

CITY OF BURNABY
EXECUTIVE COMMITTEE OF COUNCIL
(LEASE GRANTS)

HIS WORSHIP, THE MAYOR
AND COUNCILLORS

RE: 1994 PHASE 3 - BURNABY HEIGHTS LEASE RATES AND GRANTS

The Executive Committee of Council recommends the following for approval of Council:

RECOMMENDATIONS:

1. THAT the proposed 1994 lease rates for Burnaby Heights tenants shown in Appendix 1, Tables 1 and 2 be approved.
2. THAT the anticipated 1994 total lease grant amounts shown in Appendix 2, Table 3 be received for information.
3. THAT Finance Department staff be authorized to make the appropriate lease renewal arrangements with Burnaby Heights tenants.
4. THAT Burnaby Heights tenants be sent a copy of this report for information and be advised of the process to apply for 1994 lease grants as outlined in Section 4.0 of this report.

R E P O R T

At the Executive Committee of Council meeting held on 1993 September 27, the Committee received and adopted the attached report which provides information on the 1994 Phase 3 lease rates and grants for tenants of the Burnaby Heights facility. The report provides information on the third and final phase of the program for 1994.

:COPY - CITY MANAGER - DIRECTOR FINANCE - DIRECTOR PLANNING & BUILDING
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The Committee therefore submits the recommendations to Council for approval.

Respectfully submitted,

Councillor D. Drummond,
Chair

Mayor W.J. Copeland,
Member

Councillor D. Corrigan,
Member

Councillor L.A. Rankin,
Member

Councillor J. Young,
Member

TO: EXECUTIVE COMMITTEE - GRANTS 1993 AUGUST 11
FROM: DIRECTOR PLANNING & BUILDING OUR FILE: 10.121
SUBJECT: 1994 PHASE 3 - BURNABY HEIGHTS LEASE RATES & GRANTS
PURPOSE: To provide information on the 1994 Phase 3 lease rates and grants for tenants of the Burnaby Heights facility.

RECOMMENDATIONS:

1. **THAT** the proposed 1994 lease rates for Burnaby Heights tenants shown in Appendix 2, Tables 1 & 2 be approved.
2. **THAT** the anticipated 1994 total lease grant amounts shown in Appendix 2, Table 3 be received for information.
3. **THAT** Finance Department staff be authorized to make the appropriate lease renewal arrangements with Burnaby Heights tenants.
4. **THAT** Burnaby Heights tenants be sent a copy of this report for information and be advised of the process to apply for 1994 lease grants as outlined in Section 4.0 of this report.

REPORT

1.0 INTRODUCTION

On 1991 October 21, Council approved a three (3) year phased approach to establish market value lease rates for Burnaby Heights tenants. The first phase of lease rate increases for Burnaby Heights tenants was implemented on 1992 January 01.

Council also approved lease grant guidelines whereby tenants could qualify for a City grant to offset each phase of the lease rate increases. The lease grant guidelines are contained in Appendix 1 (*attached*).

Based on the lease grant guidelines, Council on 1993 January 04 approved the recommendations of the Executive Committee - Grants which provided for the issuance of lease grants to offset the second phase of lease rate increases for nine (9) non-profit organizations at Burnaby Heights.

This report provides information on the third and final phase of the program for 1994. It presents 1994 lease rate increases, and anticipated lease grant amounts for existing Burnaby Heights tenants.

2.0 PROPOSED 1994 LEASE RATES - PHASE 3

In 1991, Council approved a three (3) year phased approach to increase lease rates at Burnaby Heights to a market value level of \$8.00/sq.ft. per annum for office space and \$5.00/sq.ft. per annum for workshop/utility space, adjusted annually for inflation. Over a three (3) year period, Council established lease rates increases to reach the established market value lease rate by 1994.

Appendix 2, Table 1 *attached* provides information on lease rates for Burnaby Heights tenants from 1991 to 1994. Table 2 shows the proposed lease rate increases for 1994, which includes an adjustment for inflation of 4%. These rates do not reflect the anticipated 1994 offsetting lease grants.

3.0 ANTICIPATED 1994 LEASE GRANTS

Lease Grant Guidelines

The lease grant guidelines approved by Council provide for the issuance of lease grants to non-profit organizations providing services of benefit to Burnaby residents. In general, the guidelines provide for offsetting lease grants as follows:

Category 1: Full Grant

non-profit organizations whose services benefit primarily Burnaby residents qualify for lease grants to hold lease costs at 1991 levels.

