



To: Richmond City Council
From: Mayor Malcolm D. Brodie
Chair, General Purposes Committee
Date: December 22, 2006
File: 2280-20-133
Re: **COMMUNITY USES AT 6931 GRANVILLE AVENUE**

The General Purposes Committee, at its meeting held on December 18, 2006, considered the attached report, and recommends as follows:

COMMITTEE RECOMMENDATION

- (1) *That:*
- (a) *the report (dated December 4th, 2006, from the Director, Engineering) regarding Community Uses at 6931 Granville Avenue, be received for information; and*
 - (b) *that staff work with representatives of the Disability Resource Centre regarding their need for the balance of the floor space not used by the City at 6931 Granville Avenue, and include an analysis of finances, various costs and space requirements.*
- (2) *That:*
- (a) *staff submit a report detailing the condition of the Richmond Family Place building, including the safety of the building, and recommending potential uses of the building, including whether it could be used for storage purposes only, or if it could be used for both storage space and office space;*
 - (b) *staff create an inventory that includes City-owned space, and space owned by others in the City Centre, that is available for use by community organizations.*

Mayor Malcolm D. Brodie, Chair
General Purposes Committee

Attach.

VARIANCE

Please note that staff recommended the following:

That the report (dated December 4th, 2006, from the Director, Engineering) regarding Community Uses at 6931 Granville Avenue, be received for information

Staff Report

Origin

At the Council meeting of November 27, 2006, the following was referred to staff:

"That the matter of the balance of the floor space at 6931 Granville Avenue being reserved for future City expansion, be referred to staff to review and take into account the needs of the community groups and report to Committee accordingly."

Analysis

Building

The building has been inspected by Facilities staff and a floor plan of the existing building has been analyzed to determine the most appropriate configuration for Community Bylaws and Fire Prevention, minimizing the amount of modification and construction to the building. The dashed line on the attached plan (Appendix C) indicates the west section of the building to be occupied by City Staff. Including the existing washroom block, kitchen areas, and corridor layouts and FOH lobby area, this occupied space becomes 5,680 sq. ft. With a total net usable floor area of 10,270 sq. ft., the remaining east side of the building has a potential usable net area of approximately 4,590 sq. ft. for future use by a community group or the City.

In order to lease space to a tenant as well as house City staff, certain building code requirements must be met, such as fire separation, HVAC units and controls and separate storefront entrances. The estimated cost for the foregoing building code requirements is \$150,000. These basic costs will be borne by the building owner, which in this case is the City.

The 4,590 sq. ft. would require some level of renovation depending on space and washroom requirements and type of use. These costs are typically the responsibility of the tenant. The tenant improvements could be as much as \$350,000 depending on their specific needs.

Parking

The existing parking lot has 30 delineated parking spaces including 2 designated handicapped. The City use requires secured parking for 12 fleet vehicles plus some staff parking for the 32 employees to be located at 6931 Granville Avenue.

Lease Rates

Based upon the condition of the building, location, and amount of space, staff estimate that a realistic annual lease rate would be between \$10 and \$12 per sq. ft. The lease would be a triple net lease meaning that the tenant would be responsible for repairs and maintenance, upgrades, property taxes and utility costs. The City will incur costs for utilities and maintenance for the entire building including the tenant space. The triple net rent rate covers these costs for the leased area. In addition, the tenant would be responsible for any and all costs associated with completing all improvements to its leaseable area, thus the annual lease rate stated above is based on shell space only.

Discussion

The following Community Groups have specifically inquired about and expressed an interest in the potential space available at 6931 Granville Avenue (See Appendix A for details):

- Richmond Committee on Disability
- Volunteer Richmond
- Richmond Food Bank
- Gateway Theatre
- City of Richmond

The Richmond Committee on Disability requested use of all of the remaining space while Volunteer Richmond was more flexible in that their operation would benefit from as little as a couple of offices through to all of the remaining space if available. Both groups discussed the need for large multi-purpose rooms to host events and community group meetings. As a result the multi-purpose rooms would be separated from the office areas for security reasons and have separate entrances.

