CANADIAN PACIFIC RELOCATION STUDY

VANCOUVER, B.C.

PRESENTATION TO THE PRESIDENT
CANADIAN PACIFIC LIMITED
MR. F.S. BURBIDGE

July 22, 1974

AGENDA

1. The Rail Study
2. Sequence of Events
3. Statement on Findings
4. The Present Situation
5. Issues for Decision

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NOTES TO SUPPORT PRESENTATION TO THE PRESIDENT

CANADIAN PACIFIC LIMITED

MR. F.S. BURBIDGE

July 22, 1974

TABLE OF CONTENTS

I Relocation Proposal Memorandum

II Implementation

1. SPEC Master RAC Network (No.C-134-1)
2. SPEC Master Network (No. C-134-2)
3. Network Approval
4. Schedule of Estimated Capital Costs Incurred in Relocation
5. Organization
6. Coquitlam Yard Study

III Land Position

To: Mr. K. Campbell, Senior Executive Officer, CP Rail

From: J. N. Fraine, Senior Regional Vice President, CP Rail
J. R. McLernon, Director of Development, Western Canada, Marathon Realty
C. E. Aked, Vice President, Special Duties, CP Transport
H. M. Romoff, Manager, Research, Canadian Pacific Limited

Date: July 2, 1974.

CANADIAN PACIFIC RELOCATION PROPOSAL

VANCOUVER, B. C.

On November 23, 1973 a joint CP entity working committee, chaired by CP Research was commissioned to determine Canadian Pacific's overall present and future transportation and land use requirements in the Greater Vancouver area.

On May 28th, the final report was submitted to us and other interested Canadian Pacific senior officers.

Attached is a memorandum proposal endorsed by this committee's senior members which you may wish to send to the President.

(sgd) J.N. Fraine
J. N. Fraine

H. M. Romoff

J. R. McLernon

(sgd) C.E. Aked.
C. E. Aked

Attachment

cc: Mr. R. C. Barnstead, President, Canadian Pacific Transport Co. Limited
Mr. S. E. Eagles, President, Marathon Realty Ltd.

Vancouver Working Committee

cc: Mr. D. A. Fraser, CP Rail
Mr. L. D. Busswood, CP Transport
Mr. D. A. Murray, Marathon Realty
Mr. N. L. Keyock, Jr., CP Research

CANADIAN PACIFIC RELOCATION PROPOSAL
VANCOUVER, B. C.

1. Statement of Assignment

Land Use

To what future use should the following parcels of Canadian Pacific controlled land in Vancouver be put?

(a) 60 land acres on Burrard Inlet (Front Yard) and 51 acres of water lots.

(b) 165 land acres on False Creek and 10 acres of water lots.

(c) 24 acres of the Coquitlam Yard.

2. Relocation Proposal

Relocation

The above lands be vacated for real estate development activities compatible with the urban requirements. This requires that the transportation facilities and activities affected be relocated and reoriented at Coquitlam, Fraser Mills and the Front Yard. (See attached map.)

Affected are:

(a) False Creek

(1) Piggyback

(2) Inland Container Terminal

(3) CP Transport - office and terminal
- maintenance facility

(4) Passenger Train Servicing Facility

(5) Support Yard

(6) Western Assembly

(b) Front Yard

(1) CP Rail - yards
- passenger facilities

(2) B.C.C.S. - Piers A-1 and A-3
- Piers B and C trackage

3. Recommendations

Since the potential value of the land vacated assuming adequate zoning exceeds the estimated relocation costs ($54 million):

(a) Request Marathon Realty's policy towards funding of relocation costs based on their assessment of offsetting values of the vacated land.

(b) Adopt the principle that the relocation proposal is technically feasible, and is economically feasible; subject to confirmation by Marathon that the value of the vacated land sustains the costs of relocation.

(c) Option or acquire immediately lands at Coquitlam and Fraser Mills necessary to relocation and investigate the possible acquisition of additional land in this area beyond relocation requirements. Land of sufficient acreage, on CP Rail track is now available at a single area - Fraser Mills. Based on current land use trends, the required land assembly will be available only in the very short term.

(d) Obtain government agreement to adequate zoning and other pertinent issues as part of the relocation.