Category 2: Partial Grant

non-profit organizations whose services mostly benefit Burnaby residents but whose services are also provided on a regional, provincial, national or international basis qualify for lease grants to offset 50% of phased lease rate increases.

Category 3: No Grant

organizations which provide limited services to Burnaby residents, are direct extension of other levels of government, are not community based, have a clear financial ability to meet costs or operate on a for profit basis generally do not qualify for lease grants. These organizations would experience the full phased lease increase.

Anticipated 1994 Lease Grants

Based on the lease grant guidelines adopted by Council, ten (10) Burnaby Heights tenants appear to qualify for lease grants to offset their 1994 lease rate increase. Appendix 2, Table 3 *attached* provides information on 1993 lease grants and anticipated lease grants for next year.

Of the ten (10) tenants, nine (9) appear to qualify for lease grants to offset 100% of their proposed 1994 lease rate increase. This would result in an actual lease rate increase of 4% from 1993. One (1) tenant, Scouts Canada, appears to qualify for a lease grant to offset 83% of its proposed lease rate increase. This would result in an actual lease rate increase of 9.3% from 1993 to 1994.

Based on the lease grant guidelines, the remaining tenants do not appear to qualify for a lease grant to offset their proposed Phase 3 (1994) lease rate increase. These tenants would be subject to the full 1994 lease rate increase as shown in Appendix 2, Table 4 *attached*.

The following table summarizes the proposed changes in 1994 lease rates, grants and revenues for the Burnaby Heights facility:

Total Lease Rate Increase	\$42,374
Total Lease Grant Increase	\$30,313
Net Lease Revenue Increase	\$12,061
Total Lease Revenue (before grants)	\$215,604
Total Lease Grants	\$92,751
Net Lease Revenue (after grant)	\$122,853

4.0 APPLICATION PROCESS

To assist tenants in making applications for 1994 lease grants, it is proposed that this report and the approved 1994 lease rates be distributed to the Burnaby Heights tenants for information. Accompanying the report, staff would include each tenant's 1994 lease agreement and a covering letter that would:

- . outline the process and timelines for making application for a lease grant
- . request that applications include information on the following:
 - . proof of non-profit status
 - . list of society directors
 - . description of programs and services
 - . most recent financial statement
 - . percent of recipients receiving programs or services of the agency that are Burnaby residents.
- . request that applications be made in relation to financial need and within the grant guidelines adopted by Council.
- . advise that staff are available to answer questions on the report and grant application process.

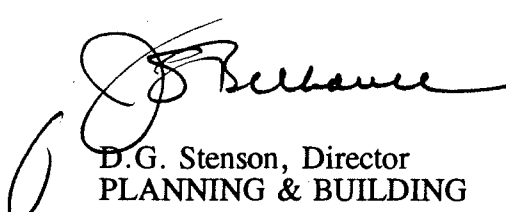
Once grant applications are received, staff will prepare a summary report for the Executive Committee - Grants. At that time the Committee may wish to hear delegations.

The following are general timelines for the approval of lease rates and grants:

- . consideration of this report by the Executive Committee - Grants in 1993 September.
- . approval of proposed lease rates by Council in late 1993 September.
- . distribution of this report and lease agreements to tenants in early 1993 October.
- . submission of lease grant applications to Clerks Office by early 1993 November.
- . consideration of the lease grant applications by the Executive Committee - Grants in late 1993 November.
- . consideration by Council of the lease grant recommendations of the Executive Committee - Grants in early 1993 December.

It is expected that this timeline will provide tenants with sufficient notice to prepare for 1994 lease rates and to make application for lease grants as appropriate.

It is proposed that the Committee forward this report and recommendations to Council for approval. Once approved by Council, staff would contact Burnaby Heights tenants to make the appropriate lease agreement arrangements and advise of the lease grant application process.



D.G. Stenson, Director
PLANNING & BUILDING



LPcb

Attachments

cc: City Manager
Director Finance
Director Administrative & Community Services
City Clerk
City Solicitor

APPENDIX 1:

**GUIDELINES FOR LEASE GRANTS AT
CITY COMMUNITY RESOURCE FACILITIES**

The following proposed guidelines are designed to assist with the evaluation of lease grant requests from groups occupying City Community Resource Facilities and seeking assistance on a demonstrated financial need basis.

