

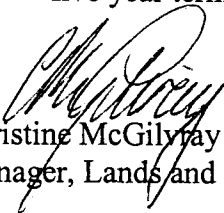


To: General Purposes Committee **Date:** April 30, 2003
From: Christine McGilvray **File:** 1000-10-037
 Manager, Lands and Property
Re: **Society of Richmond Children's Centres -**
Cook Road Daycare Lease Renewal
Terra Nova Daycare Lease Renewal

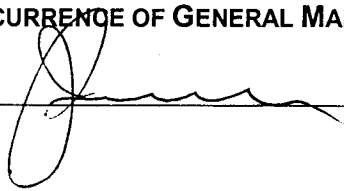
Staff Recommendation

That:

1. The lease between the City and the Society of Richmond Children's Centres for the use and operation of the daycare facility at 8300 Cook Road (Cook Road Daycare) for a five year term expiring April 30, 2008, be approved at an annual rent of \$1.00; and
2. The lease between the City and the Society of Richmond Children's Centres for the use and operation of the daycare facility at 6011 Blanshard Drive (Terra Nova Daycare) for a five year term expiring April 30, 2008 be approved at an annual rent of \$1.00.



Christine McGilvray
 Manager, Lands and Property

FOR ORIGINATING DIVISION USE ONLY		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Facility Management.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	
Budgets	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	
Law	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	
Parks Maintenance	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	
Policy Planning	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	

Staff Report

Origin

The City entered into a number of lease agreements with the Society of Children's Centres in the late 1990's to establish and run daycare centres in space that had been dedicated for community use. This report addresses two leases which are to be renewed. All things being equal and unchanged, exercising an option to renew for a further term would have been an administrative matter, but in this case the original lease documents are being amended, and all the original signatories should sign to indicate approval.

Findings Of Fact

Terra Nova Facility

The City commenced a lease agreement with the Society of Children's Centres in January 1996 to establish and run a daycare centre in purpose built space that had been dedicated for community use in Terra Nova. The City owns the property at 6011 Blanshard Drive.

The first five year term expired in December 2000, and was renewed for a second five year term in January 2001. That term was to expire in December 2005. However, because of a number of maintenance responsibility issues that had arisen during the first term of operation, there was a mutual agreement between the parties that the original lease document needed revision to clarify a number of matters. After review by staff and the facility operators, a new schedule assigning responsibilities in a more specific way was drawn up. Therefore the lease agreement now differs from the original document, and Council approval is being sought for its approval. It will commence May 1, 2003 for a five year term.

The Terra Nova facility operates with four full time staff, and also runs a "kindercare" program which accompanies children to and from the local elementary school. The facility offers special care opportunities for those children who require additional assistance from therapists etc. who can come to the facility to work with their clients.

The facility operates at capacity.

Cook Road Facility

The Cook Road facility is approximately 2,000 square feet in area and is licensed as a group day care centre for 25 children ages 2 ½ to 6 years. The four full time staff service approximately 30 families per month. Turnover is high, but the facility operates at capacity. Many of the children are from immigrant families and do not speak English.

The lease agreement has been amended in a similar way to the Terra Nova agreement, so that the responsibilities of the parties are clearly stated for matters of maintenance.

A further change which applies to both agreements is the length of term. Under the Local Government Act, municipalities cannot incur a liability for more than five years without seeking approval of the electorate through the counter-petition process. The term "liability" includes lease options to renew after an original five year term. Therefore, on the advice of the City's Law Department, the new lease agreements will contain no clause for further renewal options.


Financial Impact

Terra Nova Facility – annual operating costs contributed by the City for 2002 were \$2,895.00.

Cook Road Facility – annual operating costs contributed by the City for 2002 were \$2,128.00.

Conclusion

Council approval is required to finalize the lease agreements for a further five years operation in both facilities.


Christine McGillvray
Manager, Lands and Property
(4005)

SCHEDULE A

**DIVISION OF RESPONSIBILITY FOR MAINTENANCE EXPENSES
TERRA NOVA CHILDREN'S CENTRE
6011 BLANSHARD DRIVE**

Expense	Responsibility	
	Society	City
BUILDING		
1. Exterior Building :		
• painting/siding		✓
• roof repair		✓
• window repair/replacement		✓
• door locks/keys		✓
• signage	✓	
2. Interior Building :		
• painting	✓	
• interior windows repair & replacement	✓	
• flooring maintenance	✓	
• flooring replacement		✓
• light bulb replacement	✓	
• maintenance/repair/replacement of all play equipment, office equipment and appliances	✓	
• facility cleaning & janitorial service	✓	
• hydro & gas billing	✓	
• telephone installation & monthly billing	✓	
• fire alarm monitoring system		✓
• security system installation and monitoring	✓	
• mechanical systems:		
• interior plumbing		✓
• heating/ventilation		✓
EXTERIOR YARD		
• fence: maintenance & repair of interior portion	✓	
• fence: maintenance & repair of exterior portion		✓
• replacement of fence, or portions thereof, where required		✓
• playground design, installation & maintenance to CSA standards	✓	
• maintenance of garden & landscaping outside fenced playground area		✓
• maintenance of garden & landscaping within fenced playground area	✓	

SERVICES		
• water		✓
• sanitary sewer		✓
• storm sewer		✓
• garbage removal		✓
TAXES		✓
INSURANCE		
• comprehensive general liability insurance (not less than \$5,000,000)	✓	
• contents insurance	✓	
• building (fire and extended perils)		✓