



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: June 12, 2007
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Meeting Date: June 26, 2007

TO: Vancouver City Council

FROM: General Manager of Engineering Services

SUBJECT: Relocation of Film and Special Events Group to Leased Site and Renovations to Existing Office Space.

RECOMMENDATION

- A. THAT, Council authorize staff to enter into a lease for office space for the Film and Special Events group at an estimated cost of \$58,500 per annum; with funding for 2007 (\$30,000) to be provided from the existing Engineering Services Operating Budgets, and that \$58,500 be added to the 2008 Engineering Services Operating Budget without offset;
- B. THAT, Council approve the financing of a one time estimated capital cost of \$200,000 for office furniture and renovations of the leased office space, and for minor renovations due to relocations and unfinished renovations at City Hall through an extension of an existing loan from the Service Improvement Fund, on terms acceptable to the Director of Finance;
- C. THAT, staff report back to Council with details on the lease site location and agreement terms once a lease site is identified.

COUNCIL POLICY

Council policy requires Council authorization for funds to be drawn from a reserve.

PURPOSE

The purpose of this report is to free up office space within City Hall by seeking Council authority to lease office space at a cost of approximately \$58,500 per annum, plus one time renovation costs and furniture expenses estimated at \$200,000.

BACKGROUND

Over the last few years, limited availability of office space at City Hall has forced Engineering Services to station new and temporary positions in space at 450 West Broadway and other locations away from their core work group. There is a need to centralize working groups and as such staff are proposing the relocation of the Films and Special Events group to a leased facility in downtown. This move will free up space at City Hall for new and temporary positions for Branches at City Hall and at the same time allow the Film and Special Events group to be located in close proximity to the majority of their clients in the downtown core.

The one time renovation costs as part of the relocation of the Film and Events office are proposed to be funded by extending a loan that funded the construction of the Client Service Center on the ground floor of City Hall. Funding for the project was approved via a loan from the Strategic Initiative Reserve and repayments have been made over the past several years through efficiencies. Renovations were completed with the exception of a few areas on 6th floor.

DISCUSSION

In order to free up office space that can be used to serve as a central location for new and temporary positions for branches located in City Hall, it is proposed that the Film and Special Events Office be relocated to a leased site, in the downtown core. The mandate of the Film and Special Events Office, as originally approved by Council in 1980, is to meet the needs of the City's film and special event clients while ensuring that the residents and businesses of Vancouver impacted by the activities are not faced with an unreasonable level of disruption. The proposed relocation will allow for the Film and Special Events office to be located closer to their client base and as such will allow staff the ability to more easily deal with emerging client and public service issues.

Staff are currently exploring lease site options and as such will report back to Council on lease site location and agreement terms once a site has been identified.

FINANCIAL IMPLICATIONS

There will be an estimated one time start up cost of approximately \$175,000 from the relocation of the Films and Special Events group from City Hall to a leased site. This start up cost will provide for renovations of the space, communication networking costs and office furniture. The remaining \$25,000 will be used to finish incomplete renovations to the 6th floor at City Hall and to conduct any minor alterations to the existing Film and Special Events office as a result of the relocation.

The \$200,000 will be paid through an extension of an exiting loan that is currently being paid back by the Engineering Budgets and Administrative Services Branch (cost center 30100). The repayment schedule of the loan will be set by the Director of Finance and will match the

existing repayment rate in the 2007 operating budget. Lease payments for the proposed site were incorporated into the existing 2007 Engineering Services operating budget; as such no change in the Engineering Services 2007 Operating Budget is required to service the loan.

CONCLUSION

By approving the loan extension and the move of the Films and Special Events group to a leased site, the City will better position the Film and Special Events group to meet client and the public's needs and will free up valuable space required for efficient project planning.

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