

ITEM SUPPLEMENTARY 25  
MANAGER'S REPORT NO. 53  
COUNCIL MEETING 1979 08 13

RE: PROPOSED LEASE OF 4,156 SQ.FT. OF OFFICE SPACE ON THE FIRST FLOOR  
IN THE WEST BUILDING TO THE PROVINCIAL GOVERNMENT  
HOME CARE SERVICES

Following is a report from the Municipal Solicitor regarding the proposed leasing of space that is required by Home Care Services in the West Building.

The lease will become effective in the very immediate future upon completion of the administrative work that is now in process. It is anticipated that the effective date will be no later than the end of this month.

RECOMMENDATION:

1. THAT the recommendation of the Municipal Solicitor be adopted.

\* \* \* \* \*

TO: MANAGER

August 10, 1979

FROM: SOLICITOR

SUBJECT: Proposed Lease of 4,156 sq. ft. of Office Space  
First Floor, West Building - 6161 Gilpin Street  
HOME CARE SERVICES

RECOMMENDATION

1. THAT a net area of 4,156 sq. ft. of the first floor of the West Building at 6161 Gilpin Street be leased to the Home Care Services for an initial period of three (3) years with an option to renew for a further period of three (3) years. Annual rent first year \$42,900 (\$3,575.00 per month) or \$128,700.00 over a three (3) year period. Operating costs to be adjusted annually on a base year of 1979.

REPORT

Background

Council at its meeting of November 27, 1978 received a report from the Medical Health Officer (Item 17, Manager's Report No. 83) and adopted the recommendation therein approving the relocation of the Home Care Programme to the first floor of the West Building.

We have experienced tremendous frustration in our negotiations with Victoria and subsequently with the British Columbia Building Corporation. We have now been advised by the British Columbia Building Corporation that the Treasury Board rejected the request for adequate funding for the 4,758.62 sq. ft. requested by the Home Care Services and approved the lease of 4,400 sq. ft. at a rate of \$9.75 per sq. ft. per annum or \$128,700 over the initial term of the lease (three years). This lease will include a clause whereby on a base year of 1979 the operating costs will be adjusted annually.

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TO: MANAGER  
(re: Home Care Services - West Building)

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Space Requirements;

The space requested by Home Care Services and designed by Mr. John Petursson of Sheriland Consulting requires a net area of 4,156 sq. ft. as shown outlined on Sketch I which will be redesigned in accordance with Sketch II.

It has been our practice to include in the lease a common area factor computed at 14.5% to cover the common use of the coffee shop on the second floor and all other common areas to and from parking areas. Application of this factor increases the total area being leased to 4,758.62 sq. ft. This area does not include the washroom area of 364 sq. ft. as this is to become a public facility with the staff using the washroom to the north.

Parking:

Parking is normally included proportionate to the space occupied as follows:

Undercover - 1 space every 536 sq. ft. of leased space

Open space - 1 space every 1,023 sq. ft. of leased space.

This formula provides for eight (8) undercover parking spaces and four (4) open parking spaces, although adequate open parking is available.

Lease Rate:

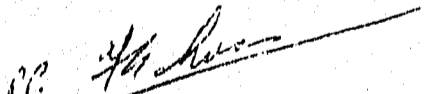
The lease rate offered is consistent with the private sector and falls within guidelines of the Building Owners and Managers' Association International with the exception of parking which is normally an additional charge item in accordance with the needs of the tenants. The rate normally charged is \$20.00 per car per month. Due to our abundance of parking space, we have been unsuccessful in charging for parking.

Alterations:

The cost of all alterations and carpeting etc. is at the tenants' expense. Some of these costs are normally absorbed by the landlord in the private sector.

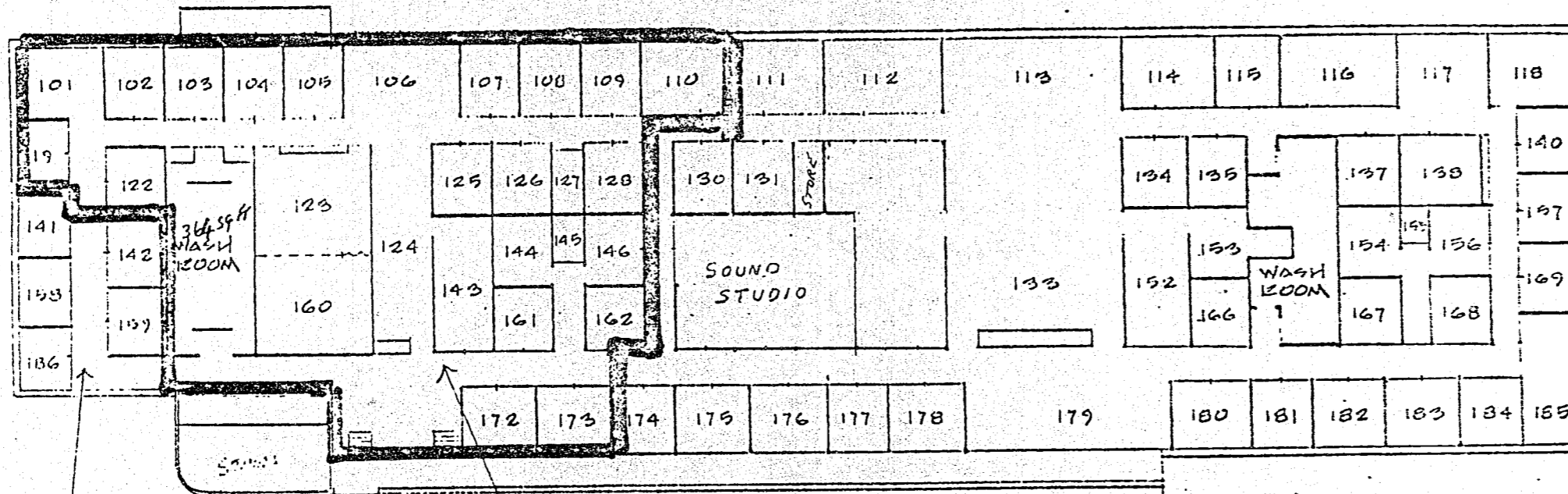
Summary:

The lease offered falls short of our total area lease method. The rate offered is consistent with the lease of a net rental area (partial floor space) in the private sector. An additional lease area of 244 sq. ft. is included to offset the common area factor. After lengthy and frustrating negotiations, we feel this is the best terms we are able to negotiate and from our experience a rejection could well result in a further six months of wasted negotiations.

  
W.L. Stirling  
MUNICIPAL SOLICITOR

FAE/mh  
Attachs:

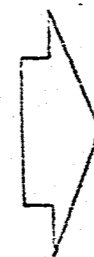
cc: Municipal Treasurer  
Chief Building Inspector  
Medical Health Officer



NET LEASE AREA 4156 SQ FT  
HOME CARE SERVICES

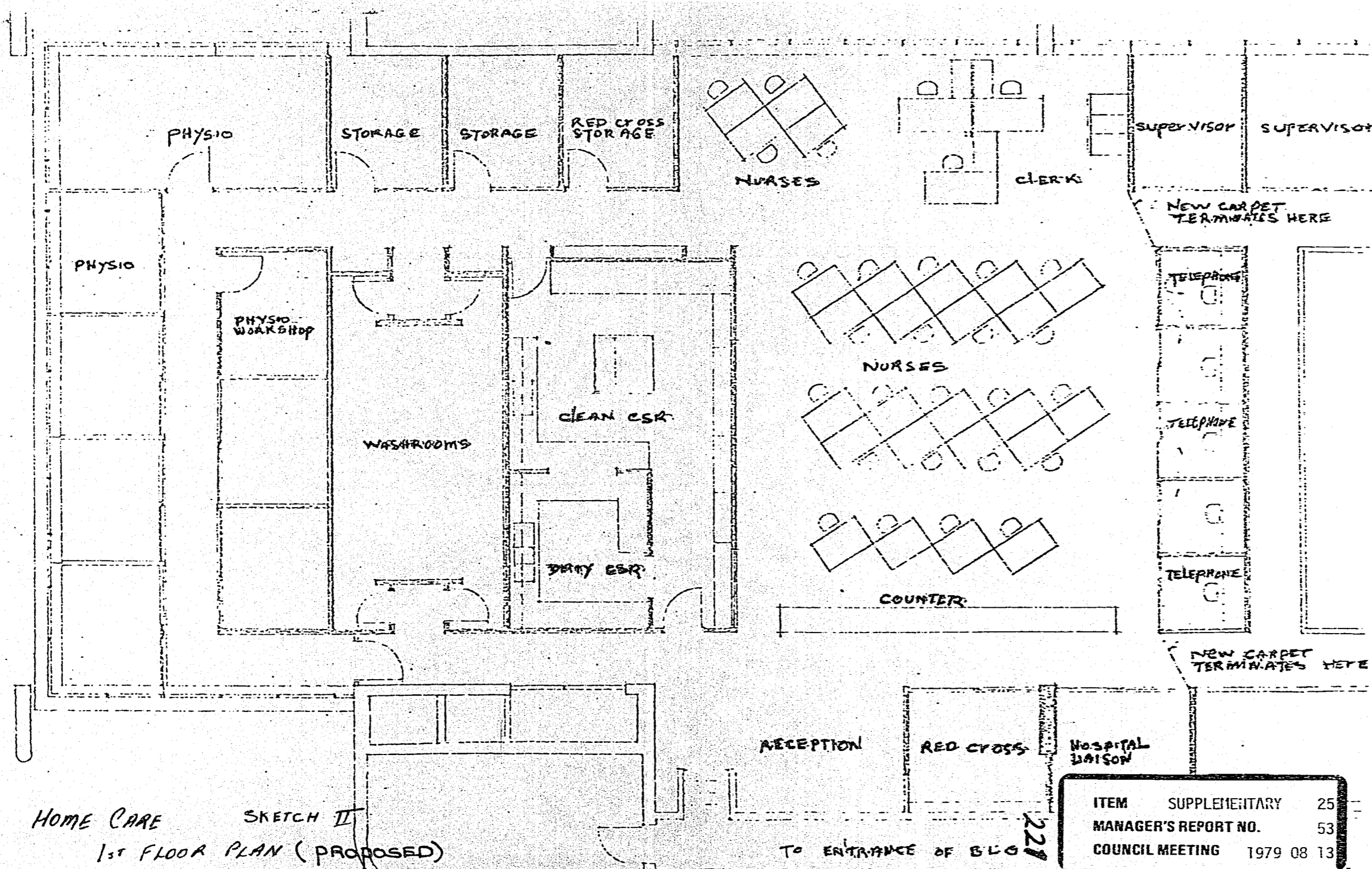
VACANT SPACE WHICH  
 MAY BECOME OCCUPIED  
 BY THE YOUTH SERVICES  
 DIVISION WHICH WE ARE  
 ATTEMPTING TO HAVE  
 REESTABLISHED IN EQUIPMENT.

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1ST FLOOR PLAN (EXISTING)  
 SKETCH I

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HOME CARE SKETCH II  
1st FLOOR PLAN (PROPOSED)

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