

**FINANCIAL MANAGEMENT COMMITTEE**

*HIS WORSHIP, THE MAYOR  
AND COUNCILLORS*

**SUBJECT: PURCHASE OF 3713 KENSINGTON AVENUE**

**RECOMMENDATIONS:**

1. THAT Council authorize the use of Community Benefit Reserves in the amount of \$30,000,000 to finance the purchase of 3713 Kensington Avenue, as outlined in the report.
2. THAT a copy of the report be forwarded to the Parks, Recreation and Culture Commission for information.

**REPORT**

The Financial Management Committee, at its meeting held on 2021 January 20, received and adopted the attached report seeking Council authorization for the use of Community Benefit Reserves to finance the purchase of 3713 Kensington Avenue.

Respectfully submitted,

Mayor M. Hurley  
Chair

Councillor S. Dhaliwal  
Vice Chair

Copied to: City Manager Director Engineering Director Parks, Recreation & Cultural Services Director Planning & Building Director Corporate Services Director Finance Director Public Safety & Community Services Purchasing Manager City Solicitor
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**TO:** CHAIR AND MEMBERS  
FINANCIAL MANAGEMENT COMMITTEE

**DATE:** 2021 January 13

**FROM:** MAJOR CIVIC BUILDING PROJECT  
COORDINATION COMMITTEE

**FILE:** 4230 08  
*Reference: BLAA*

**SUBJECT:** PURCHASE OF 3713 KENSINGTON AVENUE

**PURPOSE:** To request the use of Community Benefit Reserves to finance the purchase of 3713 Kensington Avenue.

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**RECOMMENDATIONS:**

1. **THAT** the Financial Management Committee recommend Council authorize the use of Community Benefit Reserves in the amount of \$30,000,000 to finance the purchase of 3713 Kensington Avenue as outlined in this report.
2. **THAT** a copy of this report be forwarded to the Parks, Recreation and Culture Commission for information.

**REPORT****1.0 INTRODUCTION**

Fortius Sport & Health at 3713 Kensington Avenue opened in 2013 as an integrated athlete development centre. The facility includes a double-gymnasium, fitness centre and office space. On 2020 November 14, Fortius announced that pandemic pressures on the business led to the decision to cease operations effective 2020 December 31.

On 2020 December 15, the City of Burnaby signed a Purchase and Sale Agreement (PSA) with the Fortius Foundation to acquire the land and facilities currently occupied by Fortius Sport & Health.

**2.0 POLICY SECTION**

The purchase of 3713 Kensington Avenue is aligned with the City of Burnaby's Corporate Strategic Plan by supporting the following goals and sub-goals of the Plan.

- **A Dynamic Community**
  - City Facilities and Infrastructure – Build and maintain infrastructure that meets the needs of our growing community
- **An Inclusive Community**
  - Serve a Diverse Community – Ensure City services fully meet the needs of our dynamic community

- Create a Sense of Community – Provide opportunities that encourage and welcome all community members and create a sense of belonging
- **A Healthy Community**
  - Healthy Life – Encourage opportunities for healthy living and well being
  - Healthy Environment – Enhance our environmental health, resilience and sustainability
- **A Thriving Organization**
  - Financial Viability – Maintain a financially sustainable City for the provision, renewal and enhancement of City services, facilities and assets

**3.0 3713 KENSINGTON AVENUE – FORTIUS SPORT & HEALTH**

The purchase price of \$26.6 million includes the 5.16-acre property at 3713 Kensington Avenue and the Fortius building, which is in excess of 146,000 square feet. The purchase also reimburses Fortius for the balance of the pre-paid lease on the adjacent sports fields on City-owned land at 3677 Kensington Avenue.

The City will incorporate this newly acquired facility into its overall recreation programme at Burnaby Lake. Across the street from Fortius, replacement plans for CG Brown Pool and Burnaby Lake Arena with a new Burnaby Lake Sports Complex will be revised.


This funding request includes the purchase price and the replacement of temporary capital contingency in the amount of \$2,660,000 that was used for the deposit. The remaining funds will be used for any potential upgrades that may be required to bring the facility into use by the City.

These expenditures are included in the 2021 – 2025 Provisional Capital Plan under project BAX.0033 and sufficient Community Benefit Reserves are available to finance the capital project outlined in this report.

**4.0 RECOMMENDATIONS**

It is recommended that the Financial Management Committee recommend Council authorize the use of Community Benefit Reserves in the amount of \$30,000,000 to finance the purchase of 3713 Kensington Avenue as outlined in this report. It is also recommended that a copy of this report be forwarded to the Parks, Recreation and Culture Commission for information.

  
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E.W. Kozak, Chair, Major Civic Building Project Coordination Committee

  
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Leon Gous, Director Engineering

  
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Dave Ellenwood  
Director Parks, Recreation and Cultural Services

Copied to: City Manager    Director Public Safety and Community Services  
Director Finance    Purchasing Manager  
Director Corporate Services    City Solicitor  
City Clerk