



The Corporation of the District of North Vancouver

CORPORATE POLICY MANUAL

Section:	Buildings, Facilities and Properties	2
Sub-Section:	Properties (Leased)	0870
Title:	COMMUNITY FACILITY LEASES	1

POLICY

1. Statement of Purpose

The District of North Vancouver (the “District”) recognizes that there is an increasing demand by residents, groups, organizations and Non-Profit Societies for Community Facilities to house a variety of community services. (Community services include social, educational, and cultural service activities, projects and programmes).

Community Facility Leases provide a means whereby the District’s Community Facilities can be used on an ongoing basis by societies or groups that provide social, educational and recreational benefits and add to the District’s cultural milieu. The District recognizes that non-profit community service activities do indeed improve the liveability of the District for its residents.

Accordingly, the District, in response to applications from those wishing to lease a Community Facility, allocates available Community Facilities (apart from those managed by the North Vancouver Recreation Commission) to community groups who can satisfy certain criteria. These criteria, set forth in this Policy, evaluate a group’s eligibility to use the Community Facility, the suitability of the proposed use to the land and premises available and the fit of the proposed use in terms of priorities determined by community needs and conditions.

The Policy also sets out, through the Procedures governing the tenure, operations and conditions of the Community Facility Lease, safeguards which ensure that Community Facilities, once assigned, will continue to be used for the provision of community services and the general benefit of the District and its residents.

2. Statement of Principles

2.1 The District endorses the principle that the responsible, accountable Non-Profit Society operation of Municipal Community Facilities benefits both the District and its residents.

2.2 The district endorses the principle that the lease of a Community Facility to a Non-Profit Society constitutes an indirect municipal grant for operating expenses; that, subject to continued satisfaction of lease conditions, this is a on-going contractual relationship between the District and the Non-Profit Society; and, that this contractual relationship recognizes both the necessary autonomy of the Non-Profit Society’s operations and the District’s responsibility to ensure that its facilities are optimally used to provide the most effective community services benefits possible.

2.3 The District endorses the principle that, subject to on-going assessment of demand and financial circumstances, plans for increasing the supply of Community Facilities should be developed.

- 2.4 The District endorses the principle that planning to increase the supply of Community Facilities and taking action as a result of the planning, requires co-ordination of such factors as location, operation and service provision; further that the District, residents, community groups and service providers must work co-operatively to ensure that the result is co-ordinated, cost-effective community development which strengthens local initiative and builds policy community bonds.**

REASON FOR POLICY

1. Goals

The goals of this policy are to:

- 1.1 provide public, policy-governed procedures whereby the District's Community Facilities may be leased by Non-Profit Societies to further community non-profit service activities within the Municipality;
- 1.2 promote public knowledge about and understanding of these Procedures;
- 1.3 ensure that Community Facilities are allocated in a fair, equitable and cost-effective manner;
- 1.4 ensure that the Community Facility Lease incorporates, in an equitable manner, obligations concerning the physical structure. These obligations are intrinsic to responsible use of the lands and premises, ensuring that the Community Facilities are adequately maintained and kept in a state of good repair and that the lands are landscaped and maintained in a manner that is in keeping with the surrounding properties;
- 1.5 consider and assist, where appropriate, in the development or acquisition of new Community Facilities in cases of high, substantiated need/demand;
- 1.6 explore, through Municipal inter-departmental co-operative work, new methods of developing or acquiring a larger supply of Community Facilities; and
- 1.7 explore, in consultation with the other North Shore Municipalities, the possibilities of increasing the supply of affordable, multi-purpose facility space, in relationship to demand, for North Shore wide community service delivery by North Shore wide based Non-Profit Societies.

2. Objectives

The objectives of this Policy are to:

- 2.1 provide Community Facilities for Community Service Uses;
- 2.2 facilitate Community Services Use of Community Facilities through an application to lease process;
- 2.3 ensure use is compatible with the structure of the building and the neighbourhood in which it is located and in accordance with the District's zoning requirements;
- 2.4 balance administrative efficiency with the need to retain the District's long term options over the community facility;
- 2.5 ensure that costs to the District are minimized and community benefits are maximized;
- 2.6 establish a lease document which ensures that District's Community Facilities are adequately maintained and appropriately used in an accountable manner;

- 2.7 encourage, where appropriate, multi-purpose facility use and to avoid or mitigate, wherever possible, conflicting uses or times of use;
- 2.8 determine which Community Facilities are suitable for single-purpose or multi-purpose facilities; and
- 2.9 promote, where possible, Umbrella Non-Profit Societies or Primary Lessees to operation and manage the Community Facilities in accordance with the Community Facility Lease Policy and the Community Facility Lease document.