4. Relocation Criteria Achieved

Entities Whole

Interfaces

(a) The transportation system(s) affected will remain whole, operationally and financially. Relocation is complex as interfaces between entities and their related locations are critical.

The development of the waterfront requires:

(1) The maximum possible reduction in the number of rail cars handled in the Front Yard. This can best be accomplished by relocating CP facilities, rail and truck presently in False Creek and Western Assembly to Fraser Mills.

(2) The transfer of the bulk of the rail marshalling and storage requirements presently located in False Creek and Front Yard to Coquitlam.

Tangible Benefits Cover Costs

(b) Subject to confirmation by Marathon Realty, a conservative value of the vacated land offsets the total relocation costs at in-company rates ($54 million) - 1974 dollars.

4. Relocation Criteria Achieved (cont'd)

Intangible Benefits

(c) Intangible benefits include:

(1) Competitive position will be improved by construction of transportation complex at Fraser Mills. The complex will attract transportation oriented industries and accommodate industrial shift from Vancouver to the south and east, which is already beginning to manifest itself.

(2) Improved image with well planned relocation.

(3) Permit consolidation of land position with capability to accommodate long term growth.

Politically Feasible

(d) The proposal is politically feasible and desirable.

5. Detailed Description of Proposal

(a) Coquitlam Yard

	Approx. Land Requirement (Acres)	Construction Costs ($ Million)
Modify and expand to accommodate: (1) The diesel servicing facility presently in False Creek and Coquitlam. (2) Marshalling and storage functions presently in False Creek and Front Yard	2 ac.	$ 16.0

(b) Fraser Mills

Relocated False Creek Entities

(1) Piggyback/Inland Container Terminal	46	7.6
(2) CP Transport - office, terminal and maintenance facility	21	8.8
(3) Support Yard to serve relocated facilities	19	2.0

5. Detailed Description of Proposal (cont'd)

	Approx. Land Requirement (Acres)	Construction Costs ($ Million)
(c) Stanovan (near Westridge)		
(1) Storage Tracks for LPG cars	nil	$ 0.2
(d) Front Yard		
(1) Relocate passenger facilities	nil	0.8
(2) B.C.C.S. Relocate Piers A-1 and A-3	14	8.0
(3) Remove trackage between Cardero and Burrard and reduce trackage between Burrard and Granville.	nil	0.1
(e) False Creek		
(1) Remove surplus trackage and rearrange balance of trackage for V & LI interchange and to serve local industries as long as required.	nil	0.3
(f) Capitalized Value of Increased Operating Costs Based on Present Traffic Volumes	nil	10.2
Total	102 ac.	$ 54.0

