MANAGER'S REPORT NO. 49
COUNCIL MEETING July 8/74

## Re: Boys' Club of Vancouver

The Grants and Publicity Committee on May 27, 1974 submitted to Council a report containing seven requests for financial assistance from various organizations. The Committee with respect to a request from the Boys' Club of Vancouver recommended as follows:

"The Grants Committee has met with a delegation of three from the Boys Club and had a very lengthy discussion. The request is for a grant of \$65,000 and it was their (the Club's) considered opinion that Council has committed itself to some financial support for the Club.

Due to circumstances of this application and the amount involved and our budgeting limitations, your Committee is not prepared to make a recommendation on this request. We would, however, recommend that the Municipal Manager bring forward a report outlining the background of this issue to bring Council up to date with discussions that have taken place since the question of the Boys' Club was first introduced."

Initial discussions between the Municipality and officials of the Club during the early months of 1972 involved two Municipally-owned lots at the southeast corner of Howard Avenue and Hastings Street (Lots 1 and 2, Blk. 4, D.L. 127E½, Plan 1342, as shown on the attached sketch). These properties in 1972 were desired by the Club for the purpose of constructing a new facility from which to satisfy the social and recreational needs of young boys. These discussions culminated in the submission of a report to Council on September 18, 1972 (Item 14, Report No. 58). Council at that time directed that "The land in question not be donated to the Club, and that the whole subject be referred to the Parks and Recreation Commission for study and report as to whether or not the Commission recommends leasing land, and if so, under what terms."

Council on March 12, 1973 heard a presentation from the President of the Club, Mr. R.W. Hole, and considered a further report (Item 13, Report No. 19) which advised that in the opinion of the Commission, there was a need in the community for a specialized service to deal with the problems of youth, that this service should be available to all areas of Burnaby, with adequate staff of trained personnel, and that Council should consider the establishment of such a service through a Municipal department or agency. The Commission suggested that the decision pertaining to the Club's request for Municipally-owned land was the sole responsibility of Council, and the matter was referred back accordingly.

The report that Council received on March 12 also pointed out that although Lots 1 and 2 would satisfy the Club's requirements, the properties estimated market value in the amount of \$75,000 would suggest that alternate sites in the general area might be more appropriate. Council on that occasion directed the Manager to bring forth a complete report on the evaluation of alternate sites, together with a firm recommendation on leasing arrangements, and also, a report on the need for a specialized service to deal with the problems of youth. (The latter subject was concluded with the eventual establishment in June 1973 of the Youth Services Committee. A representative from the Boys' Club was not chosen to sit on that Committee although the Committee could use the Boys' Club along with other organizations as a resource in its work.)

A report pertaining explicitly to proposed leasing arrangements (Item 22, Report No. 27) was subsequently considered by Council on April 9, 1973 (see attachment). Council then directed that the Municipal property at the corner of Howard and Hastings be leased to the Club at the going rate for a 30-year term, with the rate to be negotiated every five years, and resolved to recommend to future Councils that such Councils "favourably consider" requests from the Club for a grant equal to rent covering the leasing and the taxes which would apply to the property. Council also requested that the Club's recreational and social program be expanded to include activities for girls in the same age groups as were being allowed for boys. In this respect, the Deputy Municipal Clerk wrote the following letter dated April 12, 1973, to the Boys' Club:

Continued ...

# Re: Boys' Club of Vancouver - Cont'd.

"Further to my letter of March 13, 1973, concerning the above property, I would now advise that Council on April 9th authorized the leasing of the property to the Boys' Clubs of Vancouver for the purpose desired at the going rate, for a thirty-year term, with the rate to be renegotiated every 5 years, as more particularly explained in the attached report which was received.

The Council also resolved to indicate that it would be prepared to favourably consider a request from your group for a grant in lieu of taxes covering the leasing and tax charges which will apply to the property.

The Council would ask that your program be expanded to include activities for girls in the same age groups as the boys you handle.

Would you be good enough to indicate your acceptance of the leasing arrangement outlined above before our Legal Department prepares the necessary documents."

