

ADMINISTRATIVE REPORT

Report Date: April 17, 2012
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Meeting Date: May 1, 2012

TO: Vancouver City Council

FROM: Director of Real Estate Services in consultation with the Director of Legal Services and the General Manager of Engineering Services

SUBJECT: Authorization for a replacement Easement Agreement to accommodate a relocated sanitary sewer line on City-owned Property at 1477 Fountain Way

RECOMMENDATION *

THAT Council authorize the granting to the City of Vancouver (the “City”) and Twin Rainbows Housing Co-operative (together , the “Grantee”) a replacement easement agreement (the “New Easement”) for a nominal sum, on terms and conditions acceptable to the Director of Legal Services, the General Manager of Engineering Services and the Director of Real Estate Services over a portion of the City-owned Property leased to The Owners, Strata Plan VAS1112 (“Fountain Terrace”) at 1477 Fountain Way, legally described as Common Property Strata Plan VAS1112 (Lot 74, False Creek Plan 18243) (the “City Lot”), to permit the installation of a new sanitary sewer line for service to the Grantee’s adjacent property at 1465 Lamey’s Mill Road, legally described as PID: 007-190-816, Lot 73, False Creek Plan 18243 (the “Adjacent Lot”);

FURTHER THAT Council authorize the Director of Legal Services to finalize and execute the New Easement on behalf of the City in accordance with the provisions of this report.

REPORT SUMMARY *

The City Lot is currently encumbered by an existing easement agreement for a sanitary sewer line which services the Adjacent Lot. The sanitary sewer line is in need of repair, with the most cost effective and lowest impact solution being the installation of a new sanitary sewer line, which will require the New Easement. The Director of Real Estate Services recommends that Council authorize the proposed New Easement on the terms and conditions contained in this report.

COUNCIL AUTHORITY/PREVIOUS DECISIONS *

Council authority is required to approve the registration of easement agreements or any other charge/ property encumbrance on City-owned lands.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS *

The General Manager of Real Estate and Facilities Management recommends approval of the foregoing.

REPORT

Background/Context *

The City Lot is owned by the City and leased by way of a registered ground lease to Fountain Terrace (the City and Fountain Terrace, together, are referred to as the “Grantor”). The Adjacent Lot is also owned by the City and leased by way of registered ground lease to Twin Rainbows Housing Co-operative. Both the City Lot and the Adjacent Lot are situated in the South West False Creek area (see Appendix A).

An existing sanitary sewer line servicing the Adjacent Lot extends across the City Lot, by way of easement No. H83387 registered against title to the City Lot on October 21, 1980 (the “Existing Easement”). The sanitary sewer line is in need of immediate repair due to increasing leaks, the most recent of which was deemed a health hazard by the City of Vancouver, who ordered it repaired. As a result of certain changes in the strata development on the City Lot, the existing sanitary sewer line now sits 5 metres deep in many sections, requiring increased excavation equipment, significant cost implications, and unreasonable inconvenience to the Grantor to repair.

Strategic Analysis *

To address this issue, the Grantee retained a professional engineering company (JM Bean & Co. Ltd.) to inspect the sanitary sewer line, with the following recommendation:

- the best solution providing least cost and inconvenience to the Grantor is to lay a new sanitary sewer pipe west of the existing line;
- the new sanitary sewer line will require the New Easement, the location of which is described in Appendix B;
- upon registration of the New Easement and completion of the new sanitary sewer line, the existing sanitary sewer line would be sealed off in accordance with City requirements and the Existing Easement will be discharged from title.

The Grantor was notified about the requirement to relocate the sanitary sewer line, and has agreed to enter into the New Easement on the following terms and conditions:

- a) Easement area will be as shown on the reference plan attached as Appendix B;
- b) Term of the Easement Agreement to be for the life of the existing building on the Adjacent Lot;
- c) New Easement to be drawn to the satisfaction of the Director of Legal Services, the General Manager of Engineering Services and Director of Real Estate Services;
- d) New Easement to be registered on title to the City Lot appurtenant to the Adjacent Lot and all registration fees to be to the account of Twin Rainbows Housing Co-operative.

Implications/Related Issues/Risk (if applicable)

Financial *

There are no financial implications to the City.

CONCLUSION *

The Director of Real Estate Services is of the opinion that the proposed New Easement will have no effect on the future redevelopment potential or value of the City-owned “City Lot” and “Adjacent Lot”, and recommends Council’s approval of the foregoing.

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City Lot and Adjacent Lot



