



**TransLink Commission  
MEMORANDUM 4**

To: Carol Lee  
Corporate Secretary, TransLink

From: Martin Crilly  
Commissioner

Date: March 22, 2010

**Re: Disposal of Real Estate Assets**

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This commission Memorandum 4 responds to TransLink's letter to me of November 4, 2009 on disposition of real estate assets. It follows TransLink's letter of response of December 16, 2009 to the commission's questions. I note that the estimated values of the 16 properties described in the November letter total approximately \$114 million.

**Definition of a Major Real Estate Asset**

In my view, for real estate assets only, properties with a market value of \$10 million or more should be considered major assets for the purposes of subsection 226 of the SCBCTA Act. Of the 16 properties, four are valued at \$10 million or more. They are as follows.

<b>Major Real Estate Assets for Disposal</b>	<b>Estimated Value<sup>1</sup></b> (\$ million)
Richmond Park and Ride at 3440 Sexsmith Rd	XX
False Creek Transit Centre	XX
Lot 1 and 5 Burnaby Business Park	XX
7118 King George Highway	XX
<b>Total</b>	<b>80</b>

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<sup>1</sup> TransLink's estimated market value of the individual properties is commercially sensitive information. This information has been withheld by the commission in this published version of Memorandum 4.

### **Notice of Sale by TransLink**

TransLink's two letters, taken together, serve as formal notice of intended sale of these four major real estate assets made under subsection 226(1) of the Act.

I accept TransLink's opinion, stated in the letter of December 16, 2009 that *none of the asset sales will have a material adverse impact on [TransLink's] ability to provide the transportation services, pursue the capital projects and meet other requirements set out in the Funding Stabilization plan*, which is the current strategic plan.

### **Notice of No Objection by Commission**

This commission Memorandum 4 gives notice that the commissioner will not be objecting to the sale of the above four major real estate assets, pursuant to subsection 226(1)(a) of the Act.

### **Reservation**

TransLink's response of December 16, 2009 states that three of the 16 properties are among the five properties mentioned as planned for sale in the Funding Stabilization plan, indicating that the proceeds from these sales will be used to fund operations.

The commission has reservations on the wisdom of selling assets to fund operations.

Also noted is TransLink's stated intention to establish a segregated revolving fund for real estate acquisitions and sales.

A handwritten signature in black ink, appearing to read "M. C. Ly".