



ADMINISTRATIVE REPORT

Report Date: November 28, 2017
Contact: Al Zacharias
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RTS No.: 12282
VanRIMS No.: 08-2000-20
Meeting Date: December 12, 2017

TO: Vancouver City Council

FROM: General Manager of Engineering Services in Consultation with the General Manager of Real Estate and Facilities Management

SUBJECT: 1300 Block Granville Street (Granville Loops) - Closure and Consolidation of City Lands and Streets

RECOMMENDATION

THAT Council close, stop-up, and consolidate with the City owned lot at 777 Pacific Street, the 963.8 square metre and 373.3 square metre portions of street (the "Old Roads") generally as shown hatched on the sketch attached as Appendix B1 subject to the terms and conditions as noted in Appendix A.

REPORT SUMMARY

The purpose of this report is to seek Council Authority to close, stop-up, and consolidate the Old Roads with an abutting City owned lot and form three interim City owned parcels to be re-developed in accordance with the Granville Loops Policy Plan.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

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

On October 7, 2010, Council adopted the Granville Loops Policy Plan (the "Policy Plan") which provides a guide to future development in the area of the north end of Granville Bridge. The overall vision is to re-configure roadways, improve the public realm, create accessible development parcels, improve connections, and upgrade a valuable area in terms of image and economic viability. The plan calls for the replacement of the freeway-like, elevated traffic loops (known as the "Granville Loops") with an "H" configuration of grade-level streets that connect the surrounding streets and the bridge. The Policy Plan calls for the creation of four development

sites, A, B, C, and D as generally shown shaded on the Policy Plan excerpt attached as Appendix "C" (the "Policy Sites").

On October 4, 2017, the General Manager of Real Estate and Facilities Management provided an update to Council on the City's intention to issue an Invitation to Offer (ITO) for a long term leasehold interest for residential development of the Policy Sites.

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 General Manager of Real Estate and Facilities Management intends to proceed with an ITO for long term lease arrangements for residential development of the Policy Sites.

The Policy Sites currently consist of a number of City owned lots and roads and in order for an ITO to commence the roads need to be closed and several of the lots consolidated to form three interim parcels for future re-development. The three interim parcels are to be created as described below and will require future rezoning and subdivision to deliver the Policy Sites and new roads according to the Policy Plan. See Appendix B2 for an aerial view of the Granville Loops.

The lands comprising Policy Sites A and B, at 777 Pacific Street between Howe and Granville Streets, currently consist of City owned Lot D Block 112 District Lot 541 Plan LMP4818 ("Lot D") and two portions of City street (the "Old Roads") that were dedicated to the City by way of subdivision in 1992. Lot D is currently occupied by Black Top and Checker Cabs Ltd (soon to be vacating) and the Old Roads contain the west Granville Loops structures. The Old Roads need to be closed and consolidated with Lot D to create a single interim parcel, to be referred to in this report as the "West Interim Parcel" (see map attached as Appendix "B1"). The West Interim Parcel is intended to be rezoned and re-developed by the successful offeror following the ITO process and subdivided into Policy Sites A and B, and road.

The lands comprising Policy Site C, at 675 Pacific Street between Granville Street and the lane east of Granville Street, currently consist of City owned Lots 9 to 19 Block 113 District Lot 541 Plan 210 ("Lots 9 - 19"). These lots currently contain part of the east Granville Loops structure, they once contained the Continental Hotel prior to its demolition and they are currently used as a temporary City works yard. Lot 9 - 19 will be consolidated into a single interim parcel to be referred to in this report as the "East Interim Parcel - Granville" (see map attached as Appendix "B1"). The East Interim Parcel - Granville is also intended to be rezoned and re-developed by the successful offeror following the ITO process and subdivided into Policy Site C and road.

The land comprising Policy Site D, at 625 Pacific Street between Seymour Street and the lane west of Seymour Street, currently consists of City owned Lot C Block 113 District Lot 541 Group 1 Plan 10040 ("Lot C") and will remain as a single interim parcel to be referred to in this report as the "East Interim Parcel - Seymour" (see map attached as Appendix "B1"). This land is currently used as a temporary City works yard. The East Interim Parcel - Seymour is also intended to be rezoned and re-developed by the successful offeror following the ITO process and subdivided to create Policy Site D and road.

