

NO: R216

COUNCIL DATE: December 12, 2022

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## REGULAR COUNCIL

TO: **Mayor & Council** DATE: **December 5, 2022**

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

SUBJECT: **Proposed Partnering and Lease Agreement with La Societe De Les Enfants Michif to Support the Development of Indigenous Childcare Services at Bridgeview Community Centre**

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## RECOMMENDATION

The Parks, Recreation & Culture Department recommends that Council:

1. Receive this report for information;
2. Approve the execution by the General Manager of Parks, Recreation & Culture of a Partnering Agreement between the City and the La Societe De Les Enfants Michif, 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 new 20-year Lease Agreement with an option to renew for one additional 10-year period between the City and La Societe De Les Enfants Michif, subject to 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 seek Council's support to develop space for 48 new childcare spaces and enter into a new Partnering Agreement and a Lease Agreement with La Societe De Les Enfants Michif ("Métis Family Services") to expand childcare services in Surrey through the development and operation of an Indigenous childcare facility within the Bridgeview Community Centre (site map attached as Appendix "I").

## DISCUSSION

### ChildCareBC New Spaces Fund Grant

The Province of BC has announced its ChildCareBC New Spaces Fund is prioritizing projects that build spaces that serve infants, toddlers, and school age children; are operated by a public body or non-profit organization; are co-located with other community services; 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 supports to families.

Surrey's urban Indigenous population is the fastest growing and largest in BC. The Indigenous community in Surrey also experiences one of the highest children and youth poverty rates in the region. As one of the few Indigenous-led organizations in Surrey, Métis Family Services provides child safety and family support services. There is a substantial need within the community and Surrey for culturally relevant and safe childcare spaces for Métis and urban Indigenous peoples. Quality early childhood experiences for young Indigenous children that are culturally relevant can be a powerful equalizer to ensuring that they are given the best chances to thrive later in life.

On September 8, 2022, staff submitted a ChildCareBC New Spaces Fund grant application seeking \$3,371,800 to develop space at Bridgeview Community Centre (11475 - 126A Street) for 48 new childcare spaces in Surrey. This grant is required to fully fund the project. If Council does not support the Partnering and Lease Agreement with Métis Family Services, staff will work with the Province to identify the potential for redirecting the funds to another location or will rescind the grant. Staff have had ongoing communication with the Province since applying for the grant to ensure that all requirements are in place and to answer any questions. It is expected that the City will receive confirmation from the Province of grant status by mid-December of this year.

The program is inclusive to Indigenous and non-Indigenous children. Métis Family Services include specialized supported child development staff including infant development consultants to assist families needing extra supports. Métis Family Services works collaboratively with families and community to increase their capacity to nurture and care for their children in the most inclusive manner that honors and celebrates heritage and diversity. A Council resolution is not a requirement of the grant application although Council approval of a Partnering Agreement and Lease Agreement is necessary for this development.

### **The Partnering Agreement**

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

- A contribution by the City of the Lease Area for use by Métis Family Services throughout the 20-year term of an annual rent of \$92,960;
- Provision or secondment of City employees or employee time to work with Métis Family Services to help coordinate the use and operation of the Lease Area with other City services or programs;
- Maintenance by the City of the parking areas, entry plaza, pedestrian pathways and landscaping adjacent to the Facility at no cost to Métis Family Services; and
- Access to and use of other areas of the Facility as agreed upon between the City and Métis Family Services for the described nominal rate.

If the Partnering and Lease Agreements are approved by Council, public notice of the City's intention to provide assistance under the Partnering Agreement and its intention to dispose of property by way of lease will be provided in accordance with sections 26 and 94 of the Community Charter.

## **The Lease**

The proposed Lease includes a  $\pm 308$  m<sup>2</sup> indoor area, plus a  $\pm 485$  m<sup>2</sup> dedicated outdoor area (the “Lease Area”). The Lease will govern the terms and conditions associated with the use of the Lease Area and will also ensure that the childcare facility is operated in a manner that is acceptable to the City.

