

TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2020 February 6

FROM: DIRECTOR PLANNING AND BUILDING

FILE: 13000 02
*Reference: School District/City of Bby
Child Care Facilities*

SUBJECT: CHILD CARE FACILITIES ON SCHOOL SITES – FUNDING REQUEST

PURPOSE: To request that Council approve in principle an expenditure of up to \$5,575,000, depending on any Provincial grant funding received, from Community Benefit Bonus funds to support the development of child care facilities on various School District/City sites throughout the city.

RECOMMENDATIONS:

1. **THAT** Council approve an expenditure of up to \$5,575,000, depending on any Provincial grant funding received, from Community Benefit Bonus funds to support the development of child care facilities on various School District/City sites throughout the city, as outlined in *Section 5.0* of this report.
2. **THAT** a copy of this report be forwarded to the Ministry of Children and Family Development.

REPORT**1.0 INTRODUCTION**

At its meeting on 2019 October 28, Council approved the recommendations in a report outlining a revised approach to the 2014 City and School District Child Care Facilities Memorandum of Agreement. Under the revised approach, the School District rather than the City will be responsible for project management and construction of new facilities on various school sites throughout the city and the City will continue to contribute towards the capital cost of facilities including construction, capital maintenance and future site restoration costs. The 2019 October 28 report also recommended that the City work with the School District to seek capital funding from the Ministry of Children and Family Development (MCFD) to support the creation of new child care spaces on school sites throughout the city.

Directions outlined in the 2019 October 28 report were based on work undertaken by the School District to address school enrolment growth and the need to reclaim child care spaces inside school buildings for instructional classrooms. Through this work, as outlined in its Project Definition report, the School District has developed a plan to relocate 205 existing school-aged spaces inside school buildings and create 773 new spaces (588 school-aged spaces and 185 spaces for children age 5 and under) in new modular buildings on school grounds and in other District capital projects.

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This report provides an update on the child care facilities program and seeks Council approval in principle of an expenditure of up to \$5,575,000, depending on any MCFD grant funding received, from Community Benefit Bonus funds to support the development of new child care facilities.

2.0 POLICY CONTEXT

The City's initiatives in child care 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.

Further, the Child Care Policy states that the City will work to improve the availability, accessibility, and affordability of child care by providing appropriate and sufficient opportunities for the establishment of child care facilities within the context of the Official Community Plan, community plans, the Burnaby Zoning Bylaw, and other City regulations.

These policy statements are also identified as key objectives in the City's Social Sustainability Strategy, adopted in 2011. The Strategy recognizes the role child care 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). Similarly, the City's Environmental Sustainability Strategy supports the development of complete communities that are walkable, bikeable and transit-supported. City policies recognize that while the provision and regulation of child care is the responsibility of the Provincial government, the City can play a supportive role.

The availability of quality child care in the community also aligns with the following goals and sub-goals of 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

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3.0 REVISED CHILD CARE FACILITIES MEMORANDUM OF AGREEMENT BETWEEN THE CITY AND SCHOOL DISTRICT

As approved in the report to Council on 2019 October 28, the revised City and School District Child Care Facilities Memorandum of Agreement identifies the following key contributions towards creating new child care facilities:

- **Land Contribution** – The School District will continue to provide school sites for new child care facilities with the exception of some combined school/park sites that are City-owned (e.g. Capitol Hill and Stride child care facilities currently being developed and the proposed site at Marlborough).
- **Capital Contribution** – The City will continue to be responsible for capital contributions towards the program. Capital funding agreements with the School District will be established to ensure that any capital contributions from the City are used directly toward new child care facilities and that they remain child care facilities for the long term.
- **Project Management** – In contrast to the first three facilities developed under the Child Care Facilities Agreement (Capitol Hill, Montecito and Stride) the School District will be responsible for project management and construction of new child care facilities. This approach will involve the School District ordering modular buildings from its regular supplier of portable classrooms and completing interior finishing on site. Since the School District will bulk order the facilities based on the standard design for portable classrooms, it is anticipated that this approach will streamline the construction of new facilities. The City will contribute to the construction process by helping to expedite the City approval process (e.g. Preliminary Plan Approvals (PPAs) and Building Permits).
- **Child Care Operations** – The School District will continue to manage the operating relationship with the non-profit child care provider for each site.

4.0 CHILD CARE NEED

Finding quality, affordable child care is one of the most stressful challenges for young families. The City recently completed a child care survey of parents and guardians¹. Over 1,150 responses were received to the online survey between 2019 December 5 and 2020 January 17. Of those surveyed, 75 percent said it was somewhat difficult or very difficult to find child care. Seventy-five percent of survey respondents also said they had been on a waitlist for child care with over 52.5 percent waiting a year or more to find a space.

The availability of quality, affordable child care supports and helps to keep families in Burnaby. It also plays a significant role in the location decisions of businesses and further helps them attract and retain employees. Quality child care also benefits all aspects of children's development and lays the foundation for school success, higher education, development of social-emotional skills and life-long learning.

¹ As reported in the Child Care Resources Group Update for 2019, Council was advised that the City applied for and received a UBCM grant of \$25,000 to conduct a Child Care Needs Assessment and Strategy. As part of the process an online child care survey of parents and guardians was conducted between 2019 December 5 and 2020 January 17. Results of the survey are being tabulated and will be reported to Council in the spring 2020.

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In general, Burnaby has a high level of childcare need. According to recent Census and Fraser Health Licensing statistics, Burnaby has 17 full-time licensed spaces per 100 children ages 0 to 12 years old. This average is lower than a regional number of 18.6 spaces and the provincial number of 18.4 spaces per 100 children aged 12 and under*.

Number of All Full-time Licensed Spaces for Children 0 to 12 Years Old by Quadrant in Burnaby

Quadrant	Children Ages 0 to 12 Years Old	Number of Licensed Child Care Spaces	Licensed Spaces Per 100 Children Ages 0 to 12 Years Old
Northwest	5,405	735	13.6
Northeast	5,655	1,050	18.6
Southeast	7,150	970	13.6
Southwest	8,905	1,844	20.7
Burnaby	27,115	4,599	17
Metro Vancouver			18.5*
BC			18*

*2019 Metro Vancouver: Survey of Licensed Child Care Spaces and Policies in Metro Vancouver

In terms of group child care (non home-based child care), demand is greatest for infant/toddler spaces (children under three years old) and school-aged spaces. As noted below, there are only 13 spaces per 100 children under three years old and 10 school-aged spaces per 100 children ages 6 to 12 years old.

Group Centres

	Group Spaces for Infant/Toddlers	Spaces per 100 Children Under 3	Group Spaces for 30 Mos. to School Age	Spaces per 100 Children 3 – 5 Yrs Old	Group Spaces for School-aged Children	Spaces per 100 Children 6 – 12 Yrs Old	Average # of Spaces for All Types of Group Care for Children 0 – 12 Yrs Old
NW Quadrant	168	13	267	22	222	8	12
NE Quadrant	190	15	389	29	411	13	17
SE Quadrant	324	14	727	34	530	7	18
SW Quadrant	170	10	286	16	275	13	10
Total	852	13	1,669	26	1,438	10	14

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As detailed below, the School District's plan, and its partnership with the City, to create new child care spaces will make a significant positive impact in addressing the child care needs of the community.

5.0 SCHOOL DISTRICT PLAN FOR NEW CHILD CARE SPACES

To address school enrolment growth and the need to reclaim child care spaces inside school buildings for instructional classrooms, along with ongoing significant community demand for school-aged child care spaces, the School District has undertaken a Feasibility Study and Project Definition Report to create new child care spaces on school sites throughout the city. The study process included a broad community consultation in spring 2019 and a detailed site review in summer 2019.

Based on the findings of this work, the School District's Project Definition report proposes to create new spaces as follows:

- **School Capital Projects** – 162 new spaces in new capital building projects at four sites: University Highlands Elementary, Burnaby North Secondary, Stride Avenue Community School and Cameron Elementary;
- **Phase 1** – 48 new spaces in shared StrongStart² spaces inside school buildings at Second Street and Stride Avenue Community Schools;
- **Phase 2** – 370 new spaces in modular buildings on school grounds and the former Marian high school site; school sites include Rosser, Marlborough, Westridge, Cascade Heights and Suncrest Elementary schools; and,
- **Phase 3** – 193 new spaces in modular buildings at Taylor Park, Brantford, Kitchener, Twelfth Avenue and Stoney Creek Elementary schools.

Some of the sites listed above will also involve the relocation of existing child care spaces inside school buildings to modular buildings on school grounds. Overall, the Project Definition report proposes to relocate 205 existing school-aged spaces and create 773 new spaces (564 school-aged spaces and 209 spaces for children age 5 and under) over the next two to three years.

In terms of the School Capital Projects listed above, it should be noted that in 2019 April, Council approved in principle an expenditure of \$664,000 to support the development of a new 24-space infant/toddler child care centre within the new child care facility being developed as part of the Burnaby North Secondary School replacement project.

The School District's plan also includes a proposal to convert its Marian school site in east Burnaby into an Early Childhood Education (ECE) hub. The facility will accommodate its Community and Continuing ECE training program and onsite child care for infants and toddlers, three-to-five year olds and school-aged children. The facility will play a key role in addressing a critical shortage of qualified ECE workers to work in child care facilities throughout the city.

² There are 12 StrongStart Early Learning Centres in Burnaby for children under 5 years old and their parents and caregivers. StrongStarts provide an opportunity for parents and caregivers to engage in play-based learning with their child(ren).

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The table below provides details of the types of new spaces to be created in the different phases of the plan.

	Infant/Toddler Spaces	3-5 year Old Spaces	School-aged Spaces	Total New Spaces
School Capital Projects (e.g. Neighbourhood Learning Centres/Seismic Projects)				
University Highlands Elementary			84	84
Burnaby North Secondary	24			24
Stride Avenue Community School			30	30
Cameron Elementary			24	24
Total New –School Capital Projects	24		138	162
Phase 1 – Creation of Shared Spaces With Existing StrongStarts in School Buildings				
Second Street Community School			24	24
Stride Avenue Community School			24	24
Total New - Phase 1			48	48
Phase 2 – New Spaces in Modular Buildings and at the Marian ECE Learning Centre				
Rosser Elementary			24	24
Marian ECE Learning Centre	12	25	54	91
Marlborough Elementary	12	25	30	67
Westridge Elementary	12	25	54	91
Cascade Elementary	12	25	30	67
Suncrest Elementary			30	30
Total New – Phase 2	48	100	222	370
Phase 3 – New Spaces in Modular Buildings				
Taylor Park Elementary	12	25	54	91
Brantford Elementary			54	54
Twelfth Avenue Elementary			24	24
Stoney Creek Community School			24	24
Total New – Phase 3	12	25	156	193
TOTAL –All Phases	84	125	564	773

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To achieve cost savings and streamline the construction process, the School District intends to bulk order modular buildings from its regular supplier of portable classrooms and complete interior finishing of the buildings on site. It estimates the total capital cost for a 91-space centre that includes 54 before and after school spaces, 12 infant/toddler spaces and 25 spaces for three to five year olds would be approximately \$3,350,000 or \$36,815/space.

6.0 PROVINCIAL CAPITAL FUNDING

In 2017, a new Provincial government was elected on a commitment to address the critical shortage of quality, affordable child care spaces throughout B.C. The 2018 Provincial budget contained a three-year implementation plan that focused on the affordability of child care (a fee reduction and subsidy program for parents), creation of new spaces through a major capital funding program, and initiatives to increase the number of qualified Early Childhood Educators to work in the sector. The City applied to the first phase of the major capital funding program to support the development of its Montecito and Capitol Hill Children's Centres currently under development. The City was awarded a grant of \$1 million for each facility through the program.

In 2019 July, the Province announced it was increasing the amount of grant funding available to public sector organizations such as local governments and school districts from \$1 million per project to up to \$3 million per project in the hope of attracting more public sector applications. It also announced that it would be introducing a Multi and Large-scale project funding stream in mid to late September 2019.

Initially it was City staff's intention to apply for the Ministry of Children and Family Development's (MCFD's) Multi and Large-scale capital funding program to create new child care spaces on school sites throughout Burnaby. However, in discussions with Ministry staff, City and School District staff have learned that since its 2019 July announcement, the Ministry has received many viable applications from public sector organizations. Further, it has decided not to proceed with its Multi and Large-scale project funding stream. Ministry staff have advised that limited funds must now be disbursed throughout the province and that communities that show strong partnerships between public sector organizations (e.g., local government and school districts) will have stronger applications.

With this knowledge, in 2019 October the School District applied for \$13,790,998 from MCFD and is seeking \$5,575,000 from the City to fund Phase 1 and 2 of its plan³.

Based on the above, City staff have applied for \$5,575,000 in capital funds from MCFD. However, in light of the information received from the Ministry, and to demonstrate its support for the project, staff recommend that the City approve in principle an expenditure of \$5,575,000 from Community Benefit Bonus funds to support new spaces for children aged five and under identified in Phase 2 of the School District's plan. Depending on any MCFD grant funding received by the City, a full expenditure of \$5,575,000 may not be required. Council approval in principle to

³ Funding for child care programs falls under the Ministry of Child and Family Development. Under the Ministry of Education and School Act, School Districts have neither a mandate nor funding source to fund child care programs.

provide capital funds to this partnership project with the School District indicates to the Province the City's commitment to the project and support of their funding application.

With the City and School District's applications, the Burnaby community has the potential to receive significant MCFD capital funding to create spaces that will remain in the public domain for the long term and continue to meet ongoing community demand for child care spaces for children of all ages.

As noted above, the School District has developed a cost-efficient and expeditious plan to create new child care spaces. In addition, the School District has undertaken the cost of developing the Project Definition report and will be responsible for ongoing project management for child care facilities programs.

7.0 CITY LAND CONTRIBUTION

As noted in the 2019 October 28 report, due to site limitations of the Marlborough Elementary School site, a portion of the City-owned park/school site located on the northeast corner of Marlborough Elementary School park site would be required to accommodate a 37-space centre for children aged five and younger (see *Attachment 1*). This scenario is similar to the Capitol Hill and Stride Children's Centres currently under development where the City-owned combined park/school sites are being used for these centres. To accommodate spaces for children aged five and younger in the high demand area of Metrotown, it is therefore recommended that a portion of the City-owned land to the immediate northeast of Marlborough Elementary be used to accommodate a 37-space child care centre. As with other facilities under the Child Care Facilities Agreement, the School District would be responsible for managing the construction process and the ongoing relationship with the non-profit operator of the centre.

It is noted that prior to development of the child care facility at Marlborough, that the City and School District lands would be subject to a rezoning, subdivision and road closure to bring the site into conformance with the City's bylaws and community plans. This will be the subject of a separate report to Council.

8.0 CONCLUSION AND RECOMMENDATIONS

This report seeks Council approval of an expenditure of up to \$5,575,000, depending on any MCFD grant funding received, to create new child care spaces on school sites throughout the community. The funding request is consistent with the City and School District Child Care Facilities Memorandum of Agreement, originally signed in 2014. The plan to create new spaces is based on the School District's Project Definition Report for Before and After School Childcare: Creating a Plan for Childcare Opportunities with the Burnaby School District released in 2019 October. