



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: February 17, 2011
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TO: Vancouver City Council

FROM: Director of Real Estate Services

SUBJECT: Preventative Maintenance to the Parkade Located at 600 Moberly Road

RECOMMENDATION

THAT Council approve funding of \$240,000 plus applicable taxes, to complete preventative maintenance to the City-owned parkade located at 600 Moberly Road, legally described as Parcel Identifier: 004-371-640, Lot 169 False Creek Plan 20873, Land District 36, (Appendix A); source of funding to be the Property Endowment Fund.

GENERAL MANAGER'S COMMENTS

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

COUNCIL POLICY

Council approval is required for capital projects and associated funding.

PURPOSE

The purpose of this report is to seek Council Authority to proceed with preventative maintenance to the City owned parkade located at 600 Moberly Road at an estimated cost of \$240,000 (plus applicable taxes).

BACKGROUND

The City, through the Property Endowment Fund (PEF), has owned the land under the parkade at 600 Moberly Road and the surrounding lands, comprising roughly 10 acres, for many years. The parkade was built in the early 1980's by Frank Stanzl Construction Ltd. under the terms of a land lease from the City which had a term that expired in September, 2036. The structure comprises a two-storey parkade with five tennis courts on the roof. Fifty four parking stalls on the ground floor of the parkade are rented on long term subleases to the lessees of the nearby commercial and residential strata buildings in False Creek who pay an annual fee to cover operating costs. The balance of the parking stalls are rented on a monthly and hourly basis. The tennis courts are leased back to the Park Board which is fully responsible for their operation and maintenance.

In 2007, Council approved the purchase of the leasehold interest in the parkade building, subject to the existing subleases which create an obligation on the City to provide parking until the end of the associated residential leases. This purchase was made to gain greater strategic control over the property which sits in an area of potential consolidation and redevelopment. This property will likely be the last parcel to be redeveloped in the area because it is the only improved property and the parking stall lease obligations mean that the City will have to provide an alternative parking structure before this one could be demolished. Given these factors and the City holdings of future development land in Southeast False Creek and adjoining the subject property, it unlikely this building will be redeveloped for the foreseeable future.

DISCUSSION

This parkade was built using a post-tensioned design, a type construction that requires timely routine structural maintenance in order to cost effectively ensure a reasonable service life. One major area of concern for facilities constructed prior to the 1990's is the lack of a deck moisture protection system. These systems protect against corrosion-induced deterioration resulting from the ingress of moisture and chloride ions from de-icing agents entering the structure and inducing corrosion.

The surface coating on the existing tennis courts is experiencing bond failure and cracking through the roof membrane system. Combined with poor drainage which results in standing water this has resulted in moisture ingress requiring maintenance to the structure below. Real Estate Services and Parks Board staff agreed that the repairs to the tennis courts would be done in a manner that would also help protect the underlying structure of the building.

The consulting engineering firm, Read Jones Christoffersen Ltd, has recommended that a moisture protection system be installed not only on the roof (tennis courts) but also on the second floor (parking). This installation will include a slope system on the roof to improve drainage and preparation of the concrete cracks and concrete surface to ensure sufficient bond of the membrane to the concrete, thereby improving the long term performance of the system.

By tendering this work as a single project, it is anticipated that cost savings can be realized. The rooftop repair and new tennis courts are funded from the Park Board's capital budget. The repairs to the parking lot level are to be funded by the Property Endowment Fund at an estimated cost of \$240,000, plus applicable taxes. The project will be led by the Park Board with active participation by Real Estate Services throughout the design, procurement, and construction process. The proposed project schedule is:

March 2011	Construction documents and procurement
April 2011	Tender Evaluation and Award
May 2011	Construction Starts
July 2011	Construction Completion (weather dependent)

Work during the late spring and summer months will increase the chance that the necessary warm, dry weather essential for a successful installation will be available.

FINANCIAL IMPLICATIONS

EasyPark operates the parkade on behalf of the City and they estimate that the gross income in 2010 was approximately \$151,000 with net income to the PEF in the order of \$81,000. The Director of Real Estate Services is of the opinion that the recommended budget of \$240,000 plus applicable taxes, represents a reasonable investment in the structure given the length of time the building will likely remain in place and the level of annual rent recovered from the building. This work is to be funded from the Property Endowment Fund.

CONCLUSION

It is essential that the facility roof membrane, tennis courts, and second floor parking level be repaired and resurfaced to ensure the ongoing operations of the revenue producing facility and the tennis courts. The Director of Real Estate Services recommends that Council approve a budget of \$240,000, plus applicable taxes, to carry out resurfacing work to the second floor of the multi level parkade located at 600 Moberly Road, so as the work can proceed at the same time as the Parks Board resurfaces the tennis courts on the roof of the property. Source of funding is to be the Property Endowment Fund.

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