

THE CORPORATION OF THE DISTRICT OF BURNABY
HOUSING AND CIVIC DEVELOPMENT COMMITTEE

HIS WORSHIP, THE MAYOR
AND ALDERMEN

1990 June 29

RE: LEASING AND MANAGEMENT OF COMMUNITY RESOURCE FACILITIES

The Housing and Civic Development Committee recommends the following for approval by Council:

RECOMMENDATIONS:

1. THAT the Community Issues and Social Planning Committee oversee the allocation of lease space within Municipal facilities designated as community resource venues using the guidelines as outlined in Sections 3.0 and 4.0 of this report.
2. THAT staff bring forward an estimate of funds needed to support community service agencies occupying Municipal facilities as part of the grants portion of the 1992 Provisional Operating Budget.
3. THAT the existing tenants at Burnaby Heights be given the option of lease renewals with a 5.0% increase, at the end of their existing leases, to coincide with a common lease termination date of 1991 December 31 and that the existing tenants be so advised.
4. THAT staff notify the existing tenants at the Burnaby Heights facility of the status of their leases as outlined in Section 5.0 (f) of this report.
5. THAT in implementing the proposed community resource facility policy, the Engineering Department assume responsibility for building maintenance, the Parks & Recreation Department assume responsibility for janitorial services, and the Finance Department assume responsibility for the administration of the leases.
6. THAT the Legal Department determine the market value of space currently leased or available for lease at the subject facilities to be used in the grant allocation process.
7. THAT staff further report to the Housing and Civic Development Committee on those items in Sections 5.0 and 6.0 of this report still to be addressed, including:
 - . tax exemptions for 1991 and 1992
 - . budget requirements for building maintenance and janitorial services
 - . asbestos removal at Burnaby Heights
 - . operating agreement between the School Board and the Municipality for the Edmonds North Wing
 - . timing of the transfer of the subject facilities to the Municipality.

INTERNAL DISTRIBUTION:

AGENDA 1990 JULY 09

COPY - MUNICIPAL MANAGER
- DIR. ADMIN. & COMM. SERV.
- DIRECTOR FINANCE
- DIR. PL. & BLDG. INSP.

8. THAT a copy of this report be forwarded to the Burnaby School Board and the Community Issues & Social Planning Committee.

SUMMARY

In preparation for the transfer of the Burnaby Heights facility, the north wing of Edmonds School, and the 1914 building on the Burnaby South site to the Municipality, the Housing and Civic Development Committee has reviewed questions regarding the allocation, lease and management of space within these facilities.

This report recommends that:

- . The Social Planning & Community Issues Committee allocate available Municipal community resource space to non-profit community service groups which reflect and further Municipal social objectives. Section 3.0 of this report outlines detailed guidelines for the allocation of space within these facilities.
- . The lease rate be set at fair market value with the proviso that organizations that require assistance could seek Municipal aid through a cash grant (see Section 4.0 of this report).
- . The administration, building maintenance and janitorial services for these community resource facilities be incorporated into the existing programs of Municipal departments.
- . The transfer of the subject facilities to the Municipality not result in any immediate change in tenancy of existing groups occupying these facilities.

The Housing and Civic Development Committee will continue to work with staff to address the remaining issues identified in Sections 5.0 and 6.0 of this report, including: tax exemptions, budget requirements, asbestos removal, maintenance of Edmonds North Wing, and the timing of the transfer of the properties to Burnaby.

R E P O R T

1.0 INTRODUCTION

As a result of a comprehensive land exchange/purchase package between the Municipality and the Burnaby School Board to effect the Burnaby South 2000 concept, the Municipality will be acquiring ownership of the Burnaby Heights facility, the north wing of Edmonds School and the 1914 building on the Burnaby South site.

In the report to Council concerned with the exchange, it was recommended that the Housing and Civic Development Committee be requested to provide policy recommendations concerning the management and use of these and other similar facilities. This report recommends guidelines for the use of the facilities and space that will be taken over by the Municipality; recommends an approach for the setting of lease rates; and finally, outlines specific terms of lease, and operational and implementation issues to be addressed by staff prior to the transfer of the specific properties and buildings.

