



MUNICIPALITY OF THAMES CENTRE

REPORT NO. CS-017-23

TO: Mayor and Members of Council
FROM: Director of Community Services and Facilities
MEETING DATE: November 27, 2023
SUBJECT: Dorchester Cooperative Nursery School

RECOMMENDATION:

THAT Report No. CS-017-23 be received for information;

AND THAT Council approve the Dorchester Cooperative Nursery School's offer of providing the Municipality with assets in lieu of their rent owing for September 2023, as specified within this report;

AND THAT Council directs staff to cancel the invoice issued to Dorchester Cooperative Nursery School for October 2023 rent;

AND THAT Council agrees to terminate the Facility License Agreement with Dorchester Cooperative Nursery School;

AND THAT Council approve allowing the Senior Centre to continue to use this space for various programs until the renovation project has been completed;

AND THAT Council directs staff to issue a Request for Proposals for interested parties to submit their Proposal for future use of the space.

PURPOSE:

The purpose of this report is to finalize all details regarding the end of the Facility License Agreement with Dorchester Cooperative Nursery School (DCNS), to receive approval for this space to be used by the Senior Centre until their renovated space is available, and to receive direction on how to initiate the process of determining the future use of this vacated space at the FlightExec Centre.

BACKGROUND:

The Municipality entered into a five-year extension of the Facility License Agreement with DCNS on July 12, 2021. Before the end of September 2023, DCNS announced that they would be permanently closing their doors, due to unforeseen circumstances, at the end of

that month. Since DCNS's closure, this space has proven very useful for hosting various Senior Centre programs, while the Senior Centre is temporarily closed for construction.

COMMENTS:

Terms of the current Facility License Agreement extension (copy attached for your reference) that are worthy of note for this scenario are as follows:

1. (a) – which speaks to the fact this is a five-year lease
1. (d) – this section of the contract provides scenarios whereby the Municipality may terminate the agreement on thirty days written notice, including if DCNS ceases to carry on its business

DCNS has provided the Municipality with a letter, advising that they have no funds remaining to pay for their September rent, instead having offered to leave the following assets for the Municipality to assume ownership: four kitchen appliances (stove, refrigerator, dishwasher, microwave) one desk and one storage shed. These kitchen appliances are in satisfactory condition to be left for future use of this space, while the desk and storage shed can also be used by the Municipality.

The space rented by DCNS is 1,400 square feet, consisting of a large room (approximately 1,200 square feet) along with two washrooms and a kitchen. This space has a private exterior door which leads to just under 4,000 square feet of fenced-in outdoor space.

With Council's support of the recommendations within this report, staff would issue a Request for Proposals in Spring 2024, encouraging interested parties to submit their proposals for use of this space. A report would then come back to Council, with a recommendation on which Proposal to accept, during closed session, before the end of June 2024.

FINANCIAL IMPLICATIONS:

The unexpected closure of DCNS will result in 2024 rental revenue for this space finishing at \$5,505.84 below budget, with that amount being the total rent that would have been collected from September through to the end of December 2023. Meanwhile, the 2024 draft operating budget for the FlightExec Centre has been prepared with no rental revenue being included for this space. The two reasons why the 2024 rental revenue for this space has been approached this way is because:

- 1 – staff recommends this space be left for Senior Centre usage until the renovation project is complete, tentatively summer to fall 2024.
- 2 – there is a possibility that the best option for future use of this space could be for a third party to offer programs that would enrich our community in exchange for no rental fees.

STRATEGIC PLAN LINK

Pillar: Community Development

Goal: Thames Centre will have opportunities for All to live a vibrant engaged life, making the municipality an attractive place to enjoy lifelong vitality.

CONSULTATION:

Melissa Cupello, Rosie McCluskey & Emma Schruder - DCNS

Devon Brown – Parks & Facilities Supervisor

Karen Gress – Senior centre Coordinator

REFERENCES:

None.

ATTACHMENTS:

Facility License Agreement (dated July 12, 2021)

Prepared by: S. MacDonald, Director of Community Services & Facilities

Reviewed by: D. Barrick, Chief Administrative Officer