The guidelines have been developed to ensure that City lease support is maximized for those non-profit organizations which provide direct services to Burnaby residents.

In general, the guidelines provide for:

- full lease support for those non-profit community service agencies whose programs or services are directed to recipients, at least 75% of which are Burnaby residents.
- one-half of full lease support for those non-profit community service agencies whose programs or services are directed to recipients, of which 25 to 75% are Burnaby residents.
- no lease support for those organizations that are located in a Burnaby Community Resource Facility, but:
 - provide services or programs of which less than 25% of benefiting recipients are Burnaby residents.
 - are direct extensions of programs or services provided or funded by other levels of government,
 - operate only for the direct benefit of the membership of the organization,
 - have a clear financial ability to meet full lease rate costs, or
 - operate on a for profit basis.

**Category 1: Non-profit Agencies Serving Burnaby
Full Lease Support**

An agency that meets all of the following criteria would qualify for full lease support - 50% of the full lease rate:

i) Non-Profit

The agency is a registered non-profit society.

ii) Community Service

The agency provides programs or services to the community.

iii) Burnaby Based

Over 75% of recipients receiving the programs or services of the agency are Burnaby residents.

iv) Financial Status

The agency provides an accounting of a financial need for lease support.

**Category 2: Non-profit Agencies Serving Burnaby and Other Areas
One-half of Full Lease Support**

An agency that meets all of the following criteria would qualify for one-half full lease support - 25% of the full lease rate:

i) Non-Profit

The agency is a registered non-profit society.

ii) Community Service

The agency provides programs or services to the community.

iii) Partially Burnaby Based

Between 25% and 75% of the recipients receiving programs or services of the agency are Burnaby residents.

iv) Financial Status

The agency provides an accounting of a financial need for lease support.

**Category 3: Non-profit Agency Serving Other Areas or Purposes
No Lease Support**

An agency that meets any of the following criteria would not qualify for lease support:

i) Non-Burnaby Based

Less than 25% of the recipients of programs or services of the agency are Burnaby residents.

ii) Extensions of Other Levels of Government

The agency is a direct extension of programs or services provided or funded by other levels of government.

iii) Non-Community Based

The agency operates for the direct benefit of its membership and not for the benefit of the Burnaby community at large.

iv) For Profit

The agency operates on a for profit basis.

v) **Financial Status**

The agency has a clear financial ability to meet full lease rate costs.

OTHER RELEVANT FACTORS

The staff review of agencies applying for lease support would also consider any other relevant factors that may have an impact on the evaluation of the application in relation to the proposed guidelines.

City of Burnaby
Adopted by Council
1992 April 21

Revised 1993 August 14

BURNABY HEIGHTS RESOURCE FACILITY
1994 PHASE III
LEASE RATES 1991 - 1993
(Before Issuance of Lease Grants)

Name of Organization	A	B	C	D
	Leased Area	1991 Lease Rate (1)	1992 Phase I Lease Rate	1993 Phase II Lease Rate
	(Sq. Ft.)	(\$ per square foot per year)		
Barry Jones, MLA Constituency Office	768	\$3.47	\$5.25	\$6.88
Boy Scouts of Canada	3,168	\$2.52	\$4.62	\$6.56
B.C. Amateur Boxing Association	359	\$1.94	\$3.46	\$4.36
B.C. Parents in Crisis	979	\$2.51	\$4.61	\$6.56
Burnaby Assoc. Mentally Handicapped	8,422	\$2.44	\$3.46	\$4.36
Burnaby Family Life Institute	4,158	\$3.87	\$5.12	\$6.81
Burnaby Information & Referral Society	1,203	\$2.77	\$4.78	\$6.64
Burnaby Multicultural Society	1,348	\$4.19	\$5.73	\$7.12
Burnaby School District	3,936	\$4.20	\$4.54	\$4.72
Burnaby Seniors Peer Counselling	1,192	\$4.24	\$5.76	\$7.13
Burnaby Volunteer Centre	1,396	\$3.06	\$4.98	\$6.74
Burnaby/New Westminster Child Care Support Program	1,056	N/A	N/A	\$8.25
Comitato Attivita Scholastiche Italian	1,595	\$4.20	\$5.73	\$7.12
TOTAL	29,580			

(1) The 1991 lease rates were based on the rates previously established by the Burnaby School District.

