



ADMINISTRATIVE REPORT

Report Date: September 13, 2016
Contact: Gracen Chungath
Contact No.: 604.673.8405
RTS No.: 11643
VanRIMS No.: 08-2000-20
Meeting Date: October 18, 2016

TO: Vancouver City Council
FROM: General Manager of Community Services
SUBJECT: Management Agreement for Roedde House, 1415 Barclay Street

RECOMMENDATION

THAT Council authorize the Managing Director of Cultural Services to negotiate and execute a management and licence agreement (the "**Management Agreement**") with the non-profit arts organization, The Roedde House Preservation Society (the "**Society**"), (which will include a licence to occupy and operate) the City-owned building situated at 1415 Barclay Street ("**Roedde House**"), having a Parcel Identifier of 015 773 663 and legally described as Lot 19 Block 45 District Lot 185 Plan 92, on the following terms and conditions:

Term: Ten (10) years, commencing November 1, 2016, with two options to renew, each for an additional ten years to a total term of thirty (30) years.

Licence Fee: The licence fee, inclusive of property taxes, is to be a nominal licence fee of ten dollars (\$10) for the term payable at the beginning of the term and any renewal term.

Use: To be used as a house museum, and for offices of the Society, meeting rooms and special events.

Other Terms and Conditions: The Management Agreement is to be based on the City's previous Management Agreement with the Society, drawn to the satisfaction of the Directors of Cultural Services, Legal Services and Real Estate Services, it being noted that no legal right or obligation is created and none shall arise until the Management Agreement is fully executed by both parties.

The above recommendation in respect of a nominal licence fee constitutes a grant and requires approval of eight affirmative votes of Council.

REPORT SUMMARY

This report recommends that Council approve a management and licence agreement at a nominal license fee a term of ten (10) years, with two ten-year options to renew for a total term of thirty (30) years.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

City of Vancouver Standing Authority allows the Director of Finance to approve the material terms of licence agreements where the total license fee is less than \$750,000 and where the term (including renewal options) is no more than 10 years. As the proposed management and licence agreement includes a licence and is for a term of 30 years, Council approval is required.

Additionally, as the management and licence agreement proposes a nominal license fee (i.e., at less than market license fees) this is considered a grant, which requires approval by eight affirmative votes of Council.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

REPORT

Background/Context

Roedde House Museum is a late-Victorian home in the Queen Anne revival style. It was built in 1893 for the family of Gustav Roedde, the city's first bookbinder. In 1976 it was designated by the City as a heritage house. This designation was a catalyst for the restoration and development by many dedicated groups and individuals of the Barclay Heritage Square in which Roedde House is situated. On May 27th, 1986, Council awarded the restoration and operation of Roedde House to the Society. At the same time, Council authorized staff to enter into negotiations with the Society on suitable terms. A duly-negotiated five-year management agreement was authorized by Council on October 14th 1993, and a further five year term was authorized on April 13, 1999. The Society has been overholding since 2003.

Strategic Analysis

Roedde House is an important artefact from Vancouver's cultural and architectural history. Since 1986, the Society has faithfully restored Roedde House to reflect the day-to-day life of a middle class, immigrant family at the turn of the last century. The Roedde House Museum opened its doors to the public on May 12, 1990.

The Museum offers a unique experience for Vancouver citizens and tourists: unlike many heritage houses, the rooms are not roped off or behind glass, and some of the artefacts may be handled with care. Each of the eleven rooms has been furnished with

artefacts and period items that were collected over the years, some returned by the Roedde family. Appropriate architectural and design details have also been restored or put in place.

The Society does a good job of attracting an increasing number of visitors to Roedde House through a modest advertising program and word of mouth. In 2015, 8,020 people visited the Museum, more than double the number in 2013 or 2014.

Vancouver's Culture Plan: Strategic Directions was presented to Council in October of 2013 with an aim to enhance, promote, and support Vancouver's diverse and thriving cultural ecology. The Society contributes to the Culture Plan's key goals of encouraging learning, connecting people, ideas and communities, and supporting culture in neighbourhoods through its programs and outreach related to Roedde House.

A tentative service level agreement, which details relative roles and responsibilities for maintenance and repair of Roedde House, has been negotiated between the City and the Society. According to this agreement, the City will be responsible for major capital repairs and replacements, while the Society will be responsible for routine and day-to-day maintenance and repairs. The service level agreement will form an integral part of the Management Agreement if approved. The Society will also be encouraged to pursue grants and other funding opportunities to help defray the costs of maintaining and upgrading Roedde House.

Implications/Related Issues/Risk (if applicable)

Financial

The City of Vancouver owns the building at 1415 Barclay Street.

The proposed Management Agreement will have a nominal license fee of ten dollars (\$10), inclusive of property taxes, for the term, due at the beginning of the term and any renewal.

Licence agreements that are provided at less than market license fees are considered equivalent to a grant to the licensee and therefore require approval by eight affirmative votes of Council.

Real Estate Services estimates the approximate annual value of the licence to be granted in the Management Agreement to be between \$84,000 and \$100,000.

Legal

Working with Legal Services and Real Estate and Facilities Management, Cultural Services will oversee the development of the Management Agreement.

CONCLUSION

The Society's tenure at 1415 Barclay Street has proven the benefits for achieving key City policy objectives by providing amenity space at nominal license fees to not-for-profit organizations. The proposed Management Agreement terms will support organizational stability and effectiveness to underpin investment by a new generation in an important aspect of the cultural history of Vancouver. The ten-year term with two options to renew recommended in this report will give the Society certainty of tenure and dramatically increase their fundraising potential, especially for capital improvements the Society wishes to make to Roedde House.

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