The re-development of the West Interim Parcel, the East Interim Parcel - Granville, and the East Interim Parcel - Seymour will require a CD-1 rezoning application. The cost to demolish the Granville Loops structures and construct the new "H" configuration of parcels and roads and service the parcels is estimated at approximately \$18 million. These costs will be borne by the developer of the sites. The rezoning prior-to enactment conditions will include obligations for: the demolition of the loops structures, construction of the new roads, arrangements for utility services, delivery of certain amenities, and subdivisions to create the Policy Sites and new streets all as identified in the Policy Plan.

The replacement of the existing Granville Bridge Loops with a new "H" street system will provide a better integrated street network with the surrounding grid system and will introduce completely new connections across key streets like Granville and Pacific Streets. This will improve overall access within the neighbourhood for people travelling by all modes, and increase the safety for more vulnerable road users, such as pedestrians, who will be able to cross at normalized intersections. This modified street network and associated parcel reconfiguration will also introduce the opportunity for an improved street level experience through better public realm and complimentary land use, such as commercial retail.

In order to close the Old Roads the additional conditions described in Appendix "A" are necessary to secure the City's requirements. See Appendix "A" for the required legal arrangements to: secure the interim use of the Granville Loops as City street (until the new streets are provided); secure access over the three interim parcels to enable demolition of the loops structures and construction of the new streets; secure the future subdivision and road dedications, and secure rezoning of the Policy Sites.

Also described in the additional conditions Appendix "A" are requirements for the registration of Statutory Right of Way's and Option to Purchase's for road purposes over the new configuration of roads and access rights for the proposed Neighbourhood Energy Center ("NEU"). See Appendix "D" for a sketch of the SRW and Option areas.

Approval of the Recommendation will enable the closure of the Old Roads under the Vancouver Charter such that the West Interim Parcel, the East Interim Parcel - Granville, and the East Interim Parcel - Seymour can be created and included in the ITO and ultimately be subdivided, rezoned, and re-developed.

Strategic Analysis

The Policy Sites are currently comprised of portions of road and City land encumbered with the Granville Loops structures and they are not in a configuration that is suitable for re-development or adequate to be included in an ITO i.e. it would be difficult for an ITO proponent to secure financing or realize the full development potential unless the roads are closed.

The delivery of the future roads and access rights will be secured via legal arrangements as described in the Appendix "A" Additional Conditions.

The Recommendation in this report enables the formation of three interim parcels that can be included in an ITO for future rezoning, subdivision, and re-development.

Engineering Services supports the closure of the Old Roads subject to the conditions contained in this report.

Implications/Related Issues/Risk (if applicable)

Financial

There are no financial implications since no property will change hands as a result of the Recommendation. The City will continue to be the owner of the three interim parcels created under the Recommendation. The award of the ITO and disposition by way of lease will be presented to Council for approval in a future report.

The cost of the loops demolition and reconfiguration of the road network and utilities will be fully recovered from the future redevelopment of the site as secured in the Additional Conditions described in Appendix "A".

Environmental

Phase 1 and 2 detailed site investigations have been conducted on both the East and West Loops and investigations have found that contamination present should be relatively straightforward to address. Remediation of the site will be the responsibility of the lessee and would be dealt with during the redevelopment of the site.

