

Re: WEST BUILDING

Following is a report from the Municipal Treasurer on the proposed rental of space to the Provincial Human Resources Department in the West Building.

The Municipal Manager has considered several alternatives with respect to the utilization of space that will become available when the Provincial Department of Human Resources vacates the West Building in August. This will serve as the basis for a further report to Council as soon as additional information becomes available.

RECOMMENDATION:

1. THAT the Corporation rent the Human Resources section of the West Building to the Province of British Columbia for the period of 1 September 1976 to 31 August 1977 at an annual rate of \$118,686, payable monthly.

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TO: MUNICIPAL MANAGER
FROM: MUNICIPAL TREASURER
RE: WEST BUILDING

21 February 1977
File: H84-1

On 4 February 1977, I met with A.G. Gilmore of Human Resources, and Al Bergin of Public Works, of the Province of British Columbia, concerning the West Building. These gentlemen advised that Province-wide plans for social assistance were to dissolve the large offices and set up small offices in neighbourhoods where people are concentrated. Their plans are to establish three in Burnaby - Burnaby-Southeast, Burnaby-South and Burnaby-North. Locations will be in the general areas of Kingsway at Edmonds or Canada Way at Edmonds, Kingsway at Willingdon, and Hastings at Willingdon. In the period July to August 1977 they hope to move the staff in three movements to these branches.

We reviewed the circumstances whereby the Municipality built the West Building for use by Human Resources and the Health service. Nevertheless, the instructions are that the staff are to be moved to neighbourhood centres as quickly as possible.

If this were a conventional office building currently available in Burnaby, an annual rental per square foot could be calculated as follows:

Base	\$ 7.7500
Storage	0.0847
Parking 37 vehicles @ \$20 per month	0.7231
Partitioning	0.6780
Electricity	0.4300
	<u>\$ 9.6658</u>

which, on an annual basis, equals \$118,686. If a rental was calculated on the actual construction costs of the building and its outfitting, it would be more nearly in the neighbourhood of \$135,000 per annum. However, in establishing rentals for the Justice Building, they were done in comparison with available commercial buildings, and it would seem that in the case of the West Building, it would be fair to do likewise.

By telephone, Mr. Gilmore advised that he was prepared to recommend acceptance of the rental as outlined above, with possibly an adjustment for a larger number of parking spaces. The rental would apply from 1 September 1976 to 31 August 1977.

Mr. Gilmore also indicated that the Government wishes to have the Municipality continue the task of issuing welfare cheques on their behalf for a period beyond 1 March 1977. This task is currently being carried on by Treasury conditional that the Human Resources Administrator continue in office during the period in which the service is to be performed. This latter is to safeguard the Municipality's interest in the matter.

Conversations concerning the continuance of this service will take place probably this week.

RECOMMENDATION

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Bastille
MUNICIPAL TREASURER

BM:gw