

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **November 26, 2024**

FROM: **General Manager, Parks, Recreation & Culture** FILE: **0550-20**

SUBJECT: **Amendment to the Partnering Agreement and License and Operating Agreement with the Association of Neighbourhood Houses of BC for Childcare at Don Christian Recreation Centre**

RECOMMENDATION

The Parks, Recreation & Culture Department (“PRC”) recommend that Council:

1. Receive this report for information;
2. Approve expanded childcare services at the modular facility located on the east side of the Don Christian Recreation Centre site at 6220 184 Street;
3. Approve the execution of an amendment to the existing Partnering Agreement by the General Manager of Parks, Recreation & Culture between the City and Association of Neighbourhood Houses BC (“Alexandra Neighbourhood House), subject to compliance with the public notice provisions of the *Community Charter, SBC 2003, C.26*, as approved by the City Solicitor as generally described in this report; and
4. Approve execution by the General Manager of Parks, Recreation & Culture of an amended License and Operating Agreement to align with the remaining 21-month term of the existing agreement between the City and Alexandra Neighbourhood House, subject to the execution of the Partnering Agreement and compliance with the public notice provisions of the *Community Charter, SBC 2003, C.26*, all as generally described in this report.

INTENT

The purpose of this report is to obtain Council’s approval to amend the existing Partnering Agreement and License and Operating Agreement with Alexandra Neighbourhood House to expand their operation of childcare services from 16 multi-age spaces to incorporate an additional 24 spaces for children aged 3-5 at Don Christian Recreation Centre.

BACKGROUND

In 2021, the City received \$1,000,000 funding from the Union of BC Municipalities to construct a modular facility located on the east side of the Don Christian Recreation Centre. Through a competitive process, the City entered into a Partnering and License and Operating agreement with Alexandra Neighbourhood House to operate childcare services (Corporate Report No. R155: 2021 attached as Appendix “I”).

In 2022, new funding of \$1,407,000 was obtained through the ChildCareBC New Spaces fund (Corporate Report No. R215: 2021 attached as Appendix “II”) to add a second modular facility to the Don Christian Recreation Centre site. In 2024, due to cost increases, the Province approved an additional \$325,000 through the ChildCareBC New Spaces Funding for a total project budget of \$1,732,000 for the second modular.

DISCUSSION

Through the design process, it was determined that the best placement for the second modular unit would be to attach it to the first modular (see architectural drawings, Appendix “III”).

Staff considered the merits of single sourcing to the existing provider, Alexandra Neighbourhood House for better continuum of care, as children who are in the 0–2-year-old program (in one modular facility) can transition into the 3–5-year-old program (in the second modular facility). The operator is also already licensed under the \$10 a day program through the Province of BC in which the new 3-5 year program would be preapproved. There would also be more efficient operation of programs as both modulars will share a play space and the newest modular site does not have an office or full kitchen, so there is benefit to one operator being able to utilize both sides of the modular sites.

The Partnering Agreement

The Partnering Agreement authorizes the City to provide “assistance” to Alexandra Neighbourhood House provided that notice is given (both in accordance with section 24 and 94 of the *Community Charter* respectively). The Partnering Agreement with Alexandra Neighbourhood House includes the following types of assistance:

- A contribution by the City of the childcare and adjacent outdoor activity area for use by Alexandra Neighbourhood House throughout the 21-month term for a nominal rate (\$1.00 annually);
- A contribution by the City of furnishings and equipment related to the childcare and outdoor activity area; and
- Maintenance by the City of the parking areas, pedestrian pathways, and landscaping at Don Christian, based on proportionate use.

The License and Operating Agreement

The License and Operating Agreement will govern the terms and conditions associated with the use of the License Area and will also ensure that the childcare facility is operated in a manner that is acceptable to the City. Further details regarding the proposed amended License and Operating

Agreement are in the attached Appendix "IV".

Legal Services Review

This report has been reviewed by Legal Services.

CONCLUSION

Based on the above discussion, it is recommended that Council the approve the execution of an amendment to the existing Partnering Agreement and License and Operating Agreement with Alexandra Neighbourhood House to expand their operation of childcare services from 16 multi-age spaces to incorporate an additional 24 spaces for children aged 3-5 at Don Christian Recreation Centre.

