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**TO:** CHAIR AND MEMBERS  
FINANCIAL MANAGEMENT COMMITTEE

**DATE:** 2019 September 11

**FROM:** DIRECTOR PLANNING AND BUILDING

**FILE:** 13000-02

**SUBJECT:** CITY-OWNED CHILD CARE CENTRES LICENSE AND OPERATING AGREEMENTS RENEWALS

**PURPOSE:** To obtain Council authorization to renew the License and Operating Agreements for City-owned child care centres.

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#### RECOMMENDATIONS:

1. **THAT** Council authorize the renewal of the License and Operating Agreements with the Burnaby Children's Centres Society for the Hanna Court and Taylor Park Children's Centres for a five-year term ending 2024 December 31.
2. **THAT** Council authorize the renewal of the License and Operating Agreements with the Lower Mainland Purpose Society for Madison, Yukon Crescent and Cameron Children's Centres for a five-year term ending on 2024 December 31.
3. **THAT** a copy of this report be forwarded to the Boards of Directors of the Burnaby Children's Centres Society and the Lower Mainland Purpose Society.

### REPORT

#### 1.0 INTRODUCTION

The availability of quality child care meets an important community need and contributes to the social and economic well-being of the city. It is a key factor in the location and relocation decisions of both families and businesses and plays an important role in the recruitment and retention of employees. The City's commitment to the provision of quality child care is exemplified in its five, purpose-built City-owned child care centres that provide a total of 232 licensed child care spaces for infant/toddlers, three-to-five year olds, and school aged children. These centres include:

- Hanna Court Children's Centre – 7500 Hanna Court
- Taylor Park Children's Centre – 7521 Hanna Court
- Madison Children's Centre – 4397 Buchanan Street

- Yukon Crescent Children’s Centre – 2123 Yukon Crescent
- Cameron Children’s Centre – 9838 Cameron Street

The Burnaby Children’s Centres Society operates Hanna Court and Taylor Park Children’s Centres and the Lower Mainland Purpose Society operates the Madison, Yukon Crescent and Cameron Children’s Centres.

In 2015, all five centres were moved onto the same license and operating agreement terms which expired at the end of 2017. The centres are currently operating on a month to month basis under the terms under the existing agreements. This report seeks Council’s authorization to enter into new license and operating agreements for the five centres based on a five-year term.

## 2.0 POLICY SECTION

The City’s initiatives in childcare are guided by its Child Care Policy, adopted in 1994 and revised in 2000. The Policy’s vision states that the City is committed to:

- assisting with the creation of a comprehensive and inclusive child care system in Burnaby;
- supporting families and children in their search for child care options; and
- working with the Board of Education, government ministries, child care providers, community service providers, and others in pursuing the City’s child care objectives.

These policy statements are also identified as key objectives in the City’s Social Sustainability Strategy, adopted in 2011. The Strategy recognizes the role childcare plays in people’s economic security and its contribution towards the development of complete communities (communities with a range of housing, services, transportation options and amenities within their own boundaries).

The availability of quality child care in the community also aligns with the Corporate Strategic Plan:

### *A Connected Community*

- Social Connection – Enhance social connections throughout Burnaby
- Partnership – Work collaboratively with businesses, educational institutions, association, other communities and governments

### *A Dynamic Community*

- Economic Opportunity – Foster an environment that attracts new and supports existing jobs, businesses and industries
- Community Development – Manage change by balancing economic development with environmental protection and maintaining a sense of belonging

**An Inclusive Community**

- Serve a diverse community – Ensure City services fully meet the needs of our dynamic community
- Create a sense of community – Provide opportunities that encourage and welcome all community members and create a sense of belonging

**3.0 BACKGROUND**

**Hanna Court and Taylor Park Children’s Centres**

Hanna Court Children’s Centre was achieved through the development approval process for BC Hydro’s new headquarters in southeast Burnaby in 1991. BC Hydro donated the site and contributed \$250,000, the Provincial government provided a grant of \$419,000, and the City contributed \$238,000. The total value of the land, building and furnishings at the time was \$1,156,785.