BURNABY HEIGHTS RESOURCE FACILITY

1994 PHASE III

PROPOSED LEASE RATES - 1994

(Before Issuance of Lease Grant)

Name of Organization	E	F	G	H
	1993 Phase II Lease Rate	1994 Phase III Lease Rate Increase	1994 Inflation Adjustment (4%) (2)	Proposed 1994 Phase III Lease Rate(3)
			(E X .04)	(E+F+G)
	(\$ per square foot per year)			
Barry Jones, MLA Constituency Office	\$6.88	\$1.63	\$0.26	\$8.77
Boy Scouts of Canada	\$6.56	\$1.94	\$0.27	\$8.77
B.C. Amateur Boxing Association	\$4.36	\$0.90	\$0.17	\$5.43
B.C. Parents in Crisis	\$6.56	\$1.95	\$0.26	\$8.77
Burnaby Assoc. Mentally Handicapped	\$4.36	\$0.90	\$0.17	\$5.43
Burnaby Family Life Institute	\$6.81	\$1.69	\$0.27	\$8.77
Burnaby Information & Referral Society	\$6.64	\$1.86	\$0.27	\$8.77
Burnaby Multicultural Society	\$7.12	\$1.39	\$0.26	\$8.77
Burnaby School District	\$4.72	\$0.18	\$0.19	\$5.09
Burnaby Seniors Peer Counselling	\$7.13	\$1.37	\$0.27	\$8.77
Burnaby Volunteer Centre	\$6.74	\$1.76	\$0.27	\$8.77
Burnaby/New Westminster Child Care Support Program	\$8.25	\$0.20	\$0.32	\$8.77
Comitato Attivita Scholastiche Italian	\$7.12	\$1.39	\$0.26	\$8.77

- (2) The actual adjustment for inflation (4.0%) has been increased or decreased by 1 or 2 cents to account for rounding errors over the three years of the program.
- (3) The proposed 1994 lease rate for office space is \$8.77. The proposed 1994 rate for workshop/storage space is \$5.42. The lease rate for the School District increases 4.0% above inflation each year until it reaches the established office space lease rate.

BURNABY HEIGHTS RESOURCE FACILITY
1994 PHASE III
ANTICIPATED LEASE GRANTS - 1994

Name of Organization	I	J	K	L	M
	Eligibility for Lease Grant (%)	Calculated 1993 Lease Grant (4)	Proposed 1994 Phase III Lease Rate Increase	Anticipated 1994 Lease Grant Increase	Anticipated 1994 Lease Grant Total (5)
	(%)	$D - (B \times 1.04) \times A \times I$	$(F + G) \times A$	$(F \times A \times D)$	$(J + L)$
Barry Jones, MLA Constituency Office	0%	\$0	\$1,452	\$0	\$0
Boy Scouts of Canada	82.6%(6)	\$10,308	\$7,001	\$5,077	\$15,385
B.C. Amateur Boxing Association	0%	\$0	\$384	\$0	\$0
B.C. Parents in Crisis	0%	\$0	\$2,164	\$0	\$0
Burnaby Assoc. Mentally Handicapped	100%	\$15,348	\$9,012	\$7,580	\$22,928
Burnaby Family Life Institute	100%	\$11,581	\$8,150	\$7,027	\$18,608
Burnaby Information & Referral Society	100%	\$4,522	\$2,562	\$2,238	\$6,760
Burnaby Multicultural Society	100%	\$3,724	\$2,224	\$1,874	\$5,597
Burnaby School District	0%	\$0	\$1,456	\$0	\$0
Burnaby Seniors Peer Counselling	100%	\$3,243	\$1,955	\$1,633	\$4,876
Burnaby Volunteer Centre	100%	\$4,966	\$2,834	\$2,457	\$7,423
Burnaby/New Westminster Child Care Support Program	100%	\$4,356	\$549	\$211	\$4,567
Comitato Attivita Scholastiche Italian	100%	\$4,389	\$2,632	\$2,217	\$6,606
TOTAL		\$62,438	\$42,374	\$30,313	\$92,751

- (4) The calculated 1993 Lease Grant amounts have been adjusted from the actual lease grant issued to reflect changes in space allocations and rounding errors over the past 2 years.
- (5) The Phase III lease grant amount does not offset the 4% adjustment for inflation.
- (6) The eligibility of Scouts Canada for a lease grant reflects the proportion of their space used for Burnaby residents.