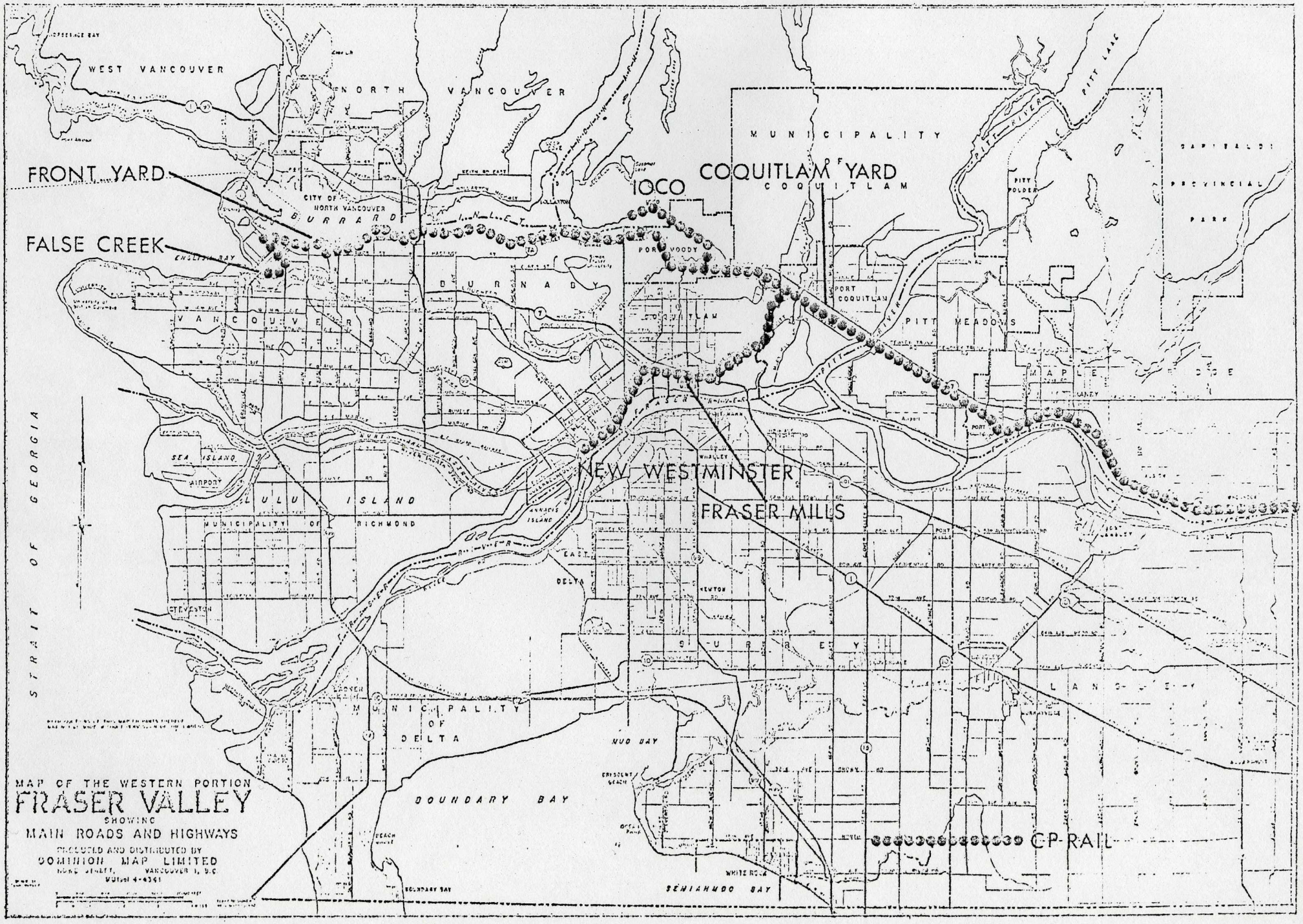
6. Estimated Value of Vacated Lands by Rail Relocation Team

	Estimated Value ($ Million)
False Creek	$18 to $24
Burrard Waterfront (Cardero to Granville)	$36 to $49
Port Coquitlam Shopping Center Site	$1
	$55 to $74

7. Western Assembly

If the decision is made to relocate Western Assembly from False Creek to Fraser Mills it will represent an additional construction cost of $13.3 million including the purchase of 24 acres of land.

RAIL RELOCATION KEY MAP



II IMPLEMENTATION

The following items describe the implementation of this proposal. They are:

1. SPEC MASTER R.A.C. MATRIX (No. C-134-1)

Some nineteen prime tasks necessary for relocation implementation are grouped into these five phases:

a. Master Approval
b. Coquitlam Yard Study Design and Costing
c. Project Manager and Implementation Team Appointment
d. Facility Design
e. Facility Construction
   Joint Appropriation

For each of the prime tasks, this matrix identified the involvement as to responsibility, authority and communication of twenty-three participants.

2. SPEC MASTER NETWORK (No. C-134-2)

This diagram shows:

a. the starting date, duration and finishing date of each relocation activity. Each unit of time shown is equivalent to three months.

b. the relative staging of these activities over time.

Based on the master network, following Board of Directors' approval of the Vancouver Relocation Proposal, it will take five and one-half years for relocation of transportation facilities and activities and the release of lands for real estate development.

