



ADMINISTRATIVE REPORT

Report Date: November 16, 2009
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Meeting Date: December 3, 2009

TO: Standing Committee on Planning and Environment

FROM: Acting Managing Director of Cultural Services and Deputy General Manager of Community Services in Consultation with the Directors of Planning and Real Estate Services

SUBJECT: Woodward's Non-Profit Generic Office Tenants

RECOMMENDATION

- A. THAT Council approve the following eight (8) non-profit organizations for consideration as tenants in the Non-Profit Generic Office/Assembly space within the City-owned Parcel ("the Parcel") of the Heritage Building in the Woodward's development at 101 East Hastings Street, subject to availability of space on the 2nd and 4th floors (approximately 5,100sf net or 7,000sf gross), and subject to the satisfaction of the Acting Managing Director of Cultural Services, the Deputy General Manager of Community Services and the Director of Real Estate Services:
- EMBERS - Eastside Movement for Business and Economic Renewal Society (requested space 1,000 sf)
 - BC SVP - BC Social Venture Partners (requested space 300 sf)
 - Community Arts Council of Vancouver (requested space 200 sf)
 - Powell Street Festival Society (on behalf of Powell Street Festival Society, Katari Taiko Drum Group Association, Vancouver Chinese Instrumental Music Society, Hard Rubber New Music Society, Barking Sphinx Performance Society and Standing Wave Society) (requested space 1,200 sf)
 - The Geist Foundation (on behalf of the Geist Foundation, Lester's Army a project of Arts in Action Society, The Vancouver Memory Collective Society, Narwhal Magazine and the 3-Day Novel Contest Publishing Society) (requested space 800 - 1600 sf)
 - Urban Ink Production Society (requested space 600 - 800 sf)
 - Vancouver Community Network (requested space 300 - 450 sf)
 - Theatre Terrific Society (requested space 300 - 450 sf)

- B. THAT Council approve one or more of the following three (3) non-profit organizations for consideration as tenants in the Non-Profit Generic Office/Assembly space, should any of the organizations listed in "A" not be able to participate in the Parcel:
- Minerva Foundation for BC Women (requested space 1,500 sf)
 - Vancouver Latin American Film Festival (requested space 500 sf)
 - Documentary Media Society (DOXA Documentary Film Festival) (requested space 900 - 1,200 sf)
- C. THAT non-profit leases, at nominal rent for a term of five (5) years with three (3) subsequent options to renew for a further five (5) years each, be negotiated by Real Estate Services to the satisfaction of the Directors of Real Estate Services, Facilities Design and Management, Legal Services, Deputy General Manager of Community Services and Acting Managing Director of Cultural Services; and that no legal rights or obligations be created or arise by Council's adoption of Recommendations A and B unless and until such legal documents are executed and delivered by the Director of Legal Services.
- D. THAT Council hereby authorize that the successful non-profit organizations chosen as per Recommendation "A" and/or "B" above, as well as AIDS Vancouver and W2 Community Media Arts Society, as non-profit tenants approved for occupancy in the Woodward's Parcel, be granted in lieu the equivalent amount representing the tenant's proportionate share of real property taxes.

Nominal rent leases and exemptions on property tax represent a civic grant in lieu and therefore require eight (8) affirmative votes.

CITY MANAGER'S COMMENTS

The City Manager recommends approval of recommendations A through D.

COUNCIL POLICY

January 2006, Council approves a process for the tenanting of non-profit spaces in the Woodward's parcel.

July 2006, Council approves a short list of non-profit groups requiring purpose-built space in the Parcel including AIDS Vancouver and the organizational predecessor to W2 (CCTCA).

June 2009, Council approves AIDS Vancouver and W2 Community Media Arts Society as tenants for non-profit purpose-built space in the Woodward's Parcel, and directs staff to issue a RFP for a social enterprise to be operated on the ground floor of the Parcel, and to solicit non-profit tenants for the remaining space (generic office) within the Parcel.

September 2009, Council approves W2 Community Media Arts Society as the social enterprise tenant in the Woodward's Parcel.

PURPOSE

The purpose of this report is to seek Council approval of the prospective tenants for the Non-Profit Generic Office/Assembly space in the City Parcel at Woodward's as recommended by the Woodward's Non-Profit Generic Office/Assembly Selection Advisory Panel. This includes eight prospective 1st level organizations and three additional 2nd level organizations (to be considered should any of the 1st level organizations not be able to proceed in the Parcel).

