



Financial Management Committee
c/o Office of the City Clerk

B. Zeinabova, City Clerk
E. Prior, Acting Deputy City Clerk

INTER-OFFICE MEMORANDUM

TO: CHAIR AND MEMBERS
PARKS, RECREATION AND CULTURE
COMMISSION

DATE: 2021 JANUARY 26

FROM: ADMINISTRATIVE OFFICER

FILE: 2410-20

SUBJECT: PURCHASE OF 3713 KENSINGTON AVENUE
(ITEM 5.6., REPORTS, COUNCIL MEETING 2021 JANUARY 25)

Burnaby City Council, at the Open Council meeting held on 2021 January 25, received the above noted report and adopted the following recommendations contained therein:

1. THAT Council authorize the use of Community Benefit Reserves in the amount of \$30,000,000 to finance the purchase of 3713 Kensington Avenue, as outlined in the report.
2. THAT a copy of this report be forwarded to the Parks, Recreation and Culture Commission for information.

As directed, a copy of the report is attached for your information.

A handwritten signature in black ink that reads "Monica Macdonald".

Monica Macdonald
Administrative Officer

FINANCIAL MANAGEMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

SUBJECT: PURCHASE OF 3713 KENSINGTON AVENUE

RECOMMENDATIONS:

1. THAT Council authorize the use of Community Benefit Reserves in the amount of \$30,000,000 to finance the purchase of 3713 Kensington Avenue, as outlined in the report.
2. THAT a copy of the report be forwarded to the Parks, Recreation and Culture Commission for information.

REPORT

The Financial Management Committee, at its meeting held on 2021 January 20, received and adopted the attached report seeking Council authorization for the use of Community Benefit Reserves to finance the purchase of 3713 Kensington Avenue.

Respectfully submitted,

Mayor M. Hurley
Chair

Councillor S. Dhaliwal
Vice Chair

Copied to:	City Manager
	Director Engineering
	Director Parks, Recreation & Cultural Services
	Director Planning & Building
	Director Corporate Services
	Director Finance
	Director Public Safety & Community Services
	Purchasing Manager
	City Solicitor

TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2021 January 13

FROM: MAJOR CIVIC BUILDING PROJECT
COORDINATION COMMITTEE

FILE: 4230 08
Reference: BLAA

SUBJECT: PURCHASE OF 3713 KENSINGTON AVENUE

PURPOSE: To request the use of Community Benefit Reserves to finance the purchase of 3713 Kensington Avenue.

RECOMMENDATIONS:

1. **THAT** the Financial Management Committee recommend Council authorize the use of Community Benefit Reserves in the amount of \$30,000,000 to finance the purchase of 3713 Kensington Avenue as outlined in this report.
2. **THAT** a copy of this report be forwarded to the Parks, Recreation and Culture Commission for information.

REPORT

1.0 INTRODUCTION

Fortius Sport & Health at 3713 Kensington Avenue opened in 2013 as an integrated athlete development centre. The facility includes a double-gymnasium, fitness centre and office space. On 2020 November 14, Fortius announced that pandemic pressures on the business led to the decision to cease operations effective 2020 December 31.

On 2020 December 15, the City of Burnaby signed a Purchase and Sale Agreement (PSA) with the Fortius Foundation to acquire the land and facilities currently occupied by Fortius Sport & Health.

2.0 POLICY SECTION

The purchase of 3713 Kensington Avenue is aligned with the City of Burnaby's Corporate Strategic Plan by supporting the following goals and sub-goals of the Plan.

- **A Dynamic Community**
 - City Facilities and Infrastructure – Build and maintain infrastructure that meets the needs of our growing community
- **An Inclusive Community**
 - Serve a Diverse Community – Ensure City services fully meet the needs of our dynamic community

To: Financial Management Committee
From: Major Civic Building Project Coordination Committee
Re: Purchase of 3713 Kensington Avenue
2021 January 13.....Page 2

- Create a Sense of Community – Provide opportunities that encourage and welcome all community members and create a sense of belonging
- **A Healthy Community**
 - Healthy Life – Encourage opportunities for healthy living and well being
 - Healthy Environment – Enhance our environmental health, resilience and sustainability
- **A Thriving Organization**
 - Financial Viability – Maintain a financially sustainable City for the provision, renewal and enhancement of City services, facilities and assets

3.0 3713 KENSINGTON AVENUE – FORTIUS SPORT & HEALTH

The purchase price of \$26.6 million includes the 5.16-acre property at 3713 Kensington Avenue and the Fortius building, which is in excess of 146,000 square feet. The purchase also reimburses Fortius for the balance of the pre-paid lease on the adjacent sports fields on City-owned land at 3677 Kensington Avenue.

The City will incorporate this newly acquired facility into its overall recreation programme at Burnaby Lake. Across the street from Fortius, replacement plans for CG Brown Pool and Burnaby Lake Arena with a new Burnaby Lake Sports Complex will be revised.

This funding request includes the purchase price and the replacement of temporary capital contingency in the amount of \$2,660,000 that was used for the deposit. The remaining funds will be used for any potential upgrades that may be required to bring the facility into use by the City.


These expenditures are included in the 2021 – 2025 Provisional Capital Plan under project BAX.0033 and sufficient Community Benefit Reserves are available to finance the capital project outlined in this report.

4.0 RECOMMENDATIONS

It is recommended that the Financial Management Committee recommend Council authorize the use of Community Benefit Reserves in the amount of \$30,000,000 to finance the purchase of 3713 Kensington Avenue as outlined in this report. It is also recommended that a copy of this report be forwarded to the Parks, Recreation and Culture Commission for information.



E.W. Kozak, Chair, Major Civic Building Project
Coordination Committee



Leon Gous, Director Engineering



Dave Ellenwood
Director Parks, Recreation and Cultural Services

Copied to: City Manager Director Public Safety and Community Services
 Director Finance Purchasing Manager
 Director Corporate Services City Solicitor
 City Clerk