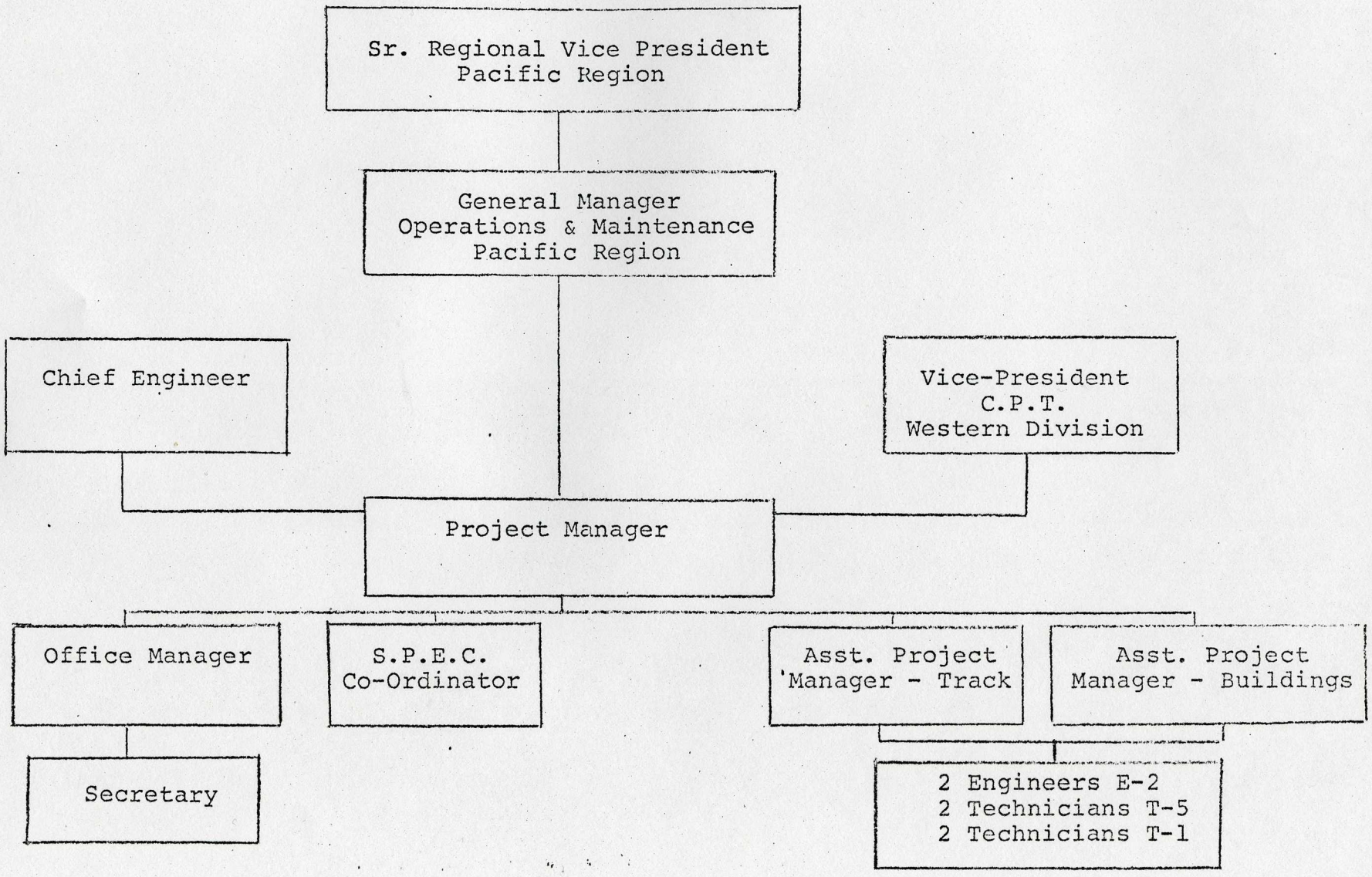
3 NETWORK APPROVAL

The Master R.A.C. Matrix and Master Network issued by the SPEC Operations Group Office of the Chief Engineer was based on information furnished by the Rail Study Working Committee and carries the approval of C. Newfeld for the Chief Engineer.

In Mr. W.A. Smith's July 15th letter of transmittal with the SPEC Master Plans he states:
"In my view on a project of this size the project manager should be appointed as soon as scheme is approved by the Board of Directors and should be indicated on plan C-134-2."

