

NO: R009

COUNCIL DATE: January 15, 2024

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **January 9, 2024**

FROM: **General Manager, Engineering** FILE: **0930-20/094**
General Manager, Community Services

SUBJECT: **Lease Extension of Office Premises at 901, 13485 Central Avenue from Kwantlen Polytechnic University**

RECOMMENDATION

The Engineering and Community Services Departments recommend that Council:

1. Receive this report for information; and
2. Approve the execution by the Mayor and City Clerk of a one-year extension term for the existing lease of the office premises located at 901, 13485 Central Avenue, as generally illustrated in Appendix "I", for the continued use of providing community and staff workspace for the Surrey Anti-Gang Family Empowerment ("SAFE") programming.

INTENT

The intent of this report is to obtain Council's approval for the lease extension of 901, 13485 Central Avenue (the "Premises"), as illustrated in Appendix "II", from Kwantlen Polytechnic University ("KPU") at the KPU City Centre campus for a one-year term.

BACKGROUND

In 2019, the City of Surrey established the SAFE program. To accommodate program needs, premises located on the ninth floor of 13485 Central Avenue (part of the KPU campus) were leased by the City (Appendix "III"). Upon expiry of the initial three-year term, Council subsequently approved lease renewal for a further two-year term (Appendix "IV"). The Premises are currently occupied by City staff that are responsible for operation of the SAFE program and other related programming. It is also used extensively by partner organizations. The current lease expires on February 29, 2024.

DISCUSSION

To facilitate the ongoing operation of related programming, staff recommend a one-year extension of the lease while staff conduct a space planning exercise to determine City-wide space needs. KPU has also indicated they may require the space for their future growth needs.

The leasable area of the Premises is being reduced by 1,486 ft.² to 7,028 ft.² as KPU is retaining the remainder of the space for its own purposes.

There is a current property tax exemption for the 2023, 2024 and 2025 tax years under *SAFE Centre Tax Exemption Bylaw, 2022, No. 20736*. In the spirit of continued collaboration between KPU and the City, KPU has agreed to provide the City with a favourable lease extension rate and reasonable term.

FUNDING

Funding for the lease extension will be included in the draft 2024-2028 General Operating Financial Plan, to be brought forward for Council consideration later this year. Given the need to secure the space prior to lease expiration, staff are bringing this request forward at this time.

CONCLUSION

The lease extension of the Premises will enable the continued occupation of SAFE within the 3 Civic Plaza building until February 28, 2025.

