

IN-CAMERA COUNCIL MEETING

APRIL 2, 2019

DECISIONS AND REPORTS RELEASED

Proposed Child, Youth and Family Social Service Hub (Kaslo Hub) at City-owned Property located at 2780 East Broadway

A. THAT Council approves the following lease agreements for a portion of City-owned premises (the "Premises") situated at 2780 East Broadway Street, legally described as PID: 009-551-581, Lot 2 South ½ of Section 35, Town of Hastings Suburban Lands Plan 9744 (see Appendix A of the Administrative Report dated March 22, 2019, entitled "Proposed Child, Youth and Family Social Service Hub (Kaslo Hub) at City-owned Property located at 2780 East Broadway"):

i) a lease (the "Ministry Lease") between the City and the Ministry for Children and Family Development ("MCFD"):

Premises:	Rentable area of approximately 9343 square feet ("MCFD Premises").
Use:	Social & Community Service Centre & Ancillary Office.
Term:	Ten (10) years.
Commencement Date:	90 days after notice from the Landlord that the Premises are ready for occupancy for the purposes of installing fixtures and moving in.
Rent:	Rent is as follows: Years 1-5: s.17(1) per annum (s.17(1) per sq. ft.); Years 6-15: s.17(1) per annum (s.17(1) per sq. ft.); and Years 16-20: Market Rent plus GST. Rent is inclusive of operating costs.
Possession:	MCFD will not be permitted to take possession of the MCFD Premises until it has: a) entered into a Licence with the Co-Op for the area shared with the Co-Op; and b) paid to the City all costs incurred by the City in connection with the construction

of the MCFD Premises and the MCFD proportionate share of the area shared with the Co-Op within thirty (30) days of substantial completion.

c)

Parking: MCFD shall have the use of thirty-five (35) reserved parking stalls, at no additional cost.

Renewal: Two (2) further options to renew for five (5) years with twelve (12) months written notice, at market rate.

Right of First Offer: One (1) right of first offer on contiguous vacated space on the upper level of the Premises.

ii) a lease (the "Co-Op Lease") between the City and the Child, Youth and Family Innovation Centre Cooperative (the "Co-Op"):

Premises: Rentable area of approximately 13,132 square feet of dedicated space ("Co-Op Premises") and 8,762 square feet of shared space with MCFD ("Shared Use Area").

Use: Co-Op Premises - social & community service centre & ancillary office; and Shared Use Area – meeting, community and conference use.

Term: Twenty (20) years.

Commencement Date: 90 days after notice from the Landlord that the

Date: Premises are ready for occupancy for the purposes of installing fixtures and move in.

Rent: Rent for the Co-Op Premises is as follows:  
Years 1-5: s.17(1) per annum (s.17(1) per sq. ft.);  
Years 6-15: s.17(1) per annum (s.17(1) per sq. ft.); and  
Years 16-20: Market Rent;  
plus GST. Rent for the Shared Use Area is as follows:  
Years 1-5: s.17(1) per annum (s.17(1) per sq. ft.);  
Years 6-15: s.17(1) per annum (s.17(1) per sq. ft.); and  
Years 16-20: Market Rent;  
plus GST. Rent is inclusive of operating costs and an allowance for tenant improvements.

Improvement Allowance: **s.17(1)** per square foot.

Loan Repayment: During Years 1 to 10, the Tenant shall reimburse the Landlord, on a monthly basis, an amount equal to the final actual costs less the Improvement Allowance, amortized over 10 years at a rate of **s.17(1)** p.a., estimated to be **s.17(1)** per month as additional rent (**s.17(1)** total, **s.17(1)** per square foot total, **s.17(1)** per square foot per year, net of contingency).

Possession: The Co-Op will not be permitted to take possession of the Co-Op Premises or Shared Use Area until it has entered into a Licence with MCFD Shared Use Area.

Parking: The Tenant shall have the use of thirty-five (35) reserved parking stalls, at no additional cost.

Right of First Offer: One (1) right of first offer on contiguous vacated space on the upper level of the Premises.

B. THAT subject to the approval of A above, the Director of Real Estate Services be authorized to execute and deliver on behalf of the City, the Ministry Lease and the Co-Op Lease, including any ancillary agreements or addenda thereto.

C. THAT the Director of Real Estate Services be authorized to negotiate and execute a lease (the "WCCRC Lease") between the City and Westcoast Child Care Resource Centre ("WCCRC") on the terms summarized herein and in Appendix A of the Administrative Report dated March 22, 2019, entitled "Proposed Child, Youth and Family Social Service Hub (Kaslo Hub) at City-owned Property located at 2780 East Broadway":

Premises: Rentable area of approximately 5,748 square feet ("WCCRC Premises").

Use: Social & community service centre & ancillary office

Term: Twenty (20) years.

Commencement Date: 90 days after notice from the Landlord that the Premises are

ready for occupancy for the purposes of installing fixtures and moving in.

Rent: Rent is as follows:

Years 1-5: s.17(1) per annum (s.17(1) per sq. ft.);  
Years 6-10: s.17(1) per annum (s.17(1) per sq. ft.); and  
Years 11-20: Market Rent;  
plus GST. Rent is inclusive of operating costs and an allowance for tenant improvements.

Improvement Allowance:

s.17(1) per square foot.

Loan Repayment:

During Years 1 to 10 the Tenant shall reimburse the Landlord, on a monthly basis, an amount equal to the final actual costs less the Improvement Allowance, amortized over 10 years at a rate of s.17(1) p.a., estimated to be s.17(1) per month as additional rent (s.17(1) total, s.17(1) per square foot total, s.17(1) per year, net of contingency).

Fixturing Period:

For the purposes of installing fixtures and moving in, the period beginning the date of notice from the Landlord to the Tenant that the Premises will be ready for occupancy and ending on the Commencement Date.

Parking:

The Tenant shall have the use of eight (8) reserved parking stalls, at no additional cost.

Early

After ten (10) years of the Term, the Tenant may, upon 120

Termination:

days prior written notice, terminate this Lease if the Tenant loses fifty (50) percent or more in funding for the Tenant's operation.

- D. THAT such other terms and conditions of the Ministry Lease, the Co-Op Lease, and the WCCRC Lease be drawn to the satisfaction of the Directors of Legal and Real Estate Services.
- E. THAT Council approve the detailed project costing, including the City's contribution as set out herein.
- F. THAT no legal rights or obligations will be created by Council's adoption of A to E above, unless and until the Ministry Lease, the Co-Op Lease, the WCCRC Lease and any ancillary agreements or addenda (collectively, the "Leases") are executed and delivered by the Director of Real Estate Services and drawn to the satisfaction of the Director of Legal Services.

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