



Date: February 26, 2004

TO: Board Members - Parks and Recreation
FROM: General Manager - Parks and Recreation
SUBJECT: FALSE CREEK COMMUNITY CENTRE

RECOMMENDATION

THAT the Board approve the additional renovation work and the return of surplus funding to the funding partners as detailed in this report.

POLICY

The Park Board requested a report back on the disposition of any surplus funding for this project.

BACKGROUND

The project to add to and renovate the False Creek Community Centre was approved by the Board in February of 2001, subject to the issuance of a development permit and the Association's securing the required supplementary funding.

At its meeting of January 27, 2003, the Board endorsed requesting Council to allocate \$475,000 in CAC funding for the project, plus an additional \$230,000 in CAC funding to include heating and ventilation upgrading for the centre. The CAC funds were received by the City as a condition of a rezoning at 711 West Broadway (Holiday Inn).

At its meeting of January 30, 2003, Council approved the CAC allocations as requested by the Board.

At its meeting of June 9, 2003, the Board awarded the contract for the renovations and addition to False Creek community Centre. The scope of work included:

- Construction of a small gymnasium
- Expansion of the fitness centre
- Extensive upgrading of the heating and ventilation system in Building 79, the original community centre building.

The funding for the project as quoted in the report came from the following sources:

Park Board Capital	\$490,788
Community Amenity Contribution	\$705,000
False Creek Community Association	\$440,000
Total	\$1,635,788

The project budget included a total of \$282,305 in unallocated funding, a figure larger than would usually be the case, because the low tender came in below the estimated amount. The report indicated that, should funding remain after project completion, staff would recommend the funds should be returned in proportion to the three funding partners' contributions.

DISCUSSION

The project is now very near completion, and it is estimated that a total of approximately \$190,000 will remain unspent, pending last minute unexpected changes. Based on the funding proportions, the surplus funds would be allocated as follows:

- Park Board 30%, or \$57,000
- City 43%, or \$81,700
- Association 27%, or \$51,300

Representatives of the Association and community centre staff have indicated a desire to use the surplus funds to carry out further improvements as follows (costs shown are estimates):

- Replace all windows in building 79 \$155,000
- Additional work to existing Captain Richards room to convert it to fitness centre use \$ 24,000
- Install security cameras throughout the centre \$ 12,000
- Install security grille at reception desk \$15,000
- Total \$206,000

The Association has offered a further financial contribution toward the window replacement. However, staff do not believe that these windows are the highest priority for limited Park Board funds.

After reviewing the above requests, staff recommend carrying out the improvements to the Captain Richards room, and installing the cameras to replace existing inadequate cameras, for a total additional expenditure of approximately \$36,000, leaving an expected surplus of approximately \$154,000, to be returned to the funding partners as follows:

- Park Board \$46,200
- City \$66,200
- Association \$41,600

The Park Board funds would be returned to the Community Centres Major Maintenance capital account. The City funds would be returned to the City's CAC account. The Association would simply not be billed for their share of unspent funds.

The return of surplus funding is particularly useful at this time, when the Board and Council are faced with a multi-million cost escalation challenge on a number of recreation and park projects.

SUMMARY

The completion of the Captain Richards room addition to the fitness centre is consistent with the project intent, and the availability of \$112,400 of City/Park Board funding to help mitigate the effects of cost escalation is helpful.

Prepared by:

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RR/eml