Laurie Cavan
General Manager
Parks, Recreation & Culture

Appendix "I": Corporate Report No. R155: 2021

Appendix "II": Corporate Report No. R215: 2021

Appendix "III": Don Christian Modular Expansion Architectural Drawings

Appendix "IV": Alexandra Neighbourhood House License & Operating Agreement (Additional Information)



CORPORATE REPORT

NO: R155

COUNCIL DATE: July 26, 2021

REGULAR COUNCIL

TO: Mayor & Council DATE: July 22, 2021

FROM: General Manager, Parks, Recreation & Culture FILE: 0450-01

SUBJECT: Partnering Agreement and License and Operating Agreement between the City of Surrey and Alexandra Neighbourhood House for Childcare at the Don Christian Childcare Facility

RECOMMENDATION

The Parks, Recreation & Culture Department recommends that Council:

1. Award Contract 1220-050-2021-013 to the Association of Neighbourhood Houses BC ("Alexandra Neighbourhood House") to operate the childcare at the new Don Christian Childcare facility located on the east side of the Don Christian Recreation Centre Site at 6220 - 184 Street;
2. Approve the execution by the General Manager of Parks, Recreation & Culture of a Partnering Agreement between the City and Alexandra Neighbourhood House, subject to compliance with the public notice provisions of the Community Charter, SBC 2003, C.26, , as approved by the City Solicitor all as generally described in this report; and
3. Approve the execution by the General Manager of Parks, Recreation & Culture of a License and Operating Agreement for three years, with one additional two-year term between the City and Alexandra Neighbourhood House, subject to the execution of the Partnering Agreement compliance with the public notice provisions of the Community Charter, SBC 2003, C.26, and satisfaction of the conditions precedent, all as generally described in this report.

INTENT

The purpose of this report is to obtain Council's approval to enter into a Partnering Agreement and a License and Operating Agreement with Alexandra Neighbourhood House to operate childcare services at the new Don Christian Childcare facility.

BACKGROUND

Cloverdale is geographically the third largest neighbourhood in Surrey and a community experiencing steady growth in population. An increasing number of young families are moving to the area and as such, there is a growing need for licensed childcare opportunities in the community. In 2019, the City applied for the Childcare Space Creation grant, offered by the Province of British Columbia and administered by the Union of British Columbia Municipalities ("UBCM"), with a

proposal to build a modular facility on the property of Don Christian Recreation Centre. The City was awarded \$1,000,000 in capital grant funding to support the project with the commitment to create 16 licensed childcare spaces for children under the age of five.

The location for this modular facility was chosen, in part, due to the accessibility for families in Cloverdale while also recognizing that the other amenities on site create a hub of services to families with children from six months up to 13 years of age. The Don Christian Childcare facility is adjacent to the Don Christian Recreation Centre which offers a wide range of programs for children and families. The new childcare facility is also next to the Surrey School District's Don Christian Elementary School.

DISCUSSION

The new Don Christian Childcare facility was completed in June 2021. The design and layout of the modular unit was developed by Art Cader Architect Inc. and in consultation with Community and Recreation Services staff from the City to ensure all childcare licensing requirements are met. Additional outdoor elements including a natural play area will be complete before September 2021.

Request for Expressions of Interest Process

A request for expressions of interest process was initiated in May 2021 RFEOI/SOQ #1220-050-2021-013 (the "RFEOI"). The RFEOI process sought to identify an operator able to provide a full range of inclusive, accessible, and affordable childcare services. Prospective proponents were further advised that the City is proposing to enter into a three-year operating agreement (with an option for a two year renewal period) with the selected, successful proponent. Additionally, the RFEOI indicated that proponents had the option of expressing interest in operating the Before and After School Care program currently operated by the City out of the existing Don Christian Recreation Centre.

