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ADMINISTRATIVE REPORT

Report Date: June 15, 2009 Contact: Michael Flanigan Contact No.: 604.873.7422

RTS No.: 8100

VanRIMS No.: 08-2000-20 Meeting Date: July 7, 2009

TO: Vancouver City Council

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

of Engineering Services

SUBJECT: Request for approval of an easement agreement to validate an

encroachment on City-owned Property at 1406 East 49th Avenue and

approval to release the property for sale

RECOMMENDATION

- A. That Council authorize the granting of an easement agreement on terms acceptable to the Director of Legal Services and the Director of Real Estate Services charging the City owned property located at 1406 East 49th Avenue, legally described as PID 027-914-003; Lot A Block 9 District Lot 738 Group 1 New Westminster District, Plan BCP40920 (the "City Lot") to permit for the encroachment of a building on the adjacent property at 1412-1420 East 49th Avenue legally described as PID 014-460-947; Lot 3, Except the North 7 Feet Now Lane, Block 9 West 1/2 of District Lot 738 Plan 1681 (the "Adjacent Lot"), and to authorize the Director of Legal Services to execute the easement agreement on behalf of the City in accordance with the provisions in this report.
- B. That Council authorize staff to solicit offers to purchase the City Lot subject to the approval of the sale and purchase by Council with the sale proceeds to be credited to the 2008 Engineering Streets Capital Budget (Arterial Improvements Knight & 49th Left Turn Bay Project Property Acquisition).

GENERAL MANAGER'S COMMENTS

The General Managers of Business Planning & Services and Engineering Services recommend approval of the foregoing.

COUNCIL POLICY

The Vancouver Charter Section 190 (B) authorizes Council to dispose of City-owned property deemed to be surplus to the City's needs.

PURPOSE

The purpose of this report is to seek Council authority for an easement agreement to be registered on the title of the City Lot to validate the encroachment of a building on the Adjacent Lot and following the registration of the easement agreement to solicit offers to

purchase the City Lot subject to Council approval. Staff will report back to Council to seek approval of the sale of the City Lot pursuant to Section 190(1)(b) of the Vancouver Charter.

BACKGROUND

Two lots were purchased by the City on the southeast corner of Knight Street and 49th Avenue to facilitate the installation of left turn bays on Knight Street at 49th Avenue. The lots are zoned C-1 and can be used for mixed commercial and residential uses. Following the construction of the left turn bays in 2008 the City consolidated the two lots to create the City Lot. The City Lot is not required by the City therefore staff propose that the City Lot be sold.

In the course of consolidating the two City lots a survey disclosed that portions of a commercial building located on the Adjacent Lot encroached onto the City Lot. The encroachment consists of the exterior wall and roof of the building which projects approximately 0.035m onto the City lot. This encroachment is shown marked on the plan marked Appendix A.

Proposed Encroachment Agreement

The owner of the Adjacent Lot (the "Adjacent Owner") was notified about the encroachments and following negotiations has agreed to enter into an easement agreement to validate the encroachments on the following terms and conditions:

- a. Encroachment area will be as shown on the plan attached as Appendix A.
- b. Term to be for the life of the existing building on the Adjacent Lot.
- c. Encroachment Agreement to be drawn to the satisfaction of the Director of Legal Services and Director of Real Estate Services.
- d. Encroachment Agreement to be registered on title of the Adjacent Lot and the City Lot and all registration fees to be to the Adjacent Owner's account.

FINANCIAL IMPLICATIONS

Construction of left turn bays on Knight at 49th was included in Engineering's 2006-2008 Capital Budgets for Arterial Improvements. The project budget for property acquisitions included the sale of residual properties not needed for street rights-of-way. Accordingly, the proceeds from the sale of surplus property at 1406 East 49th Avenue will be credited back to the 2008 Streets Capital Budget (Arterial Improvements - Knight & 49th Left Turn Bays - Property Acquisition)

CONCLUSION

The Director of Real Estate Services is of the opinion that this is a minor encroachment which will have little effect on the future redevelopment potential or the value of the City-owned property. Sale of the residual property will help complete one of the last steps in finishing the Knight at 49th left turn bays project.

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