



REPORT

Report Date: March 26, 2021
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Meeting Date: June 9, 2021

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TO: Standing Committee on City Finance and Services

FROM: General Manager of Finance, Risk & Supply Chain Management

SUBJECT: Transfer of Parks Development Cost Levies (DCL) to the Property Endowment Fund for the Burrard Slopes Park Expansion, Designation of Permanent Park and Approval of a Capital Budget for Deconstruction

RECOMMENDATION

- A. THAT Council approve the transfer of \$41,150,000 from the Park Board's approved 2021 Capital Budget for Park Land Acquisitions to the Property Endowment Fund (PEF) for 0.46 hectares of land located at 1630-1670 West 5th Avenue (the "PEF Properties"), for the expansion of the Burrard Slopes Park subject to other terms and conditions described in this report. Source of funds \$39,027,084 City-wide Development Cost Levies (DCL) for Parks, \$2,122,916 Area Specific reserve balance for Burrard Slopes DCL district.
- B. THAT subject to Recommendation A being approved, Council designate the properties in Appendix 1 (the "Subject Lands") as Permanent Public Park in accordance with Section 488(5)(a) of the *Vancouver Charter* to be under the exclusive possession of, and exclusive jurisdiction and control of the Vancouver Board of Parks and Recreation ("Park Board").
- C. THAT subject to Recommendations A and B being approved, Council approve a Capital Budget of \$1,600,000 for the deconstruction of the buildings on the Subject Lands, based on estimated costs and subject to further investigation of existing conditions. Should the cost estimate change, a request for a budget adjustment would be brought to Council at that time. Source of funding for the building deconstruction is the Park Boards approved 2021 Capital Budget for Park Land Acquisitions (City-wide Development Cost Levies (DCL) for Parks) and managed within the Park Board Annual Capital Expenditure Budget.

REPORT SUMMARY

The purpose of this report is to seek Council approval for the transfer of \$41,150,000 of Parks City-wide and Area Specific DCL's from the Park Board's approved 2021 Capital Budget for Park Land Acquisition to expand the Burrard Slopes Park, to designate the Subject Lands (per Appendix 1) as Permanent Public Park, and to approve a Capital Budget for deconstruction of the buildings in the amount of \$1,600,000 based on estimated costs and subject to further investigation of existing conditions.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

Council approves the use of DCL's for Park Land Acquisition.

The *Vancouver Charter* Section 488(5)(a) provides that Council may declare real property as permanent public park by a resolution or by-law of Council.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing. This will create a new, larger permanent park near the north end of the Arbutus Corridor, in an area of the City where the Park Board has long planned for park expansion. The permanent park designation is the culmination of a multi decade property assembly.

REPORT

Background/Context

Park Board Policy

The Park Board's [Parks and Recreation Services Master Plan VanPlay](#) (approved October 2019) sets out a number of key policy directions that support the transfer of lands from the Property Endowment Fund for park purposes.

VanPlay Goal 1: Grow and Renew Parks, Community Centres and Recreation Assets to Keep Pace with Population Growth and Evolving Needs.

VanPlay Bold Move 1: Equity Initiative Zones (EIZ) – focus the delivery of parks and recreation services in underserved areas of the city defined by levels of access to parks, recreation and urban forest canopy cover; the Burrard Slopes neighbourhood qualifies as an EIZ.

VanPlay Bold Move 2: Asset Targets sets out a target of maintaining a citywide average of 1.1 ha of neighbourhood* parkland per 1000 people.

Burrard Slopes Plan

The plan to assemble and designate the block of land bounded by 5th Avenue + Fir Street and 6th Avenue and Pine Street as a permanent park was first identified by Council in 1994, in the Burrard Slopes Greenway and Open Space Plan. The Greenway and Open Space Plan was developed to provide services for the significant number of new residents that would result from the 1993 Council-approved Burrard Slopes Plan. The 1993 plan lays out the transition of the Burrard Slopes neighbourhood from industrial to residential use. Prior to the Burrard Slopes Plan approval in 1994 the PEF had acquired properties at 1630 and 1670 W 5th Ave, and held them for investment purposes to generate income.

Between 1994 and 2016, the City acquired the majority of the remaining properties in the block bounded by 5th Avenue + Fir Street and 6th Avenue and Pine Street (Subject Lands), with only a single property remaining privately owned today. With assembly largely complete, the long standing plan to create a park can now be realized. The Burrard Slopes park site is also located on the Arbutus Greenway, adding an important greenspace node along this major active transportation corridor.

The Subject Lands total just under 2 acres (7810 m²). It currently contains two park spaces, one on the corner of 6th Avenue and Fir Street, with a playground, passive open space and seating completed in 2014, and a Pollinator garden and seating area surrounded by large murals on adjacent buildings installed in 2016 at 5th Avenue and Pine Street. The site is ~170m from Burrard Street and ~280m from Broadway Avenue.

