

TO: CHAIR AND MEMBERS
EXECUTIVE COMMITTEE OF COUNCIL

DATE: 2015 March 2

FROM: DIRECTOR PLANNING AND BUILDING

FILE: 12000 10
Reference: Lease Grants

**SUBJECT: COMMUNITY RESOURCE CENTRES – 2015 GRANTS AND 2016
LEASE RATES AND GRANTS**

PURPOSE: To present proposed 2015 grants for tenants at the soon-to-be opened Pioneer Community Resource Centre, and to present proposed lease rates and anticipated lease grants for 2016 for non-profit tenants at all City-owned Community Resource Centres.

RECOMMENDATIONS:

1. **THAT** Council be requested to approve the proposed 2015 lease grants for the remainder of 2015 for Pioneer Resource Centre tenants, as outlined in Section 2.0 of this report.
2. **THAT** Council be requested to approve the proposed 2016 lease rates for Resource Centre tenants, as presented in Section 4.0 of this report.
3. **THAT** information on the approved 2016 lease rates and the anticipated lease grants be distributed to Resource Centre tenants.
4. **THAT** Resource Centre tenants which meet the grant eligibility criteria established by Council be invited to make an application for 2016 lease grants.

REPORT

1.0 INTRODUCTION

In 1992 April, Council approved guidelines for the establishment of lease rates and the issuance of lease grants to non-profit community groups occupying space at designated City-owned Resource Centres. The guidelines consist of two key components: a) annual adjustments for inflation to establish lease rates, and b) establishment of a mechanism for the provision of offsetting grants, representing 25% to 50% of lease costs, for qualifying tenant organizations¹.

¹ The 25 percent offset is available to agencies for which between 25 and 75 percent of their constituency consists of Burnaby residents. The 50 percent offset is available to agencies for which over 75 percent of their constituency consists of Burnaby residents.

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The purpose of this report is to present proposed:

- lease grants for the tenants of the soon-to-be opened Pioneer Community Resource Centre for the remainder of 2015; and
- lease rates and anticipated lease grants for 2016 for tenants of the Edmonds, Holdom, Brentwood, Metrotown, and Pioneer Community Resource Centres – located respectively at 7355 Canada Way, 2120 Holdom Avenue, 2055 Rosser Avenue, 4460 Beresford Street and 4535 Kingsway.

2.0 PROPOSED 2015 LEASE GRANT FOR THE PIONEER COMMUNITY RESOURCE CENTRE TENANTS

The Pioneer Community Resource Centre is a new City-owned non-profit office space of 4,704 square feet (leasable net floor area)² within the commercial podium in a mixed use commercial/residential development. It is located on the northeast corner of Kingsway and Willingdon Avenue, within the Metrotown Town Centre. The space was obtained through a Community Benefit Bonus under Rezoning Reference #14-05. It is anticipated that this space will be ready for occupancy in 2015 April. The tenants for this Resource Centre were selected by Council at its meeting of 2011 November 7, and are: Burnaby Family Life and the Burnaby Hospice Society. Each organization will enter into a separate licence agreement with the City.

The tenants have, through their original Proposal Call Submission documents, RFP submission documents and lease development process, successfully demonstrated eligibility for 50% lease grants based on the approved guidelines. Based on the established lease rate for 2015, lease grants for the remainder of 2015 for these tenants are proposed as outlined below. The first lease payment with an off-setting grant is expected to occur on April 1, 2015.

Table 1
Proposed Lease Grants for Remainder of 2015 (April – December 2015)
Pioneer Community Resource Centre

PIONEER RESOURCE CENTRE	2015	2015	2015	2015
	Remainder Lease Cost (before grant)	Proposed Lease Grants	Resulting Lease Revenue (after grant)	Resulting Lease Costs to Tenants (after grant)
<i>Burnaby Family Life</i> (3,057 sq.ft.)	\$28,797.00	\$14,399.00 (50%)	\$14,399.00	\$14,399.00
<i>Burnaby Hospice Society</i> (1,647 sq.ft.)	\$15,515.00	\$7,757.00 (50%)	\$7,758.00	\$7,758.00

² Excludes stairwell and elevator shaft.

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3.0 PROPOSED 2016 LEASE RATES AND ANTICIPATED 2016 LEASE GRANTS

For 2015, the lease rate was set at \$12.56/square foot per annum for program/office space at the Resource Centres. It is proposed that the lease rate for the coming year be increased by 2.0 percent, consistent with the current core consumer price index inflation rate³. This change would result in a proposed lease rate of \$12.81/square foot per annum (rounded) for program/office space for 2016 (see Appendix 1 *attached*).