2.0 EXISTING USE

At the present time, the Burnaby School Board has ownership of the three subject facilities. The former Burnaby Heights school is leased to a range of educational, public use and community service organizations (see Attachment 1). The north wing of Edmonds School has been vacant but is now being used to accommodate the Maywood School program on a temporary basis (likely until 1991 June). The 1914 building at Burnaby South has heritage significance and is being used as part of the school's fine arts program.

The Chairman of the Housing and Civic Development Committee, along with staff, met with representatives of the existing tenants at Burnaby Heights to assure them that the impending change of ownership would not result in any immediate changes to their tenancy.

3.0 GUIDELINES FOR THE USE OF FACILITIES AND SPACE

The Municipality has in the past not been required to allocate community resource space as a primary use. However, with the acquisition of Burnaby Heights, Edmonds North Wing and the 1914 building at Burnaby South, this opportunity has arisen. In addition, it is conceivable that future recreational facilities in the community may well make specific provision for the allocation of such community resource space within those facilities, making it advisable to have a space allocation policy.

It can be expected that the Municipality will receive requests for a variety of purposes for the use of these spaces including community service groups, recreational users, other government service providers, neighbourhood resource space, other non-profit users as well as special interest groups and commercial ventures attempting to secure space at rates lower than normal market value. This section outlines policy guidelines for the use and allocation of available community resource space.

As a general guideline, it is recommended that available Municipal community resource property/space should be leased to non-profit community service/interest groups which reflect and further Municipal objectives in the areas of livability, individual and/or family health and welfare.

The following detailed guidelines are provided to help assist with the allocation of space in Municipal community resource facilities. Organizations occupying or applying for space in Municipal community resource facilities should be considered in relation to the following criteria:

A) Support of Municipal Social Goals and Principles

Services and programs provided by an organization should support Municipal social goals and principles as contained within the Official Community Plan.

The Official Community Plan stresses the development and maintenance of a social environment which promotes the physical, social and mental well-being of individuals and families in Burnaby.

Only organizations whose primary purpose is to provide facilities, services or programs intended to promote the physical, social and mental well-being of Burnaby residents should be considered for space in Municipal facilities.

This would include Municipal offices and organizations providing or coordinating information on recreation, rehabilitation, health, counseling, day care, and special education services and programs.

B) Non-profit Status

Organizations must operate on a non-profit basis, and be registered as a charitable institution or society under the Society Act. The intent of this guideline is to ensure that Municipal facilities are not used for commercial or private gain.

The Society Act defines charitable societies as those concerned with the relief of poverty, the advancement of education, the advancement of religion or any other purpose beneficial to the community.

Proof of non-profit status would be required.

C) Relevant and Accessible to Burnaby Residents

The facilities, services and programs operated by service organizations should be applicable and accessible to a broad range of Burnaby residents, and should reflect local neighbourhood and community needs and aspirations.

The intent of this guideline is to ensure that organizations occupying Municipal facilities provide services and programs that are relevant and generally accessible to Burnaby residents. All residents who need or wish to use the facility, service or program should be able to do so, while recognizing constraints due to service availability, costs and location.

D) Availability of Other Options or Venues

Allocation of space in Municipal facilities should be considered in relation to the availability of other options or venues to the applicant in the private market and other public sector opportunities.

This guideline is intended to ensure that Municipal facilities are allocated to organizations that may not be able to obtain suitable facilities through other avenues. Municipal facilities should not be allocated to organizations which are direct extensions of programs and services provided or funded by other levels of government.

E) Supporting and Balancing Component

The facilities, services and programs operated by an organization should contribute to a mutually supporting component of a well balanced community resource centre for the local neighbourhood and community.

This guideline is intended to ensure that a broad range of services are provided for within any particular resource centre, and that the organizations represented are able to contribute to the overall successful operation of the centre in the community.

F) Appropriate Uses

Uses should be selected that can provide supporting benefits with, or at the least, harmoniously co-exist with immediately adjacent facilities/uses.

Uses would be selected that fit into the existing environment surrounding the site. Preference would be given to uses with strong linkages to the adjacent facilities/uses.

G) Consistent with Municipal Policies, By-laws, and Regulations

Organizations occupying Municipal facilities must be able to comply with Municipal plans, by-laws, codes, regulations and standards.