AUTHORITY TO ACT

Retained by Council

PROCEDURE

1. Policy Jurisdiction

- 1.1 This Policy excludes Community Facility Leases in existence prior to January 1, 1992,
- 1.2 This policy applies to those lands and premises appended as Schedule 2 as may be revised from time to time.
- 1.3 Upon expiration of a Community Facility Lease excluded from this Policy, the Lessee must make application for lease renewal under this Policy's criteria. Existing Lessees who do not meet the Policy criteria will be given a one year extension, if required. If, after the one year extension, the Lessee is unable to conform to this policy, their lease will not be renewed and the facility will be offered as a Community Facility for use based upon the principles established by this policy.
- 1.4 This policy excludes Municipal Amenity leases in existence prior to January 1, 1992. It is possible, however, for existing Municipal Amenities lessees to apply for a Community Facility Lease through the application process.
- 1.5 Community Facility Lessees are not prevented from applying, on an annual basis, for Municipal community grants.

2. Application Procedures

2.1 Overview of Application Procedures

- 2.1.1 Interested parties become applicants by completing a standard application form and by submitting proof of registered Non-Profit Society status or proof of a relationship to a sponsoring registered Non-Profit Society, as set forth in this Policy.
- 2.1.2 Applicants are evaluated by Municipal Social Planning and Land staff, using the ELIGIBILITY CRITERIA set forth in the Policy. Staff prepare a report which states whether or not each applicant is eligible and, if not, why.
- 2.1.3 Applicants are again evaluated by Municipal Land and Social Planning staff, using the SUITABILITY CRITERIA set forth in the Policy. Staff prepare a report stating which applicants are suitable for the Community Facility in question and if certain

applicants are deemed not suitable, why.

- 2.1.4 Eligible and suitable applications with attached staff reports are then referred to the Community Services Advisory Committee on (CSAC) for selection recommendations based on PRIORITIES, as set forth in this policy. The CSAC could recommend either one applicant for a single-purpose use (one applicant to lease a child care facility, for example) or several applicants for multi-purpose use (to operate a Community Services Facility, for example). There are two basic forms of multi-purpose use lease arrangements proposed in the Policy; an Umbrella Group lease (the Deep Cove Cultural Centre model) and a Primary Lessee lease (the Capilano Community Services Society model). The CSAC might also recommend that certain applicants could be best accommodated through rental arrangements under either of the two models.
- 2.1.5 A Transmittal Report is prepared by Municipal Social Planning and Land staff and sent to Council for consideration.
- 2.1.6 Applicants are notified of Council's decision(s) by Land and Social Planning Department staff.
- 2.1.7 The rule of confidentiality will be followed throughout the application process.
- 2.1.8 In the case of an existing Community Facility Lease, staff will review the Lease six months' prior to its expiry. As part of this review, staff will evaluate the performance of the existing lessees, using the ELIGIBILITY and SUITABILITY CRITERIA set out in this Policy.
- 2.1.9 If the lessees do not meet these criteria, staff will recommend retendering of the facility.
- 2.1.10 If the lessees meet the criteria, staff request that the lessees hold a Public Information Meeting; owners and tenants within a 50m radius of the facility will be notified, as well as local community groups.
- 2.1.11 The Manager - Lands can then approve the renewal, and an information report will be submitted to Council.

1.1 Pre-requisite of Non-Profit Society Status

Organizations wishing to become applicants for a Community Facility Lease of Municipally owned land or land and premises, must satisfy the pre-requisite in one of the following ways:

- 1.1.1 An organization must show proof that it has been a registered Non-Profit Society in good standing with the Registrar of Societies for a period of one year; or
- 1.1.2 An organization not yet a Non-Profit Society or a Non-Profit Society which has not been in operation for a full year, may form a short term partnership with a "sponsor" Non-Profit Society that satisfies the criteria in Section 7.2.1. These sponsor partnerships are most appropriate where the new community organizations have arisen in order to offer solutions to clearly demonstrated needs. The "sponsor" would apply, attaching a copy of the agreement between the parties to the application; or
- 1.1.3 A community based Non-Profit Society may form a long term partnership with a more broadly based Non-Profit Society. The partners would apply, attaching a copy of their agreement to their application. These partnerships are most

appropriate where the Non-Profit Societies have agreed to a co-operative relationship in order to reduce administrative costs or for other benefits.

1.2 Opportunities for Application

- 1.2.1 Non-Profit Societies may make application for Community Facilities as they become vacant.
- 1.2.2 Groups interested in operating as an Umbrella Group or Primary Lessee within a Community Facility may initiate discussions with the District on potential sites.
- 1.2.3 Notice of vacant Community Facility will be posted at the Municipal Hall and advertised in a local newspaper.