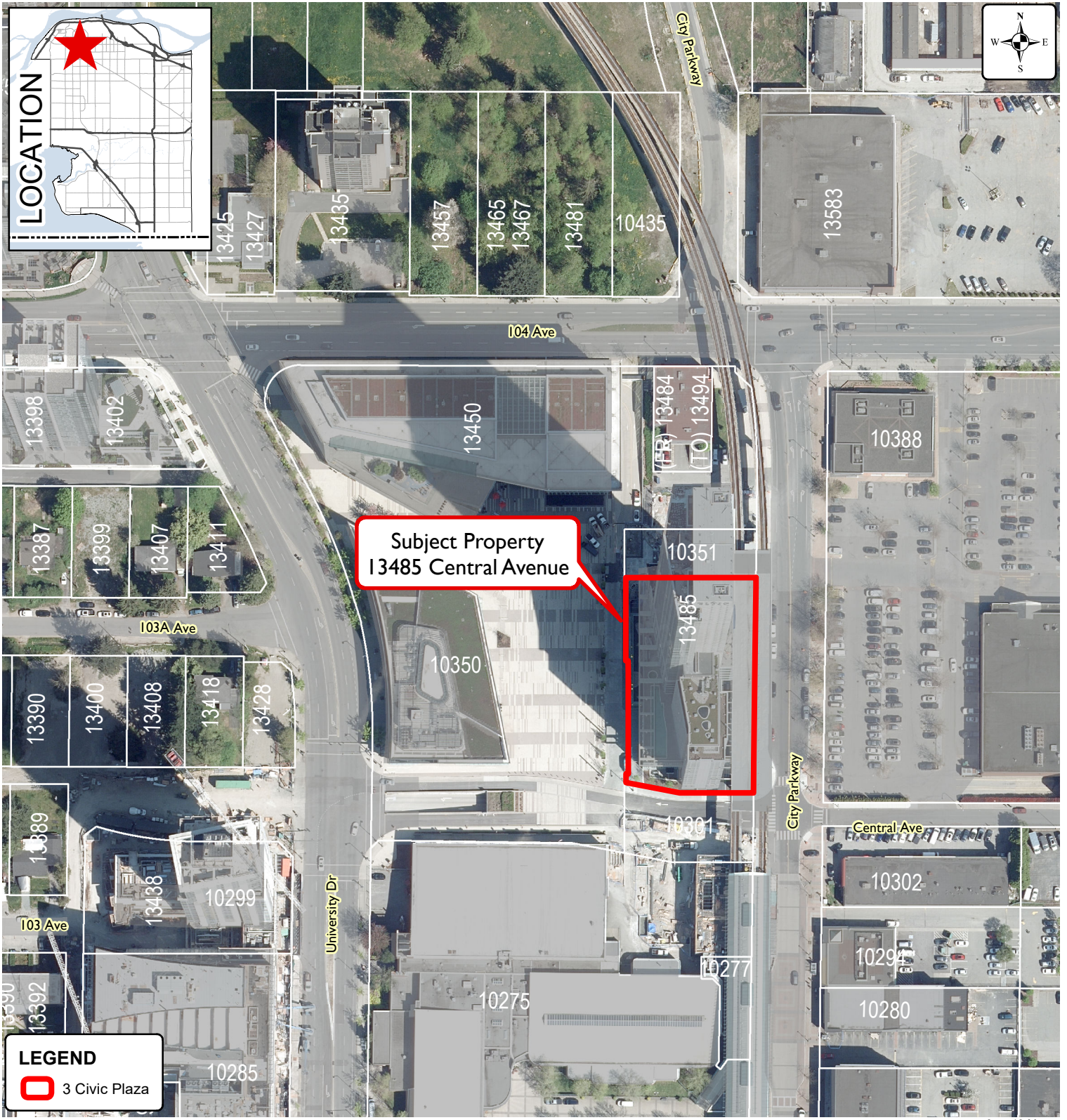
Scott Neuman, P.Eng.
General Manager
Engineering

Terry Waterhouse
General Manager,
Community Services

PK/kd/cc

Appendix "I" – Aerial Photograph of Site
Appendix "II" – Ninth Level Premises
Appendix "III" – Corporate Report No. R024; 2019
Appendix "IV" – Corporate Report No. 181; 2021

AERIAL PHOTOGRAPH OF SITE APPENDIX "I"



Produced by GIS Section: 05-Feb-2019, C9W

Date of Aerial Photograph: April 27, 2018

Scale: 1:1,843 0 10 M



SUBJECT PROPERTY
901, 13485 Central Avenue
Part of 3 Civic Plaza

ENGINEERING
DEPARTMENT

The data provided is compiled from various sources and IS NOT warranted as to its accuracy or sufficiency by the City of Surrey. This information is provided for information and convenience purposes only. Lot sizes, Legal descriptions and encumbrances must be confirmed at the Land Title Office.