The intent of this guideline is to ensure that uses occupying Municipal facilities are consistent with the provisions of the zoning and other bylaws of the Municipality.

The existing zoning of the Burnaby Heights facility, the north wing of Edmonds School and the 1914 building on the Burnaby South site would permit the use of the facilities for recreation programs, community organizations, education programs, day care, Municipal offices, and other similar types of uses.

To ensure compliance with Municipal regulations, it is recommended that Municipal Licence, Health, Fire and Building Departments be consulted when allocating space in Municipal facilities.

H) Primarily Intended for Burnaby Residents

Organizations occupying Municipal facilities should provide services and programs that are primarily intended for Burnaby residents.

Services and programs would not need to be designed for use by Burnaby residents only; however, the service or program should address an identified need within Burnaby. Organizations providing local services should receive priority over organizations providing services at a regional, provincial or national level.

I) Accommodation of Required Municipal Uses

Allocation of space in Municipal community resource facilities should consider the degree to which overall Municipal costs would be minimized by the accommodation of possible required Municipal uses.

Both direct and indirect Municipal uses would be eligible for space within community resource facilities including: Municipal offices, employee associations, and other related public sector organizations.

It is suggested that the appropriate body to oversee the assignment of space within Municipal facilities specifically designated as community resource venues would be the Community Issues and Social Planning Committee of Council. The views of the local community, the Social Planner, and the Parks and Recreation Commission should be sought in assisting the Committee to prepare its recommended list of organizations to occupy the available space.

It is recommended that Council request the Community Issues and Social Planning Committee to oversee the assignment of space within Municipal facilities designated as community resource venues using the guidelines as outlined above.

4.0 GUIDELINES FOR THE SETTING OF LEASE RATES

In most instances, Municipal property made available for commercial, industrial or residential purposes is sold/leased at fair market value. In some cases, the Municipality has entered into long term lease arrangements at less than market value to help support non-profit service providers.

Council is empowered to grant aid through the lease of Municipal property at less than market value under Section 269(f) of the Municipal Act which states that Council may, by a vote of at least two-thirds of the Council members, grant aid for or to an organization considered by Council to be contributing to the general interest advantage of the Municipality. The difference between fair market value and the lower lease rate would represent the aid granted by the Municipality to the organization or individual over the term of the lease.

After considering several options for setting lease rates, the Committee recommends that the lease rate for Municipal properties/facilities should be set at fair market value with the proviso that organizations that require assistance to meet operating costs, including fair market value of Municipal space occupied, could seek Municipal aid through a cash grant.

Organizations allocated space that also required financial assistance would be referred to the Executive Committee of Council with a recommendation of support from the Community Issues and Social Planning Committee. The Executive Committee would be able to evaluate the needs of organizations for aid in relation to other requests for Council grants. The operating cost for the facility would be used as a determinant in helping fix the grant amount.

This approach to setting lease rates at community resource facilities will:

- . Enable the Municipality to accommodate the range of groups currently occupying the Burnaby Heights facility.
- . Ensure that Municipal support through leasing of space and direct cash grants is made on the same basis and in a consistent manner.
- . Allow the allocation of Municipal support to appropriate organizations. For example, it is possible that some of the space at the Burnaby Heights facility may be occupied by organizations that should not be supported by the Municipality.
- . Ensure that Municipal financial support is provided in relation to the needs of the organization. An organization may require space at a Municipal facility, but not financial assistance. The Municipality could choose to offset none, some, or all of the lease costs for an organization occupying Municipal facilities.
- . Ensure that Municipal assistance is visible/recognized, and not a "hidden" subsidy.

It will be necessary to allocate additional funds to the Municipal Council grants budget to accommodate support given to community service agencies occupying Municipal facilities. It is recommended that staff be directed to bring forward an estimate of additional funds needed to support community service agencies occupying Municipal facilities as part of the 1992 Provisional Operating Budget.

Overall there should not be any increase in tax draw as the proceeds from building rental would be new revenue to the Municipality.

5.0 TERMS OF LEASE

There are a number of issues to be addressed in setting the terms of lease for Municipal facilities. Staff have begun work on a number of these issues, and unless otherwise directed by Council, will continue to implement the following points to allow the efficient transfer of property and tenants to the Municipality.