CONCLUSION

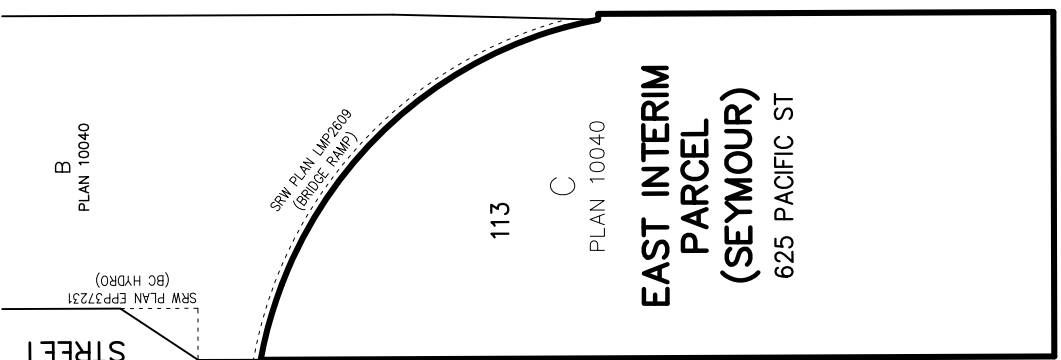
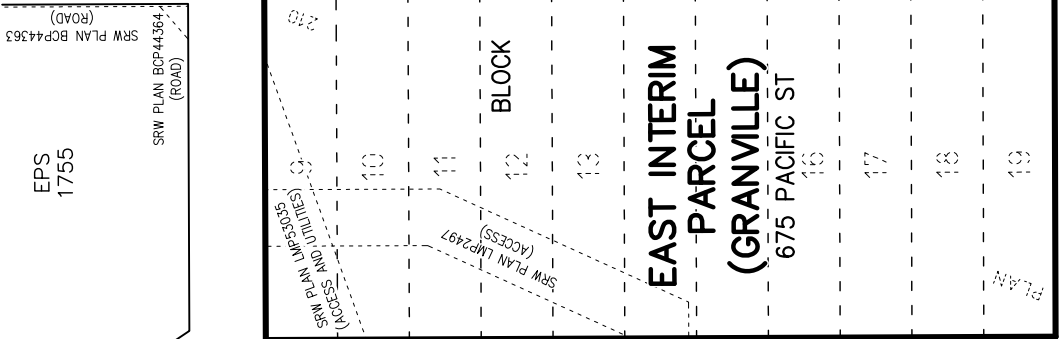
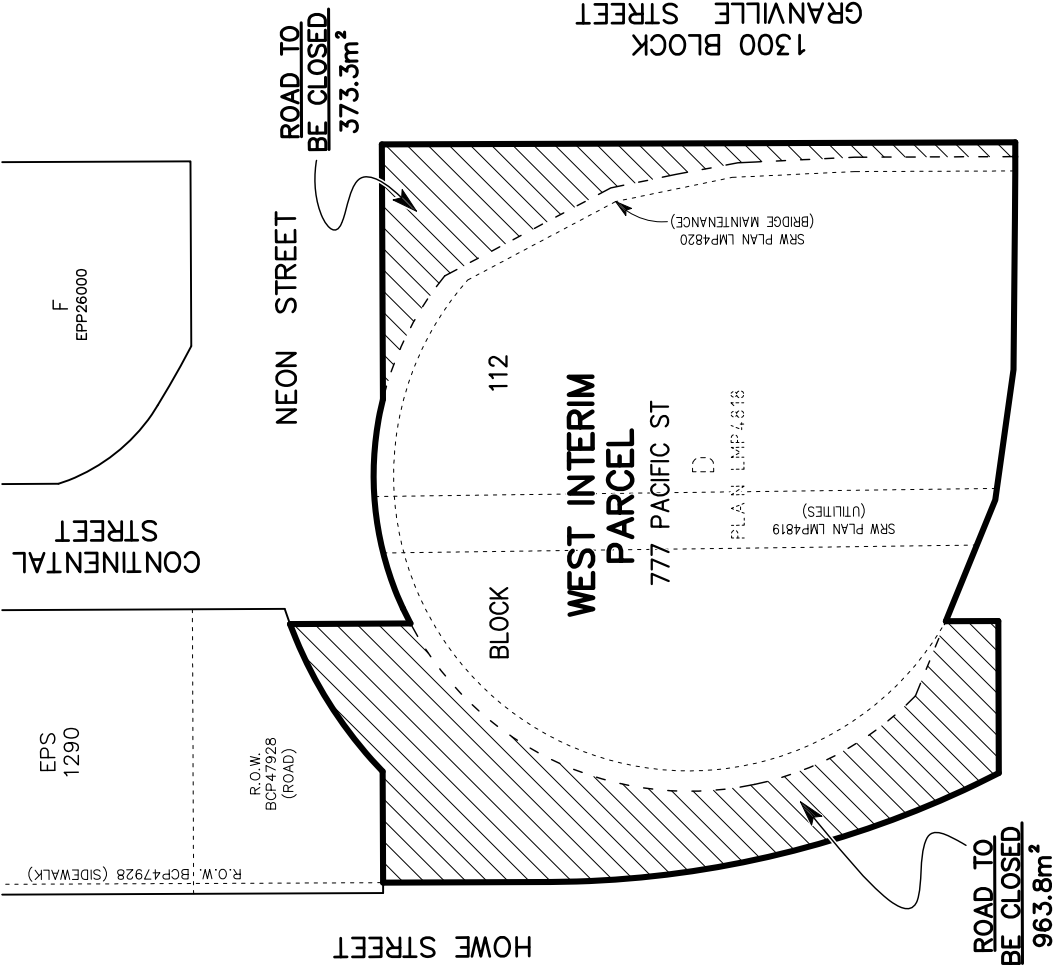
The General Manager of Engineering Services in consultation with the General Manager of Real Estate and Facilities Management recommend approval of the Recommendations contained in this report.

