October 20, 2010

To: The Councillors, City of Hamilton

We request that the matter of our rental fees, as explained herein, be placed on the agenda of the next Council meeting.

The Recreation Department has kindly, and after careful, lengthy consideration, permitted us, a preschool and daycare, to rent the Lion's Outdoor Pool building on Jerseyville Road, Ancaster, for four months, from October 1, 2010 until January 31, 2011. (We were asked by our landlord on Book Road at Southcote Road, on very short notice, to vacate the property during their planned construction, which they had originally hoped to complete over the summer.) This is a temporary solution only. We have signed an agreement to vacate by January 31, 2011, and not to post any sign.

The City has set an hourly rate, because in the past this facility has been rented out for events of several hours only, and not during winter. Now that a new monthly rental situation has arisen, the hourly rate is unreasonable and unjustified. For us, it is $20,000 more than usual for four months.

Enclosed is the form we were asked to use, called Facility Fee Waiver. We are asking only for a considerable reduction of an hourly rate never intended for a monthly leasing application.

Besides this very high rent, we were required to pay an architect to verify/update the classification and suitability of this City property, and to increase our insurance coverage beyond normal nursery school requirements. We will pay all the utilities, and two months of snow removal at much greater expense than we would normally incur. We must rent a temporary fence, and rent office-type room dividers. Thus, we have several thousand dollars beyond rent, plus unknown utilities. One by one these expenses came to light mainly during August. School starts in September. We had no options. Normally, we share space and expenses with a church group, as many nursery schools must.

Then, we have had to reduce our number of licensed spaces by eleven at this Lion's Pool location, while feeling compelled to retain all the teachers (for now, two extra), whom the children and parents know and love. We need to maintain these teachers to fulfill our commitments to them, and to our families, providing the two classrooms that will need to continue in February, when we return to Book Rd. We will then be able to increase our numbers again. The significant reduction in our number of students on Jerseyville Rd. is required by the Ministry of Children and Youth Services for use of this space without erecting a genuine wall. We could not, upon short notice, erect a wall for the temporary use of this space. This effectively reduces our income by almost one third.
We are a small "for profit" specialized nursery/kindergarten, in 'competition' with: co-op nursery schools, other "for" and "not for" profit preschools and daycare providers, and large operations, including Hillfield Strathallan, who also offer an excellent Montessori option; and now, the public schools' full day kindergarten. (Our children are aged 27 months to 6 years, in mixed age groups.) We meet stringent licensing requirements, which do not apply equally to all our 'competitors'. We offer a specialized program requiring special teacher training. Montessori teacher training requires a bachelors degree plus one year of post-graduate work.

We are, in our 28th year, offering families of the "greater Ancaster" region: quality Montessori teachers and equipment, as green and pleasant a location as possible, a full time French teacher in each of two classrooms, a qualified music teacher, and recently, more flexible daycare hours, from 7:30 - 5:30; while keeping our fees relatively competitive.

We cannot easily or quickly find an institutional location in which to relocate, and we cannot increase prices mid-year, while also inconveniencing some parents by moving. We are not a business in the usual sense, offering 'widgets' or haircuts. We are working within the parameters of many regulations, while remaining committed to the children who will form our society. Families typically stay with us from three to six or more years. One unhappy family is a serious loss.

This is much more a community service than a recipe for profits, not that we don't wish for, and continually seek a safer margin. A financial statement or tax returns for the past several years, if required, would reveal that we by no means make a profit some years, though last year we made over $25,000, our best year by far, of the past five. We struggle to offer the best possible learning environment. Now, confidentially, these expensive relocation challenges could put us out of business.

We do expect to pay more than we have elsewhere, and we do appreciate the City of Hamilton going beyond its usual mandate to make this unused space available in our time of urgent need. With all unanticipated costs and losses, we may be set back more than $50,000, and take six to eight years to recover, if indeed we survive.

Therefore, we ask for your thoughtful consideration, in establishing a reasonable and fair rent, for this unique monthly leasing situation at the Lion's Outdoor Pool building. We thank you for the time this requires, and hope it need not be a long process. 'Time is money', of course.

For the City of Hamilton, this seems largely a windfall. The City is paying a janitor and providing some paper products. It may be, unless the pipes are usually drained and everything shut down in winter, that the school is carrying the City's usual minimal heating costs for four months, over and above our rent. The City's costs and benefits may, of course, not be clear to us.

