

EXECUTIVE COMMITTEE OF COUNCIL

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

SUBJECT: 2009 LEASE RATES AND GRANTS – RESOURCE CENTRES

RECOMMENDATIONS:

1. THAT Burnaby Council be requested to approve the proposed 2009 lease rates for Resource Centre tenants as presented in this report.
2. THAT Information on the approved 2009 lease rates and the anticipated lease grants be distributed to Resource Centre tenants for information.
3. THAT Resource Centre tenants that meet the grant eligibility criteria established by Council be requested to make an application for 2009 lease grants

REPORT

The Executive Committee of Council, at its meeting held on 2008 September 15, received and adopted the *attached* report presenting proposed lease rates and anticipated lease grants for 2009 for non-profit tenants at the Burnaby Heights, Edmonds and Holdom Resource Centres.

Respectfully submitted,

Councillor P. Calendino
Chair

Councillor N. Volkow
Vice Chair

Councillor L. Rankin
Member

Copied to: City Manager	Director Engineering
Director Finance	City Solicitor
Director Parks, Recreation and Cultural Services	Chief Licence Inspector

TO: CHAIR AND MEMBERS
EXECUTIVE COMMITTEE OF COUNCIL

DATE: 2008 September 10

FROM: DIRECTOR PLANNING & BUILDING

FILE: 12000 10
Reference: Lease Grants

SUBJECT: 2009 LEASE RATES AND GRANTS - RESOURCE CENTRES

PURPOSE: To present proposed lease rates and anticipated lease grants for 2009 for non-profit tenants at the Burnaby Heights, Edmonds and Holdom Resource Centres.

RECOMMENDATIONS:

1. **THAT** Council be requested to approve the proposed 2009 lease rates for Resource Centre tenants as presented in this report.
2. **THAT** information on the approved 2009 lease rates and the anticipated lease grants be distributed to Resource Centre tenants for information.
3. **THAT** Resource Centre tenants that meet the grant eligibility criteria established by Council be requested to make an application for 2009 lease grants.

REPORT**1.0 INTRODUCTION**

In 1992 April, Council approved guidelines for the establishment of lease rates and the issuance of lease grants to non-profit community groups occupying space at the Burnaby Heights and Edmonds Resource Centres. At its 2007 May 7 closed meeting, Council approved a proposal for the application of the established lease rates and grants process for non-profit community groups being allocated space at the Holdom Resource Centre. The guidelines consist of two key components: a) annual adjustments for inflation to establish lease rates, and b) establishing a mechanism for the provision of offsetting grants, representing 25% to 50% of lease costs, for qualifying tenant organizations.

With the foregoing as context, this report presents proposed lease rates and anticipated lease grant amounts for 2009 for tenants of the Burnaby Heights, Edmonds and Holdom Resource Centres.

To: Executive Committee of Council
From: Director Planning & Building
Re: 2009 Lease Rates and Grants - Resource Centres
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2.0 PROPOSED 2009 LEASE RATES

For 2008, the lease rate was set at \$11.14/square foot per annum for office space and \$6.92/square foot per annum for workshop/utility space at the Resource Centres. It is proposed that the lease rate for the coming year be increased by 2.4 percent, consistent with the projected inflation rate for 2009 (see attached Table 1). The change would result in a proposed lease rate of \$11.41/square foot per annum for office space and \$7.09/square foot per annum for workshop/utility space.

In line with Council adopted policy the lease rate for resource centre space made available to the Burnaby School District is to increase by 4.0 percent per year above the previously established rate until it reaches the lease rate established for other tenants. This phased program of lease rate increases for the School District was established to allow the School District to adjust its budget for annual lease cost increases over an extended period of time. The Burnaby School District is ineligible for lease grants given its status as a statutory agency in Burnaby.

On 2007 November 26, Council allocated new resource centre space at the Holdom Resource Centre to 5 existing Burnaby Heights tenants. Relocating tenants were required to forgo roughly an equal or greater amount of space from their current premises at Burnaby Heights in order to accommodate the future closure at this centre. Currently Burnaby Community Connections, Burnaby Seniors Outreach Services Society, Marguerite Dixon Transition and Volunteer Burnaby have been allocated a total of 3,745 square feet at Holdom and have confirmed that they will vacate an equal or greater amount of space at Burnaby Heights (they will be vacating 5,506 square feet at Burnaby Heights). At the time of this writing, Burnaby Family Life Institute has been allocated 1,300 square feet at Holdom Resource Centre but has yet to confirm whether or not they will be relocating and vacating equal or greater space at Burnaby Heights. As such the proposed 2009 lease rates and grants are based on the currently confirmed space allocations for 2009.