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APPENDIX "A" - ADDITIONAL CONDITIONS

1. The Old Roads are to be consolidated with PID: 017-906-199; Lot D Block 112 District Lot 541 Plan LMP4818 ("Lot D") to form a single parcel, the same as shown within bold outline and labelled "West Interim Parcel" on Appendix "B1", to the satisfaction of the Director of Legal Services.
2. Lots 9 to 19 Block 113 District Lot 541 Plan 210 are to be consolidated into a single parcel, the same as shown within bold outline and labelled "East Interim Parcel - (Granville)" on Appendix "B1", to the satisfaction of the Director of Legal Services.
3. Registration of Statutory Right of Ways ("SRW's") for public road purposes and utilities (as if street), and access for demolition of the Granville Loops structures and construction of the new roadways over all of the West Interim Parcel, the East Interim Parcel - Granville and the East Interim Parcel - Seymour.
4. Registration of Options to Purchase and SRW's, for road purposes, over the New Road Dedications as shown shaded on Appendix "D".
5. Registration of SRW's for NEU Utility Services and access purposes over the NEU Access SRW's as shown cross-hatched on Appendix "D". The SRW's will accommodate a below ground parkade.
6. Registration of an SRW for public access purposes, as if City street, over the Neon Street Access Area as shown dotted on Appendix "D".
7. Registration of a No-development Covenant over the West Interim Parcel, the East Interim Parcel - Granville, and the East Interim Parcel - Seymour such that no-development can proceed on each parcel until it is rezoned and services agreements are in place, and that the East Interim Parcels need to be re-developed together, all to the satisfaction of the General Manager of Engineering Services, to secure all required works and services including the demolition of the Granville Loops structures and the construction of the new configuration of roads.
8. Any agreements to be to the satisfaction of the Director of Legal Services.
9. The Director of Legal Services or the Director of Real Estate Services, as applicable, be authorized to execute all plans, transfers, documents as required.
10. No legal right or obligation shall be created and none shall arise hereafter, until the documents are executed by the parties thereto.

