



ADMINISTRATIVE REPORT

Report Date: December 5, 2016
Contact: Al Zacharias
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VanRIMS No.: 08-2000-20
Meeting Date: January 24, 2017

TO: Vancouver City Council

FROM: General Manager of Engineering Services in Consultation with the Director of Real Estate

SUBJECT: 3580 Graveley Street - Land Exchange for Road Purposes

RECOMMENDATION

- A. THAT Council close, stop-up and convey to Andrew Sheret Holdings Limited (hereinafter "Andrew Sheret "), the owner of 3580 Graveley Street (Legally described as [PID: 011-185-015] Lot A, Except Part in Plan 22684, Block 113 Sections 28 and 29 Town of Hastings Suburban Lands Plan 17192 (hereinafter, "Lot A")), the 869.5 square metre portion of the Highway #1 on-ramp, the same as generally shown hatched on the plan attached as Appendix B (the "Old Road Portion").
- B. THAT the approximately 804.6 square metre portion of Lot A generally shown cross-hatched on the plan attached as Appendix B (the "New Road Portion") be transferred to the City and established as road.
- C. THAT the land exchange be completed on an equivalent land value for land value basis such that no purchase money changes hands for the transactions described in the Recommendations.
- D. THAT Recommendations A, B, and C, be subject to the additional terms and conditions described in Appendix A.

REPORT SUMMARY

This report seeks Council authority to close, stop-up, and convey to the owner of the abutting lands, the Old Road Portion for consolidation with Lot A at 3580 Graveley Street, in exchange for the transfer to the City and establishment as road of the New Road Portion. The acquisition of the New Road Portion will improve access to Graveley

Street, including the Vancouver Police Department's offices located at 3585 Graveley Street.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

The authority for closing and disposing of streets and lane is set out in the Vancouver Charter.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

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

REPORT

Background/Context

The Transportation Planning Branch seeks to create a new access to Graveley Street to relieve the congestion that occurs there during peak travel periods. Presently the only access to Graveley Street is from Boundary Road. This new access to Graveley Street will improve access to the area, including the Vancouver Police Department's offices located at 3585 Graveley Street.

The Old Road Portion was dedicated for highway purposes upon registration of Plan 22684 in 1990 under the direction of the Ministry of Transportation and Infrastructure ("MOTI"). We have received written confirmation from MOTI confirming that the Old Road Portion is not required for highway purposes, and consenting to the closure of the Old Road Portion subject to it being consolidated with Lot A. MOTI has indicated that the Old Road Portion has not been established as "Arterial Highway" under the Transportation Act and therefore the road closure/exchange should proceed under the City's process.

Andrew Sheret has made a development application under number DP-2016-00519 to build a new wholesale/warehouse building. The footprint of the new building is proposed to be situated on an existing utility alignment which is currently occupied by BC Hydro as well as Bel and City fibre infrastructure. Under the Land Exchange Contract this infrastructure is to be re-located, and the related encumbrances discharged from the title of Lot A at the City's cost. The construction of the new road between East 1st Avenue and Graveley Street will also be at the City's cost.

Strategic Analysis

Engineering Services has conducted a review and found that the closure and sale of the Old Road Portion can be supported subject to the Recommendations and additional terms and conditions noted in this report.

The Director of Real Estate Services and the owner of Lot A (Andrew Sheret) have entered into a Land Exchange Contract to complete the exchange. Although the Old Road Portion being conveyed to Andrew Sheret is approximately 65 square metres larger than the New Road Portion being transferred to the City, the larger Old Road Portion will be encumbered by a City Statutory Right of Way for sewer purposes resulting in no net gain in development potential being realized on Andrew Sheret's combined site and therefore, no purchase money is to be paid for the property by either the City or Andrew Sheret.

The City will be responsible for the coordination and cost to remove and relocate the BC Hydro, Bel and City infrastructure currently located on Lot A and to make arrangements for the discharge of the related encumbrances. This work is estimated at approximately \$500,000 and is expected to be completed in 2017 under the Engineering 2017 Capital Plan. The construction of the new road works, which will include the road, sidewalks and landscaping located within the New Road Portion and in adjacent Graveley Street and East 1st Avenue, is expected to be undertaken by the City in 2018.

The recommendations contained in this report support the broader public benefit of obtaining a better road network for the properties located on Graveley Street, which includes the Vancouver Police Station located at 3585 Graveley Street.

Implications/Related Issues/Risk (if applicable)

Financial

Pursuant to the Land Exchange Contract between the City and Andrew Sheret, no purchase money changes hands for the land exchange based on a principle of "No Net Loss" to either party. The City receives an improved street network and Andrew Sheret is left with a similar sized parcel with equivalent development potential.

Utility relocation costs, estimated at approximately \$500,000, will be funded within the approved 2017 Engineering Capital Budget. The construction of the new road between East 1st Avenue and Graveley Street will be at the City's expense and will form part of the 2018 Engineering Capital Budget.

Environmental

In 2009, the BC Ministry of Environment issued a Final Determination that 3580 Graveley Street (formerly 3595 East 1st Avenue) is not a contaminated site. This Determination was issued based on the findings of a Stage 1 and 2 Preliminary Site Investigation which indicated the site did not contain concentrations of regulated substances in exceedance of the applicable standards.

In August 2012, the City retained SLR Consulting (Canada) Ltd. to complete an updated Phase 1 Environmental Site Assessment of 3580 Graveley Street and the Old Road Portion. The Phase 1 did not identify any new risks of environmental contamination and confirmed that the 2009 Final Determination remained valid. Based on this information, the Manager of Environmental Services has assessed the potential for

environmental contamination on Lot A, the New Road Portion and the Old Road Portion as low.