BACKGROUND

The tenanting of the Non-Profit Generic Office/Assembly spaces in the City Parcel at Woodward's represents the final phase of a multi-year project to redevelop the historic Woodward's property. From a total of 23,800sf net or 31,500sf gross available for non-profit use, approximately 5,100sf net (7,000sf gross) has been designated for generic office/assembly purposes. Together with the purpose built and social enterprise spaces, approximately ten lead non-profit cultural and social organizations and an additional fifteen smaller organizations (co-locating with the lead organizations), will make their home at Woodward's.

DISCUSSION

RFP Process

A RFP for the Woodward's Non-Profit Generic Office/Assembly space (the "RFP") was issued on August 24, 2009 with a closing date of September 28, 2009. The RFP opportunity was widely advertised to the Vancouver community via five (5) newspaper advertisements and notices to the City's list of non-profit cultural and social organizations.

Twenty-four (24) applications were received from the following organizations:

- BC Social Venture Partners (BCSVP)
- Bill Reid Centre for Northwest Coast Art Studies
- Community Arts Council of Vancouver
- Documentary Media Society (DOXA Documentary Film Festival)
- EMBERS (Eastside Movement for Business and Economic Renewal Society)
- EVA BC (Ending Violence Association of BC)
- Federation of British Columbia Writers
- The Geist Foundation - joint with four groups
- Green Thumb Players Society (Green Thumb Theatre)
- Helen Pitt Gallery Artist Run Centre
- Information Services Vancouver
- Kickstart Disability Arts and Culture - joint with two groups
- Minerva Foundation for BC Women
- Powell Street Festival Society - joint with five groups
- Sam Sullivan Disability Foundation - joint with seven groups
- Smart Growth BC
- Theatre Terrific Society
- Urban Ink Production Society
- Vancouver Access Artist Run Centre (Access Gallery)
- Vancouver Community Network
- Vancouver Latin American Film Festival
- Vancouver Out On Screen Film Society
- Vancouver Tap Dance Society
- WestCoast Baptist Association

Proposal Review

A Technical Review Team comprised of staff from Real Estate Services, Social Development, Cultural Services and Planning assessed the applications based on strength of compliance with the RFP requirements and Woodward's Guiding Principles. The strongest twenty proposals, representing a total requested space of 38,550 sf were forwarded to the Non-Profit Selection Advisory Panel. Two proposals from Green Thumb Theatre and Vancouver Tap Society required a level of tenant improvements that was not possible to accommodate within the generic office/assembly spaces.

The proposals were reviewed by the Generic Office/Assembly Non-Profit Selection Advisory Panel (the Panel) and ranked according to their assessment against the Woodward's Guiding Principles and the Non-Profit Selection Evaluation Criteria (which formed the RFP call for proposals). Members of the Panel were chosen for their expertise in non-profit activities in the Downtown Eastside. The Panel included:

- Jennifer Johnstone, President and CEO, Central City Foundation
- Ken Lyotier, founder of United We Can and Downtown Eastside (DTES) resident
- Karen O'Shannacery, Executive Director, Lookout Emergency Aid Society

Summary of Proposals - Recommended Organizations (1st Level Consideration)

EMBERS (Eastside Movement for Business and Economic Renewal Society): EMBERS has been an active community economic development organization in the DTES for almost 10 years. Their proposal is for 1,000 sf of general office space, which they would use for administration, business coaching, and business development classes. EMBERS is a very collaborative organization, participating in many DTES initiatives. Their tenancy in Woodward's was seen as a solid addition to a complement of organizations focussed on poverty alleviation through the delivery of training and support for social enterprise development. The Panel recommended approval of their space request.

BC Social Venture Partners (BC SVP): BC SVP proposed to use 300 sf of office space to deliver their grant program to non-profit organizations to fund social enterprise development. One area of focus has been on social enterprises operating in the DTES, including support for United We Can, Potluck Café Society, the Cleaning Solution, Atira, etc. Their donor model is a very hands-on approach that goes to great lengths to connect the benefits of funding to the local community. Through their work, BC SVP has developed close ties with residents of the DTES. The Panel recommended providing office space to this group in Woodward's to help foster that important linkage between BC SVP and the broader DTES community.

Community Arts Council of Vancouver (CACV): One of Vancouver's oldest serving arts organizations, founded in 1946, the CACV has increasingly been focused on arts and culture activities in the DTES. As such, the Panel saw possibilities for greater effectiveness in their activities through their inclusion in the Woodward's project. CACV requested 200sf.