Two submissions were received as follows:

1. Alexandra Neighbourhood House
2. Kids Zone Child Care Centre Ltd. ("Kids Zone")

EVALUATION

The evaluation team comprised of staff from the Parks, Recreation & Culture Department, Finance Department and Legal Services. The evaluation criteria used in the selection process were as follows:

- Organization Structure and Status;
- Organization Current Operations;
- Experience Related to Childcare Planning and Set-up;
- Capital Contribution to the Site;
- Financial Viability;
- Organization Childcare Philosophy;
- City of Surrey and Parental Involvement;
- Staff Training and Development;
- License and Operating Agreement;
- Start Up and Operating Budget;
- Implementation Plan;

- Innovation;
- Community;
- Capacity for Expansion;
- Compliance; and
- Value Added Services.

The evaluation team reviewed the submissions against the above evaluation criteria and conducted one additional clarification/interview meeting with each proponent to gain a greater understanding of elements related to their submissions.

Results of Evaluation

Based on the evaluation, the evaluation team determined that Alexandra Neighbourhood House is the preferred proponent recommended to operate the childcare facility. While both proponents are capable of operating the facility, the evaluation team recognized a great depth and breadth of experience and expertise of Alexandra Neighbourhood House in the operation of a licensed childcare. Alexandra Neighbourhood House also has the oversight and support from the well-established, financially sound ANHBC with an existing governance model in place, a defined reporting structure, Volunteer Board of Directors and existing Community Boards.

Alexandra Neighbourhood House thoroughly demonstrated the skills, knowledge, resources, capacity, and ability to fulfill the services as requested. Alexandra Neighbourhood House brings a wealth of previous experience and expertise in the childcare industry with a history of providing high quality childcare programs to Surrey, including a successful operation at Kensington Prairie Community Centre since 2011. Alexandra Neighbourhood House presented evidence throughout their submission to their commitment to programs with distinct focuses on inclusivity, diversity, and collaborative community approaches with relevant examples derived from current operations.

Alexandra Neighbourhood House also expressed interest in operating the existing before and after school care program out of the Don Christian Recreation Centre.

The Partnering Agreement

The Partnering Agreement authorizes the City to provide "assistance" to Alexandra Neighbourhood House provided that notice is given (both in accordance with section 24 and 94 of the Community Charter respectively). The proposed Partnering Agreement with Alexandra Neighbourhood House includes the following potential types of assistance:

- a) A contribution by the City of the childcare and adjacent outdoor activity area for use by Alexandra Neighbourhood House throughout the 5-year term;
- b) A contribution by the City of furnishings and equipment related to the childcare and outdoor activity area;
- c) Maintenance by the City of janitorial services specific to the childcare;
- d) Non-exclusive access to common areas on site;
- e) Maintenance by the City of the parking areas, pedestrian pathways and landscaping adjacent to the childcare at no cost to Alexandra Neighbourhood House; and
- f) Access to and use of the childcare for a nominal rate (\$1.00 annually) over the 5-year term.
- g) A contribution by the City for the operation of a licensed before and after school care program at the Don Christian Recreation Centre.

The License and Operating Agreement

The License and Operating Agreement outlines the terms and conditions associated with the use of the modular facility to Alexandra Neighbourhood House for a nominal rate (\$1.00 annually). The License and Operating Agreement will govern the terms and conditions associated with the use of the modular facility and will also ensure that the childcare facility is operated in a manner that is acceptable to the City.

The License and Operating Agreement is for a term of three years, with a further two additional years as an optional renewal, and is subject to the following conditions precedents:

1. City Solicitor approval; and
2. Compliance with the notice provisions of the Community Charter, SBC 2003, c. 26.

Legal Services Review

This report has been reviewed by Legal Services and they have no concerns.

SUSTAINABILITY CONSIDERATIONS

The Partnering and License Agreement will support the objectives of the City's Sustainability Charter 2.0. In particular, these Agreements relate to the Sustainability Charter 2.0 themes of Health and Wellness, Infrastructure, Education and Culture, and Inclusion. Specifically, this project supports the following Desired Outcomes ("DO") and Strategic Directions ("SD"):

- Health and Wellness - Health Services and Programs – SD 5: Support access to high-quality childcare services and facilities.
- Health and Wellness - Wellness and Recreation – SD 7: Actively support capacity-building in neighborhoods and communities to encourage connections.
- Infrastructure - All Infrastructure - DO 2: Infrastructure systems provide safe, reliable affordable services.
- Education and Culture - Learning DO 3: Meaningful and accessible early childhood learning opportunities are in place for children and families.
- Inclusion - Age Friendly Community DO 17: Families have access to affordable and quality local childcare.

