



ADMINISTRATIVE REPORT

Report Date: February 6, 2009  
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Meeting Date: February 17, 2009

TO: Standing Committee on Transportation and Traffic

FROM: General Manager of Engineering Services, in consultation with the Director of Planning

SUBJECT: False Creek Flats Rail Corridor Strategy

**RECOMMENDATION**

THAT Council provide its support in principle to proceed with the Powell Street Grade Separation project, subject to a successful funding agreement with Transport Canada and other agencies.

**COUNCIL POLICY**

In March, 1995, Council approved the *Industrial Lands Strategy*, which included False Creek Flats as an area to be retained for transportation related and downtown serving industrial uses.

In March, 2001, Council approved, in principle, the *False Creek Flats Structure Plan* and called for Transportation and Rail studies for the Flats to be undertaken.

In July 2003 Council approved the City's participation in the regional passenger and freight transportation study, including the analysis of the False Creek Flats.

In September 2005 Council requested that the Vancouver Port Authority, Gateway Council and Railways begin as soon as possible a more detailed rail operation and network study of the False Creek Flats and Waterfront rail support yards and that planning for False Creek Flats should take into account the range of possible future rail "footprints".

In January 2007 Council

- authorized the City to enter into a contribution agreement with Transport Canada for completion of the False Creek Flats Rail Corridor Strategy;
- provided its support to explore funding opportunities through the Asia Pacific Gateway and Corridor initiative and with other project partners;
- requested that staff report back on any allocation of funds for the City's share of any grade separation projects.

## ***SUMMARY***

The City of Vancouver has recently completed the False Creek Flats Rail Corridor Strategy, which provides a plan to improve the connectivity of the False Creek Flats to the Waterfront. This would be achieved through a number of overpasses and at grade road closures along the Burrard Inlet (BI) Line rail corridor. This study identifies the Malkin Avenue overpass and the Central Valley Greenway connection as providing the highest City benefits and the Powell Street Overpass as providing the highest rail benefits.

Transport Canada is finalising its South Shore Trade Area Study with the final report expected to be complete in February 2009. One of the recommendations expected from this study is to call for the completion of the Powell Street Rail Grade Separation. The primary benefit of this project would be an additional east/west rail line to increase rail capacity along the waterfront.

Transport Canada has identified the Powell Street Grade Separation as a potential candidate for funding through the Asia Pacific Gateway and Corridor Initiative. To be eligible for this funding the project would need to be completed by 2014 and would require a partnership with the City of Vancouver and other agencies. At this time, Transport Canada is seeking support in principle to proceed with the grade separation of Powell Street. Details of the contributions for each agency would need to be discussed with all funding partners if agreement to proceed in principle was achieved.

The consultation process up to this point has been technical in nature and involved numerous transportation interests in the Flats. Should an acceptable funding agreement be reached, staff will commence additional consultation with community, business and other interests.

## ***PURPOSE***

The purpose of this report is to provide Council with an update on the results from the False Creek Flats Rail Corridor Strategy and to obtain approval in principle to proceed with working with Transport Canada and other partners to develop a strategy to move forward with the Powell Street Overpass.

## ***BACKGROUND***

In June 2006 the City was successful in obtaining funding approval as part of the federal Transportation Planning and Modal Integration (TPMI) Initiative for the False Creek Flats Rail Corridor Strategy to develop some preliminary grade separation concepts of up to five locations along the Burrard Inlet (BI) line. The study includes participation by Port Metro Vancouver, Greater Vancouver Gateway Council, TransLink, BEST, and VACC. This study was completed in October 2008 and results of this study are available in the appendix and a summary is provided in the discussion.

In June 2008 Transport Canada with project partners Port Metro Vancouver, the Ministry of Transportation and Infrastructure, TransLink, and the Greater Vancouver Gateway Council commenced the South Shore Trade Area Study. The study also involves a number of stakeholders including municipalities, terminals and railways. City of Vancouver staff have been consulted as a stakeholder of the study. The objective of the study is to identify bottlenecks in the transportation system serving the South Shore terminals and develop infrastructure projects that would enhance rail and terminal operations while addressing community and environmental issues. The final report for this study is expected to be completed in February 2009 and a summary of some of the expected recommendations are discussed below.

## *DISCUSSION*

Vancouver is Canada's gateway for Asia Pacific Trade which emphasises the importance of railways for delivering goods to and from the rest of Canada and North America. Compared to moving goods by large truck, railways create 5 times less greenhouse gases and as an environmentally focussed City and region it is important that continued growth in goods movement can be accommodated by rail wherever possible.


