

TO: CHAIR AND MEMBERS
EXECUTIVE COMMITTEE OF COUNCIL

DATE: 2016 February 01

FROM: DIRECTOR PLANNING AND BUILDING

FILE: 12000 10
Reference: Lease Grants

**SUBJECT: MCKERCHER COMMUNITY RESOURCE CENTRE –
REMAINDER 2016 LEASE GRANT**

PURPOSE: To propose a remainder 2016 lease grant for the non-profit tenant of McKercher Community Resource Centre.

RECOMMENDATIONS:

1. **THAT** the Committee request Council to approve the proposed remainder 2016 lease grant for the non-profit tenant (Burnaby Family Life) of McKercher Community Resource Centre, as outlined below in Section 4.0.
2. **THAT** a copy of this report be forwarded for information, following Council approval, to Mr. Michel Pouliot, Executive Director of Burnaby Family Life at 102 – 2101 Holdom Avenue, Burnaby, BC V5B 0A4.

REPORT

1.0 BACKGROUND

On 2015 December 07, Council approved the transfer of the McKercher Community Resource Centre (see *attached* Sketch #1) to the lease rate/grant model and the existing tenant, Burnaby Family Life (BFL) was again awarded the space to operate an Early Years Hub. This model builds upon the organization's experience to-date in the space, with the intent to provide a one-stop convenient access point for Early Childhood Development (ECD) programs and supports for children and families.

At its meeting of 2015 March 30, Council approved recommendations from the Executive Committee for 2016 lease rates and anticipated lease grant amounts for tenants at the City's other Community Resource Centres - Edmonds, Brentwood, Holdom, Metrotown and Pioneer Community Resource Centres. The approved 2016 lease rate is \$12.81/square foot per annum for program/office space.

In 1992 April, Council approved guidelines for the issuance of grants to offset lease rates for non-profit groups allocated space at the City's Community Resource Centres. In general, tenants at the resource centres can qualify for a grant to offset their lease costs depending on the extent

To: *Executive Committee of Council*
From: *Director Planning and Building*
Re: *McKercher Community Resource Centre –
Remainder 2016 Lease Grant*
2016 February 01..... Page 2

of service provided to Burnaby residents. Where 75 percent or more of the recipients of programs or services of the non-profit group are Burnaby residents, a tenant can qualify for a lease grant to offset lease costs by 50 percent. Where 25 to 75 percent of service recipients are Burnaby residents, a group can qualify for a partial lease grant to offset costs by 25 percent.

2.0 MCKERCHER COMMUNITY RESOURCE CENTRE

At its meeting on 2000 February 08, Council allocated the then newly-constructed 2,500 square foot community amenity space at 6140 McKercher Avenue to Burnaby Family Life (BFL). This independent air space parcel was obtained by the City through a density bonus, provided through the 17-storey mixed-used, multi-family development on the site.

The subject space is accessed via the ground level and consists of a large community/meeting room, a children's activity room (designed specifically to the needs of children), and a number of small offices. Tenants also have access to five parking spaces in the building's underground parking garage.

The original occupancy agreement with BFL provided the non-profit society with a 5-year occupancy term, with the option for two lease renewals, at an annual licence fee of \$1. On 2006 March 27 and on 2011 January 20, Council activated the lease renewal option contained within the original agreement for a second and third five-year lease term to BFL for this space.

Under the newly approved Community Resource Centre lease, the renewed lease rate is set as noted above in Section 1.0, and is annually reviewed and approved by Council.

Under the Community Resource Centre lease, the tenant organization is responsible for providing interior janitorial services, supplies (e.g. paper towels), garbage/recycling removal, security and maintaining appropriate insurance. As well, the tenant is responsible for any tenant-initiated (and City approved) improvements to the space. The City retains responsibility for maintaining the structural elements of the space (e.g. mechanical elements, HVAC), while also undertaking the costs of all applicable utilities. This structure of responsibilities for Burnaby Family Life and the City is reflected in the lease which is currently being prepared.

The lease outlines a five-year occupancy term, with one option to renew for an additional 5-year period, subject to the annual lease rate/grant review, as is in place for other Resource Centre tenants. The lease is anticipated to begin effective 2016 March 1.

3.0 PROPOSED REMAINDER 2016 LEASE GRANT

Subsequent to Council's awarding of the space to Burnaby Family Life, the organization has applied for a 2016 lease grant. Through the application form and supporting information, BFL has successfully demonstrated eligibility for a lease grant based on the approved guidelines. BFL programs operated from the subject space provided services and supports to over 2,000 individuals, 90% of whom are Burnaby residents.

To: Executive Committee of Council
From: Director Planning and Building
Re: McKercher Community Resource Centre –
Remainder 2016 Lease Grant
2016 February 01..... Page 3

Table 1
Proposed Lease Grants for Remainder of 2016 (March – December 2016)
McKercher Community Resource Centre

McKercher COMMUNITY RESOURCE CENTRE	2016	2016	2016	2016
	Remainder Lease Cost (before grant / 10 months)	Proposed Lease Grants	Resulting Lease Revenue (after grant)	Resulting Lease Costs to Tenants (after grant)
Burnaby Family Life (2,500 sq.ft.)	\$26,687.50	\$13,343.75 (50%)	\$13,343.75	\$13,343.75

Should the Committee and Council approve the proposed lease grant, staff will finalize the necessary arrangements with the tenant.

4.0 CONCLUSION

Burnaby Family Life has operated the McKercher Community Resource Centre since its opening in 2000, offering a wide range of family-based education and support programming.

Accordingly, it is recommended that the Committee request Council to approve the proposed, remainder 2016 lease grant for the non-profit tenant (Burnaby Family Life) of McKercher Community Resource Centre, and that a copy of the report be forwarded for information to the Executive Director of Burnaby Family Life.


Lou Pelletier, Director
PLANNING AND BUILDING

RM:sa
Attachment

cc: City Manager
Deputy City Managers
Director Finance
Chief Licence Inspector
City Clerk

