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ADMINISTRATIVE REPORT

Report Date: October 7, 2009
Contact: Robert Florko
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RTS No.: 8352
VanRIMS No.: 08-2000-20
Meeting Date: October 20, 2009

TO: Vancouver City Council
FROM: Director of Real Estate Services
SUBJECT: Building Demolition - 898 Richards Street

RECOMMENDATION

THAT Council authorize the demolition of the vacant industrial building at 898 Richards Street, legally described as Parcel Identifier 015-460-451, 015-460-575 Lots 18 and 19 Block 165 District Lot 541 Plan 210 at an estimated cost of \$200,000; funding to be provided by the Emerging Neighbourhood Reserve; and

FURTHER THAT upon demolition of the building, the site will be used for surface parking; revenue credited to the Emerging Neighbourhood Reserve.

GENERAL MANAGER'S COMMENTS

The General Manager of Business Planning and Services recommends approval of the foregoing.

COUNCIL POLICY

There is no applicable Council Policy.

PURPOSE

The purpose of this report is to request Council Authority to demolish the vacant industrial building at 898 Richards Street.

BACKGROUND

In 1996 Council approved the acquisition of 11 lots in the 800 Block Richards Street (see Appendix A), as a potential park site with funding from the Emerging Neighbourhood Reserve. The property comprises an area of 33,000 square feet and is zoned Downtown District which permits the property to be used for mixed commercial/residential with a floor space ratio of 5.

At the time of the acquisition there were six older commercial buildings on the site, but over time, four of them were demolished due to the high cost of upgrading them to make them suitable for lease. Following the demolition of the buildings the vacant sites were converted to surface parking.

DISCUSSION

The subject property is improved with an older 2 ½ storey warehouse building that is used for storage by the Public Dreams Society. The building is in poor condition, the roof leaks, it has no heat, running water or washrooms and in order to prevent the occupation of the building by squatters it is recommended that the building be demolished when the tenant vacates the premises on October 31, 2009.

FINANCIAL IMPLICATIONS

The cost to demolish the vacant industrial building including asbestos removal is estimated to be \$200,000. Funding for demolition will be from the Emerging Neighbourhood Reserve which has a current balance of \$6,337,394 .

Upon demolition of the building, the site will be used for surface parking, with the revenue credited to the Emerging Neighbourhood Reserve. In 2008 the net revenue from this site was in excess \$240,000 and with the additional parking spaces the projected income will increase to \$290,000.

CONCLUSION

Considering the age and condition of the building, the cost of upgrading, and taking into consideration that in the near future the site could be developed for a park or sold as a development site, the Director of Real Estate Services recommends the building be demolished.

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