CONCLUSION

Based on the above discussion, it is recommended that Council support Alexandra Neighbourhood House to provide childcare services at the Don Christian Childcare facility, on site at the Don Christian Recreation Centre at 6220 - 184 Street and execution of the subsequent Partnering and License and Operating Agreements as generally described in this report.

for

Laurie Cavan
General Manager
Parks, Recreation & Culture

NO: R215

COUNCIL DATE: November 8, 2021

REGULAR COUNCIL

TO: Mayor & Council DATE: November 4, 2021
FROM: General Manager, Parks, Recreation & Culture FILE: 0450-01
SUBJECT: Child Care BC New Spaces Fund Grant Application for Four Proposed
Childcare Operations

RECOMMENDATION

The Parks, Recreation & Culture Department recommends that Council:

1. Receive this report for information;
2. Endorse four Child Care BC New Spaces Fund grant applications to develop space at the following four sites for full-time licensed childcare in Surrey (Don Christian Recreation Centre, Elgin Centre, New Newton Recreation Centre and Surrey Sport & Leisure Complex); and
3. Authorize staff to initiate a procurement process to identify potential proponents for the operation of full-time licensed childcare programs at the above noted sites as generally described in this report.

INTENT

The purpose of this report is to obtain Council's approval to submit four grant applications to develop and convert program spaces including 117 new spaces located at Don Christian Recreation Centre, Elgin Centre, the new Newton Recreation Centre, and Surrey Sport and Leisure Complex (the "Sites"), and to authorize staff to initiate a procurement process to identify potential proponents to operate full-time licensed childcare programs at these Sites, subject to confirmed funding by the Province.

BACKGROUND

Across the province, there is a significant shortage of licensed childcare spaces. To help fill this shortage, the Province's Ministry of Children and Family Development established the Childcare BC New Spaces Fund to assist local governments in creating new, licensed childcare spaces within existing sites or in facilities under long-term user agreements with the local government.

DISCUSSION

The Province of BC has announced it is prioritizing projects that build spaces that serve infants and toddlers, offer care outside of regular business hours, are operated by a public body or non-profit organization, and benefit underserved populations, including children requiring extra supports, lower income families, single family parents, minority language families and recent immigrant and refugee families. The prioritization of partnerships between local government and non-profit sectors provides opportunities to create the most accessible and sustainable childcare while ensuring wrap-around service to families.

Property Descriptions

The four sites were chosen based on their accessibility features, operational feasibility, and geographic distribution across the city. 2019 stats show that Surrey has 11,301 licensed childcare spaces with 475 operators (map attached as Appendix "I"). All proposed sites have access to adequate greenspace and are accessible by transit and/or major roadways. There is an identified need for childcare in each area, and the demographics that will be served include vulnerable populations. With Surrey's 14.9 licensed childcare spaces per 100 children, the City has a gap of over 20,000 new spaces to meet the Canadian National Average of 27.2 spaces per 100 children. The following table reflects the increase in new licensed childcare spaces proposed for each site. The 16 current spaces will be converted from part-time to full-time.

Location	Current Licensed Part-Time Spaces	New Spaces Created	Total Licensed Full-Time Spaces
Don Christian Modular 6220 184 Street	0	20	20
Elgin Centre 3530 144 Street	16	4	20
New Newton Recreation Centre 6965 King George Boulevard	0	57	57
Surrey Sport & Leisure Complex 16555 Fraser Highway	0	20	20
Total	16	101	117

Don Christian Recreation Centre

Don Christian Recreation Centre is located at 6220 184 Street within the Don Christian Park. The construction of a modular facility for the use of childcare was recently added to the site in May 2021 and Alexandra Neighbourhood House was awarded the contract to operate the site in July 2021. This proposal is to add a second modular facility in close proximity to the recently constructed modular to optimize programming and operational efficiencies. The modular facility would accommodate 20 new licensed full-time childcare spaces.