VANCOUVER PROJECT

IMPLEMENTATION ORGANIZATION



COQUITLAM

YARD STUDY

Month	Personnel	Task	Labor	Material
1	S. N. MacIsaac) B. Russell) G. C. Coles)	Review report, review existing facilities at Coquitlam and existing operating practices and proposed operations in consultation with Division Supt. and yard masters.	$ 1,700 1,000 1,500	$ 1,200 1,200 200
	Pacific Surveys	Aerial photograph Coquitlam yard		5,000
	D. A. Fraser	Ascertain system requirements and discuss Vancouver report with S. N. MacIsaac.	1,900	1,300
	Computer Services	To review system requirements.	1,000	3,000
2-4	S. N. MacIsaac B. Russell G. C. Coles	Produce initial design for Coquitlam yard in Winnipeg, consulting with Mr. Coles as required and review design with Division and Region officers.	5,100 3,000 1,500	600 1,000
5-6	S. N. MacIsaac B. Russell G. C. Coles H. Hunting Asst. General Y.M.	Simulate initial design, modify design as required. Review findings with Region and Division officials.	3,400 2,000 3,000 1,000 3,000	2,400 2,400 600
7	S. N. MacIsaac B. Russell	Final track layout Design	1,700 1,000	
	G. C. Coles Asst. G.Y.M.	Simulate transfer movements.	1,500 1,500	
8-10	S. N. MacIsaac B. Russell Soils consultant	Do final grade design and estimate cost. Firm recommendation for track and building foundations.	5,100 3,000	1,000 10,000
	Drainage and effluent consultant	Design drainage pattern and effluent control.		20,000
	Chief Engineer's office	Initial, design and cost Diesel shop Turntable Bridge Lighting Signals Signal Shop Yard office extension		18,000
	G. C. Coles Asst. G.Y.M. G.Y.M. Technician	Final simulation of yard and check findings with system Region and Division officers.	4,500 4,500 6,000 3,000	1,000 1,000 1,000
11-12	S. N. MacIsaac B. Russell G. C. Coles	Finalize yard design and estimate of cost.	3,400 2,000 1,500	1,300
		Management Approval		
			$67,800	$ 72,200
		Total Cost	$140,000	

Vancouver,
June 19, 1974

Team - Responsible to Sr. Regional Vice President -

III Land Situation

Site Available:	Gross	275 acres
	Loss: Rights of way and undevelopable areas	72 acres
	Net Developable	203 acres

Zoning: M-1 Industrial - allows heavy industrial use.
Municipal support - have had preliminary discussions with Mayor.

Appraisal: by Canadian Real Estate Research Corp.
as is - $40,000 to $45,000 per net acre equals $8 million to $9 million
filled - $60,000 to $65,000 per net acre equals $12 million to $13 million
(based on site servicing of $10,000 to $15,000 per acre)

Site Servicing Costs: by Golder Brawner & Associates

Fill & preload	$19,000 - $32,000/acre
Asphalt	$22,000 /acre
Total	$41,000 - $54,000/acre

Preload time approx. 2 months.

Situations re Property Acquisition Negotiations

Price: $30,000 per net acre equals $6 million
($2 million below appraised value)

Agreement to Sell Now Being Drafted:

For presentation to vendor by July 26.

Purchase price equals $6 million or at Marathon's option in three equal annual installments with interest at 10% per annum on outstanding balance.

Purchase subject to:

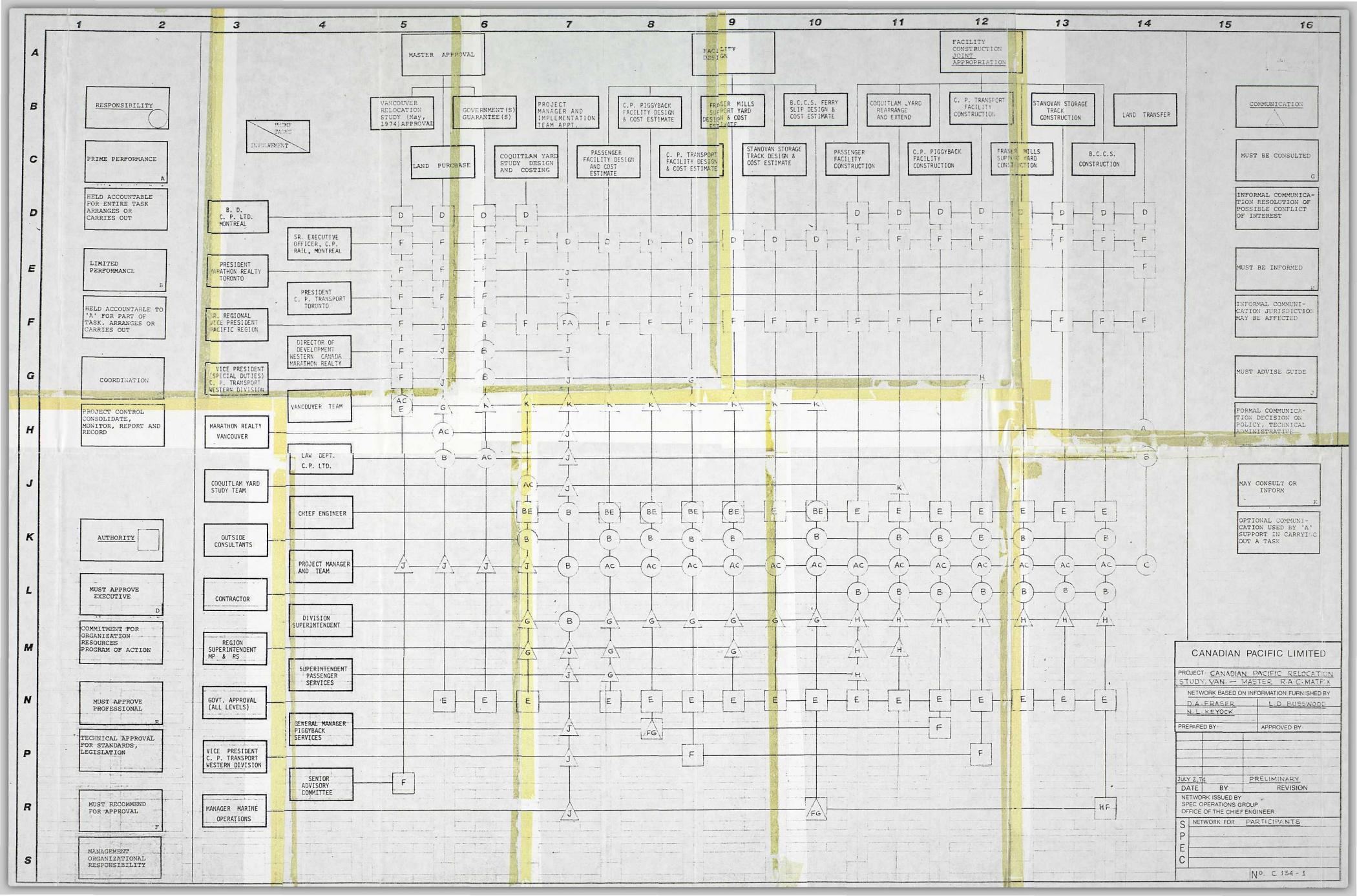
1) Soil conditions satisfactory to Marathon.
2) Confirmation of road access to Highway 401 & Lougheed Highway by vendor.
3) Confirmation by Marathon of ability to cross Hydro rights of way with rail lines.
4) Confirmation by Marathon of necessary government approvals to develop site.
5) Approval of commitment by Marathon and C.P. Ltd. Board of Directors.

Agreement to sell at agreed price is unconditional by vendor; Marathon agrees to purchase at agreed price if provisos are met within three months of signing agreement. If provisos are not met, Marathon can exercise right to purchase or can decline, at its option.