3.0 ANTICIPATED 2009 LEASE GRANTS

Lease Grant Guidelines

The guidelines approved by Council provide for the issuance of lease grants to non-profit Resource Centre tenants which provide services, programs, or facilities of benefit to Burnaby residents. In general, tenants can qualify for a grant to offset 25 or 50 percent of the lease costs depending on the level of service provided to Burnaby residents.¹

¹ The 25 percent offset is available to agencies for which between 25 and 75 percent of their constituency consists of Burnaby residents. The 50 percent offset is available to agencies for which over 75 percent of their constituency base consists of Burnaby residents.

Anticipated 2009 lease grant amounts are outlined in Table 2 *attached*. The lease grant amounts are based on the adopted lease grant guidelines and are consistent with the 2008 lease grants approved by Council. The estimate of anticipated lease grants is provided to assist tenants in making an application for 2009 lease grants and for the City's budget planning purposes. Lease grant amounts are based on current occupancies, confirmed relocations to the Holdom facility and expected lease grant eligibility for 2009.

Summary Table

Funds for the anticipated 2009 lease grants will be included for consideration in the upcoming 2009 Provisional Operating Budget. For budgeting and comparison purposes, the following table summarizes the total change arising from the proposed 2009 lease rates and anticipated lease grants for tenants of the Burnaby Heights, Edmonds and Holdom Resource Centres based on current 2008 space allocations and currently anticipated 2009 allocations. It should be noted that the City will not be reallocating space vacated at Burnaby Heights given the planned closure of the facility in December 2009. The figures presented below thus reflect negative increases, as there is a projected net reduction in leased space of 1,121 square feet.

SUMMARY OF TOTAL CHANGE OF LEASE REVENUE AND GRANTS (2008-2009)

Burnaby Heights Resource Centre*	2008	2009	Resulting \$ Change 2008-2009	Resulting % Change 2008-2009
Lease Rates (before grants)	\$311,244.98	\$242,005.25	\$-69,239.73	-22.2%
Lease Grants	\$97,922.66	\$65,147.82	\$-32,774.84	-33.5%
Lease Revenues (after grants)	\$207,173.05	\$176,857.43	\$-30,315.61	-14.6%
Edmonds Neighbourhood Resource Centre				
Lease Rates (before grants)	\$194,237.04	\$198,944.76	\$4,707.72	2.4%
Lease Grants	\$82,391.44	\$84,388.36	\$1,996.92	2.4%
Lease Revenues (after grants)	\$111,845.60	\$114,556.40	\$2,710.80	2.4%
Holdom Community Resource Centre				
Lease Rates (before grants)	\$0	\$57,563.45	\$57,563.45	n/a
Lease Grants	\$0	\$28,781.73	\$28,781.73	n/a
Lease Revenues (after grants)	\$0	\$28,781.73	\$28,781.73	n/a
Total Revenue:	\$319,018.65	\$320,195.56	\$1,176.91	0.4%

*A further reduction of 1,300 square feet may be achieved should Burnaby Family Life confirm acceptance of space at the Holdom Resource Centre. Should Burnaby Family Life choose to relinquish their space allocation at Holdom Resource Centre, 1,300 square feet will be re-allocated to another Burnaby Heights tenant(s), with the vacating of equal or greater space at Burnaby Heights.

4.0 RECOMMENDATIONS AND NEXT STEPS

It is recommended that the proposed 2009 lease rates for Resource Centre tenants be approved, as presented in this report. Once Council approval is received, it is also recommended that tenants be advised of the 2009 lease rates and anticipated lease grant amounts. Depending on their eligibility for lease grant support, tenants would be requested to apply for 2009 lease grants. As part of the lease grant application process, tenants would be asked to provide information on their 2008 service activities, including the following:

- Proof of non-profit status;
- Statement of program/service activities conducted in Burnaby;
- Estimate of hours per month that allocated space was used for community service/agency purposes; and
- Percentage of recipients of the agency's programs and services that were Burnaby residents;
- Any changes in programs/services/client usage that they might anticipate between 2008 and 2009.