Civic Plaza 9th Floor

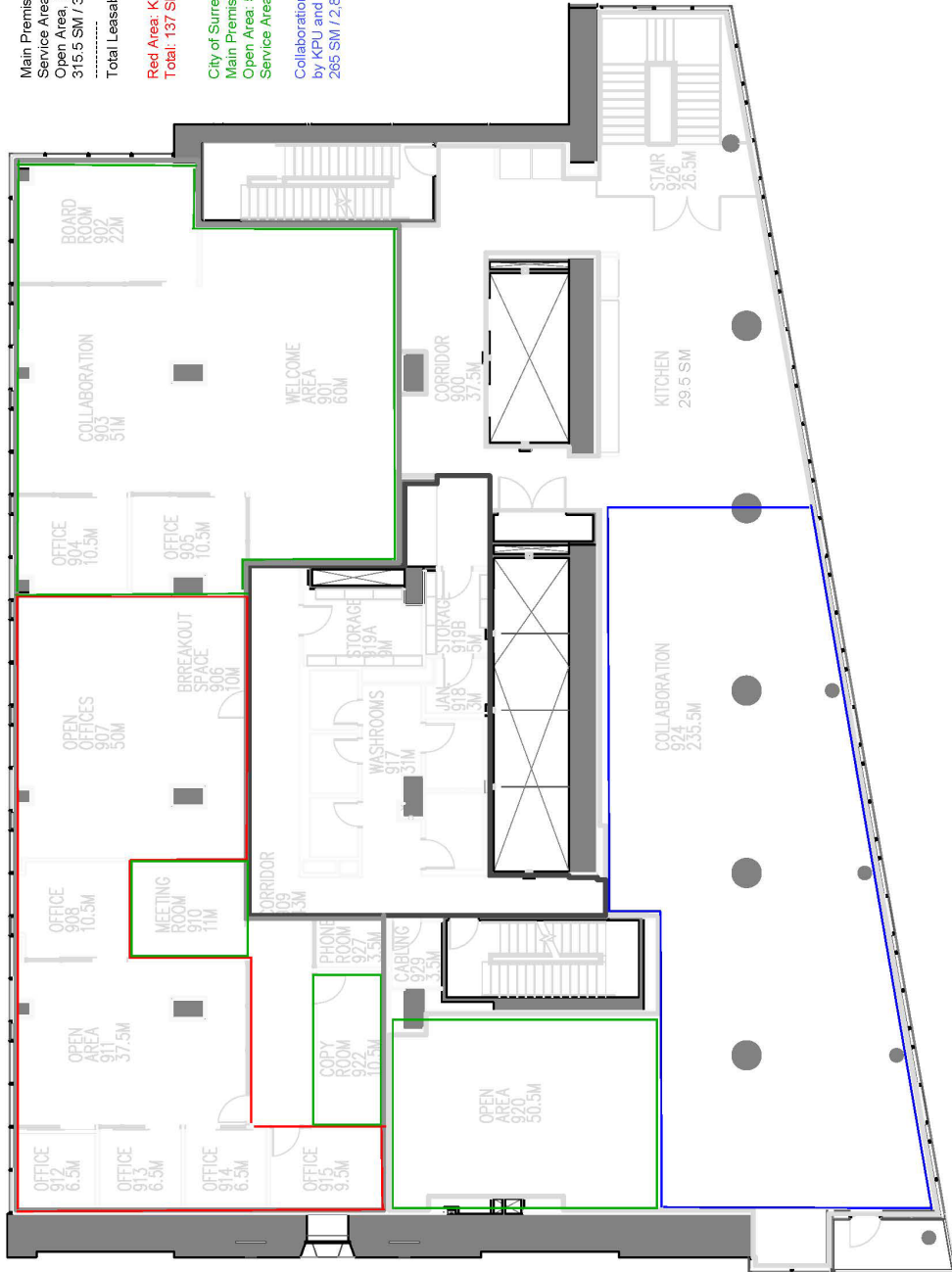
Main Premises: 312.5 SM / 3,374.5 SF
 Service Area: 162 SM / 1,743.5 SF
 Open Area, Kitchen & Collaboration Space:
 315.5 SM / 3,396 SF

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 Total Leasable Area: 790 SM / 8,514 SF

Red Area: KPU to keep during Feb. 2024-25
Total: 137 SM / 1,486 SF

City of Surrey to lease during Feb. 2024-25
 Main Premises: 175.5 SM / 1,889 SF
 Open Area: 50.5 SM / 543.5 SF
 Service Area: 162 SM / 1,743.5 SF

Collaboration Space and Kitchen: to be shared
 by KPU and City of Surrey
 265 SM / 2,852 SF



DRAWING TITLE	LEVEL NINE	DRAWING NUMBER	----	DRAWN BY	HH
ADDRESS	CIVIC PLAZA	DRAWING DATE	JANUARY 2020	ORIENTATION	NORTH
FLOOR	CIVIC PLAZA	DRAWING SCALE	NIS		