SCHEDULE OF ESTIMATED CAPITAL COSTS INCURRED IN RELOCATION

TABLE

LOCATION	PROJECT	ACTIVITY	YEAR 1 1st half	YEAR 1 2nd half	YEAR 2 1st half	YEAR 2 2nd half	YEAR 3 1st half	YEAR 3 2nd half	YEAR 4 1st half	YEAR 4 2nd half	YEAR 5 1st half	YEAR 5 2nd half	TOTAL
Fraser Mills	Support Yard	Purchase land	768,000										768,000
		Prepare and grade site		219,900									219,900
		Trackwork				694,000							694,000
		Engineering		75,000		75,000							150,000
		Contingencies	132,000	15,100		21,000							168,100
			900,000	310,000		790,000							2,000,000
	CP Transport	Purchase land	1,272,000										1,272,000
		Prepare and grade site		400,000	450,120								850,120
		Trackage				58,320							58,320
		Structures and paving					1,000,000	1,000,000	1,000,000	1,000,000	1,062,700		5,062,700
		Engineering	50,000		50,000	150,000	100,000	100,000	100,000	100,000	100,000		750,000
		Contingencies	298,000	40,000	49,880	21,680	90,000	90,000	90,000	90,000	37,300		806,860
			1,620,000	440,000	550,000	230,000	1,190,000	1,190,000	1,190,000	1,190,000	1,200,000		8,800,000
	Piggyback & Containers	Purchase land	1,856,000										1,856,000
		Prepare and grade site		1,000,000	1,459,200								2,459,200
		Trackage				194,400							194,400
		Structures and paving				1,000,000	791,460						1,791,460
		Engineering		200,000	200,000	100,000	100,000						600,000
		Contingencies	344,000	100,000	140,800	105,600	8,540						698,940
			2,200,000	1,300,000	1,800,000	1,400,000	900,000						7,600,000
		Sub Total	4,720,000	2,050,000	2,350,000	2,420,000	2,090,000	1,190,000	1,190,000	1,190,000	1,200,000		18,400,000
Coquitlam	Modify and Extend Yard	Purchase land	85,000										85,000
		Prepare and grade site		706,000	1,000,000	500,000	500,000	500,000	500,000	500,000	500,000		4,706,000
		Bridge			750,000								750,000
		Additional trackage		809,000	500,000	500,000	500,000						2,309,000
		Track lifted and replaced					500,000	500,000	288,400				1,288,400
		Tracks removed										28,600	28,600
		Shop buildings, etc.			1,511,000	1,500,000							3,011,000
		Other buildings					400,000						400,000
		Paving					100,000	100,000	100,000	91,000			391,000
		Signals and Lighting										450,000	450,000
		Engineering	150,000	150,000	100,000	100,000	100,000	100,000	100,000	100,000	50,000	50,000	1,000,000
		Contingencies	15,000	175,000	399,000	220,000	200,000	120,000	101,600	219,000	50,000	81,400	1,581,000
		Sub Total	250,000	1,840,000	4,260,000	2,820,000	2,300,000	1,320,000	1,090,000	910,000	600,000	610,000	16,000,000
Burrard Inlet	Stanovan	Prepare and grade site										37,500	37,500
		Track and signals										127,200	127,200
		Engineering										15,000	15,000
		Contingencies										20,300	20,300
												200,000	100,000
	B.C.C.S.	Purchase land	1,000,000										1,000,000
		Prepare and grade site					1,560,000	1,000,000	1,000,000				3,560,000
		Trackage									144,900		144,900
		Berths and Camps								1,000,000	400,000		1,400,000
		Buildings and Paving									258,000	300,000	558,000
		Engineering				200,000	50,000	50,000	50,000	50,000	50,000	50,000	500,000
		Contingencies	200,000			20,000	130,000	100,000	100,000	100,000	87,100	100,000	837,100
			1,200,000			220,000	1,740,000	1,150,000	1,150,000	1,150,000	940,000	450,000	8,000,000
	Passenger Facilities	Prepare and grade site	15,000	14,900									29,900
		Trackage	50,000	40,270									90,270
		Buildings and Platforms		250,300	320,000								534,300
		Engineering	15,000	35,000	20,000								70,000
		Contingencies	10,000	19,530	10,000								39,530
			90,000	360,000	350,000								800,000
	P - Yard	Remove trackage										100,000	100,000
													100,000
		Sub Total	1,290,000	360,000	350,000	220,000	1,740,000	1,150,000	1,150,000	1,150,000	940,000	750,000	9,100,000
False Creek Trackage	Trackage		50,000									218,455	268,455
	Engineering											15,000	15,000
	Contingencies											16,545	16,545
		Sub Total	50,000									250,000	300,000
GRAND TOTALS	By Half Year Period		6,310,000	4,250,000	6,960,000	5,460,000	6,130,000	3,660,000	3,430,000	3,250,000	2,740,000	1,610,000	43,800,000
	By Annual Period		10,560,000		12,420,000		9,790,000		6,680,000		4,350,000		43,800,000


