

## Report to Council

<b>Report Title:</b>	G.R.O.W. Rooted in Love Maternity Home Proposal for Lease of Armoury Building		
<b>Prepared By:</b>	Sonya Watson, Chief Administrative Officer		
<b>Department:</b>	Administration		
<b>Date:</b>	February 12, 2019		
<b>Report Number:</b>	CAO2019-02	<b>File Number:</b>	C11AD
<b>Attachments:</b>	The Tree House Business Plan G.R.O.W. Rooted in Love Maternity Home Financial Statements		

### Recommendation:

That the Council of the Municipality of Brockton hereby receives Report Number CAO2019-02 – G.R.O.W. Rooted in Love Maternity Home Proposal for Lease of Armoury Building, prepared by Sonya Watson, Chief Administrative Officer for information purposes and in so doing supports moving forward with a three year lease agreement with G.R.O.W. Rooted In Love Maternity Home for use of the Armoury Building; and further that the lease agreement be brought forward for authorization by by-law.

### Report:

#### Background:

Bobbi-Jo Moran attended Council as a delegation on November 5, 2018 to present a proposal for leasing the Armoury building owned by the Municipality. G.R.O.W. Rooted in Love Maternity Home (“GROW”) is a Registered Charity and the details on the services they provide can be viewed at <https://growrootedinlove.com/our-story>. Bobbi-Jo Moran is the Chief Executive Mother of GROW. Ms. Moran had originally suggested that the Armoury building could support a residential program for new single mothers. However, Ms. Moran has now confirmed that GROW would not use the Armoury building as a residence at this time but rather as a community gathering place to support new single mothers.

#### Analysis:

The Armoury building has been vacant for over 4 years and some updates would be required to make the space safe for use or lease.

When considering the cost to lease the space the following considerations are applicable:

- A Fire Inspection will be required to ensure the building is up to code due to the duration of the vacancy; as well the fire alarm system will need an annual inspection and emergency and exit lighting

maintenance. There is no cost to the fire inspection but there is a cost associated with the fire alarm system inspection. Estimated costs depend on what is required for repair, but typically cost approximately \$1,500 annually.

The following summarizes the expected yearly expenses for the building when operating as the childcare facility:

Hydro	\$3,120
Heat/Natural Gas	\$2,390
Water	\$1,500 approx.
Fire Panel Inspection	\$1,500
Boiler Inspection	\$1,000
<b>Total</b>	<b>\$9,510.00/12 months = \$793.00 per month plus maintenance wages</b>

The following summarizes the yearly expenses when sitting vacant:

Hydro	\$1,205.00
Heat/Natural Gas	\$1,855.41
Water	\$632.23
Fire Panel Inspection	\$1,500
Boiler Inspection	\$1,000
Wages Maintenance	\$1,509.18
<b>Total</b>	<b>\$7,701.82/12 months = \$641.82 per month</b>

The Armoury Building is currently tax exempt as a municipal facility. However, once leased to a third party taxes may be applicable based on use. Further confirmation with MPAC is required based on the status and use by GROW and any taxes would also be at the expense of the lessee. The only upgrades to the building itself requested by Ms. Moran was to re-paint the interior of the building and trim the trees. Ms. Moran is willing to take on the task of completing the interior improvements to the municipal facility herself.

Ms. Moran has provided a proposal for GROW's use of the Armoury building Council's review. She is proposing a useful and worthy service as a charitable organization in the community of Brockton. Her ambition is evident and she is willing to work with Brockton to alleviate any concerns and ensure the centre is operated in a desirable manner in a municipally owned facility to benefit the residents of Brockton and attract newcomers.

Members of Council asked a number of questions for clarification purposes and I have provided a summary of the answers received from Ms. Moran below:

- 1) The expense associated with "leasing" the Armoury building and covering the utilities and other costs are all included in the "utilities" budget line, as well as in the "repair & maintenance" line. The bills for hydro, natural gas, water and taxes if applicable would all be directed to GROW as a term of the lease agreement.
- 2) At this time there are no security costs included in the proposal. It is understood there is currently not a need for security as the facility is not being used as a residence and there will be access to a phone and the doors will be open to the public. If there is a need for a secure access this would be addressed by GROW in the future.

