



ADMINISTRATIVE REPORT

Report Date: April 25, 2013
Contact: Al Zacharias
Contact No.: 604.873.7214
RTS No.: 10118
VanRIMS No.: 08-2000-20
Meeting Date: May 15, 2013

TO: Vancouver City Council

FROM: General Manager of Engineering Services in consultation with the Directors of Legal Services and Real Estate Services, and the General Manager of Real Estate and Facilities Management

SUBJECT: Property Acquisition by Exercise of Option to Purchase and Establishment as Road of a Portion of 950 Powell Street for the Powell Street Grade Separation Project

RECOMMENDATION

- A. THAT Council authorize the Director of Legal Services in consultation with the General Manager of Engineering Services to proceed with the necessary arrangements to acquire the following property for the construction of the Powell Street Grade Separation Project, being a 504 square metre (5,424 sq. ft.) portion of land located at 950 Powell Street, legally described as PID 007-311-605, Lot 4, Block 49, District Lot 181, Plan 17175 ("Lot 4"), shown in bold outline (the "Option Area") on Explanatory Plan 15437 prepared by G. Girardin, B.C.L.S, completed on November 20, 1980 and marginally numbered LE 5321, a reduced copy of which is attached hereto as Appendix A, by exercise of an Option to Purchase in favour of the City, registered against title to Lot 4, under Option to Purchase H106634 (the "Option to Purchase"), for the sum of One Dollar (\$1.00) to be paid by the City to the owner of Lot 4; and
- B. THAT Council further authorize the Director of Legal Services in consultation with the General Manager of Engineering Services to proceed with the necessary arrangements to establish the Option Area as road.

If Council approves this report, the Formal Resolution to establish the said portion of Lot 4 as road will be before Council later this meeting for approval.

REPORT SUMMARY

The purpose of this report is to request Council authority to arrange for the transfer of the Option Area to the City, and to establish the Option Area as road pursuant to Section 291 of the Vancouver Charter for the Powell Street Grade Separation Project (the "Project").

COUNCIL AUTHORITY/PREVIOUS DECISIONS

Council Authority is required to acquire or dispose of civic properties.

The authority for establishing streets and lanes is set out in Section 291 of the Vancouver Charter.

On February 17, 2009, Council provided 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.

On July 25, 2012, Council approved the Powell Street Overpass design and construction concept, proceeding with negotiations on a Construction Phase Project Delivery Agreement, and to commence negotiations for the acquisition of the property required for the project with reports back as necessary following the signing of the Project Delivery Agreement.

On March 14, 2013, Council approved the award of the design-build contract for the Project to BA Blacktop Ltd. and staff have concluded the funding agreements for the Project amongst the City of Vancouver, Transport Canada, Port Metro Vancouver, and Canadian Pacific Railway (the "Funding Partners").

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The General Manager of Engineering Services recommends approval of the foregoing.

REPORT

Background/Context

In December 1980 the City owned Lot 4 and at that time sold Lot 4 to private individuals. A condition of sale was "subject to an option in favour of the City to acquire for \$1.00 for municipal purposes the portion north of the established building line (approx. 5,424 sq. ft.)". When Lot 4 was transferred to the new owners on December 18, 1980, the Option to Purchase was registered against the title to Lot 4.

Lot 4 is zoned M-2 (Industrial) and is improved with a three-storey industrial building. The widening of Powell Street at this location necessitates the acquisition of the Option Area from the northerly portion of Lot 4. As a result of this taking, the proposed overpass portion of the Project can be built wholly within City street. The existing building on Lot 4 was built after the registration of the Option to Purchase against the title to Lot 4 and was built so that it would not encroach onto the Option Area.

In 1988, Section 219 Covenant GB108875 and Equitable Charge GB108876 were registered on the title of Lot 4 to provide for temporary crossings (driveway access ways) to Powell Street until such time as the City needed to close the crossings and prohibit Lot 4 access to Powell Street. Upon the closure of the Powell Street crossings Lot 4 will continue to have access to Cordova Street.