Recent agreements (co-production agreement) between CN and CPR for coordinated rail operations have made significant increases in the short term rail capacity for the container terminals along the south shore of Burrard Inlet. These changes have focussed operations in an east/ west direction along the waterfront and has led to a decrease in freight rail traffic travelling from the waterfront terminals to nearby False Creek Flats.

The Flats are only 2 kilometres away and are home to over 95 acres of rail lands. The recent declining use in the False Creek Flats rail yards, as support for waterfront rail activities, is due primarily to the poor rail connection (BI Line) between the two areas. This rail line has two main limitations: the six at grade rail crossings along the line and the rail intersection with the east/west mainline (Heatley Diamond) at the waterfront. As container traffic continues to grow and space is limited for rail yards along the waterfront, the City of Vancouver anticipates there will be a need to overcome the rail limitations of the BI line in order to better use the freight rail capacity within the Flats.

### *False Creek Flats Rail Corridor Strategy*

The False Creek Flats Rail Corridor Strategy was undertaken by the City of Vancouver with partial funding by Transport Canada, and with participation by Port Metro Vancouver, the Greater Vancouver Gateway Council (GVGC -representing the railway companies), TransLink, Vancouver Area Cycling Coalition (VACC), and Better Environmentally Sound Transportation (BEST). The goal of the study was to develop a corridor grade separation strategy that could be used to address one of the main limitations of the BI Line. As part of this strategy, structural cost estimates were developed as well as a discussion of the potential benefits and the priority for each location. This information will be used in the future to obtain properties that may be required and as input in any future benefit cost analysis that could be undertaken as further capacity is required to service the south shore terminals. A summary of the highlights is provided in **Figure 1** below.

Figure 1: Summary of Rail Corridor Strategy

	Location	Solution	Structural Costs	Priority	Property Required
<b>Arterial Streets</b>					
(1) Powell Street	Overpass	\$15-30 M	This location would be the highest priority for rail benefit	Potential property required on south side of Powell	
(2) Malkin Avenue	Overpass Replacement for Venables Street	\$21-40M plus ~\$15-20M to connect to viaducts	Highest potential for community benefit	Some property acquisition required	
<b>Bike Routes</b>					
(3) Union Street	Overpass or underpass	\$5-10M	Low priority, only if train volumes increase and other locations are grade separated	None	
(4) Venables		\$4-8M Ped/Cyclist \$12-24M vehicle			
(5) Central Valley Greenway	New Structure	\$11-24M	To be determined by False Creek Flats Study	Some property acquisition may be required	
<b>Industrial Streets</b>					
(6) Cordova Street East of Raymur Street	Close	Property acquisition and roadway costs	Low priority only if all other grade separations completed	Property required for rerouting streets	
(7) Raymur Street South of Cordova Street					
(8) Parker Street/ Glen Drive					

This project has provided an understanding of the property requirements and potential structural costs required to improve the viability of the Burrard Inlet Line Rail Corridor. One lesson that has been learned as part of this project is that a change in rail operations can greatly affect the operating conditions along this rail line. As such it is important to protect this rail corridor and examine ways to improve its viability. Factors such as an increase in goods moved through the south shore terminals or a change in passenger or freight rail operations could increase the importance of this corridor and the supporting infrastructure in the False Creek Flats.

### *South Shore Trade Area Study*

Transport Canada is conducting a South Shore Trade Area Study with project partners including Port Metro Vancouver, TransLink, BC Ministry of Transportation and Infrastructure (MOTI), and Greater Vancouver Gateway Council (GVGC). The study also involves a number of stakeholders including City of Vancouver and other municipalities as well as terminals and railways. The project involves:

- assessment of future road and rail requirements for goods and people movement;
- review of a number of proposed terminal and land developments;
- identifying bottlenecks in the transportation system serving the South Shore terminals; and
- Developing infrastructure projects that would enhance rail and terminal operations while addressing community and environmental issues.

The study report is expected to be completed in Feb 2009 and City staff have been coordinating with Transport Canada on the anticipated recommendations from the study. One of the recommendations expected is to call for the completion of the Powell Street Rail Grade Separation. The project extents for the Powell Street overpass are highlighted in the Figure 2 and the estimated capital cost is approximately \$37M.