(a) Termination date for current leases

It is recommended that as part of the transition of ownership, the existing tenants at the Burnaby Heights facility be given the option of lease renewals, at the termination of the existing leases, to coincide with a common lease termination date of 1991 December 31. This would allow the consideration of lease renewals and new requests at the same time for a subsequent lease period. Given that the date of conveyance of the Burnaby Heights facility is not presently known, the Burnaby School District should be requested to follow this policy until the facility is formally conveyed to the Municipality.

(b) Setting of lease rates until 1991 December

To help recover costs due to general increases in operating costs, it is recommended that lease rates be increased 5.0% (inflation adjustment) per annum at the time leases are renewed. This would apply after the property is transferred to the Municipality and until market rates were established in 1991 December.

(c) Property tax exemptions

Section 400(2)(c) of the Municipal Act provides the authority for Council to grant permissive exemptions from taxation for land and/or improvements for a school building in which a non-profit organization is a tenant of the board of school trustees. However, the wording of the Act precludes the granting of permissive exemptions if the property is registered to the Municipality. As a result, the existing non-profit service uses which enjoy exemption from property taxation with the approval of Council within school buildings such as Burnaby Heights, would no longer be eligible under the Act when the Municipality assumes ownership of the school building at Burnaby Heights. A similar limitation would apply at the Edmonds North Wing facility and the 1914 building at Burnaby South when they are transferred to Municipal ownership and potentially used as community resource space.

In order to overcome this problem, Council on 1990 May 07 approved the submission of a resolution to the 1990 U.B.C.M. Resolution to amend the Act to allow Council to grant permissive exemption from taxation to non-profit service organizations that are tenants within Municipal buildings. This requested change, if made, would enable Council under its existing permissive exemption policy and guidelines to decide whether or not, and to what degree, exemption should be granted to non-profit organizations occupying Municipal buildings. Organizations not receiving a permissive exemption would be responsible for their share of property taxes.

To help ensure that organizations currently receiving permissive exemptions continue to do so in 1991, it would be advisable that the Burnaby Heights property not be registered in the name of the Municipality at the Land Title Office until after 1990 December 31.

The ability of the Municipality to grant permissive exemptions for 1992 will depend upon changes to the Act as a result of the U.B.C.M. resolution.

(d) Assessment of market rates for leased space

In order to establish market rate leases for community resource facilities, it will be necessary for the Lands staff to conduct an assessment of existing leased spaces. It is recommended that this be done in advance of 1991 December to allow for adequate notification of tenants, and to allow staff to estimate the amount of additional funds needed to support community service agencies occupying Municipal facilities as part of the 1992 Provisional Operating Budget.

(e) Management of Leased Property

Currently, the Finance Department, Tax & Licence Division, is responsible for the administration of Municipal rental and lease property. It is recommended that the Finance Department assume the administration of community resource facilities. They would be responsible for the collection of rents, coordination of tax exemptions, answering tenant inquires/concerns, and coordination of other miscellaneous administrative activities. The Director Finance concurs with this recommendation.

(f) Notification to existing tenants

It is recommended that the existing tenants at Burnaby Heights be advised by letter that under present circumstances, the Municipality foresees the Burnaby Heights facility being used as a community resource centre for at least the next five years. The existing tenants should also be advised that for the present, the School Board remains their landlord and that they will be advised prior to the Municipality assuming ownership.

In addition, once guidelines for the allocation of space and terms of lease have been finalized, tenants would be advised whether they meet the established guidelines. Those tenants that do not meet the established guidelines would be requested to seek accommodation at other private facilities, however they would be able to remain at the facility until they had found other suitable accommodation. Tenants that meet the established criteria would be informed of the process to apply for Municipal cash grants.

(g) Other lease terms

There are other detailed lease terms to be established for community resource facilities. These specific details will be established through the Legal Department.

Staff will continue to work on the items above still to be addressed and will report to the Housing and Civic Development Committee with further information.

