



Memorandum

vancouver school board



Date: September 23, 2020

ITEM 4.3

To: Facilities Planning Committee

From: Jim Meschino, Director of Facilities
Tara Hamer-Hayley, Rentals & Leases Supervisor

Re: Henry Hudson Elementary – Offer to Lease the 3rd floor for Childcare Facility

REFERENCE TO STRATEGIC PLAN:

Goal 3: Create a culture of care and shared social responsibility

Objectives:

- Support collaborative relationships with community partners that enhance student learning and well-being

INTRODUCTION:

This report contains a recommendation.

BACKGROUND:

The purpose of this report is to seek Board approval to create a partnership with the City of Vancouver to allow construction of a new purpose-built 69 seat 0 to 4 childcare plus 30 seat multipurpose room for school age childcare on the third floor of the proposed Henry Hudson Elementary replacement school. This partnership is similar to the previously approved projects listed below:

| School | Bylaw Approved | Project Status |
|-------------------------------|-------------------|---------------------------|
| Nelson Elementary | October 26, 2015 | Complete |
| Fleming Elementary | December 14, 2015 | Currently in construction |
| Tennyson Elementary | February 26, 2018 | Currently in construction |
| David Llyod George Elementary | April 30, 2018 | Currently in construction |
| Eric Hamber Secondary | June 24, 2019 | In design |

In order to proceed with the partnership, the Board would need to request the Ministry of Education’s approval to enter into a lease agreement with the City for the childcare with a term of 60 years, subject to a right to renew for a further 15 years. Pursuant to *Board Policy 20: Disposal of Land or Improvements*, the lease would also require bylaw approval (Attachment A).

All costs for the childcare centre are to be borne by the City of Vancouver. Funding for the Henry Hudson childcare project was approved by City of Vancouver Council on May 26, 2020.

The Ministry of Education has been advised of the possible request from the Vancouver Board of Education (VBE) for a lease approval exceeding ten years.

The school principal has advised the Parent Advisory Committee (PAC) of the possibility of a childcare on the third floor of the school.

DISCUSSION:

The major terms to be included in the Offer to Lease Agreement with the City of Vancouver are as follows:

- 60 year lease, subject to approval of the Minister;
- Nominal base rent;
- Use of premises limited to childcare centre operations only;
- Net lease; the City is responsible for all costs related to the premises;
- The International Union of Operating Engineers (IUOE) Local No. 963 staff will provide custodial services for the childcare centre;
- That if it is determined that the Lease is in conflict with any of the landlord's collective agreements, then as the term of the Lease, the tenant agrees to pay any applicable expenses resulting therefrom;
- Option to extend the term for an additional 15 years on the same terms and conditions;
- Signage may be displayed provided approved in writing by the VBE;
- The VBE has an early termination right upon 3 year's written notice with payment of a capital compensation amount according to an agreed capital depreciation schedule attached to the Lease;
- The City shall not assign the Lease without the VBE's prior written consent;
- The VBE consents to the City subleasing the premises to a duly licensed childcare provider;
- The City may register the Lease against title to the lands at its sole cost and expense;
- The City shall have the right to offer to subdivide the lands at its sole cost and expense and by deposit of an air space subdivision plan and purchase the air space parcel from the VBE for the childcare centre. This offer shall be subject to the VBE and the Minister's acceptance; and
- Settlement and execution of a Development Management Agreement (DMA), which will outline the responsibility of the City and Vancouver School Board in the delivery of the childcare, will be a condition of the offer to lease.

An online public information session was held on July 8, 2020 at 6:00pm to share the plans regarding the replacement school and the partnership with the City to construct a new rooftop childcare facility as part of the new school. The community supported inclusion of a childcare facility as part of the new school.

RECOMMENDATION(S):

IT IS RECOMMENDED:

THAT the following bylaw recommendations for the Henry Hudson Elementary Childcare Lease Bylaw 2020 be forwarded to the Board of Education for approval.