Powell Street Festival Society (PSF): PSF submitted a request for 1,200 sf of general office to be shared with five other non-profit cultural groups with a history of activities in the Downtown Eastside. The Panel noted the long history and "deep roots" of the PSF and partners in the community. The number of resident volunteers and the synergy with the previously approved W2 group were also noted. The Panel recommended the PSF consortium, including Katari Taiko Drum Group Association, Vancouver Chinese

Instrumental Music Society, Hard Rubber New Music Society, Barking Sphinx Performance Society and Standing Wave Society, for the Woodward's space.

The Geist Foundation: On behalf of the Geist Foundation, Lester's Army, a project of Arts in Action Society, The Vancouver Memory Collective Society, Narwhal magazine and the 3-Day Novel Contest Publishing Society. This consortium of literary and publishing organizations was highly ranked due to the quality of their proposal and the Panel's appreciation for the opportunities that Geist and the other organizations could offer DTES residents in enabling them to use writing to tell their own stories. The Panel sought real tangible evidence that this consortium (along with all of the recommended organizations) would use the Woodward's opportunity to connect with the DTES and provide activities for residents. Geist seeks 1,600sf for office, meeting/workshop and storage space.

Urban Ink Production Society: Urban Ink is dedicated to aboriginal and diverse cultures theatre, writing and film with activities that reach across urban and rural boundaries. The Panel acknowledged the achievements of Urban Ink and supported the synergies of locating their requested 600- 800sf offices in Woodward's as a means to reach out to the aboriginal DTES residents.

Vancouver Community Network (VCN): VCN is an organization that contributes to the socio-economic health of the City and DTES neighbourhood. Their proposal was to move their 'special projects' office, which has been operating since 2000, to the Woodward's Building, occupying 400 sf of office space. VCN would bring innovative capacity to the tenant mix at Woodward's because of their web-based support for non-profits (increasing their access and exposure on the internet), their youth internship program (engaging DTES Youth in technical support and training), and IT and technical support. The Panel recommended approval of their space request.

Theatre Terrific Society (TTS): Theatre Terrific is dedicated to promoting emerging and professional artists with physical, developmental, mental health, immigrant and gender challenges. Their request for 300 - 400sf was seen as a beneficial addition to the Woodward's mix of non-profit tenants and the DTES engagement and delivery of services.

Summary of Proposals - Recommended Organizations (2nd Level Consideration)

Minerva Foundation for BC Women: Minerva Foundation requested 1,500 sf to accommodate their office functions now located on West Georgia Street in space provided on an "at cost" basis to the Foundation by a corporate donor. Minerva's mission is to empower women to achieve their full capacity by supporting education, leadership development, economic security and safety. Minerva pursues this mission by providing grants and awards to individuals and women's organizations, and by delivering leadership, job training and related programs themselves. The Panel recognized the potential value of having a "women's" organization in the Woodward's complex, but noted that historically the Foundation's work has had limited applicability to the Downtown Eastside. The Panel felt that there is great potential for Minerva to contribute to this community, but given the limited space available, placed them in the 2nd level group of organizations to consider should any of the 1st level group not be able to proceed with the project.

The Vancouver Latin American Film Festival: Offering an annual film festival, screenings, special events and outreach, the Latin American Film Festival is Canada's largest event of its kind. The Panel felt locating the Festival in Woodward's would

maximize their opportunities for reaching out to the DTES Latin American community and recommended the requested 500sf as a 2nd level choice should space be available.

The DOXA Media Society: Requested a range of 900 - 1,200 sf for office space to house the administration of the annual DOXA Documentary Film and Video Festival, a curated and juried program of public screenings, public forums and master classes. While recognising the accomplishments of the society, the proposal scored lower in relation to matching the RFP requirements and meeting the Guiding Principles of the Woodward's space. DOXA was recommended as a 2nd level choice should space be available.

Summary of Proposals -Organizations Not Recommended

Bill Reid Centre for Northwest Coast Art Studies at SFU: Requested 900 - 1000sf of office/meeting/education space for their resource collection of northwest coast imagery. While recognized as a significant resource, the proposal did not address the Woodward's RFP requirements or Guiding Principles and was therefore not recommended at this time.

Ending Violence Association of BC (EVA): EVA requested between 3,000 to 4,000sf to accommodate their general office and meeting functions. EVA is a stable, energetic, provincial umbrella organization that manages a variety of programs aimed at preventing and addressing issues related to violence against women. While there was no question about the value of the services provided or ability of the organization to meet the financial commitment required, the Panel noted the limited space available and the Woodward's Guiding Principles related to focusing on benefits to the Downtown Eastside. EVA was not short listed for space at Woodward's at this time.

The Federation of BC Writers: Requested 500sf of office space for staff to coordinate its programs and services to its membership and wider community, and 500 sf of shared meeting space. This group was not short listed as its proposal was considered a low priority in relation to meeting the evaluation criteria and Woodward's Guiding Principles.