Anticipated 2016 lease grant amounts and resulting 2016 lease costs to tenants are also outlined in Appendix 1 *attached*. The lease grant amounts are based on the Council adopted lease grant guidelines. The estimate of anticipated lease grants is provided to assist tenants in making application for 2016 lease grants and for the City's budget planning purposes. Lease grant amounts are based on current occupancies and expected lease grant eligibility for 2016.

4.0 ANTICIPATED LEASE REVENUE AND GRANTS - SUMMARY

Funds for the anticipated 2016 lease grants will be included for consideration in the upcoming 2016 Provisional Operating Budget. For budgeting and comparison purposes, the following table summarizes the total change arising from the proposed 2016 lease rates and anticipated lease grants for tenants of the Edmonds, Holdom, Brentwood, Metrotown, and Pioneer Community Resource Centres, based on current 2015 space allocations and the proposed 2.0 percent lease rate increase.

Table 2
SUMMARY OF TOTAL CHANGE OF LEASE REVENUE AND GRANTS (2015-2016)

Edmonds Neighbourhood Resource Centre	2015	2016	Resulting Change 2015-2016
Lease Revenue (before grants)	\$218,996.16	\$223,355.16	\$4,359.00
Allocated/Anticipated Lease Grants	\$88,183.76	\$89,939.01	\$1,755.25
Lease Revenues (after grants)	\$130,812.40	\$133,416.15	\$2,603.75
Holdom Community Resource Centre			
Lease Revenue (before grants)	\$63,365.20	\$64,626.45	\$1,261.25
Allocated/Anticipated Lease Grants	\$31,682.60	\$32,313.23	\$630.63
Lease Revenues (after grants)	\$31,682.60	\$32,313.23	\$630.63
Brentwood Community Resource Centre			
Lease Revenue (before grants)	\$76,691.36	\$78,217.86	\$1,526.50
Allocated/Anticipated Lease Grants	\$38,345.68	\$39,108.93	\$763.25
Lease Revenues (after grants)	\$38,345.68	\$39,108.93	\$763.25
Metrotown Community Resource Centre			
Lease Revenue (before grants)	\$138,373.52	\$141,127.77	\$2,754.25
Allocated/Anticipated Lease Grants	\$67,239.96	\$68,578.34	\$1,338.38
Lease Revenues (after grants)	\$71,133.56	\$72,549.44	\$1,415.88

³ As provided by the Finance Department, based on information released by the Royal Bank of Canada.

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Pioneer Community Resource Centre*	2015	2016	Resulting Change 2015-2016
Lease Revenue (before grants)	\$59,082.24	\$60,258.24	1,176.00
Allocated/Anticipated Lease Grants	\$29,541.12	\$30,129.12	\$588.00
Lease Revenues (after grants)	\$29,541.12	\$30,129.12	\$588.00
<i>*Based on assumed full year occupancy for 2015</i>			
Total Revenue (after grants):	\$301,515.36	\$307,516.86	\$6,001.50
Total Lease Grant Amounts Allocated/Anticipated	\$254,993.12	\$260,068.62	\$5,075.50

5.0 RECOMMENDATIONS AND NEXT STEPS

It is recommended that the proposed 2015 lease grants for the Pioneer Community Resource Centre tenants, and the 2016 lease rates for Resource Centre tenants be approved, as presented in this report. With Council approval, it is also recommended that staff be authorized to advise tenants of the 2016 lease rates. Depending on their eligibility for lease grant support, tenants would also be advised to apply for 2016 lease grants. As part of the lease grant application process, tenants would be asked to provide information on their 2015 service activities, including the following:

- Proof of non-profit status;
- Statement of program/service activities conducted in Burnaby;
- Estimate of hours-per-month allocated space was used for community agency purposes;
- Percentage of recipients of the agency's that were Burnaby residents; and
- Any changes in programs/services/client usage that the community service/agency might anticipate between 2015 and 2016.

Once the lease grants applications have been received, staff will prepare a further report for the Committee on the requested and recommended lease grant amounts for 2016.