CORPORATE REPORT

NO: R024

COUNCIL DATE: February 11, 2019

REGULAR COUNCIL

TO: Mayor & Council DATE: February 7, 2019

FROM: General Manager, Engineering FILE: 0930-20/094
General Manager, Parks, Recreation & Culture

SUBJECT: Lease of Office Premises at 901, 13485 Central Avenue from Kwantlen
Polytechnic University

RECOMMENDATION

The Engineering Department and the Parks, Recreation & Culture Department recommend that Council approve the execution by the appropriate City official of a three (3) year lease with an option for a two (2) year renewal term of the 9,553 ft.² office premises located at 901, 13485 Central Avenue, for the purpose of providing community and work space for the Surrey Anti-Gang Family Empowerment Centre, as generally described in this report and as illustrated in Appendices "I" and "II" attached to this report.

INTENT

The intent of this memorandum is to obtain Council's approval to enter into a lease of the 9,553 ft.² office premises (the "Premises") from Kwantlen Polytechnic University ("KPU") at the KPU City Centre campus.

BACKGROUND

On July 3, 2018, the City of Surrey released the findings of the Mayor's Task Force on Gang Violence Prevention and immediately began consulting with partners to build an action plan to address the recommendations of the Task Force. This led to the establishment of the Surrey Anti-Gang Family Empowerment ("SAFE") Program which will divert children and youth on a pathway to gang involvement and gang violence. On January 22, 2019, the City of Surrey and the Government of Canada announced \$7.5 million in support from the federal government to fund the implementation of the SAFE Program. A core component of the SAFE Program is the establishment of the SAFE Centre that will be a focal point for the delivery of new programs and services for families, as well as providing a venue for coordination of existing programs. The SAFE Centre will be located on the 9th level of the new Kwantlen Polytechnic University ("KPU") campus located at 13485 Central Avenue in the City Centre Plaza. The premises will be occupied by staff from the City responsible for managing the SAFE Program. The SAFE Centre is a partnership between KPU and the City of Surrey.

DISCUSSION

The KPU campus at 13485 Central Avenue (“KPU Campus”) is a titled air space parcel, comprised primarily of five floors of office-campus space and forming part of 3 Civic Plaza. 3 Civic Plaza is a multi-use building that incorporates retail space, office space, a hotel with associated accessory uses and residential condominiums. The Premises at 901, 13485 Central Avenue is the top floor of KPU Campus.

The City and KPU have negotiated a three-year lease of the Premises with an option for a two-year renewal term. The Premises comprises of 3,500 ft.² main office area, 5,795 ft.² open area and collaboration space, and 258 ft.² of washrooms and storage, being a portion of the service area, all of which are illustrated on the attached Appendix “II”. As part of KPU’s contribution to the new partnership, KPU have agreed to rent the Premises at a favourable rate. The terms of the proposed lease are considered reasonable.

Funding for the Lease

Public Safety Canada has approved funding to cover rent and operating costs payable under the proposed lease through a Youth Gang Prevention Fund – Contribution Agreement for five (5) years.

SUSTAINABILITY CONSIDERATIONS

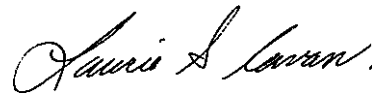
The proposal to lease the Premises to house the proposed SAFE Centre supports the City’s Sustainability Charter 2.0. In particular, this lease relates to the Sustainability Charter 2.0 theme of Public Safety. Specifically, this lease supports all Desired Outcomes and Strategic Directions of the Public Safety theme.

CONCLUSION

Based on the above discussion, it is recommended that Council approve the execution by the appropriate City officials of the proposed lease between the City and Kwantlen Polytechnic University of the 9,553 ft.² Premises located at 901, 13485 Central Avenue to provide community and office space for operation of the Centre for Public Safety, as generally described in this report and as illustrated in Appendices “I” and “II” attached to this report.