**Figure 2: Powell Street Overpass Project Extents**



The overpass concept for this location is expected to provide a number of potential benefits including:

- Providing an additional East/ West rail track to increase rail capacity for freight and passenger movements along the waterfront.
- Removing one of the at grade crossings currently restricting capacity on the BI line
- Providing a new connection for the BI line adjacent to the mainline reducing the conflict of the rail/ rail intersection at the Heatley Diamond
- Removing an at grade rail crossing for 6 transit bus routes (4, 7, 210, 211, 214, and 290) along Powell Street
- Providing an opportunity for a bicycle/ pedestrian connection across the BI Line at the north end of the city (Portside Greenway & Burrardview Bikeway)

After the final report is distributed to the study partners and stakeholders, Transport Canada hopes to start immediately a negotiation process to develop a funding and implementation strategy for the study recommended projects, including Powell Street Overpass. Transport Canada hopes to reach an agreement-in-principle on the strategy with the study partners and stakeholders in June 2009.

### *Asia Pacific Gateway*

Transport Canada's Asia-Pacific Gateway and Corridor Initiative (APGCI) is an integrated package of investment and policy measures that are meant to advance the capacity, efficiency and sustainability of the Lower Mainland as a Gateway to Canada. It is meant to create partnerships between various levels of government and the private sector to generate project funding that may not otherwise be available.

*A September 2008 Transport Canada press release included that " Transport Canada is currently working with public and private stakeholders to identify infrastructure projects that could accommodate and enhance the growth of the marine terminals around the north and south shore of Burrard Inlet, while addressing community and environmental concerns. These investments could include rail improvements, road/rail grade separations, and road projects. Specific infrastructure projects will be announced when discussions between the federal government and the various stakeholders are completed".*

Through the South Shore Trade Area Study, Transport Canada has identified the Powell Street Grade separation as a potential candidate. To be eligible for this funding the project would need to be completed by 2014. To deliver this project, Transport Canada would be seeking a partnership with the City of Vancouver and other agencies. This would be a similar delivery model to the Roberts Bank Rail Corridor project.

Through the Roberts Bank Rail Corridor Study, a public-private partnership was formed and an agreement in principle assigned by the government of Canada, British Columbia, Translink, VPA, BC Rail, CP, CN, BNSF Railway, Delta, Surrey, Langley Township and the City of Langley. The total investment package includes up to 9 grade separations totalling over \$360 million, for which the Government of Canada contributed \$75 million. The cost-sharing involves funding contributions from the Government of Canada (23%), the BC Ministry of Transportation (17%), Port Metro Vancouver (17%), TransLink (17%), the municipalities (17%) and the railways (11%).

### *Relationship with the False Creeks Flats Planning Program*

In 2001, Council approved in principle a False Creek Flats Structure Plan.

Noting the need for further planning due to changed circumstances, in 2004 Council approved undertaking an 18 month comprehensive land use and transportation planning program for the Flats to broaden the earlier planning work and structure plan into a more comprehensive transportation and land use plan for the Flats. The program was to be done in two phases. A Phase 1 scoping process in 2005 concentrated on engaging property owners and stakeholders on the scope and process for long term planning, and on the development of a more detailed Terms of Reference for Council approval prior to Phase 2.

At the end of Phase 1 (before report out to Council), the program was put on hold due to the need for the relevant staff to focus their attention on the detailed planning and rezonings in Southeast False Creek. Staff will report to Council in the first half of 2009 with a Terms of Reference for the completion of Phase 2 of the False Creek Flats Planning Program.

The rail studies that have been completed in the intervening time, including the study of grade separated crossings, will be of use in the Flats planning work.

### *Additional Consultation*

The consultation process up to this point has been technical in nature and involved numerous transportation interests in the Flats including the Port, Translink, the Vancouver Gateway Council, BEST and VACC. The recommendation contained in this report is that Council direct City staff to proceed with the Powell Street Grade Separation Project, subject to a successful funding agreement with Transport Canada and other agencies. Should an acceptable funding agreement be reached, staff will commence additional consultation with community, business and other interests.

### *FINANCIAL IMPLICATIONS*

At this point the City's contribution to the project has not been determined and staff will report back when further information is available.

### *CONCLUSION*

The False Creek Flats Rail Corridor Strategy provides a summary of potential costs and property requirements that can be used to take advantage of funding opportunities as they arise.

The Central Valley Greenway Bridge and the Malkin Avenue overpass are both high priority projects for the City. The Central Valley Greenway Bridge is dependent on the conclusion of the False Creek Flats Planning Program and the Malkin Avenue Bridge will be discussed with Transport Canada for future funding opportunities.

The Asia Pacific Gateway and Corridor Initiative provides an opportunity for funding the Powell Street Grade separation and it is anticipated that this partnership could lead to future opportunities for other grade separations along the corridor. This will help to complete these projects in a shorter time horizon than would otherwise be attainable.

Once a cost sharing agreement is reached that is acceptable to all parties staff will report back on the proposed consultation plan with the surrounding community and businesses.