Elgin Centre

Elgin Centre, located at 3530 144 Street, is a City-owned heritage building sited upon a ±1-acre parcel fronting 144 Street in South Surrey. Elgin Centre currently operates an extended hour preschool program Monday to Friday. The transition to full-day childcare at Elgin would be scheduled for Fall 2022, limiting any disruptions to current offerings. Preschool programs would continue to be available to families at alternate locations across the City for the 2022/23 season. The transition of this program to full-time childcare would include upgrades to the interior of the space to improve storage and allow napping space. The transition would accommodate 20 new licensed full-time spaces.

New Newton Recreation Centre

The new Newton Recreation Centre will be located at 6965 King George Boulevard. The childcare would be designed within the planned community recreation centre that will be situated upon a ±7.24-acre land assembly recently acquired by the City. The provincial funding would contribute to approximately 3,400 ft² of additional space to this site and would accommodate 57 new licensed full-time spaces.

Surrey Sport & Leisure Complex

The Surrey Sport & Leisure Complex is located at 16555 Fraser Highway. The proposed plan for this site would include retrofitting multi-purpose room 3 to accommodate 20 new licensed full-time childcare spaces optimizing use of the current space. The project would also include the addition of a new secured outdoor nature play area.

Funding

The Sites identified in this report will provide 117 new fully-licensed childcare spaces. The total project cost that will be applied for under the Childcare BC New Spaces Fund is approximately \$5,000,000. The grant application deadline is November 16, 2021. The creation of these childcare spaces will be conditional on securing Provincial funding. All expansion costs will be covered under the Childcare BC New Spaces Fund. Operating costs will be identified through a later procurement stage for selecting of non-profit operators as per the funding requirements.

Legal Services Review

This report has been reviewed by Legal Services and they have no concerns.

SUSTAINABILITY CONSIDERATIONS

The work of expanding childcare for the Sites supports the objectives of the Sustainability Charter 2.0. This work relates to the Sustainability Charter 2.0 themes of Inclusion, Education & Culture, and Health & Wellness. Specifically, the initiatives support the following Desired Outcomes (“DO”) and Strategic Directions (“SD”):

- Health and Wellness – Health Services and Programs – SD5: Support access to high-quality childcare services and facilities.
- Health and Wellness – Wellness and Recreation – SD7: Actively support capacity-building in neighbourhoods and communities to encourage connections.

- Inclusion - Age Friendly Community - SD14: Ensure sufficient high-quality child-care spaces are available in the City
- Infrastructure – All Infrastructure – DO2: Infrastructure systems provide safe, reliable affordable services.
- Education and Culture - Learning DO3: Meaningful and accessible early childhood learning opportunities are in place for children and families.
- Inclusion - Age Friendly Community DO17: Families have access to affordable and quality local childcare.

CONCLUSION

The greatest gap for early learning and care is in access to quality, affordable, full-day childcare. Based on the above discussion, it is recommended that Council endorse the City's Child Care BC New Spaces Fund grant applications to develop 117 new full-time childcare spaces in Surrey and authorize staff to initiate a procurement process to secure operators for these spaces.