The Richmond Food Bank request for space can not be practically accommodated at 6931 Granville Avenue because of their sizeable warehouse / storage space requirements.

Gateway Theatre has requested space for office facilities in order to co-locate staff, rehearsal space, if possible, and costume building and inventory. The costume storage and viewing ability would allow for the costume inventory to be leased out to other troupes. Considering the facility's central location and demand for office space from the community, storage may not be an optimal use for the space at 6931 Granville Avenue.

As far as the City's needs are concerned, the Richmond Corporate University, currently located on the 8th floor, has identified a benefit in relocating off-site and potentially to 6931 Granville Avenue. This would permit the program to expand its services and potentially build partnerships with other community groups offering training programs. The identified space requirements include 2 multi-purpose rooms, 3 to 4 breakout rooms, a resource centre and a couple of offices. There is an expected continuing demand for space for City purposes, wherein the space at 6931 Granville Avenue would be the least costly expansion space if outside space is required (no property taxes need be paid in City facilities but would be payable in facilities owned by third parties).

Parks, Recreation and Cultural Services has provided a list of the most current and known requests available which is included in this report as Appendix 'B'.

Financial Impact

None at this time. If a tenant is added to the building, the City, as the owner, would be required to pay for an additional estimated \$150,000 for building code improvements. Additional costs are required to renovate/upgrade the remaining 4,590 sq.ft. of floor space, which would be tenant

improvements. The City would continue to incur maintenance and utility costs which would be repaid through the lease rate.

Conclusion

Staff have reviewed and summarized the space requirements from community groups for 6931 Granville Avenue. Any of the options outlined are available and feasible, but not necessarily cost effective, to rent out the balance of the floor space to a community group. In addition to the tenant improvement costs required by the user group, additional costs would be incurred by the City to provide an adequate upgrade for multi-tenant occupancy. At Council's discretion and direction, staff could enter into discussions with any of the community groups identified.



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MB:mb

Appendix A

Space Requirements

GROUP	SIZE OF SPACE REQUESTED	PROPOSED USES	HOURS OF OPERATION
Richmond Committee on Disability	<p>approx. 5,000 - 6,000 sq. ft. Additional HC parking with drop-off zone.</p> <p>Would move entire operation to this location</p>	<p>Offices, various sized multi-purpose rooms for meetings, workshops, teaching, computer access. Current service between 30 to 40 participants's per day.</p>	<p>Business hours Monday – Friday 9 am to 5 pm Weekends and evening classes and functions</p>
Volunteer Richmond	<p>Flexible, could use from a min. of 500 sq.ft. to max 4,000 sq.ft.</p> <p>Would not move entire operation to this location as some synergy exists with some programs at current location at Caring Place.</p>	<p>offices, information centre, meeting rooms, referral centre, Richmond Christmas Fund, storage, volunteer training centre. Current service is approx. 20 visitors per day.</p>	<p>business hours Monday – Friday 9 am to 4 pm</p>
Richmond Food Bank Society	<p>6,000 - 8,000 sq. ft. of warehouse/office space c/w loading bay</p>	<p>food distribution centre</p>	
Gateway Theatre	<p>flexible</p>	<p>Offices, costume storage, rehearsal</p>	

Appendix A continued..