GRANVILLE LOOPS – ROAD CLOSURES



STREET

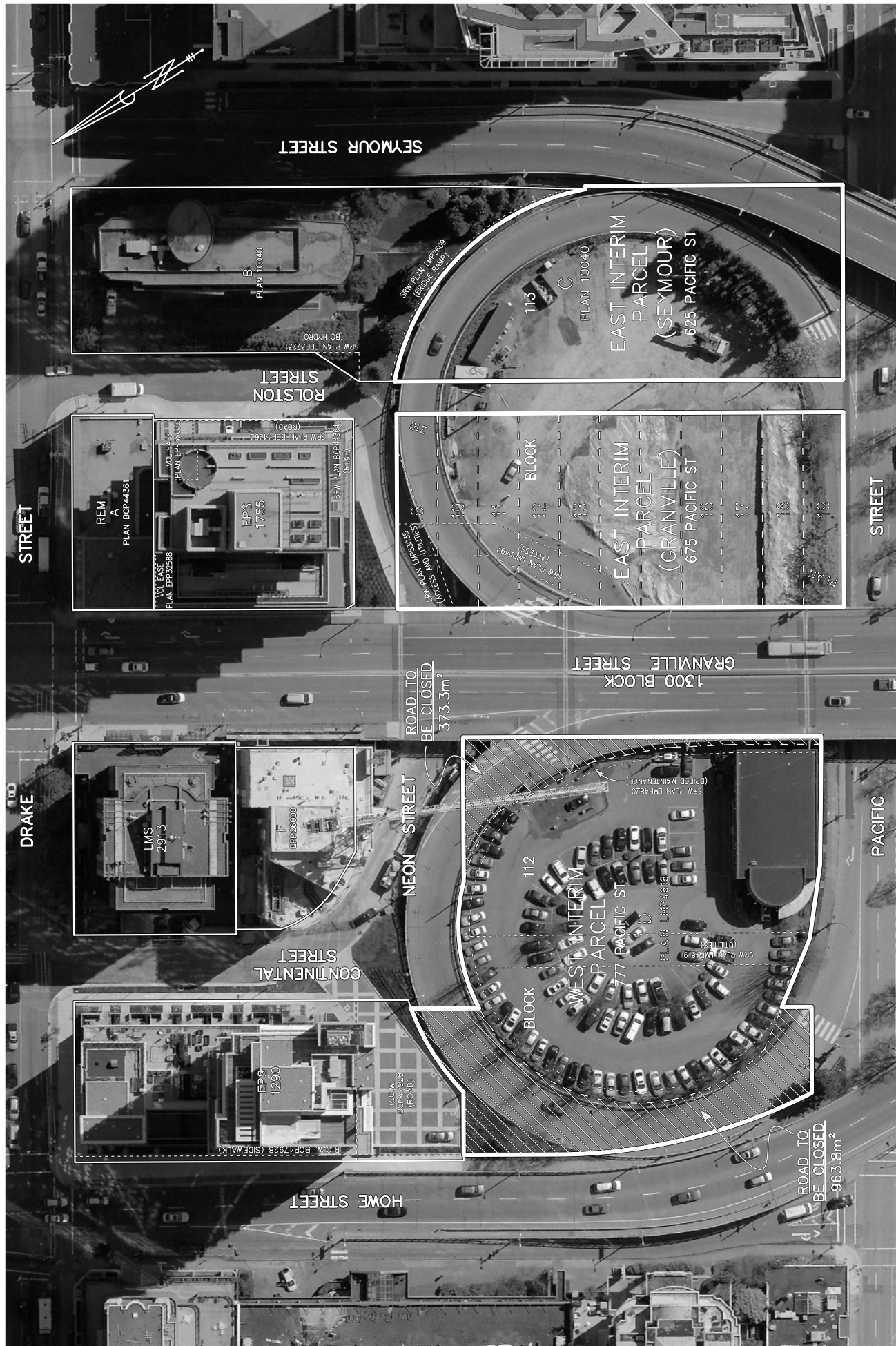
PACIFIC

NOTE: AREAS AND DIMENSIONS ARE SUBJECT TO FIELD SURVEY

TOTAL ROADS TO BE CLOSED (THE "OLD ROADS")