1.3 Application Forms

- 1.3.1 Applications to lease a vacant Community Facility must be made on the District's Official Community Facility Lease Application Form; Instructions to Applicants accompany the Community Facility Lease application forms. Application forms are available through the Land Department.
- 1.3.2 Community Facility Lease applications will not be processed unless accompanied by the required non-refundable application fee of \$10.00 and unless all questions are fully answered.
- 1.3.3 Processing time is approximately two months from closure of the application period. (Closing Date will be given in posting/advertisement).

1.4 Eligibility Criteria

The application will document ability to deliver services to the community within the following criteria:

Service Provision

- 1.4.1 Overall, applicants must provide free, subsidized or financially accessible Community Services to residents of the District.
- 1.4.2 Applicants must justify the community need or desire for these services and indicate demand.
- 1.4.3 Use of these services must be open to all residents of the District who meet clearly stated criteria for participation.
- 1.4.4 If an applicant proposing to deliver services is a North Shore wide organization, an estimate of the number and proportion of District residents who will use the services offered must be provided.
- 1.4.5 Applicants must show evidence of and plans for on-going active community volunteer involvement.
- 1.4.6 Applicants must show evidence of an plans for accountability to the community and residents being served; and, through the structure and process of Board-Member relationship, to the duly registered members of the Society, and through clear criteria of membership in the Society, to potential members.

- 1.4.7 Applicants may present plans for extent of building usage, whether as sole occupant or through some proposed joint tenancy arrangement. Applicants should also indicate whether and to what extent “casual” rental use by District residents is possible within the applicant’s workplan.

Financial Accountability

- 1.4.8 Applicants must provide an annual financial statement as partial proof of financial responsibility and accountability; additional evidence may be required during the process of application scrutiny.
- 1.4.9 No member of the Board and no member of the Society or family member of either member may receive remuneration for the provision of services, such as dance or sports lessons, or supplies for the operation of the programs or projects delivered by the Society.
- 1.4.10 Applicants must submit a one year workplan, with attached estimated operating budget, for the services and activities proposed.
- 1.4.11 Applicants must provide evidence of a staff-volunteer ratio appropriate to both the size and character of the building and to the amount and nature of the services and activities to be provided there.
- 1.4.12 The District will provide applicants with a minor maintenance repair schedule; applicants should indicate, through proposed workplan and operating budget, their ability to implement the maintenance schedule.
- 1.4.13 The applicant’s “Non-Profit” financial status will be assessed through cash flow analysis of financial statements and estimated budgets, using accepted accounting methods (for example, relationship of administrative or overhead costs to costs of services provided; allocation of “surplus revenues”, etc.).

1.5 Suitability Criteria

Suitability criteria deal with factors such as zoning, structure, location, type and size of facility, which may constrain possible uses. All applicants must propose uses for the building as its structure, location, type and size dictates. The Suitability Criteria are as follows:

- 1.5.1 The zoning of the site should be appropriate for the proposed use.
- 1.5.2 The suitability of the site for a particular use should be considered in terms of:
- size and dimensions;
 - topography and other natural features (creeks, trees, etc.);
 - site preparation required;
 - access;
 - services available;
 - proximity of transportation; and
 - projected plans for neighbourhood.
- 1.5.3 If there is an existing building on the site, its suitability for a particular use will be considered in terms of:
- size and dimensions;
 - structural components of building;
 - configuration of rooms;

- amenities available, for example, meeting rooms, gymnasium, office space, kitchen facilities, washrooms;
- operating costs of building;
- schedule;
- parking availability;
- outside lighting; and
- access for persons with disabilities.

1.6 Priority Criteria

Applicants' proposals for type of service(s), organizational format and method of service delivery will be assessed using the following criteria. Priority will be given to proposals which:

- 1.6.1 Improve co-ordination of services to the community and avoid overlap or duplication;
- 1.6.2 Aid in developing strong, ongoing community relationships;
- 1.6.3 Improve number or mix of services in the community and provide better geographical accessibility;
- 1.6.4 Improve balance of local services in a neighbourhood which is deficient in such services; and
- 1.6.5 Ensure fullest and most efficient use of the facility, within conditions imposed by the suitability criteria.

In addition, certain of the Eligibility Criteria may also serve as Priority Criteria by shifting the emphasis to degree or amount.

- 1.6.6 For example, priority might be given to the applicant with the greatest degree of volunteer community involvement or with the widest range of service recipients.

2. Community Facility Lease

2.1 Form and Term of Tenure

- 2.1.1 The normal form of tenure for community leases is a Community Facility Lease with a maximum term of five years.
- 2.1.2 Community Facility Leases will not be registered in the Land Title Office.

2.2 Fee Schedule

- 2.2.1 The fee for a five-year lease will be \$1.00 per annum (as amended from time to time).
- 2.2.2 The documentation fee is \$195.00, non-refundable (as amended from time to time).

2.3 Permissive Tax Exemption

Community Facility Lessees may apply, on an annual basis, for a permissive tax exemption.

