

**TO:** CITY MANAGER

**DATE:** 1993 07 21

**FROM:** DIRECTOR ENGINEERING

**FILE:** 30-05-21

**SUBJECT:** CN REAL ESTATE/CITY OF BURNABY LAND EXCHANGE IN THE  
BIG BEND AREA - CONTRIBUTION OF FUNDS FOR ROADWORKS

**PURPOSE:** To obtain Council's authority to expend funds for the construction of roadworks and services pursuant to the Sale/Purchase Agreement between CN Real Estate and the City of Burnaby in the Big Bend Area.

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**RECOMMENDATION:**

1. **THAT** a Capital Works Machinery and Equipment Reserve Fund Expenditure Bylaw in the amount of \$2,958,800 be brought forward for the construction of roads and services in the CN Real Estate/City of Burnaby Land Sale/Purchase Agreement in the Big Bend Area.

**REPORT**

Council on 1991 September 23 approved the City Manager's Report No. 54, Item 6 (copy attached) which outlined the negotiated settlement for the subject land exchange. The agreement obligates the City to contribute funds for the servicing of a number of the peripheral roads. Under the negotiated settlement, the City is required to compensate CN Real Estate for the development servicing to a maximum of \$3,109,331. Council subsequently approved an Expenditure Bylaw in the amount of \$275,000 for the initial subgrade preparation. Subsequent servicing work was to proceed in 1992 and 1993.

CN Real Estate's original construction schedule has not been maintained and no work was done on these roads in 1992. However, we have now received a revised schedule from CN Real Estate's Consultant which states that they will award contracts for an estimated \$2,167,000 before the end of 1993 for construction and engineering.

The Consultant's schedule of works indicates that there will be construction activity, to varying degrees, on each of the four road segments noted in the 1991 September 23 report (ie. R1, R2, R3 & R5) in 1993 with the completion of works in 1994. Based on this work schedule, it is recommended that a Capital Works Expenditure Bylaw for the balance of the City's commitment be brought forward at this time. The following Table I outlines the cash flow requirements:

**CN REAL ESTATE/CITY OF BURNABY LAND EXCHANGE IN THE  
BIG BEND AREA - CONTRIBUTION OF FUNDS FOR ROADWORKS/SERVICING  
1993 JULY 21 - PAGE 2**

**TABLE I**

	Prior to 1993	1993 (Estimated)	1994 & Beyond (Estimated)	TOTAL
Servicing Costs Payable to CN Real Estate	254,619	1,616,940	1,237,772	3,109,331
City Inspection Fees	10,185	64,678	49,511	124,374
TOTALS	264,804	1,681,618	1,287,283	3,233,705
<u>Minus</u> Previous Bylaw #9652				<u>\$275,000</u>
Balance required to complete Land Sale/Purchase Agreement				<u>\$2,958,705</u>

The 1993 Capital Budget includes \$1,095,000 as an estimate of the work CN Real Estate would complete during the year. The updated schedule indicates that the current year expenditure level will be \$1,681,618 with a remaining \$1,287,283 to be spent in 1994 and beyond.

  
DIRECTOR ENGINEERING

VNW/WCS:mp  
Attached

cc: Director Finance  
Director Planning & Building  
Director Administrative & Community Services  
City Solicitor

ITEM 2  
MANAGER'S REPORT NO. 45  
COUNCIL MEETING 93/07/26

ITEM 6  
MANAGER'S REPORT NO. 54  
COUNCIL MEETING 91/09/23

TO: MUNICIPAL MANAGER

FROM: DIRECTOR PLANNING AND BUILDING OUR FILE: 15.611

SUBJECT: PURCHASE OF CN REAL ESTATE LANDS AND SALE OF MUNICIPAL LANDS,  
BIG BEND AREA - CONTRIBUTION OF FUNDS FOR ROAD WORKS

PURPOSE: To obtain Council's authority to expend funds for the construction of road works pursuant to the sale/purchase agreement between CN Real Estate and the Corporation in the Big Bend area.

RECOMMENDATION:

1. THAT a Capital Works Machinery and Equipment Reserve Fund Expenditure Bylaw in the amount of \$275,000 be brought forward for the initial servicing of roads in the CNR/Burnaby land purchase/sale agreement in the Big Bend area.

R E P O R T

1.0 BACKGROUND

Council, on 1991 February 25, received the Municipal Manager's In-Camera Report No. 14, Item 1 and adopted the following recommendations:

"THAT the land negotiations with CNR be concluded on the following basis:

- a) THAT the municipal lands outlined on Figure 1 attached be posted for sale at a value of \$4.982 million (final value to be based on areas determined by survey); and
- b) THAT the Terminus Park/Thorne Avenue lands be acquired by the Municipality at a value of \$4.950 million (final value to be based on areas determined by survey); and
- c) THAT provision for services as outlined in this report be included in the 1991-1995 Capital Budget; and
- d) THAT a Capital Reserves Expenditure Bylaw in the amount of \$5,100,000 be brought forward for the purchase of the Terminus Park/Thorne Avenue properties as outlined in this report.

The negotiated settlement recognizes that the Corporation will be contributing funds required for the servicing of the following peripheral roads which are identified on Figure 4 attached.

R-1	\$ 730,780
R-2	730,700
R-3	373,300
R-5	<u>991,885</u>
	\$2,826,665
+ 10% engineering	<u>\$3,109,331</u>
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The final contribution is to be based on contractors' tendered prices, but will not exceed \$3,109,331.

ITEM 2  
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ITEM 6  
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## 2.0 EXISTING SITUATION

The documentation pertaining to the purchase of CNR lands and the sale of Corporation lands is currently being executed by CN and it is anticipated that final registration will be completed in the immediate future.

The settlement recognizes that the CNR is to be responsible for the construction of all services (including the peripheral roads) thereby ensuring their construction coincides with the timing of development. On 1991 September 06, staff met with CN staff and its consultant to review CN's proposed work program. At that time it was recognized that it would be advantageous to proceed as soon as possible with the initial subgrade preparation for the roadworks to take advantage of current dry weather.

On 1991 September 12, staff received updated cost estimates for the roadworks with a summary of the estimated costs for this year (1991) and an estimate of the expenditures in 1992 and 1993 as follows:

YEARS	COST DESCRIPTION	ESTIMATED COST	10% ENG.	TOTAL
1991	Initial Subgrade Preparation R1, R2, R3, R5	\$ 229,256	\$ 22,926	\$ 252,182
1992	Complete Subgrade Preparation Complete Underground Utilities R1, R2, R3 Complete 1/3 Underground Utilities R5 Complete Roadworks R1, R2, R3 Complete Roadworks 1/3 R5	\$1,971,539	\$197,154	\$2,168,693
1993	Complete Underground Utilities Remaining 2/3 of R5 Complete Roadworks Remaining 2/3 of R5	\$ 625,870	\$ 62,586	\$ 688,456
	TOTAL	\$2,826,665	\$282,666	\$3,109,331

In providing for the 1991 projected servicing cost (\$252,182), provision needs to also be made for the requisite 4% inspection fee of \$10,087 for a total of \$262,269. In order to provide for any unforeseen circumstances, it is proposed to bring forward a bylaw in the amount of \$275,000.

## 3.0 SOURCE OF FUNDS

The funds for this work are provided in the 1991-1995 Capital Budget under Land Assembly and Development. This expenditure is in conformance with the objectives established in the recent capital program expenditure review.

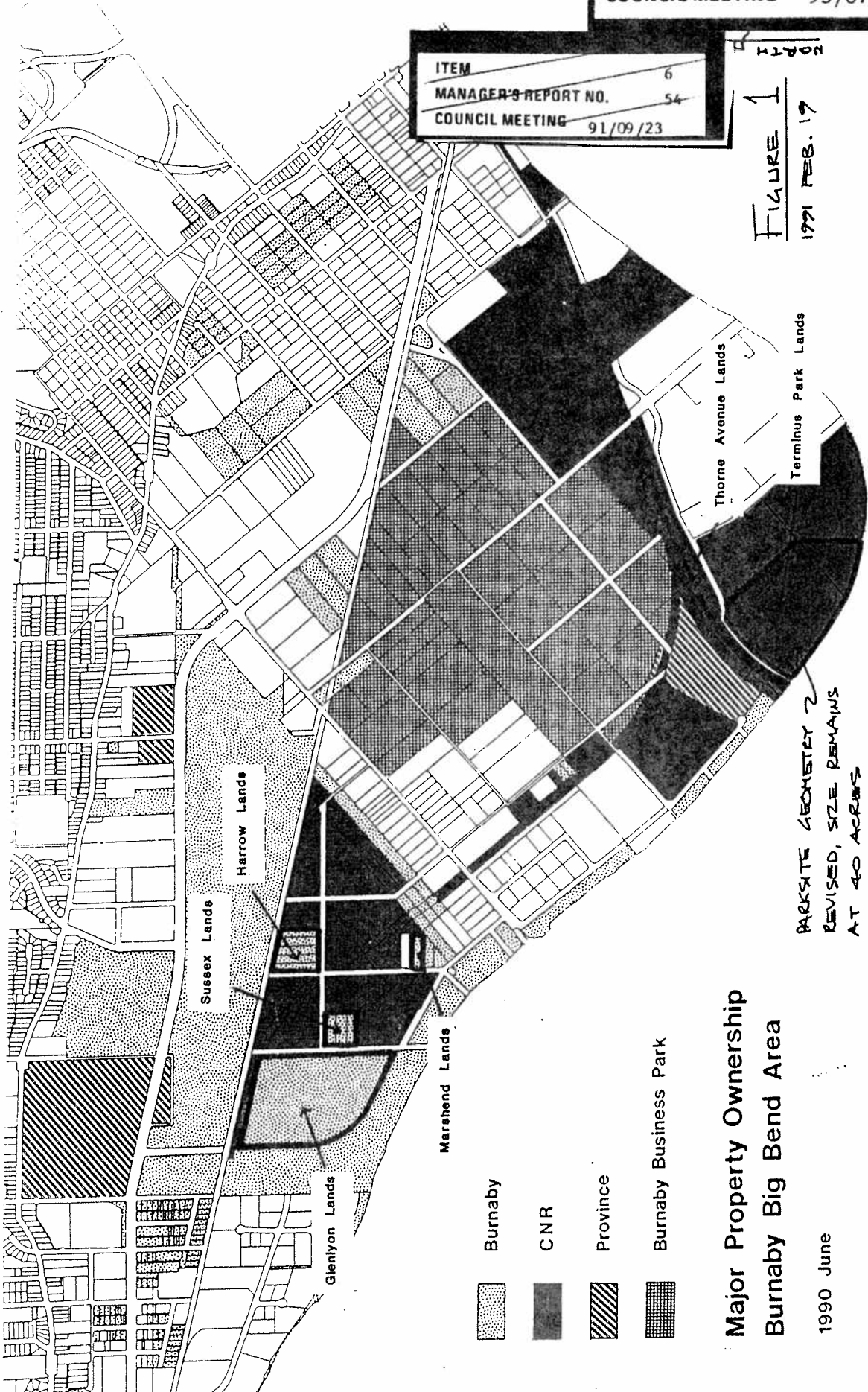
  
A.L. Parr, Director  
PLANNING AND BUILDING





PB/jp

Attachments

cc: Director Finance  
Director Engineering  
Director Administrative & Community Services  
Municipal Solicitor

