
CITY OF KELOWNA

MEMORANDUM

Date: July 7, 2003
File No.: 0870-20

To: City Manager

From: Civic Properties Manager

Subject: Martin Education Centre RFP

RECOMMENDATION

THAT City Council instruct Staff to negotiate a lease with the Okanagan Boys and Girls Clubs to lease the Martin Education Centre building.

BACKGROUND

The City of Kelowna purchased Martin Education Centre from School District #23 in October 2001 for future community park space. Included in the purchase was the Martin Education Centre building (17,670 square feet). School District #23 leased the building back until April 30, 2003. This building is not targeted for removal until the park is developed sometime in the next five to ten years. Early in 2003, an RFP was issued to elicit proposals from non-profit organizations interested in leasing the Martin Education Centre building. Playfields and some of the parking are remaining with the City for community use. The RFP closed on May 6, 2003, with two proposals received.

One is from a partnership made up of NOW Canada Society and AIDS Resource Centre – Okanagan Region. This submission included three other organizations that are intending to co-locate with the two lead organizations. They are C.A.S.E.Y., Elizabeth Fry Society and the Okanagan Aboriginal AIDS Society. The proposal is to establish a base of operations for all five partnering organizations.

The second submission came from the Okanagan Boys and Girls Clubs. Their intent is to relocate their existing services for children up to 12 years old from their Richter Street facility to the Martin Centre. The Richter Street facility will then become the downtown teen centre focusing on the 13 to 19 year old population. Other services to be offered out of the Martin Centre include seniors and adult education, pre-natal and parent education, health and wellness classes, and child minding for all activities. Their proposal will provide a location for operation of the Okanagan Institute for Learning in Retirement. The Kelowna Jaycees fundraising activities will continue to support the Boys and Girls Club in their building development program for this program.

With two very worthwhile and community-oriented submissions, staff had a difficult time selecting a successful proponent. Although coming from different focuses, both were offering a wide range of

community services that were evaluated to be on par with each other. The final selection came down to three points that dictated the final selection.

- Experience operating a facility of this size
- A building contingency fund of \$12,000 per year offered by the Boys and Girls Club
- Financial position of proponent

In recommending selection of the Okanagan Boys and Girls Clubs, it is noted that they have on-going experience operating large facilities i.e. Kelowna Jaycees Downtown Youth Centre (Richter Street) and the Rutland Boys and Girls Club at the Rutland Sports Fields. Both these facilities are well run and the buildings are kept in a good state of repair. On the financial points, the City's Financial Services Department has reviewed the financial strength of both submissions and note the Okanagan Boys and Girls Clubs are in a strong financial situation with 50% of their revenue coming from offered services and the remainder coming from the City, fundraising and donations. In addition, the B&G Club are offering to fund a building contingency reserve of \$12,000 annually and any unused funds will be turned over to the City at the end of the lease period. This proposal also notes a budgeted expenditure of \$47,000 in start-up building improvements.

Given both the experience and financial strength of the Okanagan Boys and Girls Clubs, it is staff's recommendation to enter into negotiation with them to create a lease.

Jim Waugh, Civic Properties Manager

JW/dk

cc: Director of Parks & Leisure Services
Deputy Director of Finance
Financial Accounting and Systems Manager