Mr. Ryan, in a letter dated April 25, 1973 to the Deputy Municipal Clerk, advised as follows:

"You will understand that we are limited in the funds available to us for operating costs, having to depend on public support. Therefore, we are concerned about our position if we locate in an area then commit ourselves to a substantial annual lease payment with the hope that all future councils would make a grant to offset the same.

We understand Council has passed the motion on March 12, 1973, and, as announced by the Mayor at our annual meeting, to the effect that a suitable piece of property would be made available to us on a nominal lease basis. It would appear then that the only impediment is the question of whether or not the Municipal Act allows this."

Mr. Ryan concluded with a request that solicitors for the Club and the Municipality confer for the purpose of effecting a satisfactory leasing arrangement, but as noted below, this proposed objective was never achieved.

Mr. Ryan telephoned the Manager on June 19, 1973, and inquired about the possibility of the Municipality giving the Boys' Club a grant if the Club were to buy property rather than to enter into a lease arrangement with the Municipality (the Club was hesitant to accept the risk under which grants would be dependent upon the deliberations of future councils). Mr. Ryan mentioned that the Club had an option to acquire Lot 52 which is located immediately south of Lots 1 and 2, and that an application for rezoning had been submitted to the Planning Department. Following is the substance of a subsequent telephone conversation which took place on July 6:

- 1. At the suggestion of the Municipal Manager, Mr. Ryan advised that the Club had made an application under the Community Recreational Facilities Fund Act.
- 2. The Manager suggested that there is no recognized formula for the Municipality to give grants, and that a review of societies that have received Municipal assistance discloses that no discernible pattern of providing assistance appears to have been followed. The Manager therefore suggested that the Municipality might entertain a grant equivalent to 10% of the total cost of land and buildings, which is the kind of assistance that would be given in the case involving a senior citizen's housing project. The Manager stressed that there was no pattern and that there was no guarantee that Council would favourably entertain such a request. He also advised that if any financial assistance was to be given, he personally favoured a capital grant as opposed to any annual grant equal to taxes and value of lease.

Continued ...

# Re: Boys' Club of Vancouver - Cont'd.

- 3. Mr. Ryan was advised that if an application were submitted, it should be done with the understanding that the Club would be responsible for taxes under the Municipal Act, and that officials would have to apply annually for the remission of taxes if the Club wished to avoid paying taxes.
- 4. The Municipal Manager noted that the Municipality had since the initial application by the Club for donation of Municipally-owned land now established a Youth Services Committee and so the attitude of Council that he may have detected at the time of the initial application may have changed with respect to any financial assistance to the Club.

The Club proceeded to purchase the property known as Lot 52 for a price we understand to be \$65,000. A rezoning to permit construction of a building on the site received final adoption on November 26, 1973.

A meeting between Mr. Ryan and the Municipal Manager was convened on January 23, 1974. The principal matters of discussion pertained to -

- a. The Clubs' desire to approach Council for assistance with which to acquire property, on the basis that such assistance had been given to the Y.M.C.A. on Canada Way;
- The Clubs' proposal to apply for an annual grant equal to taxes;
   and possibly,
- c. Operating financial assistance as well.

The Municipal Manager on this occasion made the following suggestions:

- 1. That Mr. Ryan contact the Human Resources Department to determine how the Club could liaison and work with the newly formed Youth Services Committee which basically came into being as a result of the Clubs' request to have the Municipality donate land for its structure.
- 2. That he contact the Provincial Executive Director of Community
  Services to determine what assistance may be available for operations
  from the Province.
- 3. That any application for a capital grant for land should be made by the end of February if it is to be considered this year. He was advised that no funds were available in the Provisional Budget.
- 4. Depending on the size of the request for funds if made, the application should consider payment over a period of time, not to be paid in just one year.
- 5. That if an operating grant is requested it be only after a program has been established in conjunction with the Youth Services Committee.
- 6. That any request for an operating grant would have to be made before the end of the year, but obviously the application should not be made at the year end for the current year.
- 7. That he should determine if <u>additional</u> Provincial funds are available under the Community Recreational Facilities Fund Act. (We were told that the Clubs' application for some \$70,000 had been approved by the Committee in charge of this Fund).
- 8. That if the Club insisted on making an application for a capital grant equal to the <u>full value of the land</u>, consideration should be given to giving title to the Municipality as conceivably the Club could dispose of the property at any time in the future and the Municipality would have no asset for its investment.