Taylor Park Children’s Centre (formerly BC Hydro Children’s Centre) was donated to the City by BC Hydro in 2002. At the time of the donation, land and buildings were valued at \$936,000.

**Madison, Yukon Crescent and Cameron Children’s Centres**

These three centres were acquired by the City through the Community Benefit Bonus Policy. As part of the policy, the developer was required to fully finish and equip each centre. The value of the centres at the time the density bonus was negotiated is presented below.

<u>Centre</u>	<u>Value of Density Bonus</u>
Madison	\$1.0 million (1998)
Yukon Crescent	\$1.85 million (2004)
Cameron	\$2.0 million (2005)

**4.0 OPERATING TERMS**

The Burnaby Children’s Centres Society and the Lower Mainland Purpose Society for Youth and Families (Purpose Society) operate the City’s child care centres on behalf of the City. The City leases the centres at a nominal rate to the non-profit operators. As part of each centre’s operating agreement with the City, the non-profit operators are responsible for the financial operations of the centres including:

- utility fees;
- custodial services;
- insurance;
- maintenance, repair and replacement of indoor and outdoor equipment;
- grounds maintenance including landscaping, and maintenance and repair of irrigation systems, stairs, railings, fences, retaining walls, walkways and asphalt surfaces;

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- licensing fees; and
- staff wages and benefits.

The City is responsible for maintaining the mechanical, heating, ventilation, electrical and plumbing systems, and structural elements (building envelopes and roofs) of the centres.

The operators are required to provide a Burnaby-based, self-sustaining range of inclusive, quality child care services for the community. The staff at all five centres are required to be certified Early Childhood Educators. Each centre operates under a collective agreement which assists in attracting and retaining well qualified staff. Staff continuity in turn contributes to a stable child care environment which benefits the children and families at the centres.

In 2019, Burnaby Children's Centre Society:

- served 103 families, of which 74% were Burnaby residents;
- employed 24 staff in full-time positions; and
- covered 75% of its annual operating costs through parent fees, 24% through Provincial funding and 1% through fundraising.

In 2019, Purpose Society:

- served 147 families at its three centres, of which 80% were Burnaby residents;
- employed 48 staff in full-time and part-time positions; and
- covered 72% of its annual operating costs through parent fees, 27% through Provincial funding and 1% through fundraising.<sup>1</sup>

All five centres are operating at capacity and maintain extensive waiting lists. All the centres provide developmentally appropriate programs and encourage parent involvement in many ways including participation on committees, attending field trips, donating supplies and serving on the Societies' boards. Staff representatives from both societies are represented at the Child Care Resources Group, the City's advisory committee on child care matters. In general, City staff are satisfied with the operation of the child care facilities by both societies.

## 5.0 RECOMMENDATIONS

The licensing and operating agreements for the City's five purpose-built child care centres expired at the end of 2017. The Burnaby Children's Centres Society operates Hanna Court and Taylor Park Children's Centres and Purpose Society operates the Madison, Yukon Crescent and Cameron Children's Centres. Given that both Societies have successfully operated their

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<sup>1</sup> In April 2018, both Burnaby Children's Centres Society and Purpose Society opted in to the Provincial Child Care Fee Reduction Initiative which aims to reduce the cost of child care for parents each month. In previous years, parent fees covered 82-85 percent of operating costs of each centre. Parent fees continue to be the main source of funding for the operation of the centres.

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respective centres and continue to provide quality and much needed child care services for families that live and work in Burnaby, it is recommended that Council authorize the renewal of the license and operating agreements for the five centres, each for another five-year term, under the same lease terms and provisions.

It is further recommended that copies of this report be forward to the Boards of Directors for the Burnaby Children's Centres Society and the Purpose Society, and to the Environment and Social Planning Committee for information.

  
E.W. Kozak, Director  
PLANNING AND BUILDING

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cc: City Manager  
Director Corporate Services  
Director Engineering  
Director Finance  
Director Parks, Recreation and Cultural Services  
City Clerk