

#### COUNCIL REPORT

Report Date: February 11, 2025

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VanRIMS No.: 08-2000-20
Meeting Date: March 11, 2025
Submit comments to Council

TO: Vancouver City Council

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

Real Estate Services

SUBJECT: Closure and Lease of a Portion of Road Adjacent to 4065 Victoria Drive

#### Recommendations

A. THAT Council close and stop-up that 64 square metre portion of road abutting 4065 Victoria Drive (the "Abutting Lands", as described in Appendix A); and

B. THAT Council authorize the Director of Real Estate Services to negotiate and execute a lease (the "Lease") with the Association of Neighborhood Houses of BC (the "Abutting Owner") of that approximately 64 square metre portion of the road (the "Lease Area"), the same generally shown outlined in bold on the attached Appendix B, subject to the terms and conditions noted in Appendix A, all to the satisfaction of the Director of Real Estate Services and Director of Legal Services.

As the rent under the Lease will be below the applicable market rate and includes non-collection of rent-in-lieu of property taxes, Recommendation B constitutes a grant valued at approximately \$5,300 per annum based on the first year of the term and requires an affirmative vote of two-thirds of Council members per Vancouver Charter S.206(1).

### **Purpose and Executive Summary**

This report seeks Council authority to close, stop-up and lease the Lease Area to the owner of 4065 Victoria Drive. The Lease of this portion of the road will allow for an enlarged outdoor play area for the proposed Cedar Cottage Neighbourhood House Daycare allowing the facility to conform to the City of Vancouver Childcare Design Guidelines.

### **Council Authority/Previous Decisions**

The authority for closing and disposing of streets and lanes is set out in the Vancouver Charter. Pursuant to Section 289A(a), Council may, by lease or licence, permit the use of stopped-up and closed surfaces of streets by the occupants of an abutting property that is zoned for other than residential use.

On July 9, 2024, Council enacted a By-law to rezone the Abutting Lands to CD-1 (869) to permit a three-storey replacement of the Cedar Cottage Neighbourhood House.

# **City Manager's Comments**

The City Manager concurs with the foregoing recommendations.

# **Context and Background**

The applicant engaged Engineering Services on behalf of the Cedar Cottage Neighbourhood House to obtain approval to use this portion of road in conjunction with Development Application No. DP-2023-00515 permitting the construction of a new three-storey Neighbourhood building that includes a 37-space licenced childcare facility.

The Lease Area is an approximately 2 metre by 32 metre portion of Alice Street adjacent to the Abutting Lands, which was dedicated to the City as road by the deposit of Plan 1344 in 1907. Approximately 64 square metres in area, the Lease Area will be fenced off and incorporated into the planned onsite outdoor play space allowing the operator to better align with the City of Vancouver Childcare Design Guidelines.

One of the key long-term goals of the City of Vancouver's Healthy City Strategy is to ensure that children have the best chance of enjoying a healthy childhood. The approval of this Lease Area will allow for the creation of a safe and secure outdoor area of sufficient size to enhance the social, intellectual, and physical development of the attending children.

#### Discussion

The closure and lease of the Lease Area will allow the childcare operator to access a larger area for outdoor play space.

An Engineering Services review of this matter has concluded that the Lease Area is available to the owner of the Abutting Lands, subject to the conditions detailed in Appendix A of this report.

The Abutting Owner will be responsible for all costs and plans required to complete the road closure and lease.

# **Financial Implications**

Staff recommend that the total rent be set at a nominal rate of \$1.00 per year. Nominal rent is considered a grant based on the fair market value of the Lease, which is estimated at approximately \$5,300/annum.

# **Legal Implications**

There are no legal implications associated with this report's recommendations.

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# APPENDIX A TERMS AND CONDITIONS OF LEASE

- The Lease Area is to be leased to the owner of the Abutting Lands ([PID: 032-228-431] Lot A Block 16 District Lot 352 Group 1 New Westminster District Plan EPP131659) for the purposes of an outdoor play space within a childcare facility.
- 2. The lease shall be for an initial term of ten (10) years for \$1.00 per year, with an option to renew for two (2) additional five (5) year terms and to include a 12 month notice of cancellation should the lease area be required for any municipal purpose.
- 3. The lease will be terminated upon any full redevelopment of the site or the childcare facility ceasing to be in operation.
- 4. No structures, other than site fencing, playground equipment, and landscaping (the "Works"), shall be constructed within the Lease Area.
- 5. The tenant shall be responsible for:
  - a. Maintenance of the Lease Area;
  - b. Insurance to the Satisfaction of the Director of Risk Management;
  - c. Indemnities to the City for all liabilities to the satisfaction of the Director of Legal Services;
  - d. Any changes to the Lease Area beyond the Works will require the prior written approval of the General Manager of Engineering Services; and
  - e. Restoration of the Lease Area, at the termination or expiry of the lease, to the satisfaction of the General Manager of Engineering Services.
- 6. Prior to any ground disturbance work, the tenant must contract a professional utility locate service to ensure there are no undisclosed utilities within the Lease Area.
- The additional playspace created by the Lease shall not be utilized by the operator to meet the minimum childcare licencing guidelines established by the Province of British Columbia for outdoor playspace areas;
- 8. The City will not be liable for any damage to utilities and reserves the right to access the Lease Area should it be necessary at any time in the future subject to the terms of the lease.
- 9. The tenant shall be responsible for all necessary plans and administration costs.
- 10. Any agreements are to be drawn to the satisfaction of the Director of Legal Services, the Director of Real Estate Services and the General Manager of Engineering Services.

# APPENDIX B SKETCH OF LEASE AREA

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