Burrard Slopes is contained within the Fairview neighbourhood. The Fairview neighbourhood has a current park service level of 0.6ha per 1000 people (1.5ac/1000) which is significantly lower than the Park Board's target of 1.1ha/1000 (2.75ac/1000). The neighbourhood is undergoing significant population growth, between 2011 and 2016 Fairview was the 3rd fastest growing neighbourhood in the city, growing by 6.9%; only the Mount Pleasant and Downtown neighbourhoods increased more. Growth in this community and surrounding neighbourhoods is expected to continue as described in the Broadway Planning documents.

The Subject Lands are zoned IC-1, an Industrial zone, and contain numerous aged buildings and structures. These properties are currently held in the Capital Fund and PEF, as shown in Figure 1 in Appendix A. Two of the properties are currently occupied by tenants, who will vacate no later than June 30, 2021.

Strategic Analysis

The properties located at 1630-1670 West 5th Avenue are held in the PEF. Recommendation A seeks Council approval to transfer Parks DCLs to enable the expansion of the Burrard Slopes Park. Subject to the approval of Recommendation A, these PEF properties will be transferred to the Capital Fund.

The PEF was established by Council in 1975 as a separate City fund to acquire and hold strategic land purchases until needed, separate from the ongoing operations of the City. The PEF is self-sustaining, self funding and dividend producing. In fulfillment of its mandate, the PEF acquires strategic sites within Vancouver and holds them until needed for civic operations or city-building activities. In some cases, the properties are transferred into the Capital Fund when needed by civic operations (such as permanent public park designations). At the time of

transfer, the then current market value of the properties is returned to the Endowment, so as to preserve the Endowment's purchasing power for future generations.

The PEF Properties have been appraised by an independent third party professional appraiser, and valued at \$41,150,000.

Subject to approval of Recommendations A, B & C, deconstruction of the existing buildings will proceed once vacated. Post-deconstruction, the site will be greened for public park access. A future park design process, including public engagement, led by the Park Board will be undertaken to determine the future park concept. Construction of the permanent park will then proceed in the next Capital Plan period (2023 – 2027).

The expansion of the open space at Burrard Slopes will greatly improve the ability to serve this park deficient neighbourhood with much-improved park and outdoor recreation services.

Financial

Recommendation A of this report seeks Council approval for the transfer of \$41,150,000 from Parks Development Cost Levies to the PEF, which is the current fair market value of the PEF Properties, in order to expand the Burrard Slopes Park. The source of funds is the 2021 approved Park Board Capital Budget for Land Acquisition; specifically:

- \$39,027,084 of City-wide Development Cost Levies (DCL) for Parks
- \$2,122,916 of Area Specific reserve balance for Burrard Slopes DCL district

The estimated building deconstruction cost is \$1,600,000 based on estimated costs and subject to further investigation of existing conditions. Should the cost estimate change, a request for a budget adjustment would be brought to Council at that time. Recommendation C seeks Council approval to create a Capital Budget for the deconstruction of the buildings on the Subject Lands. The source of funding is the approved 2021 Capital Budget for Park Land Acquisitions (City Wide DCL).

CONCLUSION

This report recommends that Council approve the transfer of \$41,150,000 of City-wide and Area Specific DCL's for Parks from the Park Boards approved 2021 Capital Budget for Park Land Acquisition, designate the Subject Lands Permanent Public Park (per Appendix 1), and approve a Capital Budget for deconstruction of the buildings in the amount of \$1,600,000 based on estimated costs and subject to further investigation of existing conditions, to support the expansion of the Burrard Slopes Park.

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“Subject Lands”

Properties for designation as Permanent Park:

1670 W 5th Ave. comprised of:

- PIDs :015-221-008, 015-220-915, 015-220-974, and 015-220-893 having legal descriptions of: LOT 20, LOT 18, LOT 19 and LOT 17, respectively, all EXCEPT THE VANCOUVER & LULU ISLAND RAILWAY COMPANY RIGHT OF WAY SHOWN ON MISCELLANEOUS PLAN 218, BLOCK 269 DISTRICT LOT 526 PLAN 590;

1630 W 5th Ave. comprised of:

- PIDs: 015-221-148, and 015-221-091 having legal descriptions of: LOT C (EXPLANATORY PLAN 9969) BLOCK 269 DISTRICT LOT 526 PLAN 590 and AMENDED LOT 5 (SEE 228155L) BLOCK 269 DISTRICT LOT 526 PLAN 590, respectively;

1620 W 5th Ave comprised of:

- PID: 015-053-199 having a legal description of AMENDED LOT 8 (SEE 79737K) BLOCK 269 DISTRICT LOT 526 PLAN 590;

1696 W 5th Ave comprised of:

- PIDs: 013-698-206 and 013-698-222 having legal descriptions of: LOT 1 and LOT 2, respectively, all of BLOCK 269 DISTRICT LOT 526 PLAN 590; and

1605 W 6th Ave comprised of:

- PID: 009-025-898 having a legal description of LOT A BLOCK 269 DISTRICT LOT 526 PLAN 11907.