2.4 Operating Conditions

Structure of Society

- 2.4.1 The Society's Constitution and Bylaws, including its stated aims and objectives, will be reviewed by Council for compliance with this Policy. A certified true copy of the existing Constitution and Bylaws, which have been considered by Council, shall be attached as a schedule to the lease.
- 2.4.2 The Society shall not amend its Constitution and/or Bylaws without the written acceptance of the District so as to ensure the Society does not deviate from its original aims and objectives.
- 2.4.3 The Society's Constitution shall include a prohibition stating that no member of the Board or of the Society or family member or either member may receive remuneration for the provision of services, such as dance or sports lessons, or operation of programs by the Society.
- 2.4.4 The Society shall give priority for membership to residents of the District where appropriate.

Operation of Society

- 2.4.5 The Society will develop and adopt its own policy and procedures governing operation of the Facility. These should be consistent with District Policy and Procedures, include such items as criteria for selection of Sub-lessees and assignment of space, and be submitted to the District for consideration.
- 2.4.6 The Society shall submit a schedule of its Sub-Lessees, Licensees, annual dues and initiation fees, and all subsequent changes thereto, to the District for acceptance.
- 2.4.7 If applicable, the Society shall submit a schedule of room rental rates, and the method used to calculate these rates, based on operating costs, to the District for acceptance.
- 2.4.8 The Society shall indemnify the District against all claims and shall maintain comprehensive general liability insurance coverage in an amount determined by the District, naming the District as a joint insured.
- 2.4.9 The Society shall not use the Facility in any way that is contrary to the Community Facility Lease and shall use the Facility in conformity with the recommended use listed in Schedule 2.

Subleasing/Assignment

- 2.4.10 The Society shall not assign its Community Facility Lease.
- 2.4.11 The Society should make provision for the use of the premises by other community groups, where appropriate, on the basis that such groups contribute towards the cost of maintenance and operation on an equitable basis; the method of calculation and the resulting calculation are subject to review by the District.

Alterations to the Facility

- 2.4.12 The Society shall not make any improvements to the existing structures without obtaining the prior approval in writing from the Land Agent, and all necessary permits from the Permits and Licences Department.

Accountability

2.4.13 Within thirty days of its year end, the Society shall submit the following;

- annual financial statements, which shall be audited upon request by the District; annual report of activities, together with workplan for coming year with attached estimated operating budget, the amount of volunteer commitment should be specified;
- list of members' names and addresses, if requested to do so by the District;
- list of staff members' names, if applicable; and
- annual report of maintenance carried out.

Default

2.4.14 Any default in any provision set forth in the lease will be considered breach of the lease and the lessee, after a reasonable period of redemption, if unable to correct the breach, will be required to abandon the premises forthwith.

DEFINITIONS

The following definitions¹ relate specifically to this Community Facility Lease policy and procedures:

“Community Facility” means land and premises or land owned by the District and held for community services at nominal rent, under lease or other contractual agreements. (For the category of Community Facilities held by the District as of January 1, 1992, see Schedule 1).

“Community Facility Lease” means the form of lease document prepared by the District for operation of Community Facilities for Community Services Use by registered Non-Profit Societies. All Community Facility Leases are based on a five-year term, with an annual rental rate of \$1.00. A permissive tax exemption may be granted by Council.

“Community Group” means a collection of individuals, more or less formally organized, who use or deliver community services or have an interest in or are advocates for such services or who have other organizational purposes.

“Community Services Use” means social services use (an outreach youth project, for example) or educational services use (an alcohol and drug prevention program, for example) or cultural services use (arts and heritage activities and programmes), that can be shown to provide a benefit to the residents of the District, its communities, neighbourhoods and, more widely, to the residents of the North Shore.

“the District” means The Corporation of the District of North Vancouver.

“Licensee” means those groups or individuals wishing to use the premises from time to time on a rental/cost basis. Rental agreements may be entered into with the Primary Lessee or Umbrella Group.

“Municipal Amenity” means that group of District owned leased properties that are neither commercial nor community facility leases (Panorama Park Boat House, Hendry Hall, for example).

“Non-Profit Society” means a group of individuals having certain common interests incorporated as a society under the Society Act (RSBC, 1980. C.390) for the primary purpose of providing community services related to social, educational, recreational and cultural activities, projects and programmes.

¹ Terms defined in this section are capitalized throughout the Policy and Procedures document

“Umbrella Group” means a Non-Profit Society mandated to administer a Community Facility for Community Services Use, whose membership consists of Non-Profit Societies; representatives from member Non-Profit Societies constitute the Board of the Umbrella Group.

“Primary Lessee” means a Non-Profit Society mandated to administer a Community Facility for Community Services Use.

“Sub-lessee” means a community group of Non-Profit Society requiring on-going allocated space within the Community Facility administered by the Umbrella Group or Primary Lessee in accordance with criteria outlined in this Policy.

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