GROUP	BENEFITS	IMPACT	TENANT COST	CITY COST
Richmond Committee on Disability	<p>The available space would be a 100% increase from their current location. Could provide more life skills instruction. Potential sharing of multi-purpose rooms with other Community Groups.</p>	<p>limited parking available after secured City parking defined, no drop-off zone</p> <p>restrictions to future City requirements for expansion</p> <p>Increased rent costs for RCD since floor space is double from current location. Rent: @ \$10 to \$12 / sq.ft net + operating, taxes</p>	<p>Tenant Improvements (TI) including new separate accessible washrooms and kitchen facilities and revisions to corridors to provide 2-way wheelchair circulation</p> <p>Potential renovation costs (@ \$80/sq.ft): \$350,000</p>	<p>new fire separations, new separate storefront entrances, separate rooftop units for individual control: \$150,000</p> <p>Loss opportunity for future City expansion</p> <p>Parking lot improvements for public access vs. secured parking area, drop-off zone.</p>
Volunteer Richmond	<p>Have exceeded capacity of existing space. Would permit relocation of some services and provide improved service to cliental.</p> <p>Provide adequate training and orientation for volunteer recruitment.</p>	<p>Limited parking available after secured City parking defined.</p> <p>Potential for more than one Community group use since entire space not required</p> <p>Some restrictions to future City requirements</p>	<p>Tenant Improvements (TI) including new separate accessible washrooms and</p> <p>Potential renovation costs (4,500 sq.ft.@ \$80/sq.ft): \$350,000</p>	<p>new fire separations, new separate storefront entrances, separate rooftop units for individual control \$ 150,000</p> <p>Loss opportunity for future City expansion</p> <p>Parking lot improvements for public access vs. secured parking area</p>
Richmond Food Bank Society	<p>Space is easily accessible</p>	<p>Impact on parking lot may be difficult</p> <p>The building does not have loading and unloading facilities</p>	<p>The existing space is finished space not open warehouse style which may impact efficiency of shelving and distribution.</p>	<p>New fire separations, new separate storefront entrances, separate rooftop units for individual control \$ 150,000</p> <p>Loss opportunity for future City expansion</p> <p>Parking lot improvements for public access vs. secured parking area</p>

<p>Gateway Theatre</p>	<p>Staff team would be located together to create more effective team synergy.</p> <p>The costume inventory could be viewed and a business case for renting developed.</p>	<p>No additional Building code requirements since entire building occupied by one tenant (City) for staff and storage use.</p>		<p>Potential interior renovation costs become City cost but could be reduced since limited new plumbing facilities would be required and zoning of circulation and security could be simplified.</p> <p>No separation of tel/com when all one user.</p>
<p>Other City Use i.e. Richmond Corporate University</p>	<p>No requirement for fire separations and separate entrances. Simplified control of access and exiting during evening and weekend use by community groups.</p> <p>City could control bookings of multi-purpose meeting rooms and make accessible for community use.</p> <p>Opportunity to create partnerships with Community Groups and market services to other municipalities.</p> <p>Less costly than renting space from third parties.</p>	<p>Could have opportunity to provide single office use by Community Groups.</p>		<p>Potential interior renovation costs become City cost but could be reduced since limited new plumbing facilities would be required and zoning of circulation and security could be simplified.</p> <p>No separation of tel/com when all one user.</p>

Appendix B

Community Groups that have expressed a need for space to PRC staff in the past:

Richmond Committee on Disability - various requests for additional space over the years. There was also a specific referral in 2001 for "staff continue looking for appropriate facility space for the Disability Resource Centre."

Richmond Chinese Community Society - a request to PRCS committee of Council on July 25, 2006 for free community space in exchange for the organization's continued creation of publicly accessible programs. They are looking for 8,000 square feet of space, preferably on the ground level. A site on No. 3 Road located near a Canada Line station would be ideal.

City Centre Community Association has made it known that they require a need for additional recreation space. Their need is much different and greater than this particular property may be able to handle. The City Centre Area Plan identifies the need for more community centre/recreation space in the City Centre area in the future.

Richmond Food Bank - have made inquiries with staff in the past. Sent an e-mail this morning in regard to the Gilbert/Granville Space and how to be invited to submit a proposal. Appear to be looking for 6000 + sq. ft. space - ideally warehouse/storage style as well as some office space.

Richmond Women's Resource Centre - have mentioned to the staff about the need to move to another space. Staff discussions with this group indicate a potential need for offices, kitchen, and open areas with meeting space needs of up to 50 people. Space required for drop-in use, counselling, support groups, meetings and educational seminars.

Volunteer Richmond -- space to relocate some of their services and programs from Caring Place.

Richmond Youth Service Agency for an Aboriginal Youth Cultural Centre.

There is ongoing need mentioned for childcare centre spaces and more spaces for non-profits in general.

Appendix C

