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The Corporation of **THE CITY OF NORTH VANCOUVER**
ENGINEERING, PARKS & ENVIRONMENT DEPARTMENT

REPORT

To: Mayor Linda Buchanan and Members of Council

From: Mo Bot, Project Manager – Public Realm Infrastructure

Subject: ESPLANADE COMPLETE STREET – TEMPORARY FUNDING
REALLOCATION

Date: May 18, 2022 File No: 16-8350-20-0034/1

The following is a suggested recommendation only. Refer to Council Minutes for adopted resolution.

RECOMMENDATION

PURSUANT to the report of the Project Manager – Public Realm Infrastructure, dated May 18, 2022, entitled “Esplanade Complete Street – Temporary Funding Reallocation”:

THAT an amount of \$454,000 be temporarily reallocated from the Priority Mobility Network Strategy Implementation project (#53255) to the Esplanade Complete Streets project (#53257) for the purpose of temporarily funding the Phase II works.

AND THAT the reallocated funding value be returned to the Priority Mobility Network Strategy Implementation project (#53255) upon receipt of the off-site funding repayment or external funding, whichever is available first.

SUMMARY

The Esplanade Complete Street (ECS) project construction is advancing well and is trending on schedule and within budget for the Phase I works between Mahon and St. Andrews Avenues, despite additional underground repair works required east of Lonsdale. In August 2021 the project team received favourable optional pricing for the smaller Phase II scope of work along Forbes Avenue. The contractor is able to begin this work now by adding a third crew to the project. This would help all aspects move quickly towards completion. Staff are unable to award this tender without addressing the short term cash flow deficit created by delays in external funds for the project (namely funds from TransLink and developer contributions for frontage works) which will not be available

until later in the summer. To enable award of the Phase 2 work now, minimize the length of construction, and achieve a total lower cost of construction by optioning the 2021 bid price, the project team is seeking to temporarily reallocate funds to cover the short term difference.

BACKGROUND

Esplanade is a regionally significant Major Road Network (MRN) corridor hosting frequent transit routes, commercial vehicles, and the highest volumes of pedestrian and cycling numbers within the City of North Vancouver. The ECS will be the first complete street in the region to be delivered on an MRN road through an urban commercial high street area. The City is excited to be delivering this precedent setting project, demonstrating how we can do more to support great people streets within our most developed urban areas.

Progress on Phase I has reached significant milestones with core works completed on the south side between Mahon-Lonsdale Avenues, including a soft opening of the new mobility lane and the North Shore's first protected intersection design at Chesterfield Avenue. These improvements to increase safe space for active mobility are already seeing positive feedback from community members and stakeholders along the corridor.



With the project now focusing on the north side of Esplanade between Mahon and Chesterfield, significant effort is being made to reduce impacts to businesses and visitors during construction including regular in person visits to store front businesses and detailed loading plans to support ongoing commercial activities.

DISCUSSION

In June 2021, Council directed staff to proceed with the tender and construction of the ECS project. While designed as a continuous project from Forbes Avenue at West 3rd Street to Esplanade at St. Andrews Avenue, the project was tendered in two phases:

- Phase I – Esplanade from Mahon to St Andrews Avenues, and;
- Phase II – Forbes Avenue from West 3rd Street to Esplanade.

This approach allowed the project team to obtain competitive pricing for both phases and ensured the core project works in Phase I could proceed. As in August of 2021, there was much uncertainty in the marketplace due to COVID pricing escalations, however the team was able to achieve competitive pricing within the overall project budget. What was not

properly considered at the time was the timing of some of the external funding, with the external funding with the desire to complete the project by fall of 2022.

As the weather for construction improves and the project continues to trend within budget for Phase I, the project team is working toward awarding Phase II. Phase II is quoted to be approximately \$604,000 and would consist of expanding the existing Forbes multi-use path into separated pedestrian and mobility device spaces, protection of existing southbound on-street bike lane, repaving and new pavement markings. The award of Phase II in early June would enable the completion of the entire project by early fall 2022, as committed to the community, businesses and funding partners.