Once the lease grants applications have been received, staff will prepare a further report for the Committee on the requested lease grant amounts. Approved lease grant amounts would be adjusted accordingly, on a month to month basis, to reflect relocations to Holdom Resource Centre as they occur.



B. Luksun, Director
PLANNING & BUILDING

DP/
Attachments (3)

Copied to:	City Manager	City Clerk
	Director Finance	City Solicitor
	Director Parks, Recreation and Cultural Services	Chief Licence Inspector
	Director Engineering	

TABLE 1. PROPOSED 2009 LEASE RATES

RESOURCE CENTRES	2008 Leased Area* (sq. ft.)	2009 Leased Area* (sq.ft.)	2008 Lease Rate (\$/sq. ft.)	2009 Proposed Rate Increase	2009 Proposed Lease Rate (before grant)
Burnaby Heights Resource Centre					
759 Royal Air Cadets "Falcon Squadron"	1,004	1,004	\$11.14	2.4%	\$11.41
Air Cadets - Storage	172	172	\$6.92	2.4%	\$7.09
Space to be vacant in 2009	328	0	\$11.14	n/a	n/a
BC Centre for Ability Association	1,568	1,568	\$6.92	2.4%	\$7.09
Boxing BC	163	163	\$6.92	2.4%	\$7.09
Boy Scouts of Canada	1,056	1,056	\$11.14	2.4%	\$11.41
Burnaby Family Life Institute	3,007	3,007	\$11.14	2.4%	\$11.41
Space to be vacant in 2009	2,243	0	\$11.14	n/a	n/a
Burnaby School District	9,410	9,410	\$10.03	4.0%	\$10.43
Space to be vacant in 2009	1,152	0	\$11.14	n/a	n/a
Burnaby Association for Community Inclusion	4,416	4,416	\$6.92	2.4%	\$7.09
Caireen Child & Family Services	437	437	\$11.14	2.4%	\$11.41
Fraser Health Authority	772	772	\$11.14	2.4%	\$11.41
Fraser Valley Square & Round Dance Society	312	312	\$6.92	2.4%	\$7.09
Marguerite Dixon Transition Society	1,233	768	\$11.14	2.4%	\$11.41
North Burnaby Boxing Club	624	624	\$6.92	2.4%	\$7.09
Space to be vacant in 2009	332	0	\$11.14	n/a	n/a
Space to be vacant in 2009	1,536	0	\$11.14	n/a	n/a
Space to be vacant in 2009	110	0	\$6.92	n/a	n/a
YMCA of Greater Vancouver	1,056	1,056	\$11.14	2.4%	\$11.41
TOTAL (Burnaby Heights) **	30,931	24,765			
Edmonds Neighbourhood Resource Centre					
Burnaby Family Life Institute	3,000	3,000	\$11.14	2.4%	\$11.41
Burnaby FireFighters Charitable Society	864	864	\$11.14	2.4%	\$11.41
Burnaby School District	1,499	1,499	\$11.14	2.4%	\$11.41
Canadian Mental Health Association	1,506	1,506	\$11.14	2.4%	\$11.41
Canadian Red Cross Society - Burnaby Branch	1,500	1,500	\$11.14	2.4%	\$11.41
Deaf Children's Society of BC	2,290	2,290	\$11.14	2.4%	\$11.41
Immigrant Services Society of BC	1,167	1,167	\$11.14	2.4%	\$11.41
St. Matthew's Day Care Society	5,610	5,610	\$11.14	2.4%	\$11.41
TOTAL (Edmonds)	17,436	17,436			
Holdom Community Resource Centre					
Tenant to be confirmed	n/a	1,300	n/a	n/a	\$11.41
Marguerite Dixon Transition Society	n/a	464	n/a	n/a	\$11.41
Burnaby Seniors Outreach Services Society	n/a	570	n/a	n/a	\$11.41
Volunteer Burnaby	n/a	1,000	n/a	n/a	\$11.41
Burnaby Community Connections	n/a	1,711	n/a	n/a	\$11.41
TOTAL (Holdom)	0	5,045			
TOTAL RESOURCE CENTRES	48,367	47,246			

*Figures for leased area are based on current 2008 and anticipated 2009 allocations.

