



## ADMINISTRATIVE REPORT

Report Date: September 6, 2016  
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Meeting Date: September 20, 2016

TO: Vancouver City Council

FROM: General Manager of Real Estate and Facilities Management and General Manager of Community Services

SUBJECT: Proposed Acquisition of Joy Kogawa House - 1450 West 64th Avenue

### IN CAMERA RATIONALE

This report is recommended for consideration by Council on the In Camera agenda as it relates to Section 165.2(1) (e) of the *Vancouver Charter*, the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure could reasonably be expected to harm the interests of the city.

### RECOMMENDATION

- A. THAT Council authorize the Director of Real Estate Services to enter into a Purchase and Sale Agreement (the "Purchase Agreement") to acquire the Joy Kogawa House (the "Kogawa House") located at 1450 West 64<sup>th</sup> Avenue, and legally described as PID: 006-743-935; Lot 3 of the North 1/2 of Lot 2, Block B, District Lots 319, 323 and 324, Plan 6588 (the "Property") as shown in Appendix A, at a price of s.17(1), subject to TLC, The Land Conservancy of BC (the "TLC") Board and Court approval.
- B. THAT, subject to approval of Recommendation A, Council authorize the allocation of s.17(1) for identified immediate repairs required to the Kogawa House and a further s.17(1) for hazardous materials abatement.
- C. THAT, subject to approval of Recommendations A and B, Council approve a multi-year project budget of s.17(1) for the acquisition of the Kogawa House and the related repairs and hazardous materials abatement; source of funding to be community amenity contributions (CAC) allocated toward community facilities and/or childcare serving the community in and around the Marpole

area, with expenditures to be managed within the overall Annual Capital Expenditure Budget.

- D. THAT Council authorize the Director of Real Estate Services to proceed with negotiations for a nominal (s.17(1)) lease (the "Lease") with the Historic Joy Kogawa House Society (the "Society") to continue to operate the Kogawa House as a non-profit cultural amenity. The Lease is to be in the City's standard form non-profit lease and will include any other terms and conditions as may be required by the General Manager of Community Services and the Directors of Real Estate and Legal Services. An affirmative vote of 2/3 of Council is required in order to provide the rental grant necessary to lease to the Society at a nominal rent.

### **REPORT SUMMARY**

In 2006, the Society fundraised and worked with the TLC to purchase and save the 1906 Kogawa House. The Property is of significance to residents of the City of Vancouver and to all Canadians as it was the residence of Joy Kogawa, a prominent Japanese-Canadian author who wrote about the Japanese internment in British Columbia during World War II. Her 1981 novel, *Obasan*, chronicles the injustice the author and her family personally experienced with their relocation from Vancouver to Slocan during the war. The TLC, as owner, subleased the Property to the Society to operate as a literary cultural hub in the Marpole neighbourhood. It has thrived as a small cultural venue at this location since that time.

The TLC is currently undergoing bankruptcy proceedings and pursuant to a Court-approved Plan of Compromise and Arrangement is seeking to dispose of its assets once again placing the Kogawa House at risk of sale/demolition. As a significant heritage, cultural and community resource, the Property is being proposed for acquisition by the City. As a City Non-Profit Capital Asset it would be leased to the Society for nominal rent of s.17(1) inclusive of a payment in lieu of property taxes. The Society would be responsible for all operating costs, maintenance and repairs. The City would be responsible for major systems and capital renewal/rehabilitation.

Council authorization is required in order to proceed with the Purchase Agreement of the Property and the Lease between the Society and the City. Upon Council authorization to proceed with the Purchase of the Property, staff will enter into a lease agreement subject to Council's final approval and return to Regular Council with complete lease terms, including details of the rental grant proposed.

### **COUNCIL AUTHORITY/PREVIOUS DECISIONS**

November 3, 2005, Council approved a temporary heritage protection period for 120 days for the Property.  
2008 Culture Plan, 2013 Cultural Strategy  
2008 Cultural Facilities Priorities Plan, 2014 Cultural Space Directions  
2013 Heritage Action Plan  
2014 Marpole Community Plan

## **CITY MANAGER'S/GENERAL MANAGER'S COMMENTS**

The General Manager of Real Estate and Facilities Management and General Manager of Community Services recommend approval of the foregoing.

## **REPORT**

### ***Background/Context***

The Property is located in the Marpole neighbourhood. The Kogawa House was built in 1906 and is listed on the City's Heritage Register in the "B" evaluation category. The Kogawa House is currently not designated as protected heritage property, however is identified in the Marpole Community Plan (2014) (the "Plan") as a significant cultural and historic asset.

The Kogawa House was the former home of Canadian author, Joy Kogawa, who is best known for her seminal work *Obasan* (1981) that brought public attention to the Japanese internment in Canada. The Kogawa House is a historical reminder of Japanese Canadian history, internment and the expropriation of property by the Canadian government during World War II.

In 2006, the Society fundraised and partnered with the TLC to secure the Property as a significant historic/cultural asset for public enjoyment. The Society has stewarded the Property since that time, programming literary activities including artists in residence, readings and literary workshops.

Unfortunately, the TLC has fallen into bankruptcy, is subject to proceedings under the *Companies' Creditors Arrangement Act* and is under Court order to implement a Court-approved Plan of Compromise and Arrangement which requires the TLC to dispose of assets to satisfy claims by creditors. The Kogawa House is once again under threat of loss and the Society, albeit strong in its stewardship and programming of the Kogawa House, does not have the resources to undertake purchase, ownership or major repairs of the Property.

### **Marpole Community Plan**

As noted, the Kogawa House is identified in the Plan as a significant cultural and historic asset. Efforts to protect this asset and its cultural programming align with policy directions in the Plan. Key directions related to this initiative include:

- Use tools and incentives available through existing citywide heritage policies to protect and recognize heritage resources in Marpole.
- Stabilize the physical asset of existing key cultural spaces (City-owned or non-City owned), including the Kogawa House.
- Pending future development opportunities, allocate funds to address key gaps in arts and culture spaces.
- Ensure long-term operational viability is embedded into facility investment decisions.

## *Strategic Analysis*

Purchase of the Kogawa House will preserve a significant piece of Canadian history and continue to make available a space for critically needed cultural programming in the literary sector (a sector currently underserved in Vancouver). In purchasing the Kogawa House, undertaking capital repairs and subleasing the Property to the Society for nominal rent, the City will be better able to:

- Protect the heritage value of the Property.
- Protect the cultural value and programming of the Property.
- Ensure public access to a small neighbourhood hub in the Marpole area.

Subject to the purchase of the Kogawa House, a future report to Council would seek approval of a heritage designation and Heritage Revitalization Agreement at public hearing.

The market value of the Property is approximately s.17(1) . s.13(1)  
s.13(1)

A building assessment report has been completed to assess the condition of the Kogawa House and identify imminent costs. Staff recommends that urgent repair items and other prudent repairs be undertaken upon acquisition to ensure the asset is preserved and available for use and public access. The estimate for urgent and prudent immediate repairs plus hazmat abatement is s.17(1) .

### *Implications/Related Issues/Risk (if applicable)*

#### *Financial*

As described above, up to s.17(1) is required to complete the acquisition and discharge the mortgage on the Property with an additional s.17(1) needed for urgent and prudent immediate repairs and hazmat abatement. The total of s.17(1) will be funded from CACs allocated toward community facilities and/or childcare serving the community in and around the Marpole area. Expenditures will be managed within the overall Annual Capital Expenditure Budget.

#### *Environmental*

A Phase 1 Environmental Site Assessment was not completed for the Property due to the current and historical residential land use and surrounding area. The risk of environmental contamination is low.

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Based on the age of the building, it is possible that an underground heating oil tank is present on the property. If a tank is present, it, and any associated contamination, will be managed if/when the Property is redeveloped.

The building is likely to contain hazardous building materials such as asbestos and lead paint. Once the City has possession of the Property, the City's Hazardous Material Team will conduct a hazardous materials survey and will complete any abatement required as part of the planned capital maintenance upgrades. Based on the building age and capital maintenance plan, abatement costs are estimated to be **s.17(1)**.

### ***CONCLUSION***

The preservation of the Joy Kogawa House is a significant objective given its association with key elements of Vancouver, British Columbia and Canadian history.

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