Continued ...

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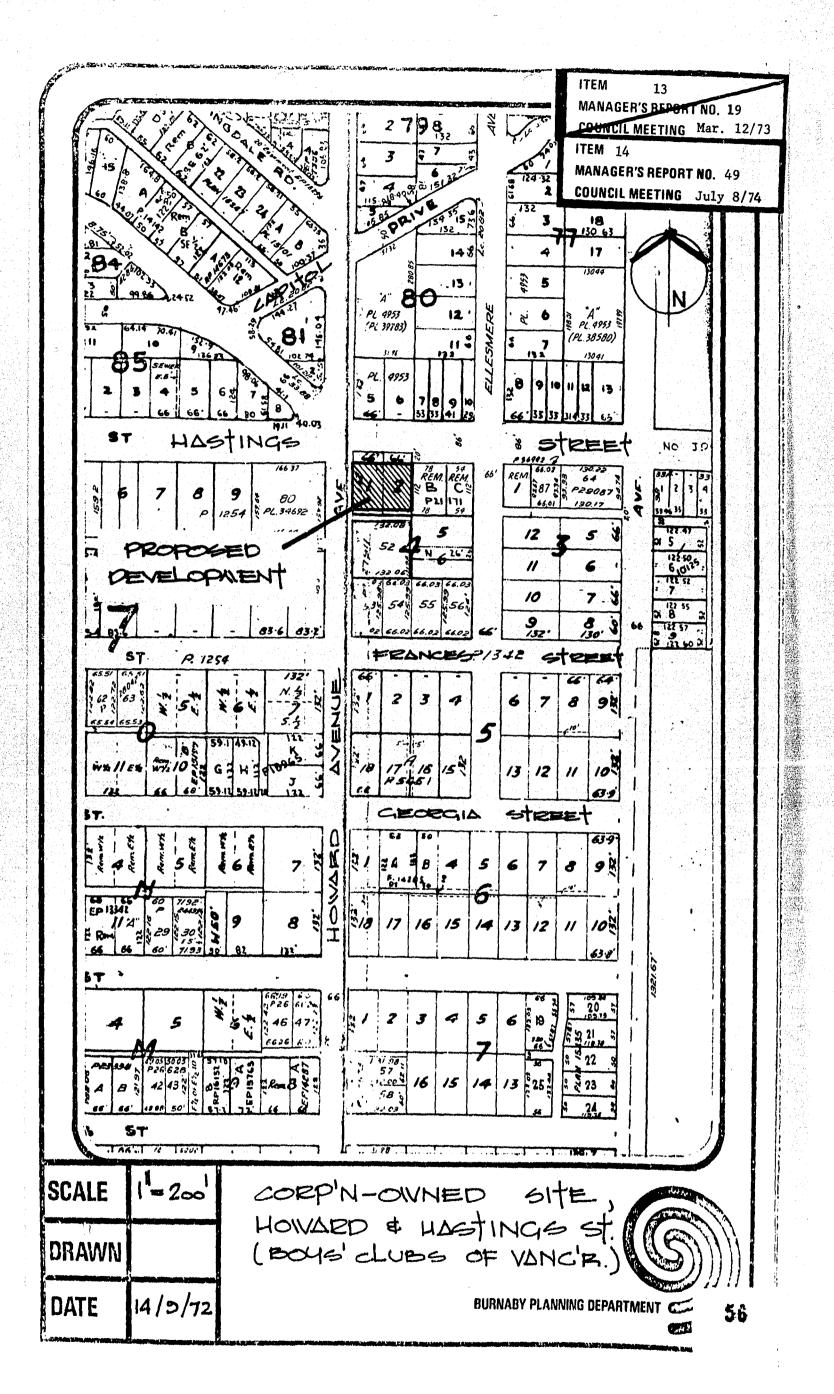
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Re: Boys' Club of Vancouver - Cont'd.

The meeting adjourned with a general statement to the effect that budget conditions for assistance to publicly oriented organizations are less favourable this year, and are not expected to appreciably improve in the immediate future. No commitment was made as to the possibility of actually getting any grant but the Municipal Manager did point out the circumstances had changed since the Club first made an application for donation of land as we had established a Youth Services Committee and any work the Club did would only be a part of the "whole" consideration of the problem.