Green Thumb Player's Society: Requested 4,000 - 4,500sf on the 2nd floor for dedicated rehearsal halls suitable for the creation of theatre, dance, and other performing arts, plus administration offices. While Green Thumb Theatre is a highly respected company in Vancouver, the scale of the space request combined with the purpose built nature of the spaces required, did not fit with the limited office/assembly space available at this time.

Helen Pitt Gallery: proposed to use 700 to 1,200sf of 2nd floor assembly space for its ongoing program of contemporary multidisciplinary artists' projects and exhibitions. While the track record of this arts organization was noted, the proposal ranked as a low priority when measured against the evaluation criteria and was subsequently not short listed.

Information Services Vancouver (ISV): ISV requested 5,000sf of general office space to accommodate their functions now housed in Heritage Hall. ISV has a long track record of providing innovative information services in the City. ISV is considered an important partner for many non-profits who rely on the ability of ISV to connect people to information on services, programs and professional groups. Although the importance and track record of ISV was recognized, the amount of space needed, the limited space available, and the desire to make the most direct impact on the lives of Downtown Eastside residents was noted. ISV was not short listed for this opportunity.

Kickstart Disability Arts & Culture: on behalf of Kickstart, Real Wheels Theatre and The BC Society for Disability and Media. The Kickstart consortium proposed a cluster of disability arts and media organizations which sought between 1,000 - 2,000sf of space for office, meetings/workshops, performances and rehearsals. While the importance of the services offered by the three organizations was recognized, it was noted that Kickstart is part of the W2 Consortium. Additionally their proposal was not ranked as highly by the Panel and they were not recommended for space in Woodward's at this time.

Sam Sullivan Disability Foundation (SSDF): The Sam Sullivan Disability Foundation is an umbrella organization which submitted a joint proposal to share between 2,700 to 3,500sf of office and meeting space with six other affiliated non-profit social and cultural organizations, which include BC Mobility Opportunities Society (BCMOS), ConnecTra Society, Disabled Independent Gardeners Association (DIGA), Disabled Sailing Association of B.C. (DSA), Tetra Society of North America, and Vancouver Adapted Music Society (VAMS), all of which provide programs and services to people with disabilities. SSDF's mission is to help people with significant disabilities to achieve full citizenship in the community. While the track record of SSDF and the diversity of services offered by its partner organizations were recognized, the amount of space required, the limited space available, and the Woodward's Guiding Principles related to focussing on benefits to DTES residents was noted. SSDF was not short listed for space at Woodward's at this time.

Smart Growth BC: Smart Growth BC proposed to use 1,000sf of office space for their organizational home, where staff would work on projects and hold client meetings. Their programming and service delivery is directed to communities throughout British Columbia. Their benefit to the province and city was recognized, however, the Panel noted a lack of direct connection to the DTES and as such they were not recommended at this time.

Vancouver Access Artist Run Centre: submitted a proposal requesting 1,000 to 1,500sf of 2nd floor assembly space to present its program of contemporary art exhibitions of emerging Canadian and local visual artists. When measured against the evaluation criteria, the proposal was considered a low priority for support and was not short listed.

Vancouver Out On Screen (OOS): Out On Screen requested 2,800sf of office and shared meeting space to accommodate their festival, education and cultural preservation activities. The innovative and accessible programs of OOS are recognized as important and influential in addressing issues of homophobia and social justice in Vancouver. The Panel recognized the potential value of the contribution, as well as the potential synergy with other groups, but recognizing the limited space, did not short list this group.

Vancouver Tap Dance Society (VTDS): Requested between 2,000 to 2,500sf for two side-by-side dance studios to run various types of dance classes (tap, hip-hop, jazz & stage) as well as 175 - 250sf in office space. Significant improvements would have been required in dance flooring and soundproofing. While the programs of VTDS are valued, their relevance to the Woodward's Guiding Principles and the purpose built nature of their requested space did not fit with the limited office/assembly space available at this time.

The West Coast Baptist Association: Requested a range of 1,800 to 2,000sf for their church service/meeting, social programming, and outreach purposes. While the contribution of this organization was recognized, this group was not short listed in consideration of the amount of space requested, the limited space available, and the desire to have the recommended tenants meet most or all of the Woodward's Guiding Principles.

RECOMMENDATION

Recommended Non-Profit Generic Office/Assembly Tenants

Based on the Selection Panel review and assessment, the following non-profit organizations are recommended for inclusion in the Woodward's Generic Office/Assembly Parcel (pending availability of space).