The Option to Purchase provides that the full purchase price payable to the owner of Lot 4 in consideration for the transfer of the Option Area to the City is \$1.00. Once the Option Area has been transferred to the City, the Option Area is to be established as road.

Strategic Analysis

With the Project moving forward and the Option Area being needed for the construction of an overpass at the location of the Option Area, the City needs to exercise its option to acquire the Option Area and to establish it as road.

Implications/Related Issues/Risk (if applicable)

Financial

The cost of acquiring the Option Area under the terms of the Option to Purchase agreement is \$1.00.

Any environmental remediation costs incurred are eligible costs under the Project Funding Delivery Agreement for cost sharing between the Funding Partners as eligible project costs. The costs for removal and disposal of contaminated soil have been allowed for in the design build contract.

Environmental

Thurber Engineering Ltd has carried out an initial environmental investigation for the Project for all regulated media and found "area wide" contamination for heavy metals in the vicinity of the Option Area. The design build contractor is obligated to test for and remediate any contaminated soils and groundwater within the Option Area to applicable environmental standards.

CONCLUSION

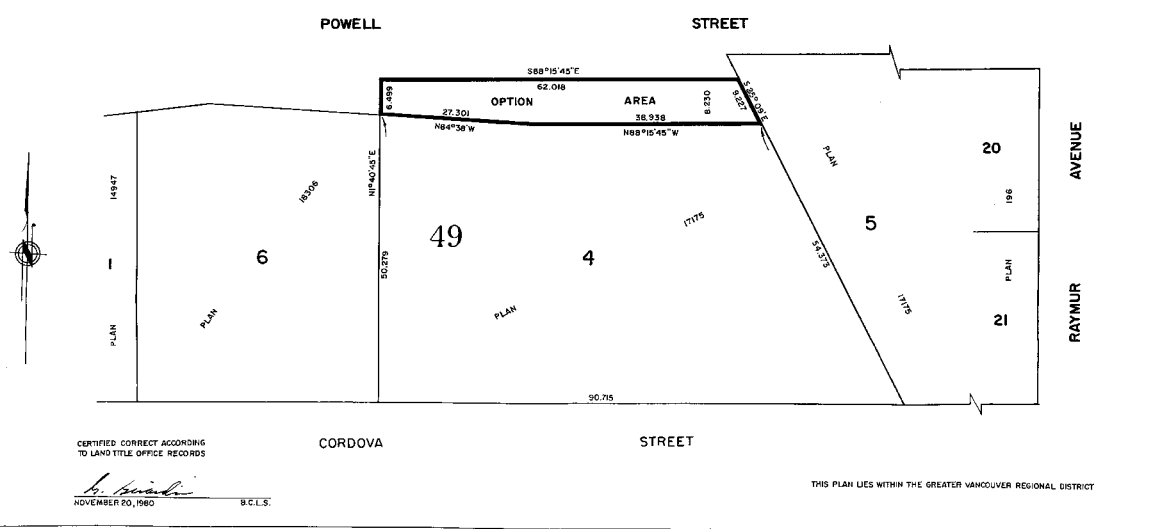
The General Manager of Engineering Services, in consultation with the Director of Legal Services, recommends that the City exercise its option to acquire the Option Area and to establish the Option Area as road for the Powell Street Grade Separation Project.

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EXPLANATORY PLAN OF A PORTION OF LOT 4, BLOCK 49, DISTRICT LOT 181, PLAN 17175, **Explanatory Plan 15437**
GROUP ONE, NEW WESTMINSTER DISTRICT, OPTION TO PURCHASE

SCALE = 1:500 - ALL DISTANCES IN METRES
5m 0 5 10 20 30m



CERTIFIED CORRECT ACCORDING
TO LAND TITLE OFFICE RECORDS

[Signature]
NOVEMBER 20, 1980 S.C.L.S.

THIS PLAN LIES WITHIN THE GREATER VANCOUVER REGIONAL DISTRICT

LE 5321