Surely 'fair' would mean at least significantly less than average commercial rents on Wilson St., with signage out front. From our perspective, a reduction in hourly rate may work, because we only use the building about half of December. While it is not our intention to be presumptuous, but only to facilitate, we have set out some figures below to show clearly our current rent payments, with examples of some other possibilities:
<table>
<thead>
<tr>
<th></th>
<th>Current Contract</th>
<th>1/3 Reduction Hourly</th>
<th>1/4 Reduction Hourly</th>
<th>$4000 Monthly</th>
<th>$5000 Monthly</th>
</tr>
</thead>
<tbody>
<tr>
<td>October</td>
<td>$6492.49</td>
<td>$4328.33</td>
<td>$4869.37</td>
<td>$4000.00</td>
<td>$5000.00</td>
</tr>
<tr>
<td>November</td>
<td>$7517.62</td>
<td>$5011.75</td>
<td>$5638.22</td>
<td>$4000.00</td>
<td>$5000.00</td>
</tr>
<tr>
<td>December</td>
<td>$4783.94</td>
<td>$3189.29</td>
<td>$3587.96</td>
<td>$4000.00</td>
<td>$5000.00</td>
</tr>
<tr>
<td>January</td>
<td>$9909.59</td>
<td>$6606.39</td>
<td>$7432.19</td>
<td>$4000.00</td>
<td>$5000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$28,703.64</strong></td>
<td><strong>$19,135.76</strong></td>
<td><strong>$21,527.74</strong></td>
<td><strong>$16,000.00</strong></td>
<td><strong>$20,000.00</strong></td>
</tr>
<tr>
<td>Monthly Average</td>
<td><strong>$7175.91</strong></td>
<td><strong>$4783.94</strong></td>
<td><strong>$5381.93</strong></td>
<td><strong>$4000.00</strong></td>
<td><strong>$5000.00</strong></td>
</tr>
<tr>
<td>School Saves</td>
<td>$9567.88</td>
<td>$7175.90</td>
<td>$12,703.64</td>
<td>$8703.64</td>
<td></td>
</tr>
</tbody>
</table>

Kindly consider that, as we could not reach you earlier because of elections, any reduction should be retroactive to include October.

We, our teachers, parents and especially the children, thank you very sincerely.

Respectfully submitted by,

Daylene Lumis, owner and Brita Lumis, administrator

cc: Ancaster Councillor, Lloyd Ferguson

enc: Waiver Form
Contract with City of Hamilton
FACILITY FEE WAIVER FORM

Date of application: 20 October 2010

Note: Group(s) requesting a fee waiver MUST attach background information to have their fee waiver request considered or form will not be processed.

i.e. Number of years in existence, membership list, financial statement and purpose for this event.

Section A: Contact Information

Name of the organization: Ancaster Montessori School
Address: 522 Book Rd. E, R.R. 2
Ancaster, On. L9G 3L1
Contact Person: Brita Lumis
Position in Organization: Administrator
Phone Number (Day): (905) 648-0173
Phone Number (Evening): (905) 304-7829
Fax Number: (905) 648-1509
E-mail address: brita@ancastermontessorischool.com

Section B: Eligible Organizations – Please check applicable box. N. A.

☐ Affiliated Youth Organization
☐ Neighbourhood or Community Council or Association
☐ Not-for-Profit Community Group or Service Club (e.g. Rotary Club)

The following is ineligible:
Adult, For-Profit, College & University Athletics (Varsity & Intramural), Non-Resident Groups or Individuals

Section C: Purpose of the Event - Please Check the Applicable Box. Not an event.

☐ Annual General Meeting
☐ Program Registration
☐ Volunteer Training
☐ One-Time event that is recreation-valued by City of Hamilton, Recreation Division
☐ Community-based tribute and civic recognition

The following is ineligible:
Fundraising Events
Sequential meetings (daily, weekly, monthly, etc.)
Relief for permit fees for use of arenas, meeting rooms, playing fields and surfaces and gymnasiums

Section D: Does this Organization receive a Grant from the City?

☐ Yes ☐ No

Please indicate the type and the amount of the Grant

$ 

Section E: Facility Request

Facility/Centre Name: Ancaster Lion's Outdoor Pool

Do you have a rental contract? ☑ Yes ☐ No

If Yes, Attach a copy and enter Contract # 45659

Location: (i.e. gym, room etc.) Upstairs Meeting Room with washrooms, partial kitchen
Main level office, room behind office, equipment storage, locker room

Event Date: Time 4 month rental Fee Charged: (if any) $28,703.64

+ utilities + snow removal
Rental agreement with preschool/daycare.
Temporary, four month, contract.
We believe hourly ‘event’ fees applied as monthly rent are inappropriate and excessive.
Letter of 3 pages attached.
Purpose is to continue to serve young children and their families with high quality service and employ seven teachers, plus service contracts.

