

NO: R060

COUNCIL DATE: April 4, 2011

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **March 28, 2011**

FROM: **General Manager, Engineering** FILE: **0930-30**
General Manager, Parks, Recreation and Culture

SUBJECT: **Proposed Lease Agreement with the Surrey School District for East Clayton Elementary School at 18680 – 72 Avenue**

RECOMMENDATIONS

The Engineering Department and the Parks, Recreation and Culture Department recommend that Council approve the execution by the appropriate City officials of a Lease Agreement as generally described in this report with the Board of Education of School District No. 36 (Surrey) (“School District”) to allow the School District to reopen for school purposes the East Clayton Elementary School at 18680 – 72 Avenue including the surrounding grounds.

BACKGROUND

The City acquired the property on which the East Clayton Elementary School (ECES) is located at 18680 – 72 Avenue in 1970 for a joint School development and Park site. The School District constructed the school on a portion of the site but never purchased the land from the City. At the end of June, 2010 the East Clayton Elementary School was closed with the City repatriating the land. The air photograph attached as Appendix I illustrates the ECES and surrounding property.

Since the closure of the ECES, Parks, Recreation & Culture Department staff and Civic Facilities Division staff have been conducting preliminary assessments with a view to determining a potential adaptive reuse for the building. The building is currently vacant.

DISCUSSION

In consideration of school capacity constraints being experienced in the Clayton neighbourhood, the School District has formally requested that the City allow the School District to lease the ECES building and 2.8 acres of surrounding land for school purposes from April 1, 2011 through to the end of June 2013. This lease will assist the School District in addressing the existing capacity constraints at Hazelgrove Elementary School located at 7057 - 191 Street. The existing ECES contains 5 classrooms.

Corporate Report No. R001, which was considered by City Council as part of its Regular meeting on January 10, 2011, documents the situation that the School District is facing with respect to the use of portables to support enrolment growth that is being experienced by the School District. A copy of that report is attached as Appendix II to this report. That report also documents the future that the School District will experience in relation to the use of portables in absence of the Province providing additional capital funding to the School District to allow for the construction of new schools.

Circumstances at Hazelgrove Elementary School in East Clayton:

School District data documents the following for Hazelgrove Elementary School:

2010/2011 School year:

- 11 portables for classrooms
- 2 portables for other instructional use (PE, Music)
- 1 portable washroom building

2011/2012 School year:

- 12 portables for classrooms
- 2 portables for other instructional use (PE, Music)
- 1 portable washroom building

(Note: A 4 classroom addition is currently under construction at Hazelgrove Elementary School and is expected to be completed for opening in September 2011)

2012/2013 School year:

- 15 portables for classrooms
- 2 portables for other instructional use (PE, Music)
- 1 portable washroom building

Reopening of the ECES will reduce the number of portables needed at the Hazelgrove Elementary School.

The School District has indicated that capital funding for a new elementary school to be located at 19360 – 70 Avenue in East Clayton is the top funding priority in the School District's 2010/2011 Five-year capital plan submission to the Ministry of Education. The addition of this new elementary school will alleviate the overcrowding at Hazelgrove Elementary. The Province has not yet announced any capital funding for new schools in the School District in 2011. Even when new capital funding is provided it will take the School District a couple of years to design and construct the new school.

City Actions in Support of the School District's Needs:

The City has been advocating to the Province on behalf of the School District and the citizens of Surrey for the Province to allocate sufficient capital funding to address the capacity constraints currently being experienced by the School District. This has included conversations with the Minister of Education as well as senior staff within that Ministry. Based on School District

estimates, a capital allocation from the Province of approximately \$250 million is needed to address current capacity constraints.

It is noted that Surrey property owners paid school-related property taxes in 2010 of approximately \$114 million. This amount will increase as growth and development continues in Surrey. School-related property tax rates are set by the Province. The City collects the school-related property taxes on behalf of the Province. All of the school-related property taxes that are collected by the City are forwarded to the Province. The Province retains full authority in relation to the use of such revenues.

In addition, over the last ten years as mandated by the Province, the City of Surrey on behalf of the School District has collected School Site Acquisition Charges (SSAC) from new residential development in a total amount of \$18,759,210. The SSAC are approximately \$1000 per new dwelling unit. The entire amount has been forwarded to the School District and is used by the School District to purchase sites for new schools in Surrey.

The City of Surrey will continue to work with the Province and the Surrey Board of Education toward ensuring that new schools are constructed in Surrey to address current capacity shortfalls and on-going growth.

Proposed Lease Agreement:

With a view to continuing to support the needs of the School District, it is recommended that the City lease the ECES and surrounding grounds to the School District. Under the proposed lease agreement the City will lease the ECES building and site to the School District for the 27 month period April 1, 2011 until June 30, 2013 at a nominal rent. The School District will be responsible for all costs associated with any necessary upgrades to the building and for the maintenance of the building and grounds during the lease period.

SUSTAINABILITY CONSIDERATIONS

Entering into the proposed lease agreement with the School District for the ECES at 18680 – 72 Avenue supports the following Sustainability Charter’s Scope action:

- SC6 – Accessible and Appropriately Located Services within the City.

CONCLUSION

Based on the above discussion, it is recommended that Council approve the execution by the appropriate City officials of a Lease Agreement as generally described in this report with the Board of Education of School District No. 36 (Surrey) that will allow the School District to use the East Clayton Elementary School and surrounding grounds for school purposes through to June 30, 2013.

Laurie Cavan
General Manager,
Parks, Recreation & Culture

Vincent Lalonde, P.Eng.
General Manager,
Engineering

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Appendix I – Site Plan of Lease Area

Appendix II – Corporate Report No. R001, titled “Portable Classrooms at Surrey Schools – City of Surrey Actions”

APPENDIX I AERIAL PHOTOGRAPH OF SITE



Produced by GIS Section: February 25, 2011, AW

Date of Aerial Photography: May 2010



**PROPOSED LEASE
OF 2.8 ACRES TO THE
BOARD OF EDUCATION OF
SCHOOL DISTRICT NO. 36 (SURREY)**

**ENGINEERING
DEPARTMENT**

The data provided is compiled from various sources and IS NOT warranted as to its accuracy or sufficiency by the City of Surrey.
This information is provided for information and convenience purposes only.
Lot sizes, legal descriptions and encumbrances must be confirmed at the Land Title Office.

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