The award of Phase II will provide an opportunity to quickly deliver the works along Forbes, which is a relatively simple design along a street without the same challenges as Esplanade, as there are no parking spaces affected and no direct access business frontages. Work along Forbes is expected to be completed in approximately six weeks which will allow for the first phase of final road paving to be completed from 3rd Street south on Forbes and along Esplanade to Chesterfield in July. The project team is developing a traffic management plan that will ensure access remains to all residential and commercial areas on both Forbes and Esplanade. Maintaining safe pedestrian and cycling accommodation along with space for commercial vehicles and buses remains our guiding objective during all phases of work.

Within the project area there are two active development sites, 63 Mahon Avenue (Alcuin College) and 65 Chesterfield Avenue (previous theatre site), that will be contributing to the completed corridor upgrades through their off-site works. To ensure a cohesive design and continuous new facilities upon the completion of the project, independent of developer construction schedule, ECS was scoped to deliver significant portions of the frontage works at each site. Through the site Servicing Agreements, which details the required deliverables of their site rezonings, these developers remain obligated to pay for the as-built value of these works, estimated to be a total of \$812,000. These funds will only be received once the work is complete, which has created a cash flow challenge for the project.



FINANCIAL IMPLICATIONS

The project team, in consultation with the Finance Department, is seeking to temporarily reallocate \$454,000 from the Priority Mobility Network Strategy Implementation project (#53255). This will:

- Allow the award and construction of Phase II, and;
- Enable the City's contractor time to complete the development frontage works and establish an exact value of the works that can be invoiced to each developer to recover the costs from their security deposits.

During this temporary period, the work towards the implementation of the next phase of projects from the Mobility Network Strategy will not be impacted.

Once the development site frontage works are complete, the respective development sites can be invoiced for the actual costs and their security deposits can be drawn down or reduced upon payment.

Further buffering the City's financial risk is commitment from ICBC of \$80,000 from their Road Safety Improvement Fund upon the award of Phase II and a strong application to TransLink's allocated (\$239,000) and competitive (\$1,000,000) funding programs. The City has also applied to the new National Active Transportation Fund program (\$500,000). Should the City receive these funds it will reduce the total amount of the City's allocated capital contribution and allow funds to be returned to benefit other capital projects.

If the funds are not temporarily reallocated, Phase I of the project will continue to proceed, but Phase II will not be able to be awarded until the developers contributions are secured as cash and/or the other external funds are received by the City. This risks pushing the completion of Phase II into 2023, protracting the construction impact on the Lower Lonsdale community, and potentially increases the cost associated with escalation due to the ongoing volatility in the construction industry.

INTER-DEPARTMENTAL IMPLICATIONS

This report was prepared with input from the Finance Department.

STRATEGIC PLAN, OCP OR POLICY IMPLICATIONS


This project supports a Connected, Vibrant, and Prosperous City, provides active and sustainable ways for people to move to, from and within the City safely and efficiently, and results in an increase in kilometers of protected bike lanes and increased cycling mode share.

Delivering a complete street also aligns with key actions outline in the Safe Mobility Strategy.

The re-construction of Esplanade is consistent with the goals and objectives in the City's Official Community Plan, specifically Chapter 2, (Transportation, Mobility and Access) and 7, (Economic Development). Specific objectives include:

- Objective 2.1.1 Invest in cycling and pedestrian networks and facilities to make these more attractive, safer, and convenient transportation choice for all ages and abilities with an aim to increase these ways of travelling over single-occupant vehicle use;
- Objective 2.1.3 Invest in public realm improvements and locate public art in public places, trails and greenways to enhance the character of the walking and cycling environment.
- Objective 7.1.6 Collaborate with local businesses in developing a plan for activities, events and amenities that will increase patronage of both visitors and nearby residents for each major shopping district.

RESPECTFULLY SUBMITTED:



Mo Bot
Project Manager – Public Realm Infrastructure