**In accordance with Council policy, vacant spaces at Burnaby Heights are not available for re-lease.

TABLE 2. ANTICIPATED 2009 LEASE GRANTS

RESOURCE CENTRES	2009 Proposed Lease Rate (before grant) \$/Year	2009 Anticipated Lease Grant \$/Year	2009 Anticipated Lease Costs (after grant) \$/Year	2009 Anticipated Lease Eligibility Costs Offset (%)
Burnaby Heights Resource Centre				
759 Royal Air Cadets "Falcon Squadron"	\$11,455.64	\$5,727.82	\$5,727.82	50%
Air Cadets - Storage	\$1,219.48	\$609.74	\$609.74	50%
Space to be vacant in 2009	n/a	n/a	n/a	n/a
BC Centre for Ability Association	\$11,117.12	\$5,558.56	\$5,558.56	50%
Boxing BC	\$1,155.67	\$0.00	\$1,155.67	0%
Boy Scouts of Canada	\$12,048.96	\$6,024.48	\$6,024.48	50%
Burnaby Family Life Institute	\$34,309.87	\$17,154.94	\$17,154.94	50%
Space to be vacant in 2009	n/a	n/a	n/a	n/a
Burnaby School District	\$98,146.30	\$0.00	\$98,146.30	0%
Space to be vacant in 2009	n/a	n/a	n/a	n/a
Burnaby Association for Community Inclusion	\$31,309.44	\$15,654.72	\$15,654.72	50%
Caireen Child & Family Services	\$4,986.17	\$1,246.54	\$3,739.63	25%
Fraser Health Authority	\$8,808.52	\$0.00	\$8,808.52	0%
Fraser Valley Square & Round Dance Society	\$2,212.08	\$553.02	\$1,659.06	25%
Marguerite Dixon Transition Society	\$8,762.88	\$4,381.44	\$4,381.44	50%
North Burnaby Boxing Club	\$4,424.16	\$2,212.08	\$2,212.08	50%
Space to be vacant in 2009	n/a	n/a	n/a	n/a
Space to be vacant in 2009	n/a	n/a	n/a	n/a
Space to be vacant in 2009	n/a	n/a	n/a	n/a
YMCA of Greater Vancouver	\$12,048.96	\$6,024.48	\$6,024.48	50%
TOTAL (Burnaby Heights)	\$242,005.25	\$65,147.82	\$176,857.43	26.92%
Edmonds Neighbourhood Resource Centre				
Burnaby Family Life Institute	\$34,230.00	\$17,115.00	\$17,115.00	50%
Burnaby FireFighters Charitable Society	\$9,858.24	\$4,929.12	\$4,929.12	50%
Burnaby School District	\$17,103.59	\$0.00	\$17,103.59	0%
Canadian Mental Health Association	\$17,183.46	\$8,591.73	\$8,591.73	50%
Canadian Red Cross Society - Burnaby Branch	\$17,115.00	\$8,557.50	\$8,557.50	50%
Deaf Children's Society of BC	\$26,128.90	\$6,532.23	\$19,596.68	25%
Immigrant Services Society of BC	\$13,315.47	\$6,657.74	\$6,657.74	50%
St. Matthew's Day Care Society	\$64,010.10	\$32,005.05	\$32,005.05	50%
TOTAL (Edmonds)	\$198,944.76	\$84,388.36	\$114,556.40	42.42%
Holdom Community Resource Centre				
Tenant to be confirmed	\$14,833.00	\$7,416.50	\$7,416.50	50%
Marguerite Dixon Transition Society	\$5,294.24	\$2,647.12	\$2,647.12	50%
Burnaby Seniors Outreach Services Society	\$6,503.70	\$3,251.85	\$3,251.85	50%
Volunteer Burnaby	\$11,410.00	\$5,705.00	\$5,705.00	50%
Burnaby Community Connections	\$19,522.51	\$9,761.26	\$9,761.26	50%
TOTAL (Holdom)	\$57,563.45	\$28,781.73	\$28,781.73	50.00%
TOTAL RESOURCE CENTRES	\$498,513.46	\$178,317.90	\$320,195.56	35.77%