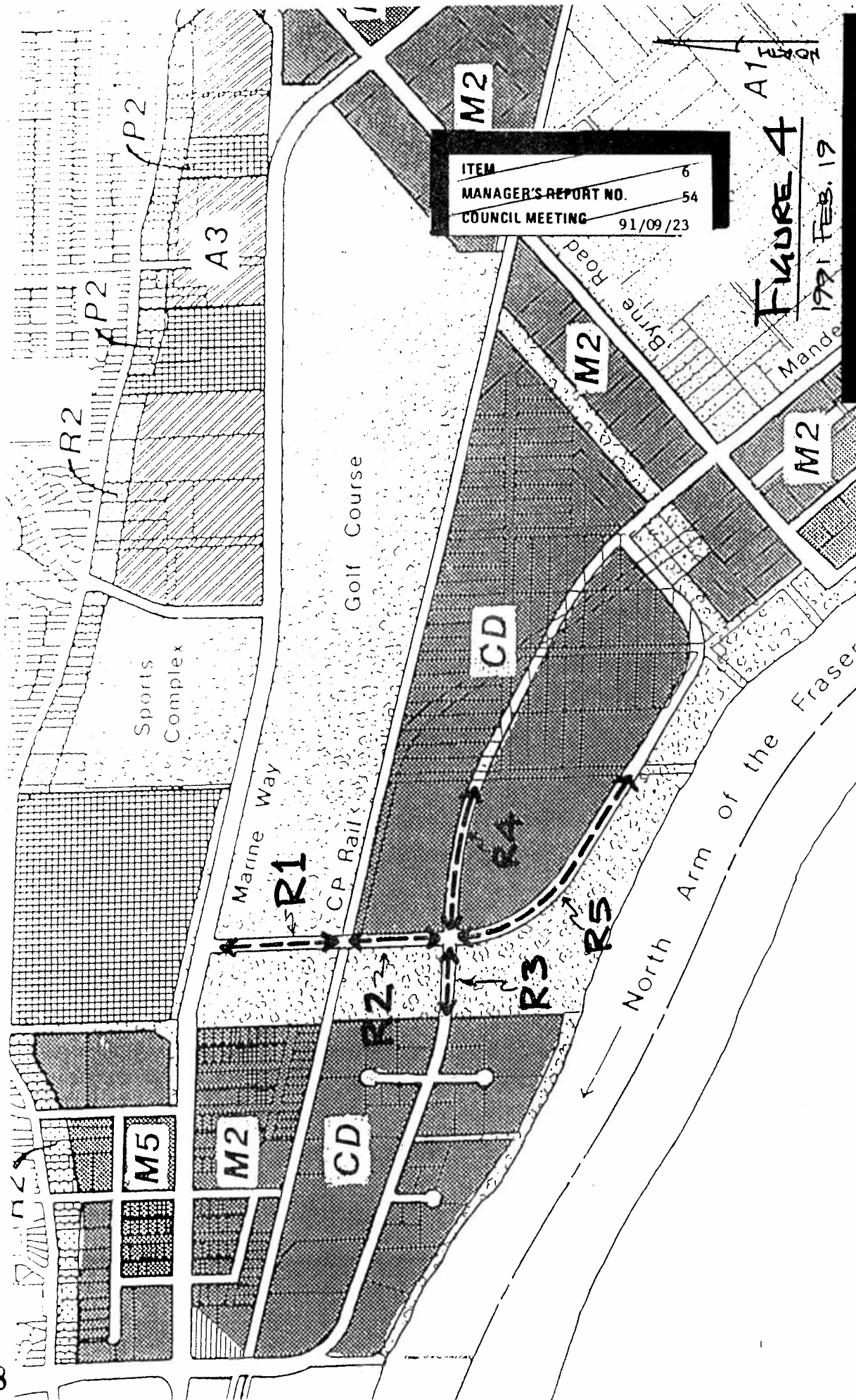
FIGURE 1  
1991 FEB. 19



-  Burnaby
-  CNR
-  Province
-  Burnaby Business Park

## Major Property Ownership Burnaby Big Bend Area

1990 June



ITEM 6  
MANAGER'S REPORT NO. 54  
COUNCIL MEETING 91/09/23

FIGURE 4

1991 FEB. 19

ITEM	2
MANAGER'S REPORT NO.	45
COUNCIL MEETING	93/07/26