



Corporate NO: R022

Report COUNCIL DATE: January 31, 2000

REGULAR COUNCIL

TO: Mayor & Council **DATE: January 26, 2000**

FROM: General Manager of Parks, Recreation **FILE: 8350-108**
and Culture

SUBJECT: Lougheed Properties Ltd. - Cost Sharing Request

RECOMMENDATION

It is recommended that the City of Surrey contribute 50% of the costs of the B.C. Rail crossing device at Mile 4.61 up to a maximum of \$75,000.

BACKGROUND

Lougheed Properties Ltd. appeared as a delegation at the January 17 Council-in-Committee meeting and requested that the City of Surrey contribute 50% of the costs of the automatic advance warning system at the B.C. Rail Mile 4.61 crossing. This crossing provides access to their proposed Golf Range and Practise Facility at 14779 Colebrook Road. The current estimate for the crossing complete with barrier gates is \$120,000 to \$150,000. The gates at this crossing will allow a whistling ban to be implemented.

DISCUSSION

The request for cost sharing is on the basis that this crossing is owned by the City of Surrey and will serve as a future access route to Panorama Park. While the process for developing the Panorama Park concept plan has only recently been initiated, it is highly likely that this rail crossing will be an important access route to the eastern portions of Panorama Park in the future. There are no funds budgeted for the development of Panorama Park in the Five Year Capital Budget, other than limited funding for trail development. It is anticipated, however, that some type of park development will occur in the 5-10 year timeframe that would benefit from an access road and parking at this location.

The options before Council are:

- 1) to fund 50% of the costs of the B.C. Rail crossing device at this time;
- 2) to enter into a latecomer agreement and contribute when an access is required, including interest payments (current rate is 5%); or
- 3) to deny any contribution on the basis that access will not be required to Panorama Park for more than 10 years (the limit for latecomer agreements).

The Department recommends that the City approve option 1) and contribute 50% of the costs now to an upset limit of \$75,000. This would allow the City the greatest flexibility in providing access to trail systems or other amenities that may be developed. Only one additional rail crossing at the western end of Panorama Park will be allowed, so the crossing at Mile 4.61 will clearly be required in the future. The latecomer approach, because interest is built in, results in the same net present value and thus represents no long term saving for the City. In addition the latecomer approach involves the preparation and administration costs for the agreement itself.

Funding is available from the Joint Coordinated Works Budget. This budget was set up to fund joint Parks/Engineering works adjacent to parks.

SUMMARY

Lougheed Properties has requested that the City of Surrey share 50% of the costs of the installation of the automatic advance warning system at B.C. Rail crossing at Mile 4.61. The City will benefit from this crossing as an access route to the eastern end of Panorama Park sometime within the next 10 years and this cost sharing assists in Council's objective of building the City's commercial tax base.

Don Hunterl
General Manager of Parks, Recreation
and Culture

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