First Consideration:

- EMBERS - Eastside Movement for Business and Economic Renewal Society
- BC SVP - BC Social Venture Partners
- Community Arts Council of Vancouver
- Powell Street Festival Society (on behalf of Powell Street Festival Society, Katari Taiko Drum Group Association, Vancouver Chinese Instrumental Music Society, Hard Rubber New Music Society, Barking Sphinx Performance Society and Standing Wave Society)
- The Geist Foundation (on behalf of the Geist Foundation, Lester's Army a project of Arts in Action Society, The Vancouver Memory Collective Society, Narwhal magazine and the 3-Day Novel Contest Publishing Society)
- Urban Ink Production Society
- Vancouver Community Network
- Theatre Terrific Society

The organizations in this grouping comprise a total net floor area of a minimum 4,700 square feet up to a preferred area of 6,000 square feet. Many of the groups have indicated a willingness and desire to collaborate and join with others in sharing space such as with meeting rooms, classroom, and workshop spaces, as well as common area amenities like kitchens and lunchrooms. The allocation of floor space for each tenant is subject to a space plan being finalized by the Woodward's Non-profit Project Manager assigned by Facility Design and Management.

Second Consideration (should any of the first consideration non-profits not be able to proceed with participation in the Woodward's Parcel or should additional space be available). These three organizations are listed in order of priority as ranked by the Panel, however as each of their space requirements differs, the amount of space that becomes available will dictate which organization would be approached first.

- Minerva Foundation for BC Women
- Vancouver Latin American Film Festival
- Documentary Media Society (DOXA Documentary Film Festival)

In addition, the Non-Profit Selection Advisory Panel unanimously recommended the following regarding tenanting of the Woodward's spaces.

- While some of the organizations did not present the strongest financial positions, the Panel felt that the recommended groups demonstrated the greatest commitment to, and opportunity for, working with DTES residents. This commitment and opportunity, they felt warranted ranking these organizations higher in the review.

Staff noted that some groups have operating deficits. While the subsidized space at Woodward's may help their financial status, given there is no financial support for participation in the Woodward's spaces (beyond the provision of nominal rent at

\$1/yr, and tenant improvements to the level of the base building as outlined in the RFP), and that the non-profit leases require payment of their proportionate share of common area fees as well as all costs directly related to their spaces, failure to cover these expenses will result in removal of the non-profit from the Woodward's project.

All non-profit spaces are intended for occupancy in early 2010 at which time the responsibility for payment of Common Area costs will begin.

- The Woodward's non-profits are encouraged to maximize the synergy and collaborative potential of their co-location in the Woodward's spaces, from administrative services to program delivery, across disciplines and activities.
- The Woodward's non-profits are expected to use their spaces to deliver public service objectives that benefit citizens and residents of the City of Vancouver and in particular the DTES, with evidence of engagement and services to DTES residents.

The recommendation of the eight non-profits as tenants for consideration in the Generic Office/Assembly spaces in the City parcel is subject to Council approval of this report. The specifics of the leases between the City and the non-profits will be negotiated on terms acceptable to the Directors of Real Estate and Legal Services in consultation with the Director of Facility Design and Management, Deputy General Manager of Community Services and Acting Managing Director of Cultural Services.

FINANCIAL IMPLICATIONS

The terms of the City's lease with the non-profits for the Generic Office/Assembly space will require that each tenant be responsible for their proportionate share of Common Area Costs estimated to be at \$9 per square foot per annum and all tenant improvement costs above that provided by the City and specific to their programs, as well as all facility (including utilities, janitorial and parking), program, insurance, and administrative costs associated with their leased space.

SOCIAL IMPLICATIONS

The opportunity provided by the City for non-profit social and cultural organizations to occupy space in the Woodward's redevelopment will create a synergy and diversity of uses and liveliness that will enhance the safety, security and vitality of the vicinity while also welcoming the existing community to engage in healthy and positive endeavours.

CONCLUSION

All of the proposals received in response to the Generic Office/Assembly RFP would make valuable contributions to the community and the Woodward's Project. The volunteer Generic Office/Assembly Non-Profit Selection Advisory Panel and staff agree that the eight recommended non-profits best suit the Woodward's site. The previously approved W2 Community Media Arts Society and AIDS Vancouver tenancies in the project will occupy approximately 15,000 sf of space. The W2 Community Media Arts Society tenancy in the social enterprise component of the project will occupy an additional approximately 1,000 sf of space. This final recommendation provides tenants for approximately 7,000 sf for generic non-profit office space concluding the tenanting of the Woodward's non-profit spaces.

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