<table>
<thead>
<tr>
<th>Do you have a liquor license?</th>
<th>☐ Yes</th>
<th>☒ No</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Do you have Insurance?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒ Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Insurance Company Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Western Group</td>
</tr>
<tr>
<td>(ecclesiastical Ins. Office)</td>
</tr>
<tr>
<td>Address:</td>
</tr>
<tr>
<td>403 Evans Ave., Suite 203</td>
</tr>
<tr>
<td>Toronto, ON. MAC SE9</td>
</tr>
<tr>
<td>Policy Number:</td>
</tr>
<tr>
<td>SWG1007442</td>
</tr>
<tr>
<td>Phone #:</td>
</tr>
<tr>
<td>(800)668-4275</td>
</tr>
</tbody>
</table>

X Daylene Lunis...
Applicant’s Name (print)

X Daylene Lunis...
Applicant’s Signature

For Department Use Only

<table>
<thead>
<tr>
<th>Base Rental Fee: $</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Add Any Other Fees: $</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Total Fees For Event: $</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Fee Waiver:</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Approved</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Amount Waiver: $</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Account Number:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Date Approved:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Date Denied:</th>
</tr>
</thead>
</table>

X.............
Supervisor’s Signature

SUPERVISOR’S COMMENTS:

X.............
Manager’s Signature

X.............
Director’s Signature - Approval

Application Check list:
Please make sure the following background information is attached to the application before submission:
- Number of years in existence
- Membership list
- Financial statement
KEY TERMS & CONDITIONS TO AN AGREEMENT
BETWEEN
THE CITY OF HAMILTON
AND
THE ANCASTER MONTESSORI SCHOOL

The Agreement will define the responsibilities of the City of Hamilton and The Ancaster Montessori School in the operation of the building known as Ancaster Lions Club Pool located at 263 Jerseyville Road West, Ancaster, the key terms and conditions as follows:

RESPONSIBILITIES AND OBLIGATIONS OF ANCASTER MONTESSORI SCHOOL

Expenses

• Standard rental rate to be applied in the amount of $30.24 + HST per hour of operation
• Pay all rates and charges for utilities to include electricity, gas, water and sewer, used in connection with the Premises or in connection with the use, operations or activities carried on by the Montessori School on the subject premises
• Shall supply and pay the cost of all program equipment and supplies
• Shall pay the cost of any licence for certification/association fees or similar required to operate the School
• Shall pay all costs associated with snow clearing and sanding/salting in connection with the building at a cost of $1,050 per month effective December 1, 2010.
• Shall pay all costs associated with the construction, inspection, maintenance, repair, use and removal of fencing/equipment required for the outdoor space and ensure compliance with all By-Laws and regulations
• Shall make arrangements to have fence/equipment removed on February 1, 2010
• Shall pay all costs associated with the cleaning of carpets on the second floor
• Shall pay all costs associated with fence inspection if required through By-Law
• The City of Hamilton will assume all costs related to Fire Inspection compliance

Information Required

• The rental is conditional upon the Recreation Division receiving the following information
  
  - verification from the Ministry Of Children And Youth Services that all requirements observed as non-compliant during it’s inspection on August 17, 2010 and outlined in it’s subsequent inspection report are in full compliance
  - confirmation from the Ministry Of Children And Youth Services outlining it’s approval of this site for the intended use
  - a copy of your license to operate a day care facility
  - a site plan showing the proposed location of the fence for the children’s play area
  - details of the fence including height, construction, method for placement and securing of fence to surface area
shall ensure that all materials, equipment and supplies delivered to the premises are neatly and safely stored or contained upon delivery and shall be so maintained until used up;  
- without limiting or restricting the foregoing in any way, shall ensure that the premises are kept clear of slippery surfaces or of any other unsafe condition;  
- shall take reasonable and required measures, including those required by authorities having jurisdiction, to protect public and those employed on the premises from bodily harm and to protect adjacent public and private property and the cities' property from damage  
- shall ensure that all tools, equipment, supplies and materials are stored properly and in a safe and secure manner;  
- shall ensure the use of only recognized, government-approved environmentally compatible and safe products, materials and application methods in its activities and operations upon the premises;  
- shall provide the City any access codes and/or set of keys to doors, storage areas for emergency access purposes  
- Shall give immediate notice, and written notice with complete details thereof, to the City of any accident, injury or harm to any person on or using the premises;  

**Liability Insurance**

Agrees to obtain and maintain in force throughout the duration of the Licence, at its own cost and expense including the payment of all deductibles, the following policies of insurance for the specified limits, or such other policies of insurance or higher limits as the City acting reasonably and prudently may from time to time require:  