6.0 OPERATIONS AND IMPLEMENTATION

Council will recall that the comprehensive land exchange package between the Municipality and the School Board as approved by Council was based on a "value for value" approach. The transfer of lands at Burnaby Heights and Burnaby South are presently being worked on as a first priority. While the details of the transfer are being finalized, staff are concurrently preparing an operational framework to be implemented when possession of the buildings occur. These specifics will be forwarded to the Committee for approval in advance of the proposed property transfer. The following aspects are presently being actively pursued:

(a) Engineering and Parks & Recreation Departments' responsibilities in building maintenance and janitorial services.

On the basis of preliminary discussions, it is recommended that the Engineering Department assume responsibility for building maintenance aspects, and the Parks & Recreation Department assume responsibility for janitorial services. Both departments would need to receive budget allocations to reflect these new responsibilities. The Engineering and Parks & Recreation Departments concur with this recommendation.

(b) Budget requirements based on building condition and past costs.

A preliminary inspection of the Burnaby Heights and the Edmonds North Wing facilities has shown that the Burnaby Heights facility has not been as well maintained. Particular concern was mentioned with respect to the condition of the electrical service and some of the plumbing and heating equipment. Operating cost and maintenance estimates are currently under preparation.

(c) Asbestos removal at Burnaby Heights and Edmonds North Wing.

As part of the land exchange/purchase agreement, the School Board is responsible for the removal of the asbestos at the Edmonds North Wing facility. Staff have suggested to the District that this work should occur this summer while the school is empty and before it is available as a community resource space. The Municipality is responsible for the removal of the asbestos at Burnaby Heights and was given a credit towards this based on an estimated cost of removal. A report on this is being prepared including the advisability of doing this work as soon as possible as a cost control measure. Funds would need to be budgeted for as a result of the review.

- (d) Operating agreement between the School Board and Burnaby for the Edmonds North Wing.

Staff have initiated discussions with the School District concerning the preparation of an operating agreement concerning the sharing of operating costs such as heat, light, and janitorial. Building maintenance and capital costs would not be included in such an agreement.

- (e) Provision of a timetable from the Burnaby School District concerning their needs to accommodate the Maywood School program within the Edmonds North Wing.

Staff believe that the School District hopes to use the Edmonds North Wing for the temporary placement of the Maywood School program until 1991 June. A formal request from the School District confirming this date should be sought and the necessary scheduling of the transfer adjusted accordingly.

Further reports on the items above still to be addressed will be submitted to the Housing and Civic Development Committee prior to the transfers.

The Housing and Civic Development Committee will continue to work with staff to affect the implementation of the guidelines for the allocation of space at community resource facilities, and to address the terms of lease, and operational and implementation issues discussed in Sections 5.0 and 6.0 of this report.

Respectfully submitted,

Alderman L.A. Rankin
Chairman

Alderman D.R. Corrigan
Member

Alderman F.G. Randall
Member

as at 1989-01-19

LEASING OF FACILITIES

ATTACHMENT 1

<u>Lessee</u>	<u>Contact Person</u>	<u>Title</u>	(SITE PHONE NO INDICATED IN BOLD)			<u>\$ per Sq.Ft.</u>	<u>Sq.Ft. Area</u>	<u>Rate AnnDn</u>	<u>Monthly Rate</u>	<u>Lease Commences</u>	<u>Lease Terminates</u>
			<u>Mailing Address</u>	<u>Phone</u>	<u>Lease ROOM No.</u>						
<u>BURNABY HEIGHTS</u>											
Barry Jones Constituency Office	Barry Jones	M.L.A.	#31-250 S Willington Burnaby V5C 5E8	298-8958	31	3.30	768	2,532	211.00	1989-04-01	1990-03-31
Boy Scouts of Canada	Mr. John Pettifer	Executive Director	Box 82580 N. Hwy Post Office	293-1961	10, 9, 8, 20 Art Rm. #2	2.40	4800	11,532	961.00	1989-09-01	1990-08-31
B.C. Amateur Boxing Assoc.	Mr. Dave Thompson	President	250. S Willington Burnaby V5C 5E9	291-7921	Gym, Stage, Storage Dressing, Office	1.85	9372	17,340	1445.00	1989-01-01	1989-12-31
B.C. Conservatory of Music	Mr. Christian Meyer	Director	1425 E. 20th Ave Vancouver V5N 2K5	299-2984 879 0403	27A, Office	4.00	981	3,912	326.00	1989-10-01	1990-08-31
B.C. Parents in Crisis Society	Mr. Joe Rosen	Executive Director	#13-250 S. Willington Burnaby V5C 5E9	299-0521	13&11(S)	2.39	979	2,340	195.00	1989-12-01	1990-11-30
B.C. & Yukon Building Trades Council	Mr. Al McMurray		#130-4299 Canada Way Burnaby V5G 1H3	434-2717 291-2844	12	2.53	768	1,944	162.00	1989-09-01	1990-08-31
Burnaby Association for the Mentally Handicapped	Cam Dore	Executive Director	4190 E. Hastings Burnaby V6C 2J4	291-6086 299-7811	9, Cafe., Lunch, Wood, Metal, Drafting, Boys Change Area	4.00	10,000	19,200	1600.00	1988-10-01	1989-09-30
Burnaby Association for the Mentally Handicapped	Cam Dore	Executive Director	"	"	30	4.00	1176	3,360	280.00	1989-10-01	1990-08-31
Burnaby Family Life Inst.	Ms. Jeanne Fike	Prog. Coordinator	#19-250 S. Willington Burnaby V5C 5E9	299-9736	19#storage rooms #3&4	2.83	1123	3,180	265.00	1989-12-01	1990-11-30
Burnaby Family Life Inst.	Ms. Jeanne Fike	Prog. Coordinator	"	"	28	4.00	1176	3,360	280.00	1989-09-01	1990-08-31
Burnaby Information and Referral Society	Mrs. Muriel Ferrari	Executive Director	#16-250 S. Willington Burnaby V5C 5E9	299-5778	16storage (S)	2.64	1203	3,180	265.00	1989-12-01	1990-11-30

<u>Lessee</u>	<u>Contact Person</u>	<u>Title</u>	<u>Mailing Address</u>	<u>Phone</u>	<u>Room No.</u>	<u>Sq.Ft.</u>	<u>Area</u>	<u>Annun</u>	<u>Rate</u>	<u>Commences</u>	<u>Terminates</u>
Burnaby Multicultural Society	Ms. Diane King	Exec. Director	250 S.Willingdon	299 4808	Office	4.00	590	2,352	196.00	1989-10-01	1990-03-31
Burnaby Planning Dept.	Mr. F. A. Evans	Munic. Solicitor	4949 Canada Way Burnaby V5G 1M2	294-7312 293-6322	17	2.58	768	1,980	165.00	1989-03-01	1990-07-31
Burnaby Seniors Peer Counselling	Ms. Beth Fitzgerald	Chair	250 S.Willingdon	291 2258	27B	4.00	328	1,320	110.00	1989-10-01	1990-03-31
Burnaby Volunteer Centre	Mrs. Doris E. Noel	Executive Director	#14-250 S. Willingdon	294-5533	146#11(S)	2.38	931	2,220	185.00	1989-12-01	1990-11-30
Burnaby Volunteer Centre	Mrs. Doris E. Noel	Executive Director	Burnaby V5C 5E9	"	Staff Room	4.00	465	1,830	155.00	1989-10-31	1990-03-31
Carpentry Joint Advisory Committee	Mr. Bill Darnell		#12-2806 Kingsway Vancouver V5R 5T5	437-0678 299-6911	1, 21 storage #9	2.45	3032	7,440	620.00	1989-09-01	1990-03-31
C.A.S.I.	Mr. Salvatore Palidda	Director	1812 Charles St Vancouver V6L 2T7	299 7960 254 4396(h)	Book Room	4.00	946	3,768	314.00	1989-10-01	1990-03-31
Douglas College	Ms. Cathie Bissett	Comm. Programmer	P.O. Box 2503 New West V3L 5B2	520-5400 (loc. 5342)	188workrm.	2.54	1040	2,640	220.00	1990-01-01	1990-12-31
United Way, Eby. Division	Ms. Jeannette Hall Ms. Rae Folster	Admin. Secretary Admin. Secretary	250 S. Willingdon Burnaby V5C 5E9	291-2895	Counselling Block, Shared use of #1	2.39	979	2,340	195.00	1989-12-01	1990-11-30