

REPORT

Engineering Services

To: Mayor Johnstone and Members of Council
Date: May 8, 2023

From: Lisa Leblanc
Director of Engineering
File: 05.1035.10
(Doc#2218473v5)

Item #: 2023-289

Subject: **Early Steps Daycare – Playground License Agreement at 601 Queens Avenue**

RECOMMENDATION

That Council authorize the Mayor and City Clerk to execute the attached License Agreement between the City and the Early Steps Daycare.

PURPOSE

The purpose of this report is to provide Council with information on the proposed License Agreement with the Early Steps Daycare (Daycare) for the use of the City boulevard at the frontage of 601 Queens Avenue, and to obtain Council's approval for the Mayor and City Clerk to execute the Agreement on behalf of the City, and to seek Council approval to enter into a License Agreement with the Daycare as explained in this report.

BACKGROUND

The Daycare operator has requested the City to enter into a License Agreement to extend their playground area onto City Boulevard and be eligible for Fraser Health to approve a license for 12 childcare spaces. Their playground space (on private property) is insufficient to meet the 6 m² (65 ft².)per child required by the provincial Child Care Regulation.

The property at 601 Queens Avenue is privately owned and the property is being leased to the Daycare operator. The Daycare operates as a for-profit business.

Existing Policy/Practice

Providing the use of City land to support the operation and licensing of a daycare is consistent with past practice. On May 1, 2021, the City entered a license agreement with a private daycare located at 76 Jamison Court, to make use of the adjacent City land as a playground. In each case, a License Agreement is developed to meet the respective needs of the City and the business, and to commit to ensuring that the City land is maintained in a manner consistent with other City properties.

In 2008, a Child Care Needs Assessment identified a demand for child care spaces in the downtown, and is a priority in the City’s Strategic Plan. The demand for spaces still exists today, especially with the closing of Queens Avenue Daycare in 2022.

DISCUSSION

The following is a summary of the License outdoor space, terms and conditions.

- License space: Approximately 40 m². (430 ft².)
- Term: 5 year commencing on April 1, 2023
- License rate: \$1075.00 per annum

The Daycare operator has reviewed the proposed license agreement.

A copy of the proposed License Agreement is provided in Attachment 1.

NEXT STEPS

The next steps in processing the License Agreement will be providing public notification of the City’s intention to enter into a License Agreement with the Daycare, and, subject to no objection being heard in response to public notification, will conclude with signing and distribution of the documents.

FINANCIAL IMPLICATIONS

Subject to Council approval of the License Agreement, the total fee generated over the 5 year term is \$5,375 with no net new operational expenditure impact to the City. To determine an appropriate annual rental rate, staff applied a fee of \$26.91/m². (\$2.50/ft²) which aligns with the unit rate referenced in the Street and Sidewalk Patio Bylaw No. 8318, 2022 for encroachments made onto City sidewalks for on-street seating options for local businesses.

The City is co-insured on the Daycare’s insurance policy with a coverage of \$5M.

INTERDEPARTMENTAL LIAISON

Staff from Legal Services, Engineering, Parks and Recreation, and Finance were consulted on this report.

OPTIONS

The following options are provided for Council's consideration:

- 1) That Council authorize the Mayor and the City Clerk to execute the attached License Agreement between the City and the Early Steps Daycare operator, and;

- 2) That Council provide staff with alternative direction.

Staff recommend Option 1.

ATTACHMENTS

Attachment 1 - License Agreement between the City and Early Steps Daycare

APPROVALS

This report was prepared by:
Christy Mereigh, Manager of Strategic Projects
Craig MacFarlane, Manager of Legal Services

This report was reviewed by:
Erika Mashig, Manager Parks & Open Space Planning, Design and Construction
Gabe Beliveau, Manager, Engineering Operations
Tobi May, Manager, Civic Buildings & Properties
Harji Varn, Director of Finance

This report was approved by:
Lisa Leblanc, Director of Engineering Services
Lisa Spitale, Chief Administrative Officer