



Corporate *NO: R011*

Report *COUNCIL DATE: February 3, 2003*

REGULAR COUNCIL			
TO:	Mayor & Council	DATE:	January 28, 2003
FROM:	General Manager, Engineering	FILE:	0930-30
SUBJECT:	Community Association Licences (Bridgeview, Clayton, Cranley Drive, Crescent Beach and Port Kells)		

RECOMMENDATION

That Council approve licences of portions of land and buildings as follows:

- PID Nos. 017-384-231 & 017-384-281 (11475 - 126A Street) to the Bridgeview Community Association for a term of five years commencing January 1, 2003 and ending December 31, 2007 at an annual rent of one dollar;
- PID No. 017-455-529 (18513 - 70 Avenue) to the Clayton Community Association for a term of five years commencing January 1, 2003 and ending December 31, 2007 at an annual rent of one dollar;
- PID Nos. 006-301-541 & 011-424-001 (2241 & 2247 Cranley Drive) to the Cranley Drive Community Association for a term of five years commencing January 1, 2003 and ending December 31, 2007 at an annual rent of one dollar;
- PID Nos. 012-589-861 & 012-589-896 (12160 Beecher Street) to Crescent Beach Community Services for a term of two years commencing January 1, 2003 and ending December 31, 2004 at an annual rent of one dollar; and
- PID No. 006-845-622 (18918 - 88 Avenue) to the Port Kells Community Association for a term of five years commencing January 1, 2003 and ending December 31, 2007 at an annual rent of one dollar.

BACKGROUND

The City currently leases land and buildings to five different Community Associations. The agreements are for five year terms at one dollar per year and are consistent with Civic Policy No. P-3, Leasing of City Land and Buildings. Section 2(10) of this policy states "In regard to the leasing of community centres to Community Associations, the Association will be required to pay a fee of one dollar per annum in rent, free of municipal taxes, prepaid for the term of the lease" (see Appendix VII).

DISCUSSION

A standard lease form for Community Associations was approved at a meeting of Council-in-Committee on April 28, 1986. This document no longer sufficiently covers the responsibility of the tenant or the landlord and was in need of modification to clarify the current responsibilities of both the City and the Community Associations and to update the insurance, indemnification, and liability requirements.

The proposed new licence agreement has been approved by Legal Services, Parks, Recreation and Culture, and each of the Community Associations. This agreement identifies among other items, that the City will retain responsibility for the structure of the facility, capital items such as roof replacement and the maintenance of the mechanical systems. Each Community Association will be responsible for the day-to-day maintenance and operations of their individual facility, the immediate area surrounding the facility, and the parking area. The Cranley Drive Community Association will also be responsible for the administration and maintenance of the recreational vehicle storage compound, which is on City-owned land within the Cranley Drive development.

The agreement also specifies that the Community Associations take on the public liability for the use of the facilities and are required to have the necessary insurance coverage.

The City's responsibilities for maintenance of these buildings is funded through the overall Facilities Minor Capital and Maintenance Budgets. The anticipated average maintenance and rehabilitation costs on these facilities is estimated in the range of \$18,000 to \$20,000 per building per year with a total for all five facilities of up to \$100,000. Additionally forgiven taxes on all these facilities is in the order of \$30,000 a year, and a total market rent would be in the range of \$250,000 to \$300,000 a year. This total range of \$380,000 to \$430,000 represents the equivalent market level support that is being given by the City to these community groups and the residents at large.

Involvement of the Community Associations in the operation of the community halls is critical to enabling the City to provide these venues to the broader community, which could otherwise prove to be a burden upon the Parks, Recreation and Culture Department's operating budgets, and perhaps resulting in the closure of these facilities. The Associations have volunteer resources that are not available to the City, resulting in efficiencies that allow these venues to continue to operate. The associations' involvement also contributes to building community spirit through local management of a community asset, for the public good.

All licence agreements will be for five year terms, with the exception of the Crescent Beach Community Services agreement. This agreement, which is for the second floor of the Beecher Place facility, will be for a two year term as this is a new group and it was mutually agreed that a two year term would be set as an appropriate trial period for the first term of this new lease. The City can terminate each of these licence agreements with 60 days' notice.

In an effort to shorten the length of time required by staff to bring each Community Association agreement to the approval stage, all five of the Community Hall licences have been combined into one Corporate Report. As well, all agreements are to commence on the same day, January 1, 2003, and end on the same day, December 31, 2007.

CONCLUSION

The City has five agreements in place for the operation of the Bridgeview, Clayton, Cranley Drive, Crescent Beach and Port Kells Community Halls. These agreements have all expired and are now month-to-month tenancies. City staff have drafted a new licence agreement that is acceptable to all community groups. Under this proposed agreement

the City will retain responsibility for structural repairs, major capital replacements, and periodic maintenance of the mechanical systems while the community associations will look after the day-to-day operating expenses and repairs. Overall costs to the City were outlined previously in this report. As the Associations referred to in this report are providing a useful service to their communities, it is recommended that Council approve the licences to the Bridgeview, Clayton, Cranley Drive, Crescent Beach and Port Kells Community Associations.

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PH/KSW/mpr/brb/kjj

c.c. - General Manager, Parks, Recreation and Culture

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Appendices

- I. Location Map (all Community Halls)
- II. Site Plan (Bridgeview Community Hall)
- III. Site Plan (Clayton Community Hall)
- IV. Site Plan (Cranley Drive Community Hall)
- V. Site Plan (Beecher Place - Crescent Beach)
- VI. Site Plan (Port Kells Community Hall)
- VII. Civic Policy No. P-3 Leasing of City Land & Buildings