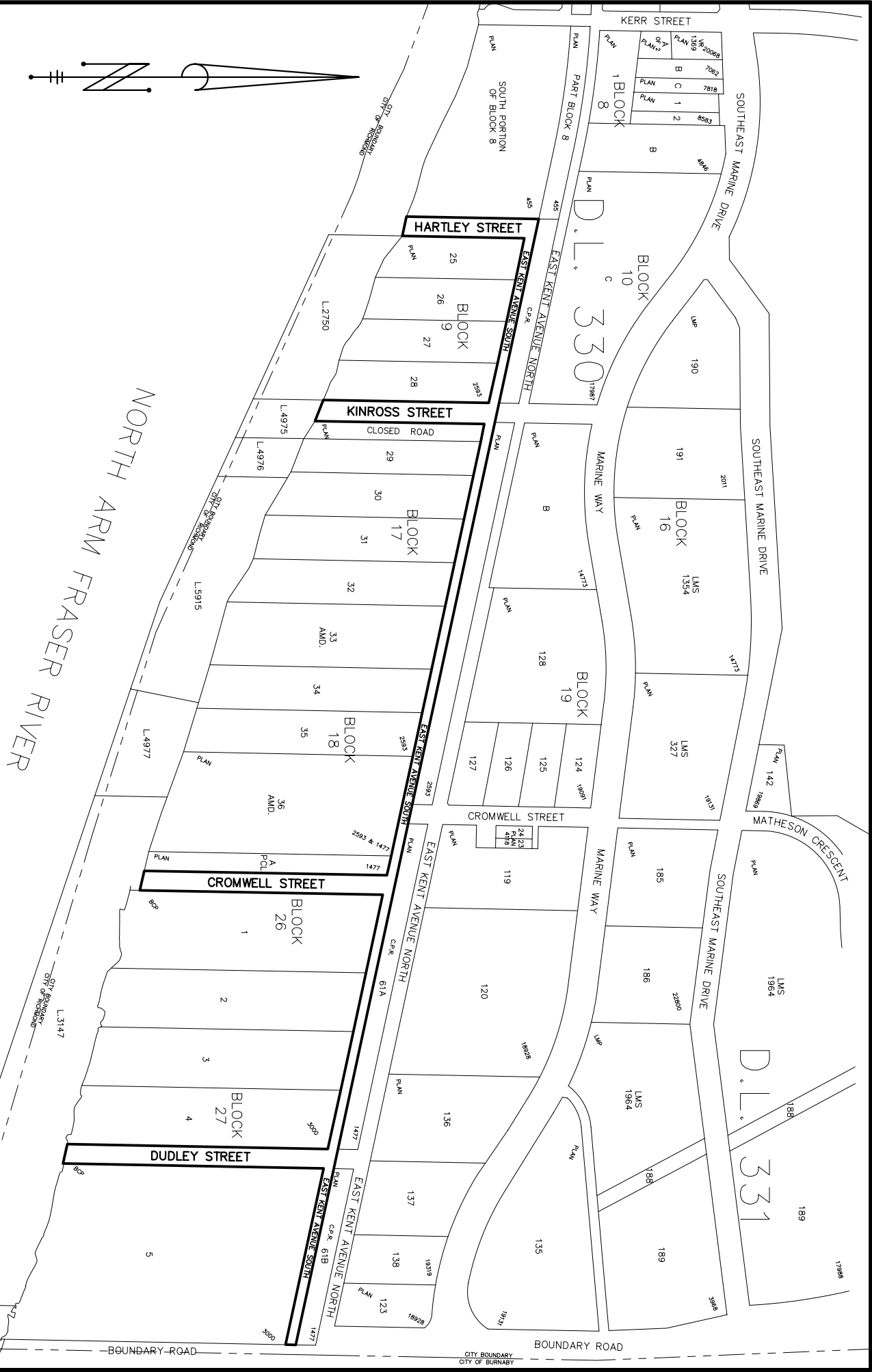
The final lease agreement will be drawn to the satisfaction of the Director of Legal Services, the Director of Real Estate Services and the City Engineer. Terms and conditions for the lease are listed in Appendix "B" of this report.

## **CONCLUSION**

The Streets are not presently required for municipal purposes. The General Manager of Engineering Services, in consultation with the Director of Real Estate Services and the Director of Legal Services recommend approval of Recommendations A through C to facilitate the stopping-up, closure, and lease of the Streets.

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# APPENDIX 'A'



ENGINEERING SERVICES  
 NOVEMBER 21, 2006  
 AFP MAP: V/W-25,26

TERMS AND CONDITIONS

1. Annual rent to be \$35,000 plus GST, effective May 1, 2005.
2. The term of the lease is to be five years from May 1, 2005, subject to early termination provided herein.
3. Either party may terminate the lease by serving the other party with six months prior notice of termination. Rent will be prorated accordingly.
4. Use of the Streets is restricted for ingress and egress to the adjacent lands, any other uses as may be permitted by the City Engineer from time to time and remediation work only. The lessee may seek written permission from the City Engineering Services for inclusion of the Streets in the site preparation of the adjacent lands, subject to the terms and conditions stipulated by the City Engineer.
5. No alterations to the Streets are allowed and the construction of buildings or structures within the Streets is prohibited.
6. The lessee shall be responsible to maintain the Streets in a neat, tidy and safe condition and free of all debris and nuisance, including responsibility for drainage, in a manner satisfactory to the City Engineer.
7. The Lease is to contain a provision restricting the stacking of heavy load over the Streets.
8. The lessee shall assume full responsibility for liabilities, loss and damages from their occupancy or use of the Streets and to insure the Streets with a comprehensive general liability and property damage insurance policy to the satisfaction of the Director of Risk Management.
9. The City, public utility companies, and the G.V.R.D. are to have the right of entry, at any time, to the Streets for the purpose of installing maintaining and repairing public utilities.
10. Upon termination of the lease, the lessee will deliver the Streets to the City in a neat, tidy and safe condition satisfactory to the City Engineer.
11. The lease agreement is to be drawn to the satisfaction of the Director of Legal Services, the Director of Real Estate Services and the City Engineer and may contain other terms and conditions to the satisfaction of the Director of Legal Services, Director of Real Estate Services and the City Engineer.