

Staff Report

Original signed by: City Manager Johnson

Report Date: June 13, 2023
Meeting Date: June 20, 2023
To: City Manager
From: Director of Community Services
Subject: Quesnel and District Daycare Society Agreement

Purpose

The purpose of this report is to obtain Council approval to enter into an agreement with the Quesnel and District Daycare Society for use of the new Childcare Centre.

Summary

- The City is in the process of constructing a new \$3.7 million childcare centre at 420 Webster Avenue in West Quesnel, primarily with grant fund obtained through the Childcare BC New Spaces Fund.
- Construction is anticipated to be completed this summer, with the intention that the new Centre will be operational in the fall.
- When the grant application was submitted it was based on the assumption that the Childcare Centre would be operated by the Quesnel and District Daycare Society, which is a non-profit organization that operates a smaller childcare centre in North Quesnel.
- Staff met with volunteers of the Society in the spring of 2023 to develop terms for an agreement for the operation of the new facility.
- The proposed agreement is for a five-year term commencing September 1, 2023.
- Rent has been set at approximately \$5/sq ft /year to ensure the financial sustainability of the childcare centre, while at the same time generating sufficient revenue to offset anticipated capital and major maintenance costs.
- Rent is fixed for the full duration of the term. Because the operation is new and operating costs for the Society are not known, language has been included in the agreement to provide for a review of the rent following the first complete year of operation.
- Under the terms of the agreement, the Society will be responsible for all operating costs related to the Centre including landscape and grounds maintenance, snow removal, utility costs, and routine building maintenance and cleaning.
- The City will be responsible for major building maintenance and capital replacement costs and for providing water and sewer service.
- The Daycare Society will be responsible for obtaining Childcare Licensing and complying with the Childcare Licensing Regulations.
- Rules for the Park will be established by the City, separate from this agreement, with input from the Contractor, prior to the Park opening.



- The City will be responsible for marketing and promotion of the Park with input from the Contractor.

Recommendation

THAT COUNCIL enter into the attached five year agreement with the Quesnel and District Daycare Society for the operation and management of the Quesnel Childcare Centre located at 420 Webster Avenue in Quesnel.

AND THAT the Mayor and the Corporate Administrator be authorized to execute such documentation as required to complete the Agreement.

Financial Implications

- The Agreement will generate \$23,796 in annual revenue for the City.
- The City will be responsible for water, sewer, property insurance, and major building maintenance and capital improvements

Attachments

- Draft Agreement
- Schedule A - Site Plan