CONCLUSION

The General Manager of Engineering Services in consultation with the Director of Real Estate Services recommends approval of the Recommendations contained in this report.

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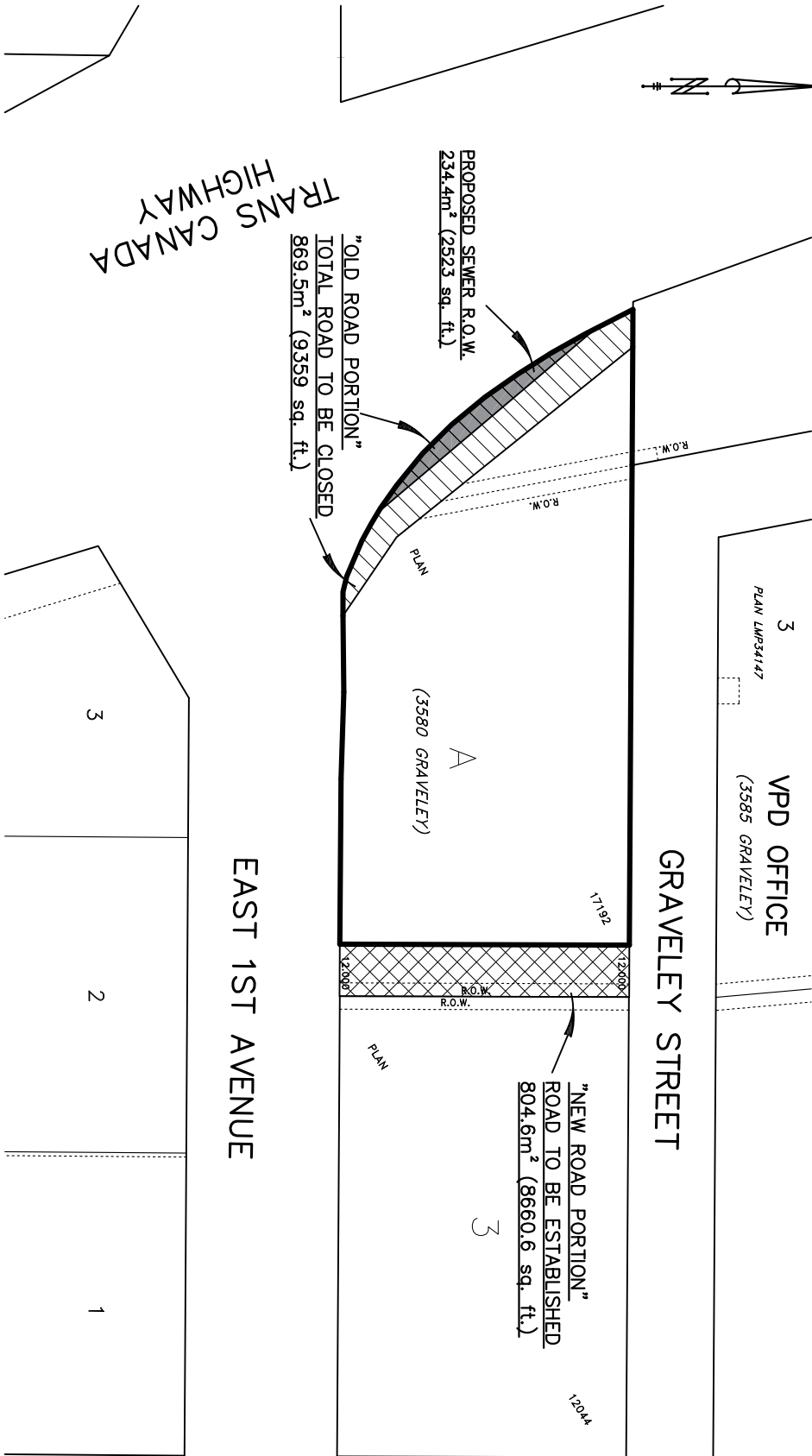
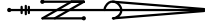
TERMS AND CONDITIONS OF CONVEYANCE

1. The Owner to convey to the City of Vancouver for road purposes the New Road Portion to the satisfaction of the General Manager of Engineering Services ("GMES") and the Director of Legal Services("DLS");
2. The Old Road Portion to be consolidated with the remainder of Lot A to form a single parcel as shown within heavy outline as Appendix B, to the satisfaction of the GMES and the DLS;
3. The registration of a statutory right of way, in favour of the City, for all utility purposes over part of the Old Road Portion (generally shown shaded on Appendix B) to the satisfaction of the GMES and the DLS. The City to prepare the survey plan to accompany the Statutory Right of Way. The known utilities that exists within the Old Road Portion are storm and sanitary sewers;
4. The registration of a temporary statutory right of way, in favour of the City, over the whole of the Old Road Portion, to be released when all public utility relocation works are completed, to the satisfaction of the GMES and DLS;
5. The City to prepare all required legal survey plans related to this road exchange, prepared by a British Columbia Land Surveyor, to a standard suitable for registration in the Land Title Office to the satisfaction of the GMES and the DLS. The City will also pay all administrative costs and Land Title Office fees;
6. The conveyances to be completed concurrently, with neither conveyance completing independently of the other;
7. Any agreement(s) to be to the satisfaction of the Director of Legal Services;
8. No legal right or obligation shall be created and none shall arise hereafter, until the documents are executed by the parties thereto.

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SKETCH PLAN SHOWING PROPOSED LAND EXCHANGE

NOT TO SCALE



JAS, MAP W-11

Y:\LAND SURVEY\JAS\For Dave P\dwg\3580 Graveley St Schedule B.dwg