



# Arbutus Corridor

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Purchase by City  
from CPR

# OVERVIEW

1. Background Information
2. Transaction Summary
3. Current Status of Project
4. Acknowledgements



# BACKGROUND INFORMATION



# ARBUTUS CORRIDOR



**Length: ~9.75 km**

**Area: 42+ acres**

**Location: Extending from  
West 1<sup>st</sup> Avenue in False  
Creek to South Vancouver**

**Opportunity to create a  
green space with a rail,  
bike and pedestrian  
transportation corridor  
from False Creek to Fraser  
River**

# HISTORY - Arbutus Corridor / Rail Operations / ODP

- 1886 → Province of BC granted CPR a corridor of land for construction of a railway.
- 1902 → Railway line built. As century progressed, traffic declined.
- 1999 → CPR formally began process of discontinuing rail operations under the CTA. CPR put forward proposals to develop corridor for residential and commercial purposes.
- 2000 → Adoption of Arbutus Corridor ODP (Legal challenge by CPR).
  - ODP - Public thoroughfare for purpose only of: (1) Transportation: rail, transit and cycle paths (excluding motor vehicles and elevated rapid transit system); (2) Greenways: pedestrian and cycle paths
- 2006 → CPR legal challenge of ODP dismissed by Supreme Court of Canada.



# TRANSPORTATION 2040



- Adopted in October 2012
- Maintained the objective to develop the Corridor as active transportation greenway, as well as future street car or light rail transit

# HISTORY OF NEGOTIATIONS

- **2008/2009** → CPR proposes to sell Arbutus Corridor to City; however, significant gap between parties
- **2011-2014** → CPR/City discussions ongoing for sale. Negotiations end unsuccessfully in September 2014, following this:
  - CPR commences clearing the corridor for “operations”
- **Nov 2015** → Negotiations commence with CPR
- **Jan - March 2016** → Key terms for purchase settled

# TRANSACTION SUMMARY



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## Purchase Price: \$55 million

- Title to corridor properties (~42 Acres) from Milton Street to 1<sup>st</sup> Avenue transfers to City on closing and payment of \$55M
- City and CPR share proceeds of sale of any portion of the Arbutus Corridor on which residential or commercial/industrial development permitted

# TRANSACTION SUMMARY - REMOVAL OF RAILS AND TIES

- CPR to remove rails and ties (excluding at street crossings) at their cost:
  - Fully remove all rails and ties within 24 months of Closing
  - ✓ Completed removal by June 2016
- CPR 100% responsible for City's incremental costs related to any contamination in ballast left in place; visible contamination under ties to be removed by CPR during aforementioned work

# TRANSACTION SUMMARY - ENVIRONMENTAL LIABILITY

- Environmental remediation costs to be shared 50/50 between City and CPR for the corridor lands that may be redeveloped
- For remainder of the corridor, which the City will use for transportation corridor, the City takes land on an “as is where is” basis
- City undertook environmental investigations / due diligence prior to Definitive Agreement

# TRANSACTION SUMMARY

## - DESIGN FOR WALKING/CYCLING/TROLLEY & PUBLIC PROCESS

### After Closing Date:

- City to expedite design of areas for walking and cycling use, and design of area for future rail/rail trolley use
- City can begin construction of transportation corridor as soon as rail is removed
- Once above designs prepared, City to commence planning and public process to consider the excess Arbutus Corridor lands
- Approved separate parcels not needed for City uses will be competitively sold (within 12 months of regulatory approvals), and City/CPR share net proceeds (unless CPR exercises option, in which case 100% benefit of net proceeds goes to City, excluding the “option sites” along Fir Street, between 1<sup>st</sup> and 6<sup>th</sup>)



# POTENTIAL DEVELOPMENT REVENUE - SHARING OPTIONS

(if ODP amended, thereby allowing other uses)

## (1) Sharing of Net Proceeds from Development:

	Canadian Pacific Railway	City of Vancouver
First \$50 million	75%	25%
Second \$50 million	50%	50%
Third \$50 million	25%	75%
Thereafter	0%	100%

**OR**

(2) CPR Option (for lands between West 1<sup>st</sup> and 6<sup>th</sup> Avenues along corridor - next slide) - if CPR exercises option, no sharing on any other portion of corridor that is sold.

# CPR OPTION SITES



# CURRENT STATUS OF PROJECT

# CURRENT CONDITIONS

- Rail tracks removed by CP Rail in the mid block sections by June 2016.
- Railway crossings removed at intersections 4<sup>th</sup> Ave., Burrard St., West Broadway, 10<sup>th</sup> -13<sup>th</sup> Ave, 15<sup>th</sup> - 16<sup>th</sup> Ave, King Edward, Nanton, 33<sup>rd</sup> and 37<sup>th</sup> Ave.





# CURRENT CONDITIONS

- City crews have constructed an asphalt pathway between W 16<sup>th</sup> Ave and W 33<sup>rd</sup> Ave
- City crews have constructed a gravel pathway between W 10<sup>th</sup> Ave and W 16<sup>th</sup> Ave and between W 33<sup>rd</sup> Ave and W 41<sup>st</sup> Ave
- Apart from rail removal, there has been no further work done in the remainder of the corridor



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# ACKNOWLEDGEMENTS (EXTERNAL ADVISORS - TRANSACTION)

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THANK YOU