

COMMITTEE OF THE WHOLE - APRIL 18, 2006

FAMILY DAY CARE SERVICES OPERATION OF DAYCARE SPACE LOCATED IN THE GARNET A. WILLIAMS COMMUNITY CENTRE

Recommendation

The Commissioner of Community Services in consultation with the Director of Legal Services, the Director of Buildings and Facilities and the Director of Reserves and Investments recommends:

1. That a by-law be enacted authorizing the Mayor and Clerk to execute all documents required to terminate the Head Lease dated June 15, 1982 between the City of Vaughan as landlord and The Regional Municipality of York as tenant for the lease of the space located at Garnet A. Williams Community Centre, 501 Clark Avenue West, such termination to be effective on the date of the expiry of the Sublease Agreement, in a form satisfactory to the Commissioner of Community Services and the City Solicitor;
2. That a by-law be enacted authorizing the Mayor and Clerk to execute all documents required to assign the Sublease Agreement between The Regional Municipality of York as landlord and Family Day Care Services as tenant, for the daycare space located at Garnet A. Williams Community Centre, 501 Clark Avenue West, from The Regional Municipality of York to the City of Vaughan, in a form satisfactory to the Commissioner of Community Services and the City Solicitor, and;
3. That a reserve entitled "Garnet A. Williams Community Centre Reserve Fund" be approved for future maintenance and repair and that an associated by-law be enacted.

Economic Impact

There is no impact to the 2006 Operating Budget. Family Day Care Services occupies spaces at Garnet A. Williams Community Centre located at 501 Clark Avenue West and they will be providing rental income which will be deposited into a reserve fund for repairs and future renovations. The Region of York will contribute the amount of \$105,762.87 which will be utilized to establish the fund.

Purpose

The purpose of this report is to obtain Council approval to accept the lease agreement with the Family Day Care Services, terminate the Head Lease between the Region of York and the City of Vaughan and to establish a reserve fund to complete future repairs and maintenance.

Background - Analysis and Options

The Region of York entered into a lease with the City of Vaughan in June 15, 1982 for space within the Garnet A. Williams Community Centre located at 501 Clark Avenue West, Thornhill for the operation of a day nursery for a term of fifty (50 years) which expires on September 29, 2024. This agreement called for the repayment of capital monies spend by the City to construct the space to be used by the Region and these rental payments have been paid in full by the Region of York to the City of Vaughan.

In 1996, the Region of York divested the daycare operations at Garnet A. Williams Community Centre located at 501 Clarke Avenue West and sublet these leased facilities to Family Day Care Services, with the approval of the City of Vaughan. Prior to 1996, the Region of York directly operated day care centres.

Family Day Care Service is a non-profit charitable organization operating programs in Toronto, York and Peel Region. Currently 95% of the families utilizing the services of Family Day Care Services are Vaughan residents. Family Day Care Services provides care for children 18 months to twelve years of age in addition they also pick up and drop off children to local schools as well as operating a kindergarten program for junior kindergarten and senior kindergarten children within the centre. They also have partnerships with the Ontario Early years that provide early learning programs for families and children 0 -5 years of age on Sunday to Friday. The program is attended by families from the area other than those in child care. Many of these families walk in with strollers and include nannies and grandparents. On Saturdays the Supervised Access program uses the facility to conduct a secure program for non-custodial parents who are allowed only supervised visits with their children as directed by court order. In the summer the York centre runs a group for 6 weeks for special needs children and their families twice a week.

In February 2005, negotiations between the City of Vaughan and Region of York staff were undertaken with a view to the Region of York removing itself from this lease arrangement and the City of Vaughan to take over the lease agreement directly with Family Day Care Services.

Staff met with Regional staff to discuss the issues related to the current maintenance of the occupied space within the building and any future capital repairs related to the space occupied by the Family Day Care Services.

The Region of York has maintained the reserve and as of November 30, 2005, the reserve balance for the City of Vaughan is \$211,525.74. The Region has agreed to and will forward to the City, an amount of \$105,762.87 (which is fifty percent of the reserve balance), plus \$28,674.00, for the costs incurred by the City of Vaughan, for renovations performed in Family Day Care Services at 501 Clarke Avenue West, and which the Region is obligated to pay, in accordance with the lease, for a total amount of \$134,436.87. The final payment will be calculated when the actual assignment date (contemplated for May 2006) is confirmed.

The City of Vaughan will establish a Garnet A. Williams Family Day Care Services Reserve Fund for the purpose of funding infrastructure, maintenance and repairs for the space utilized by the Family Day Care Services. The source of funding for this reserve will be the one-time net contribution by the Region of York and future facility rent revenue received from the Family Day Care Services as set out in their agreement. The funds in this reserve will be used to fund, as determined by the Buildings and Facilities Department, for any current or future repairs, renovations, monthly maintenance or capital improvements as it relates to the space utilized by the Family Day Care Services

Regional staff have advised that they have conducted discussions and are finalizing documentation with the Family Day Care Services regarding the assignment of the lease and once the assignment of the sublease has been transferred to the City of Vaughan, the Family Day Care Services will continue to pay the established rental rate of \$5.00 per square foot until the agreement expires in August 1st, 2007. Staff have also been advised by Family Day Care Services that they are currently in union negotiations and once completed would care to begin negotiations with the City of Vaughan for a new lease agreement commencing in the summer/fall of 2006.

Relationship to Vaughan Vision 2007

This report is consistent with the priorities set out in Vaughan Vision 2007, 2.4.3. Strengthen the ongoing management of partnership agreements and is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

Conclusion

Family Day Care Services will continue to provide daycare services to the public during which the City of Vaughan will have a direct landlord relationship to this daycare located at Garnet A. Williams Community Centre.

Attachments

None

Report prepared by:

Jeff Peyton, Director of Buildings and Facilities, 6173
Lynne A. Bonneville, Administrative Manager, Ext. 8296

Respectfully submitted,

Marlon Kallideen
Commissioner of Community Services