BURNABY HEIGHTS RESOURCE FACILITY
1994 PHASE III
ANTICIPATED ANNUAL LEASE RATE INCREASE - 1993 TO 1994
(After Issuance of Anticipated Lease Grant)

Name of Organization	N	O	P	Q	
	1993 Annual Lease Rate (7)	Proposed 1994 Annual Lease Rate (8)	Anticipated 1994 Lease Grant	Anticipated Resulting 1994 Lease Rate Increase	
				(\$)	(%)
	(D x A)	(H x A)	(J + L)	(O-N-L)	(Q/N) x 100
Barry Jones, MLA Constituency Office	\$5,284	\$6,735	\$0	\$1,452	27.5%
Boy Scouts of Canada	\$20,782	\$27,783	\$15,385	\$1,925	9.3%
B.C. Amateur Boxing Association	\$1,565	\$1,949	\$0	\$384	24.5%
B.C. Parents in Crisis	\$6,422	\$8,586	\$0	\$2,164	33.7%
Burnaby Assoc. Mentally Handicapped	\$36,720	\$45,731	\$22,928	\$1,432	3.9%
Burnaby Family Life Institute	\$28,316	\$36,466	\$18,608	\$1,123	4.0%
Burnaby Information & Referral Society	\$7,988	\$10,550	\$6,760	\$325	4.1%
Burnaby Multicultural Society	\$9,598	\$11,822	\$5,597	\$350	3.7%
Burnaby School District	\$18,578	\$20,034	\$0	\$1,456	7.8%
Burnaby Seniors Peer Counselling	\$8,499	\$10,454	\$4,876	\$322	3.8%
Burnaby Volunteer Centre	\$9,409	\$12,243	\$7,423	\$377	4.0%
Burnaby/New Westminster Child Care Support Program	\$8,712	\$9,261	\$4,567	\$338	3.9%
Comitato Attivita Scholastiche Italian	\$11,356	\$13,988	\$6,606	\$415	3.7%
TOTAL	\$173,229	\$215,604	\$92,751	\$12,061	

(7) The 1993 annual lease rates have been adjusted to reflect changes in space allocation.

(8) The proposed 1994 annual lease rate includes the 4% adjustment for inflation.

BURNABY HEIGHTS RESOURCE FACILITY
1994 PHASE III
ANTICIPATED LEASE RATE INCREASES - 1993 TO 1994
(After Issuance of Anticipated Lease Grant)

Name of Organization	R	S	T	U	V
	1993 Lease Rate	Proposed 1994 Lease Rate	Anticipated 1994 Total Lease Grant	Resulting 1994 Lease Rate	Resulting Proportion of Lease Rate Offset by Lease Grant ⁽⁹⁾
	(\$ per square foot)				(%)
			(M/A)	(S - T)	(T/S)
Barry Jones, MLA Constituency Office	\$6.88	\$8.77	\$0	\$8.77	0%
Boy Scouts of Canada	\$6.56	\$8.77	\$4.86	\$3.91	55%
B.C. Amateur Boxing Association	\$4.36	\$5.43	\$0	\$5.43	0%
B.C. Parents in Crisis	\$6.56	\$8.77	\$0	\$8.77	0%
Burnaby Assoc. Mentally Handicapped	\$4.36	\$5.43	\$2.72	\$2.71	50%
Burnaby Family Life Institute	\$6.81	\$8.77	\$4.48	\$4.30	51%
Burnaby Information & Referral Society	\$6.64	\$8.77	\$5.62	\$3.15	64%
Burnaby Multicultural Society	\$7.12	\$8.77	\$4.15	\$4.62	47%
Burnaby School District	\$4.72	\$5.09	\$0	\$5.09	0%
Burnaby Seniors Peer Counselling	\$7.13	\$8.77	\$4.09	\$4.68	47%
Burnaby Volunteer Centre	\$6.74	\$8.77	\$5.32	\$3.45	61%
Burnaby/New Westminster Child Care Support Program	\$8.25	\$8.77	\$4.33	\$4.45	49%
Comitato Attivita Scholastiche Italian	\$7.12	\$8.77	\$4.14	\$4.63	47%

(9) The resulting proportion of lease rate offset by the lease grant reflects the lease rates established by the School District in 1991 and the level of lease grant awarded to each tenant.