MASTER APPROVAL
FACILITY DESIGN
FACILITY CONSTRUCTION JOINT APPROPRIATION
VANCOUVER RELOCATION STUDY (May, 1974) APPROVAL
GOVERNMENT(S) GUARANTEE(S)
PROJECT MANAGER AND IMPLEMENTATION TEAM APPT.
C.P. PIGGYBACK FACILITY DESIGN & COST ESTIMATE
FRASER MILLS SUPPORT YARD DESIGN & COST ESTIMATE
B.C.C.S. FERRY SLIP DESIGN & COST ESTIMATE
COQUITLAM YARD REARRANGE AND EXTEND
C. P. TRANSPORT FACILITY CONSTRUCTION
STANOVAN STORAGE TRACK CONSTRUCTION
LAND TRANSFER
LAND PURCHASE
COQUITLAM YARD STUDY DESIGN AND COSTING
PASSENGER FACILITY DESIGN AND COST ESTIMATE
C. P. TRANSPORT FACILITY DESIGN & COST ESTIMATE
STANOVAN STORAGE TRACK DESIGN & COST ESTIMATE
PASSENGER FACILITY CONSTRUCTION
C.P. PIGGYBACK FACILITY CONSTRUCTION
FRASER MILLS SUPPORT YARD CONSTRUCTION
B.C.C.S. CONSTRUCTION
RESPONSIBILITY
PRIME PERFORMANCE
HELD ACCOUNTABLE FOR ENTIRE TASK ARRANGES OR CARRIES OUT
LIMITED PERFORMANCE
HELD ACCOUNTABLE TO 'A' FOR PART OF TASK, ARRANGES OR CARRIES OUT
COORDINATION
PROJECT CONTROL CONSOLIDATE, MONITOR, REPORT AND RECORD
AUTHORITY
MUST APPROVE EXECUTIVE
COMMITMENT FOR ORGANIZATION RESOURCES PROGRAM OF ACTION
MUST APPROVE PROFESSIONAL
TECHNICAL APPROVAL FOR STANDARDS, LEGISLATION
MUST RECOMMEND FOR APPROVAL
MANAGEMENT ORGANIZATIONAL RESPONSIBILITY
COMMUNICATION
MUST BE CONSULTED
INFORMAL COMMUNICATION RESOLUTION OF POSSIBLE CONFLICT OF INTEREST
MUST BE INFORMED
INFORMAL COMMUNICATION JURISDICTION MAY BE AFFECTED
MUST ADVISE GUIDE
FORMAL COMMUNICATION DECISION ON POLICY, TECHNICAL ADMINISTRATIVE
MAY CONSULT OR INFORM
OPTIONAL COMMUNICATION USED BY 'A' SUPPORT IN CARRYING OUT A TASK
B. D. C. P. LTD. MONTREAL
SR. EXECUTIVE OFFICER, C.P. RAIL, MONTREAL
PRESIDENT MARATHON REALTY TORONTO
PRESIDENT C. P. TRANSPORT TORONTO
SR. REGIONAL VICE PRESIDENT PACIFIC REGION
DIRECTOR OF DEVELOPMENT WESTERN CANADA MARATHON REALTY
VICE PRESIDENT (SPECIAL DUTIES) C. P. TRANSPORT WESTERN DIVISION
VANCOUVER TEAM
MARATHON REALTY VANCOUVER
LAW DEPT. C.P. LTD.
COQUITLAM YARD STUDY TEAM
CHIEF ENGINEER
OUTSIDE CONSULTANTS
PROJECT MANAGER AND TEAM
CONTRACTOR
DIVISION SUPERINTENDENT
REGION SUPERINTENDENT MP & RS
SUPERINTENDENT PASSENGER SERVICES
GOVT. APPROVAL (ALL LEVELS)
GENERAL MANAGER PIGGYBACK SERVICES
VICE PRESIDENT C. P. TRANSPORT WESTERN DIVISION
SENIOR ADVISORY COMMITTEE
MANAGER MARINE OPERATIONS
CANADIAN PACIFIC LIMITED
PROJECT CANADIAN PACIFIC RELOCATION STUDY, VAN. — MASTER R.A.C. MATRIX
NETWORK BASED ON INFORMATION FURNISHED BY
D.A. FRASER
L.D. BUSSWOOD
N.L. KEYOCK
PREPARED BY
APPROVED BY
JULY 2, 74
PRELIMINARY
DATE
BY
REVISION
NETWORK ISSUED BY
SPEC OPERATIONS GROUP
OFFICE OF THE CHIEF ENGINEER
NETWORK FOR PARTICIPANTS
SPEC
No. C 134 - 1