TABLE 3. RESULTING 2009 LEASE COSTS TO TENANTS (after grant)

RESOURCE CENTRES	2008 Lease Revenue (after grants) \$/Year	2009 Anticipated Lease Revenue (after grants) \$/Year	2008-2009 Anticipated Revenue Increase \$/Year	2008-2009 Anticipated Revenue Increase % / Year
Burnaby Heights Resource Centre*				
759 Royal Air Cadets "Falcon Squadron"	\$5,592.28	\$5,727.82	\$135.54	2.4%
Air Cadets - Storage	\$595.12	\$609.74	\$14.62	2.4%
Space to be vacant in 2009	\$2,740.44	n/a	n/a	n/a
BC Centre for Ability Association	\$5,425.28	\$5,558.56	\$133.28	2.4%
Boxing BC	\$1,127.96	\$1,155.67	\$27.71	2.4%
Boy Scouts of Canada	\$5,881.92	\$6,024.48	\$142.56	2.4%
Burnaby Family Life Institute	\$16,748.99	\$17,154.94	\$405.95	2.4%
Space to be vacant in 2009	\$12,493.51	n/a	n/a	n/a
Burnaby School District	\$94,382.30	\$98,146.30	\$3,764.00	4.0%
Space to be vacant in 2009	\$6,416.64	n/a	n/a	n/a
Burnaby Association for Community Inclusion	\$15,279.36	\$15,654.72	\$375.36	2.4%
Caireen Child & Family Services	\$3,651.14	\$3,739.63	\$88.49	2.4%
Fraser Health Authority	\$8,600.08	\$8,808.52	\$208.44	2.4%
Fraser Valley Square & Round Dance Society	\$1,619.28	\$1,659.06	\$39.78	2.4%
Marguerite Dixon Transition Society	\$6,867.81	\$4,381.44	(\$2,486.37)	2.4%
North Burnaby Boxing Club	\$2,159.04	\$2,212.08	\$53.04	2.4%
Space to be vacant in 2009	\$2,773.86	n/a	n/a	n/a
Space to be vacant in 2009	\$8,555.52	n/a	n/a	n/a
Space to be vacant in 2009	\$380.60	n/a	n/a	n/a
YMCA of Greater Vancouver	\$5,881.92	\$6,024.48	\$142.56	2.4%
TOTAL (Burnaby Heights)	\$207,173.05	\$176,857.43	(\$30,315.61)	-14.63%
Edmonds Neighbourhood Resource Centre				
Burnaby Family Life Institute	\$16,710.00	\$17,115.00	\$405.00	2.4%
Burnaby FireFighters Charitable Society	\$4,812.48	\$4,929.12	\$116.64	2.4%
Burnaby School District	\$16,698.86	\$17,103.59	\$404.73	2.4%
Canadian Mental Health Association	\$8,388.42	\$8,591.73	\$203.31	2.4%
Canadian Red Cross Society - Burnaby Branch	\$8,355.00	\$8,557.50	\$202.50	2.4%
Deaf Children's Society of BC	\$19,132.95	\$19,596.68	\$463.73	2.4%
Immigrant Services Society of BC	\$6,500.19	\$6,657.74	\$157.54	2.4%
St. Matthew's Day Care Society	\$31,247.70	\$32,005.05	\$757.35	2.4%
TOTAL (Edmonds)	\$111,845.60	\$114,556.40	\$2,710.80	2.42%
Holdom Community Resource Centre*				
Tenant to be confirmed	n/a	\$7,416.50	n/a	n/a
Marguerite Dixon Transition Society	n/a	\$2,647.12	n/a	n/a
Burnaby Seniors Outreach Services Society	n/a	\$3,251.85	n/a	n/a
Volunteer Burnaby	n/a	\$5,705.00	n/a	n/a
Burnaby Community Connections	n/a	\$9,761.26	n/a	n/a
TOTAL (Holdom)	\$0.00	\$28,781.73	\$0.00	0.00%
TOTAL RESOURCE CENTRES	\$319,018.65	\$320,195.56	(\$27,604.81)	-8.65%

* Figures reflect currently anticipated space allocations for 2009.