- Commercial General Liability insurance covering against any and all claims for bodily injury, including death, personal injury, and property damage or loss, including acts or omissions of Ancaster Montessori School, its employees, contractors, sub-contractors, agents and invitees and in a form and with an insurance company acceptable to the City. Such policies of insurance shall have a limit of coverage of not less than FIVE Million Dollars ($5,000,000.00) per occurrence or such higher limits as the City, acting reasonably and prudently, may from time to time require. Such policies of insurance shall also name the City as an additional insured and shall include, but not be limited to the following: blanket contractual liability; land and premises liability; occupier’s liability; completed operations liability; products liability; owners and contractors liability; non-owned automobile liability; cross-liability; host liquor liability and severability of interest provisions.  
- Standard owners form automobile policy including third party liability insurance and at least One Million Dollars ($1,000,000.00) inclusive limits, and accident benefits insurance, covering all licensed vehicles owned or operated on behalf of Ancaster Montessori School.  
- Abuse/Sexual Molestation coverage of at least One Million Dollars ($1,000,000.00) which shall include the City as an additional insured.
- proof of WSIB coverage (clearance certificate) and Commercial General Liability Insurance in the amount of Two Million Dollars ($2,000,000.00) endorsed to include both Montessori School and the City Of Hamilton from the company installing/removing the temporary fence
- confirmation from the Niagara Escarpment Commission outlining their acceptance of the temporary fence on this property
- A copy of any other application that makes reference to 263 Jerseyville Rd.
- a letter stating your understanding that this is a temporary accommodation and that this building will not be available for your use after January 31, 2011

Approved Use and Purpose

- Covenants and agrees to use the premises solely and actively Monday to Friday between the hours of 7:30 a.m. and 5:30 p.m. during the term of the Licence for the purpose of a Montessori School. Ancaster Montessori School will conduct its business in accordance with the rules and regulations established by the City for the subject premises, from time to time and as notified by the City.
- Ancaster Montessori School shall not do anything or permit anything to be done on the premises which may constitute a nuisance, cause damage or loss or endanger the premises
- Shall ensure that any and all contractors performing or engaged to perform any capital work or repairs to the premises are pre-approved by the City in advance of commencing any such work or repairs and provide insurance naming the City as an additional insured party, that the contractors are qualified to do the intended works or repairs, and that all safety precautions, permits, laws and regulations are fully complied with at all times;
- Agrees that it shall not make any alterations whatsoever to the premises without the prior written approval of the City;
- No sign, advertisement, or notice of any type shall be inscribed, painted, affixed or erected by the School or any person on their behalf on the inside or outside of the Lions Club Pool without the express written approval of the Director of Recreation. If approval is given, all costs associated with approved signage and the removal of same at end of lease will be the responsibility of the School

Good Repair, Safety and Environmental Measures

- Without limiting or restricting in any way other responsibilities and obligations
  - shall ensure that all health and safety requirements are met and be responsible for ensuring that the premises are secured and safeguarded at all times
  - strict compliance with all applicable health and safety requirements, by-laws and regulations and any conditions that the City may impose
  - shall at all times keep the premises and any buildings, structures, erections or improvements thereon reasonably clean and free from debris, discarded or unnecessary materials, equipment or supplies, empty containers and all other unsightly or potentially dangerous rubbish;
RESPONSIBILITIES AND OBLIGATIONS OF THE CITY OF HAMILTON

- Repair and maintain the building and facility, including cleaning and caretaking
- Contract for the provision of snow clearing, and salting of parking lot effective December 1, 2010
- Provide maintenance and certification of all fire safety equipment
- Interior maintenance of the premises, which shall include maintenance and repair of the mechanical systems, such as the heating and ventilation systems

TERM OF AGREEMENT

The City proposes to grant the use of the premises on an interim basis terminating on January 31, 2010

- No legal title or leasehold interest in the Premises shall be deemed or construed to have been created or vested in the Licensees by anything contained in this Agreement
- The Licensees will not register this Agreement or notice thereof against title to the lands or any part thereof
- If the Licensee fails to meet it's obligations as outlined in the Agreement the city may terminate the Agreement immediately and shall not be responsible for any loss, expense, costs, charges, damages or liability which may be incurred by the Licensee due to the termination of the Agreement

SIGNATURE: Brita Lumis
ANCASTER MONTESSORI SCHOOL

SIGNATURE: Jason Rossiter
CITY OF HAMILTON

PRINT NAME: Brita Lumis

PRINT NAME: Jason Rossiter

DATE: September 29th 2010

DATE: October 1st 2010