 $963.8m^2 + 373.3m^2 = 1337.1m^2$

DRAWING NOT TO SCALE

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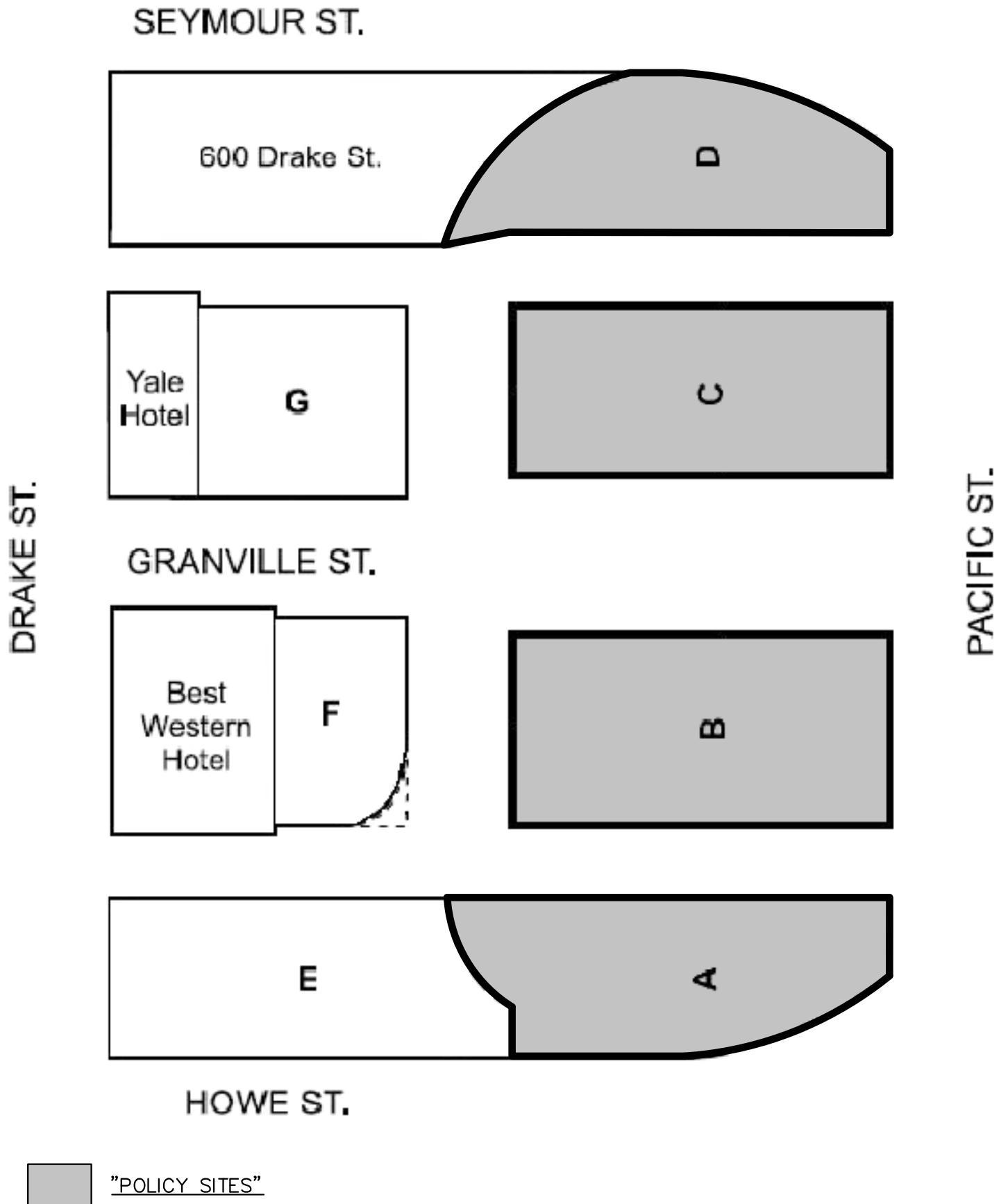


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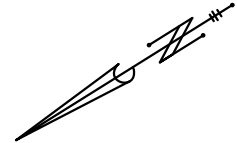
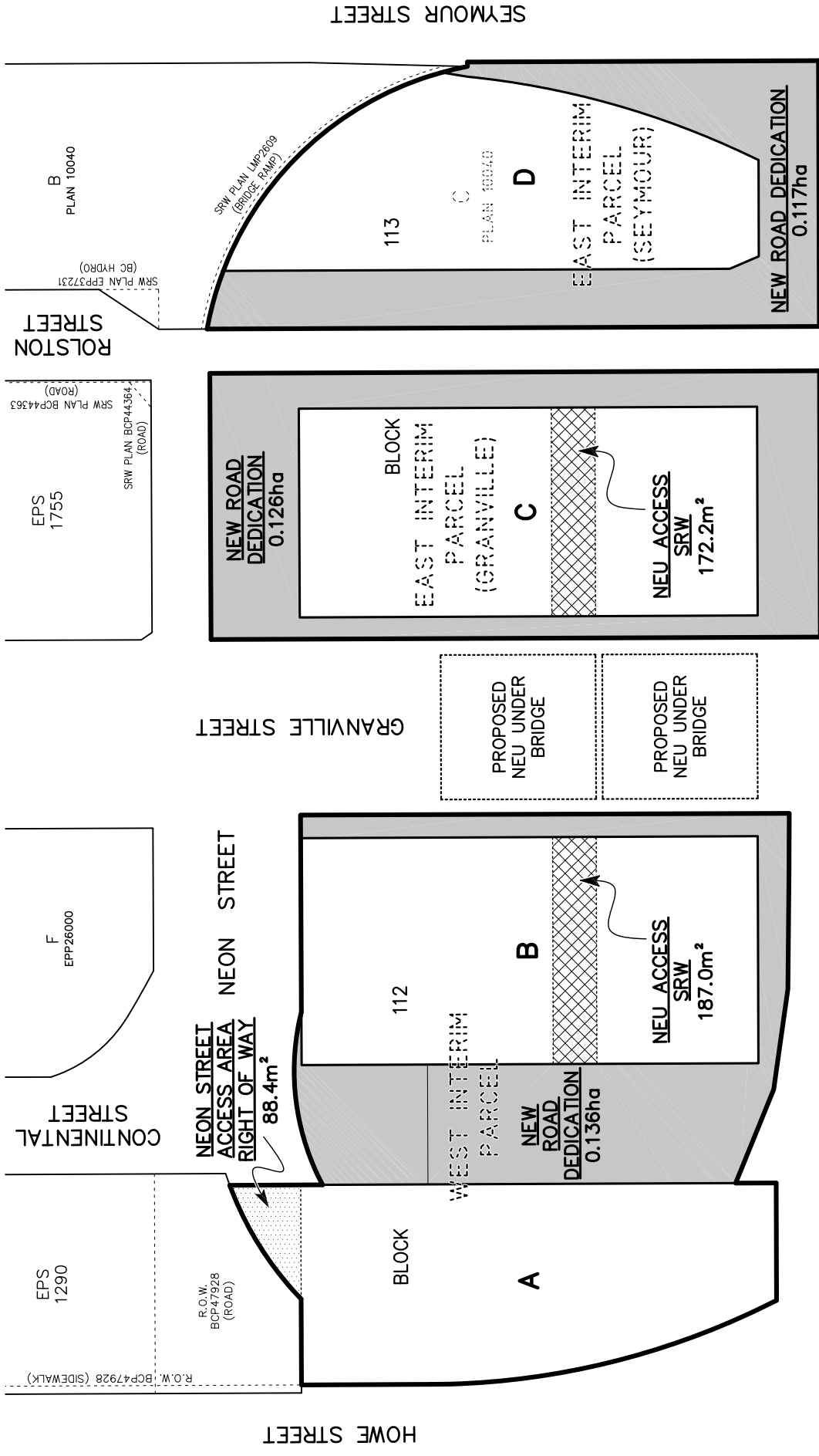
ENGINEERING SERVICES
NOVEMBER 16, 2017

THIS PLAN LIES WITHIN THE GREATER VANCOUVER REGIONAL DISTRICT

EXCERPT FROM THE GRANVILLE LOOPS POLICY PLAN – OCTOBER 2010



GRANVILLE LOOPS – SRW's AND OPTIONS



STREET

PACIFIC

- THE "NEW ROAD DEDICATIONS"
 $0.136ha + 0.126ha + 0.117ha = 0.379ha$
- THE "NEU ACCESS SRW's"
 $187.0m^2 + 172.2m^2 = 359.2m^2$
- THE "NEON STREET ACCESS AREA"
 $88.4m^2$

NOTE: AREAS AND DIMENSIONS ARE SUBJECT TO FIELD SURVEY

DRAWING NOT TO SCALE