Fraser Smith, P.Eng., MBA
General Manager
Engineering



Laurie Cavan
General Manager
Parks, Recreation & Culture

AW/amg/cc

Appendix “I” - Aerial Photograph of 3 Civic Plaza
Appendix “II” - Ninth Level Premises

CORPORATE REPORT

NO: R181

COUNCIL DATE: September 27, 2021

REGULAR COUNCIL

TO: Mayor & Council DATE: September 20, 2021

FROM: General Manager, Engineering FILE: 0930-20/094
General Manager, Parks, Recreation & Culture

SUBJECT: Lease Renewal of Office Premises at 901, 13485 Central Avenue from Kwantlen Polytechnic University

RECOMMENDATION

The Engineering Department and the Parks, Recreation & Culture Department recommend that Council approve the execution by the Mayor and City Clerk of a two-year renewal term for the existing lease of the 9,553 ft.² office premises located at 901, 13485 Central Avenue (the "Premises"), as generally illustrated in Appendix "I", for the continued use of providing community and workspace for the Surrey Anti-Gang Family Empowerment Centre.

INTENT

The intent of this report is to obtain Council's approval to renew the lease agreement of the Premises, as illustrated in Appendix "II", from Kwantlen Polytechnic University ("KPU") at the KPU City Centre campus for a two-year term.

BACKGROUND

On July 3, 2018, the City of Surrey released the findings of the Mayor's Task Force on Gang Violence Prevention and began consulting with partners to build an action plan. This led to the establishment of the Surrey Anti-Gang Family Empowerment ("SAFE"). A government grant was used to secure the Premises located on the ninth floor of 13485 Central Avenue and on February 11, 2019, Council approved Corporate Report No. R024; 2019, a copy which is attached to this report as Appendix "III".

The Premises are currently occupied by City staff that are responsible for SAFE. The current lease expires on February 28, 2022, and the lease provides for a two-year renewal term, from March 1, 2022 to February 29, 2024.

DISCUSSION

The KPU campus at 13485 Central Avenue is a titled air space parcel, comprised primarily of five floors of office-campus space and forming part of 3 Civic Plaza. 3 Civic Plaza is a mixed-use building that incorporates retail space, office space, a hotel, and residential condominiums. The Premises at 901, 13485 Central Avenue is the upper floor of the KPU campus. The initial three year term is expiring on February 28, 2022. Under the original terms of the lease there is a provision

for a two-year renewal term. Throughout the course of the lease, SAFE has licenced back a portion of the office premises to KPU and intend to continue to do so going forward.

There is a current property tax exemption for the 2022 tax year under the *SAFE Centre Tax Exemption Bylaw, 2019, No. 19913*. In the spirit of continued collaboration between KPU and the City, KPU has agreed to provide the City with a favourable lease renewal rate and reasonable terms.

Funding for the Lease Renewal

Public Safety Canada has approved funding to cover majority of the rent and operating costs payable under the lease term through a Youth Gang Prevention Fund – Contribution Agreement for the lease extension term. The remainder will be covered by the City's annual cash contribution to SAFE and/or additional grant funding.

SUSTAINABILITY CONSIDERATIONS

The proposed lease renewal supports the City's Sustainability Charter 2.0. In particular, the proposal relates to the Sustainability Charter 2.0 theme of Public Safety. Specifically, this lease supports the following Desired Outcomes ("DO"):

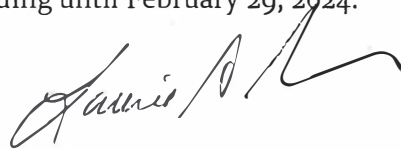
- Community Safety and Emergency Services DO1: Residents are safe and have a strong sense of security in all neighbourhoods and throughout the City; and
- Community Safety and Emergency Services DO5: Surrey is recognized and perceived as a leader in establishing and maintaining collaborative partnerships for community safety and well-being.

CONCLUSION

The lease renewal of the office premises located at 901, 13485 Central Avenue will enable the continued occupation of SAFE within the 3 Civic Plaza building until February 29, 2024.



Scott Neuman, P.Eng.
General Manager,
Engineering



Laurie Cavan
General Manager,
Parks, Recreation & Culture

PK/ap/jhs

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Appendix "III" Corporate Report No. R024; 2019