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CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: November 10, 2008

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RTS No.: 07769 VanRIMS No.: 08-2000-20

Meeting Date: November 25, 2008

TO: Vancouver City Council

FROM: General Manager of Engineering Services

SUBJECT: Proposed Closure of a Portion of Water Street Adjacent to 36 Water Street

RECOMMENDATION

A. THAT Council reconsider the motion of September 30, 2008, to approve an encroachment of a portion of Water Street, adjacent to 36 Water Street as contained in the report of the General Manager of Engineering Services dated August 29, 2008.

If Council approves recommendation A:

- B. THAT Council authorize the Director of Legal Services to apply and raise title in the name of the City of Vancouver to a portion of Water Street that contains the encroachment by the existing building façade at 36 Water Street, the said portion is shown on a reduced copy of a Reference Plan, attached hereto as Appendix "A".
- C. THAT all that volumetric portion of Water Street included within the heavy outline and illustrated isometrically on a plan of survey, a reduced copy of which is attached as Appendix "B", be closed, stopped-up and that an easement be granted to the owner of the abutting Parcel X Block 2 Old Granville Townsite Plan BCP19290 ("Parcel X") to contain the portions of the existing building which encroach onto Water Street. The easement to be for the life of the encroaching portions of the existing building on Parcel X and to be to the satisfaction of the Director of Legal Services.

- D. THAT fees for the document preparation, registration and use of the easement referred to in Recommendation "B" are to be in accordance with those charged for in an agreement prepared pursuant to the Encroachment By-law.
- E. THAT the Director of Legal Services be authorized to execute all documents and plans required.

If Council approves this report, the Formal Resolution to close portions of Water Street will be before Council later this day for approval.

COUNCIL POLICY

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

Permitting encroachments onto street and lane by listed heritage buildings is consistent with Council's past practice.

PURPOSE

The purpose of this report is to obtain Council authority to close and stop-up a portion of Water Street and to grant an easement to contain the encroaching elements of the building located at 36 Water Street.

BACKGROUND

On September 30, 2008, Council approved the recommendation of the General Manager of Engineering Services as contained in a report dated August 29, 2008 to close and stop-up a portion of Water Street and to grant an easement to contain the encroaching elements of the building located at 36 Water Street.

The owner of Parcel X recently discovered additional encroachments of the building located at 36 Water Street and that these additional encroachments are not contained within the easement that was granted on September 30, 2008. Amended plans containing all encroaching elements of the building façade located at 36 Water Street have been prepared and are hereby attached as Appendix "A" and Appendix "B".

The subject site, Parcel X Block 2 Old Granville Townsite Plan BCP19290 ("Parcel X"), has been redeveloped with a 7-storey mixed-use building (retail on the ground floor with 46 residential units above) in accordance with Development Permit No. DE408640. The Water Street façades of both, the former Grand Hotel, constructed in 1903 and listed in Category "B" on the Vancouver Heritage Registry and the former Terminus Hotel, constructed in 1901 and listed in Category "A" on the Vancouver Heritage Registry, have been retained and have been designated as protected heritage property under Heritage By-Law No. 9024. In 2000, a fire destroyed the Terminus Hotel except the original façade, which was temporarily braced by steel supports.

Portions of the building exterior of the former Terminus Hotel and Grand Hotel are encroaching onto Water Street and the owners have expressed their intension to strata title the development. As such, the registrar of Land Titles has taken the position that to satisfy the Strata Property Act, the strata corporation must have control over the portion of street affected by the building encroachment for the life of the building. To accomplish this, the volumetric portions of the street containing the encroachments must be closed, stopped-up, and an easement granted for the volumetric portions of the building that encroach. It will be necessary to raise title for the portion of Water Street dedicated by the deposit of Plan 168 that is encroached upon.

DISCUSSION

On the Water Street side of Parcel X, portions of the heritage façade exterior wall of the former Terminus Hotel, including three bay windows on the second floor, three bay windows on the third floor and a third floor level cornice encroach a maximum of 0.66 metres onto Water Street and portions of the heritage façade exterior wall of the former Grand Hotel, that include a second, third and fifth floor level cornice that encroach a maximum 0.50 metres onto Water Street. It is necessary to seek Council approval to close, stop-up and authorize registration of a volumetric easement over the portion of Water Street described in Recommendation "C".

As the three bay windows include some habitable area, and the ownership of the street is to be retained by the City, no part of the volumetric easement area will become part of any Strata Lot. The encroachments will remain as common assets of the strata corporation as we are granting an easement and not conveying fee simple.

We are RECOMMENDING that fees be charged as per the Encroachment By-law. This is consistent with past Council direction.

CONCLUSION

The General Manager of Engineering Services recommends approval of the Recommendations contained in this report.

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