THAT the Board of Education of School District No. 39 (Vancouver) approve by bylaw, subject to Ministry approval, the proposed lease of the 3rd floor of Hendry Hudson Elementary School by the City of Vancouver for the purpose of operating a childcare centre (the "Henry Hudson Elementary Childcare Lease Bylaw 2020") on the terms set out in Attachment A;

THAT the Board of Education of School District No. 39 (Vancouver) Henry Hudson Elementary Childcare Lease Bylaw 2020 be read a first time the 28th day of September 2020.

THAT the Board of Education of School District No. 39 (Vancouver) Henry Hudson Elementary Childcare Lease Bylaw 2020 be read a second time the 28th day of September 2020.

THAT the Board of Education of School District No. 39 (Vancouver) approves having all three readings of the Henry Hudson Elementary Childcare Lease Bylaw 2020 the 28th day of September 2020.

THAT the Board of Education of School District No. 39 (Vancouver) Henry Hudson Elementary Childcare Lease Bylaw 2020 be read a third time the 28th day of September 2020.

and further,

IT IS RECOMMENDED that the Board direct staff to seek Ministry approval of the Lease,

and upon receipt of approval,

THAT the Secretary-Treasurer be and is hereby authorized, on behalf of the Board, to execute and deliver an Offer to Lease and all related documents required to complete the lease of the Premises to the Tenant pursuant to the terms of the Offer to Lease.

Attachment A – Henry Hudson Elementary Childcare Lease Bylaw 2020

THE BOARD OF EDUCATION OF SCHOOL DISTRICT NO. 39 (VANCOUVER)

HENRY HUDSON ELEMENTARY CHILDCARE LEASE BYLAW 2020

WHEREAS a board of education may dispose of land or improvements owned or administered by the board under the authority of Section 96(3) of the School Act, subject to the Orders of the Minister of Education (the “**Minister**”);

AND WHEREAS the Minister issued Order M193/08 effective September 3, 2008 requiring fee simple sales and leases of land or improvements for a term of ten years or more to be specifically approved by the Minister, unless the transferee is an independent school or another school board;

AND WHEREAS Section 65(5) of the *School Act* requires a board of education to exercise a power with respect to the acquisition or disposal of property only by bylaw;

AND WHEREAS:

- (i) The Board of Education of School District No. 39 (Vancouver) (the “**Board**”) has determined and hereby confirms that the Board will not require a portion (the “**Premises**”) of the land and improvements known as Eric Hamber Secondary (the “**Property**”) for future educational purposes;
- (ii) the Property is facility number 03939053;
- (iii) the address of the Property is 1551 Cypress Street, Vancouver, British Columbia, V6J 3L3 and the legal description of the Property is:

Parcel Identifier: 007-681-909; Block 196 District Lot 526 Plan 15249; and
- (iv) the Board expects to receive an Offer to Lease from the City of Vancouver (the “**Tenant**”) to lease the Premises for a term of 60 years with an option to renew for a further 15 years (“**Offer to Lease**”);

NOW THEREFORE be it resolved as a Bylaw of the Board that the Board lease the Premises to the Tenant on the terms and subject to the conditions set out in the Offer to Lease, subject to the approval of the Minister.

BE IT FURTHER resolved that the Secretary-Treasurer be and is hereby authorized, on behalf of the Board, to execute and deliver the Offer to Lease and all related documents required to complete the lease of the Premises to the Tenant pursuant to the terms of the Offer to Lease.

This Bylaw may be cited as “School District No. 39 (Vancouver) Henry Hudson Elementary Childcare Lease Bylaw 2020”.

Read a first time this 28th day of September 2020.

Read a second time this 28th day of September 2020.

Upon unanimous agreement of the Trustees of the Board in attendance, this Bylaw was read a third time on 28th day of September 2020, and finally passed and adopted this 28th day of September 2020.

Chairperson of the Board

Corporate Seal

Secretary-Treasurer

I HEREBY CERTIFY this to be a true original of School District No. 39 (Vancouver) Henry Hudson Elementary Childcare Lease Bylaw 2020, adopted by the Board the 28th day of September 2020.

Secretary-Treasurer