The Lease Agreement is for a 20-year term and is subject to the following conditions precedents:

- Confirmation by the Province of successful funding in the full amount requested of \$3,371,800.00;
- City Solicitor approval; and
- Compliance with the applicable notice provisions of the *Community Charter, SBC 2003, c. 26*.

Current policy regarding the leasing of City land and 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. Originally, this Provincial grant opportunity only required a minimum 15-year commitment in order for the capital grant funding to be made available. As of December 2022, the Provincial grant requirement has changed to a minimum 20-year commitment for new intakes. As such, the City policy regarding the leasing of City land and buildings to non-profit organizations is not feasible in this situation as it requires Council approval each year.

Based on the market rental value of the Property, the annual rent for the proposed Lease is \$92,960 per annum. For this situation it is recommended that the City enter into a 20-year Lease with an option to renew for an additional 10-years with Métis Family Services and that Council approve the granting of 1-years of rent at \$92,960 annually. The annual rental amount will be reviewed at the end of the initial 20-year term. Annual City Grants report, presented each year by the Finance Committee to Council, will include for information, a listing of all such long-term in-kind lease arrangements that don't require an annual approval. The listing will include the names of the non-profit organizations getting such grants, the annual value of their in-kind leases and the addresses of the properties leased to them.

Based on the above annual rent grants the value that the City is contributing to this project over the 20-year lease is estimated at \$1,507,000 which is the present value of the annual rent grants over the 20-year term using an inflation factor of 2.5% and a discount rate of 4%.

## **Childcare Facility Development**

If successful in the grant opportunity, City staff will utilize the \$3,371,800.00 capital funding to fully design and construct space within the Community Centre to accommodate 48 new childcare spaces for broad community use. It is anticipated that Childcare services will be available in Fall of 2024. Similar to this project, licensed childcare and family-related programming have been successfully implemented at Kensington Prairie Community Centre, Don Christian Recreation Centre and Surrey City Hall. The leases to non-profit organizations result in the utilization of City amenities for highly needed community programming.

Childcare spaces would include facility utilization of three multi-purpose rooms, washrooms, the lobby and office, and two outdoor play areas. The Community Centre would continue to be accessible to the broader community evenings and weekends for recreation programs including children's critical hours programming (MYzone), youth drop-in and adult sport drop-in. In the summer, the gymnasium will continue to be utilized for City operated children's day camps and youth drop-in

programming. Programming in the kitchen and gymnasium will continue to be offered based on need and demand. Historical user groups will continue to be accommodated in the kitchen and gymnasium.

## **Legal Services Review**

This report has been reviewed by Legal Services.

## **SUSTAINABILITY CONSIDERATIONS**

The work of expanding childcare supports the objectives of the Sustainability Charter 2.0. In particular, this work relates to the Sustainability Charter 2.0 themes of Health and Wellness, Inclusion, Infrastructure, and Education & Culture. Specifically, the initiative supports the following Desired Outcomes (“DO”) and Strategic Directions (“SD”):

- Health Services and Programs SD5: Support access to high- quality childcare services and facilities;
- Wellness and Recreation SD7: Actively support capacity-building in neighbourhoods and communities to encourage connections;
- Age Friendly Community SD14: Ensure sufficient high-quality childcare spaces are available in the City;
- Diversity and Accessibility DO1: Surrey welcomes, includes, embraces and values the diversity of people who live here;
- Diversity and Accessibility DO2: Surrey is a caring and compassionate City that supports its residents of all backgrounds, demographics and life experiences;
- All Infrastructure DO2: Infrastructure systems provide safe, reliable affordable services;
- Learning DO3: Meaningful and accessible early childhood learning opportunities are in place for children and families; and
- Age Friendly Community DO17: Families have access to affordable and quality local childcare.

## **CONCLUSION**

Based on the above discussion, it is recommended that Council approve the execution of a Partnering Agreement and 20-year Lease Agreement between the City and La Societe De Les Enfants Michif to develop the Childcare Centre for 48 new full-time childcare spaces in Surrey , as generally described in this report.

Laurie Cavan,  
General Manager,  
Parks, Recreation & Culture

## **Appendix “I”: Neighborhood Aerial Map**

Neighborhood Aerial Map