In conclusion, the information contained in the preceding summary was obtained from office files, and to the best of our knowledge, includes all of the essential information involving this matter since its origination in early 1972. The request to the Grants Committee is for a capital grant for acquisition of land. It seems to be silent about a request for an annual grant equal to taxes and/or an annual operating grant.

This is for the information of Council.



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#### 22. Re: Boys' Club

Attached is the report of the Planning Director dated April 6, 1973, regarding the above in which he recommends that the property at Howard and Hastings Streets be made available to the Club at the going rate on a long-term lease basis.

The Municipal Manager has given considerable thought and study to the Club's request for a gift of Municipally-owned land at Howard and Hastings Streets or the lease of it at a nominal amount.

Notwithstanding the worthiness of the project proposed by this Club, the Municipal Manager has the following concerns:

- 1. The Club is quite adamant about the location it desires. There is no guarantee that the site selected by the Club will be the best in the future; i.e., who can predict where the social problems of North Burnaby will occur in 5 years from now, 10 years from now; or for that matter if this area will be the one with top priority in the future.
- 2. The Municipal tax dollar is paid by people of all walks of life, of all ages, of all interests and of all levels of income (including those on fixed income).
- 3. The Club's facility is very localized and is of a specialized nature affecting one special segment of the population.

The Municipal Manager has concluded that the Club's venture is a worthwhile and necessary one but, failing a plan for the entire Municipality, he cannot recommend a gift of the property or a nominal rental rate for the property for this particular facility.

The Municipal Act limits those organizations which are eligible for property tax exemption, and it is our opinion that this organization is not eligible for a tax exemption. A grant could be made in any year to the Club but it would have to be considered by each Council in any year and, of course, it could be turned down by any Council. If any financial assistance is given, it is recommended that it be by way of a grant, and logically it should be based on a request for a specific amount by the Club which is considered and recommended by the Parks and Recreation Commission. It is felt that a grant of \$11,500 per year (the amount of the lease plus anticipated property taxes) is not warranted in this specific instance but a grant for a portion of this may be suitable.

Incidentally, the Municipal Act requires that the lease rate be negotiated every 5 years after the initial 10 years.

## RECOMMENDATION:

THAT the Municipal property at Howard and Hastings Streets be leased to the Boys' Club on the going rate for a 30-year term, with the rate to be negotiated every 5 years.

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PLANNING DEPARTMENT APRIL 6, 1973

OUR FILE: 03.602/127

BOYS' CLUBS OF VANCOUVER PROPOSED NORTH BURNABY FACILITY

## INTRODUCTION

At its meeting of March 12, 1973, the Council directed that a report be presented containing an evaluation of alternate sites that might be suitable for the Boys' Club's proposed facility, together with a recommendation as to leasing arrangements for the sites.

This department has studied the lease arrangements under which the organization's clubs currently operate in the city of Vancouver, and have examined other potential sites in North Burnaby under Municipal ownership to ascertain their suitability for the use and building program objectives of the Club.

# LEASING ARRANGEMENTS

The Boys' Clubs of Vancouver presently operate five clubs in the City of Vancouver. The Executive Director of the organization has advised as follows concerning the ownership and lease arrangements of the clubs and administration facility in the city:

# Fraserview Boys' Club:

- 99 year lease from Vancouver Parks Board at \$10.00/year.
- Parks Board owns the land; Club owns the building.
- constructed on a relatively non-developed park site.
- tax exempt.

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## Kimount Boys' Club:

- initially, 10 year lease with 5 year renewals, at \$1.00/year.

- club built building, had option to purchase site during initial 10 years; as it did not exercise its option, ownership of the building is to revert to the city upon club's vacating premises.

- currently on year-to-year renewal basis.

- tax exempt.

## Kivan Boys' Club:

- initial 10 year lease, 5 year renewals at \$1.00/year.

- 35 year-old building and land owned by city.

- tax exempt.

## Boundary Boys' Club:

- building and land initially owned by United Church.

- initial lease from Church was terminated upon sale to city (adjacent to park site).

- lease renegotiated with Parks Board, now leased at \$10.00/year.

- tax exempt.

## Gibbs Boys' Club:

- building and land owned by club.

- tax exempt

## Administration Offices:

- building and land owned by club.

- tax exempt.

## ALTERNATIVE SITES

The initial request of the club was for donation of the Municipally-owned Lots 1 and 2, Block 4, D.L. 127E<sup>1</sup>/<sub>4</sub>, Plan 1342, at Howard and Hastings Streets. On September 18, 1972, the Council adopted a recommendation that the land in question not be donated to the Boys' Clubs of Vancouver but agreed to seek the comment of the Parks and Recreation Commission as to whether or not the land should be leased, and, if so, under what terms. A Committee of Staff and Commission concluded that the program the Boys' Club offers is one that deals primarily in a social service, and that the request for a lease was the sole responsibility of the Municipal Council.

In response to Council's request for further information regarding possible alternatives to the Hastings and Howard Municipal property, the existing stock of Corporation-owned land in the general area was surveyed, and potential sites were advanced to representatives of the clubs. Unfortunately, the number of Municipal properties in the area identified by the club as needing their services is rather limited, and of these, some failed to satisfy basic criteria as to compatibility with surrounding land uses, accessibility from transit and neighbourhood centres, and the like. Representatives of the club examined and commented on those properties which qualified under the basic criteria and for which no specific purpose has been designated. The four sites indicated on the attached sketch were considered to have the characteristics necessary for the institutional use proposed, and all but the Kensington Park site were judged acceptable by the club as to location, access, and exposure.

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The latter was felt by this Department to rate highly as an alternative, due to the possibility of maximizing the use of recreational and community centre facilities at this location, and it was felt that a suitable site might be created in the undeveloped portion between Fell Avenue and Hammarskjold Drive. However, club officials perceive this site to be on the extreme easterly limit of the populated area they propose to serve, whereas it is considered important that the site be central to the catchment area, and they further prefer to not share a site with developed park facilities. Accordingly, this site was not accepted.

Capitol Hill School and George Green Park occupy a complete city block, and have insufficient area for siting a Boys' Club, and Dynes Park is currently fully used by the Capitol Hill Community Centre facility.

Upon detailed examination, it was concluded that the Delta and Hastings properties were of insufficient size due to Hastings Street widening, and the extreme grade conditions and lack of good secondary access made them unsuitable.

The Municipal properties in the Glynde and Hastings site are minute remainders of lots reduced by successive road widenings, but the possibility of creating a site by consolidation with an adjacent privately-owned site and a cancelled portion of Glynde Avenue (presently unopened) was explored. After much study it was concluded that even if road cancellation and acquisition of the private parcel (permitted under the Municipal Act only for Municipal purposes) could be arranged, and an existing combined sewer relocated, the size, geometry, yard requirements and extreme terrain of the site would make it incapable of development for the facilities proposed by the Boys' Clubs.

It is the Department's conclusion, therefore, that the only Municipal properties in the Capitol Hill area acceptable to the Boys' Clubs and simultaneously suitable from a Community and Municipal land use point of view are the properties at Howard and Hastings Street. In this sense, it is apparent that no alternative sites under Corporation ownership can be recommended.

# LAND VALUE, HOWARD AND HASTINGS SITE

Since the date of the initial report to the Council on this topic, the Land Agent has reviewed his valuation of the initially proposed site, which is zoned commercially (C2) and has 132 feet of Hastings Street frontage. The current market value of this land is estimated at \$75,000.

We are further advised by the Land Agent that the normal practice in leasing Municipal land is to compute the lease figure on the basis of 10% of land value per annum, plus property takes. In this case, therefore, the lease could be expected to amount to roughly \$7,500.00 yearly for this valuable site, plus an estimated \$4,000.00 per year in property taxes, assuming a building value in the neighbourhood of \$125,000. Should the Council wish to assist in the establishment and operation of the club, it could consider grants to offset expenses.

## RECOMMENDATION

In view of the foregoing, and the Council's past decision to not donate the land, this department would recommend that if the Boys' Club is desirous of locating on the Howard and Hastings site, the property be made available to the organization at the going rate on a long-term lease basis.

Respectfully submitted.

DGS/mp Attachment

A. L. Parr, DIRECTOR OF PLANNING 60