 Lou Pelletier, Director
 PLANNING AND BUILDING

CS/sa
Attachment

cc: City Manager
 Deputy City Managers
 Director Engineering
 Director Finance
 Director Parks, Recreation and Cultural Services
 Chief Licence Inspector
 City Clerk

Appendix 1

TABLE 1 PROPOSED 2016 LEASE RATES

RESOURCE CENTRES	Leased Area* (sq.ft.)	2016 Proposed Rate Increase	2016 Proposed Lease Rate	2016 Proposed Lease Rates (before grant) \$/Year	2016 Anticipated Lease Grant \$/Year	2016 Anticipated Lease Revenues (after grant) \$/Year	2016 Anticipated Lease Support Offset (%)
Edmonds Neighbourhood Resource Centre							
Burnaby Family Life	3,000	2.0%	\$12.81	\$38,430.00	\$19,215.00	\$19,215.00	50%
Afghan Women's Sewing and Craft Cooperative/Afghan Women's Support Society	864	2.0%	\$12.81	\$11,067.84	\$5,533.92	\$5,533.92	50%
Burnaby School District	1,499	2.0%	\$12.81	\$19,202.19	\$0.00	\$19,202.19	0%
Canadian Mental Health Association	1,506	2.0%	\$12.81	\$19,291.86	\$9,645.93	\$9,645.93	50%
Canadian Red Cross Society - Burnaby Branch	1,500	2.0%	\$12.81	\$19,215.00	\$4,803.75	\$14,411.25	25%
Deaf Children's Society of BC	2,290	2.0%	\$12.81	\$29,334.90	\$7,333.73	\$22,001.16	25%
Immigrant Services Society of BC	1,167	2.0%	\$12.81	\$14,949.27	\$7,474.64	\$7,474.64	50%
St. Matthew's Day Care Society	5,610	2.0%	\$12.81	\$71,864.10	\$35,932.05	\$35,932.05	50%
TOTAL (Edmonds)	17,436	2.0%	\$12.81	\$223,355.16	\$89,939.01	\$133,416.15	40.3%
Holloom Community Resource Centre							
Burnaby Family Life	1,300	2.0%	\$12.81	\$16,653.00	\$8,326.50	\$8,326.50	50%
Dixon Transition Society	1,469	2.0%	\$12.81	\$18,817.89	\$9,408.95	\$9,408.95	50%
Burnaby Seniors Outreach Services Society	570	2.0%	\$12.81	\$7,301.70	\$3,650.85	\$3,650.85	50%
Volunteer Burnaby	1,000	2.0%	\$12.81	\$12,810.00	\$6,405.00	\$6,405.00	50%
Community Living Society	706	2.0%	\$12.81	\$9,043.86	\$4,521.93	\$4,521.93	50%
TOTAL (Holloom)	5,045	2.0%	\$12.81	\$64,626.45	\$32,313.23	\$32,313.23	50.0%
Brentwood Community Resource Centre							
Burnaby Community Services	1,984	2.0%	\$12.81	\$25,415.04	\$12,707.52	\$12,707.52	50%
Burnaby Meals on Wheels	799	2.0%	\$12.81	\$10,235.19	\$5,117.60	\$5,117.60	50%
YMCA of Greater Vancouver	2,021	2.0%	\$12.81	\$25,889.01	\$12,944.51	\$12,944.51	50%
MOSAIC	1,302	2.0%	\$12.81	\$16,678.62	\$8,339.31	\$8,339.31	50%
TOTAL (Brentwood)	6,106	2.0%	\$12.81	\$78,217.86	\$39,108.93	\$39,108.93	50.0%
Metrotown Community Resource Centre							
Burnaby Neighbourhood House	7,638	2.0%	\$12.81	\$100,404.78	\$50,202.39	\$50,202.39	50%
National Congress of Black Women Foundation	620	2.0%	\$12.81	\$7,942.20	\$1,985.55	\$5,956.65	25%
B.C. Centre for Ability - Burnaby Supported Child Development Program	1,571	2.0%	\$12.81	\$20,124.51	\$10,062.26	\$10,062.26	50%
YMCA of Greater Vancouver - Childcare Resource and Referral Program	988	2.0%	\$12.81	\$12,656.28	\$6,328.14	\$6,328.14	50%
TOTAL (Metrotown)	11,017	2.0%	\$12.81	\$141,127.77	\$68,578.34	\$72,549.44	48.6%
Pioneer Community Resource Centre**							
Burnaby Family Life	3,057	2.0%	\$12.81	\$39,160.17	\$19,580.09	\$19,580.09	50%
Burnaby Hospice Society	1,647	2.0%	\$12.81	\$21,098.07	\$10,549.04	\$10,549.04	50%
TOTAL (Pioneer)	4,704	2.0%	\$12.81	\$60,258.24	\$30,129.12	\$30,129.12	50.0%
TOTAL RESOURCE CENTRES	44,308	2.0%	\$12.81	\$567,585.48	\$260,068.62	\$307,516.86	45.8%

*Figures for leased area are based on current 2015 allocations.

**Centre is anticipated to be occupied in 2015 April