- 3) GROW will be required to obtain an Insurance Policy that indemnifies the Municipality of Brockton as part of the lease agreement. This policy will cover any concerns in regards to the occupants using the centre. Proof of adequate insurance would be required as a term of the lease agreement.
- 4) The funding sources are outlined in the proposed budget as “Donations & Fundraising”. GROW receives monthly donations, host fundraisers, local service groups fundraise and any renovations considered will be fundraised before renovations are started. More information about the donations received by GROW can be found in the attached Financial Statements.
- 5) The plans for the building initially are outlined in the attached business plan and will include a small consignment shop and life skills training for maternity home residents. As the scope of the consignment shop is planned to be largely educational, this proposed use does not contravene the provisions in Brockton’s zoning by-law. If the use changes or the consignment shop expands in scope, a zoning amendment would likely be required.
- 6) GROW may determine a need for additional residential space in the future. This would mean there is clearly a need in the area and the business is growing. The residential component is not part of the current lease agreement proposed and would require a re-zoning and Council re-consideration of the current lease agreement.
- 7) The highest number of occupants GROW has indicated as part of the current proposal is groups of 15-20 people depending on what programs are being offered.
- 8) GROW has indicated it has referrals and connections with the Children’s Aid Society, Keystone, Pregnancy Centre and the Community.
- 9) GROW will be using qualified counsellors only for the Maternity Home residents in a private setting as well as a Doula, Lactation Support person, and facilitating Bruce Grey Child and Family Services meetings as required.
- 10) For clarity, the lease agreement will be with GROW although Ms. Moran is planning on referring to the Armoury building as “The Tree House”.
- 11) The Business Plan mentions a community dinner. This community dinner would be an invited dinner for maternity home mothers and other community mothers using the services. A group of 1-15 who gather and eat together. The community dinners would be catered by local restaurants such that GROW would not be operating a commercial kitchen.
- 12) A community garden is referred to the business plan proposal. This is a garden that will be planted at Armoury that will be used as a training tool. Teaching everything from the condition of the soil, amount of water, sunlight, TLC, weeding to the finished project that will contain wild flowers and add some spirit to the yard area.
- 13) At this time there will be no paid salaries to operate the Tree House at the Armoury building – it is expected that volunteers will be used for all operations.
- 14) It should be noted that the current Maternity Home expenses (diapers, food, formula etc.) are separate from this business plan to operate the Tree House at the Armoury building.
- 15) Any renovations to the Armoury building (painting, updating) will be fundraised prior to being started and likely using donations of time and material.

16) Ms. Moran may eventually propose consideration of purchasing the Armoury building based on business growth.

The Armoury building has been vacant for a number of years and GROW's plan would bring a new service to the community. GROW's plan would comply with current zoning provisions and will require minimum upgrades prior to using the space as a centre to serve the larger community and potentially even attract new residents. The services that GROW will provide are still in the infancy stages and require support to step off the ground. Should Council not approve leasing the Armoury Building G.R.O.W. will be seeking an alternate location although this property is ideally suited for their needs.

The proposed lease agreement would commit GROW to paying the yearly expenses associated with the Armoury building and would, therefore, result in an immediate cost savings of approximately \$7,000.00 to the Municipality of Brockton. Should Council approve moving forward a formal lease agreement would be established and we would suggest that following provisions be included:

- A three (3) year initial term but with an early termination clause allowing either party to terminate the lease with ninety (90) days written notice;
- A six (6) month and one (1) year business update be provided outlining the uptake of the services provided;
- An outline of the uses of the Armoury building permitted under the lease agreement;
- Clarification that residential uses are strictly not permitted at this time;
- A stipulation that the use of the Armoury building continue to conform with the applicable zoning provisions;
- That the tenant be responsible for upkeep to the exterior of the property to comply with all applicable property standards provisions; and
- A stipulation that any improvements or renovations shall be the sole responsibility of GROW with prior written approval of the Municipality of Brockton.

Bobbi-Jo Moran from G.R.O.W Rooted In Love Maternity Home will be in attendance at the meeting should Council have any further questions.

### **Sustainability Checklist:**

What aspect of the Brockton Sustainable Strategic Plan does the content/recommendations in this report help advance?

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|---|-----|
| • Do the recommendations help move the Municipality closer to its Vision? | Yes |
| • Do the recommendations contribute to achieving Cultural Vibrancy?       | Yes |
| • Do the recommendations contribute to achieving Economic Prosperity?     | N/A |
| • Do the recommendations contribute to Environmental Integrity?           | N/A |
| • Do the recommendations contribute to the Social Equity?                 | Yes |

### **Financial Impacts/Source of Funding:**

- Do the recommendations represent a sound financial investment from a sustainability perspective?  
N/A

Entering a lease agreement would result in a cost savings to the Municipality of Brockton for the vacant Armoury Building of approx. \$7,000 per year.

**Reviewed By:**



**Chief Financial Officer**

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**Respectfully Submitted by:**



Sonya Watson, Chief Administrative Officer