



Roll Call Number

20-0755

Agenda Item Number

27

Date May 4, 2020

SET HEARING FOR APPROVAL OF AN AMENDMENT TO THE OPERATIONAL AGREEMENT WITH CHILDTIME CHILDCARE, INC. FOR THE OPERATION AND MAINTENANCE OF THE CHILDCARE FACILITY LOCATED IN THE INTERMODAL TRANSPORTATION FACILITY LOCATED AT 610 CENTER STREET

WHEREAS, on April 28, 1997, by Roll Call No. 97-1549, the City Council entered into a 28E Agreement with the Des Moines Metropolitan Transit Authority (now Des Moines Area Regional Transit Authority) for construction and operation of a Park & Ride Facility at 6th Avenue and Center Street, which facility included a childcare facility to serve the needs of those families working in the downtown area; and

WHEREAS, On December 21, 1998, by Roll Call No. 98-3949, the City Council approved an Intermodal Transportation Facility Child Care Center Operational Agreement (“Operational Agreement”) with Childtime Childcare, Inc. (Childtime) for operation of the childcare facility located within the Park & Ride Facility at 610 Center Street, said Operational Agreement having a four-year initial term, with an additional two-year renewable option by the City extending the agreement until March 31, 2004; and

WHEREAS, the Operational Agreement has been extended several times and the current Operational Agreement was approved on January 25, 2016, by Roll Call No. 16-0130, having an original term of 3 years plus a 3 year extension option; and

WHEREAS, on March 18, 2019, Childtime exercised its option to extend the Operational Agreement for an additional 3 year period, commencing on July 1, 2019 and ending on June 30, 2022; and

WHEREAS, preschool and daycare providers across the country have been particularly affected by the ongoing Covid-19 virus pandemic, with Learning Care Group, parent company of Childtime Childcare, Inc., experiencing a 70% drop in daily attendance resulting in negative cash flows and a financial hardship; and

WHEREAS, Learning Care Group does not have the financial capacity to pay the full rent amount due each month over the next several months and is requesting to amend the Operational Agreement with Childtime Childcare, Inc. (Childtime) to defer a portion of the monthly rent payments as follows: Childtime will pay fifty percent (50%) of the monthly rent due pursuant to the terms of the Operational Agreement, for the period commencing April 1, 2020 and continuing through December 31, 2020. The monthly rent will be reduced from \$3,203.43 to \$1,601.72 for the period from April 1, 2020 through June 30, 2020 and will change according to the increase or decrease in the Consumer Price Index for the previous 12 months for the period from July 1, 2020 through December 31, 2020, with the difference between the full rent rates and the reduced rates to be paid over 48 months from July 1, 2021 through June 30, 2025.

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WHEREAS, in order to maintain the long-standing partnership with Childtime for operation of the above daycare facility, City staff recommend approval of the above proposal to amend the current Operational Agreement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, as follows:

1. The City Council of the City of Des Moines, Iowa, proposes to amend the Intermodal Transportation Facility Child Care Center Operational Agreement with Childtime Childcare, Inc. for operation of the childcare facility located within the Park & Ride Facility at 610 Center Street to reduce the monthly rent from \$3,203.43 to \$1,601.72 for the period from April 1, 2020 through June 30, 2020 and will change according to the increase or decrease in the Consumer Price Index for the previous 12 months for the period from July 1, 2020 through December 31, 2020, with the difference between the full rent rates and the reduced rates to be paid over 48 months from July 1, 2021 through June 30, 2025.
2. A public hearing shall be held on May 18, 2020, at 5:00 p.m. in the MSC Board Room, Richard A. Clark Municipal Service Center, 1551 E. Martin Luther King Jr. Parkway, Des Moines, Iowa. At that time the City Council will consider the above-described proposal and any other(s) submitted prior to or during the public hearing.
3. The City Clerk is hereby authorized and directed to publish notice of said proposal and hearing in the form hereto attached, all in accordance with Section 362.3 of the Iowa Code.

Moved by Gatto to adopt.

APPROVED AS TO FORM:

Ann DiDonato
 Ann DiDonato, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
BOESEN	✓			
GATTO	✓			
GRAY	✓			
MANDELBAUM	✓			
VOSS	✓			
WESTERGAARD	✓			
TOTAL	7			

MOTION CARRIED 7 APPROVED
T. M. Frankhu Cowme Mayor

CERTIFICATE

I, P. Kay Cmelik, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

P. Kay Cmelik City Clerk