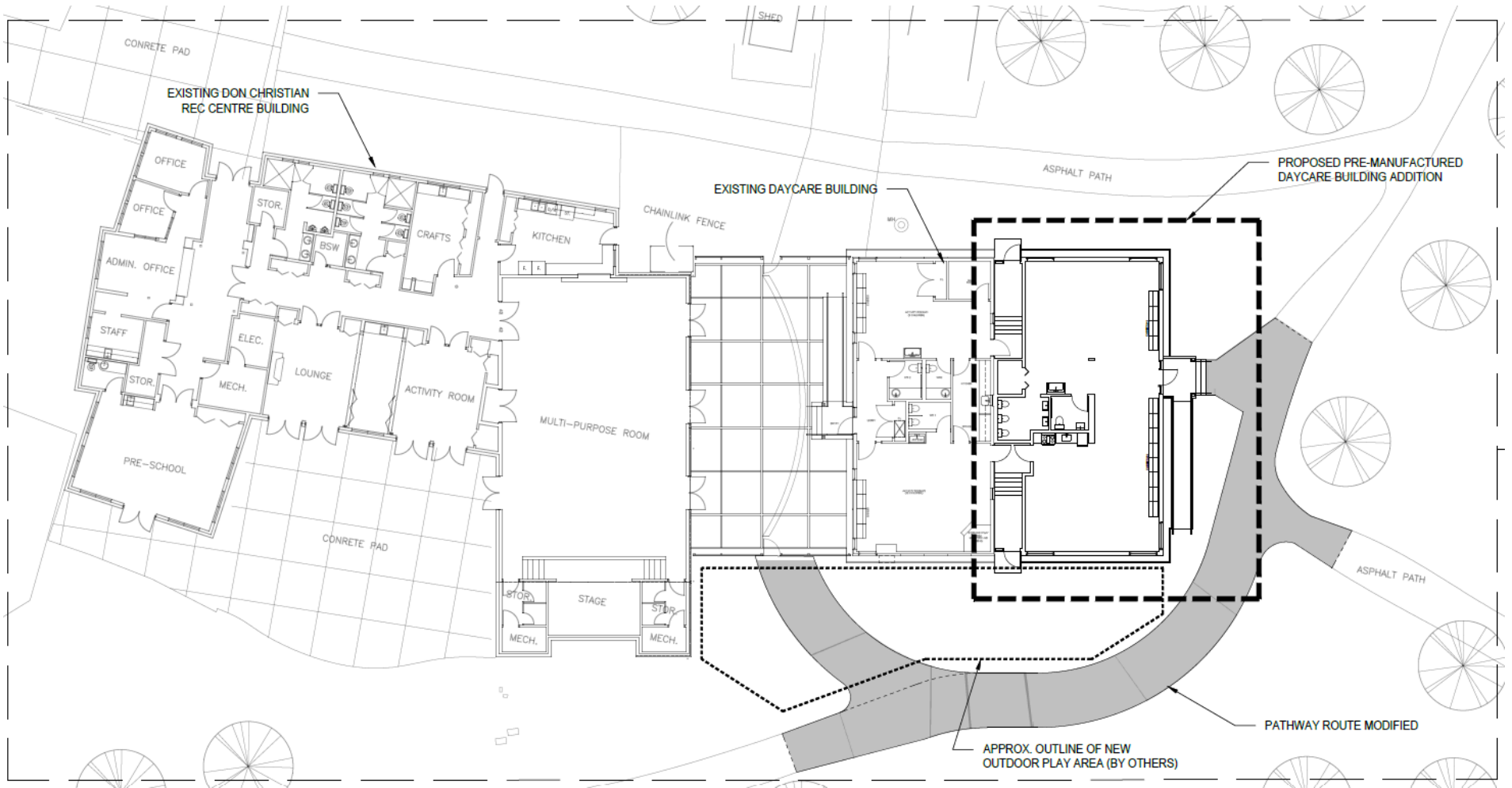


Laurie Cavan,
General Manager,
Parks, Recreation & Culture

Appendix "I": Full-Time Licensed Child Care Sites in Surrey

(Appendix Available Upon Request)

APPENDIX "III"



APPENDIX “IV”

Alexandra Neighbourhood House License & Operating Agreement (Additional Information)

The current policy regarding the leasing/licensing of City land/buildings to non-profit organizations is to lease the land/building at fair market value and have the non-profit apply annually for a grant in lieu of rent. However, the requirement for the monies received from the province for this facility upgrade requires a minimum 10-year commitment for the child care operation. As such, the City policy regarding the leasing/licensing of City land/buildings to non-profit organizations is not feasible in this situation as it requires Council approval each year.

The estimated value being contributed by the City for the modular expansion was calculated by examining comparable rents in the Surrey area resulting in a base building rate of \$42.50 per ft.² (1414.35 ft.² x \$42.50/ft.² = \$60,110.30/annum). The annual rent for the remaining 21-month term of the License and Operating Agreement would be for a total value of \$105,193.03, which is the estimated total value being contributed by the City to this project. It is recommended that Council amends the existing Partnering Agreement and License and Operating Agreement to include this modular expansion for the remainder of the term.

The annual City Grants report, presented each year by the Finance Committee to Council, will include for information, a listing of all such in kind lease/license arrangements that don't require an annual approval. The listing will include the names of the organizations obtaining such grants, the annual value of their in-kind leases/licenses and the addresses of the properties leased to them.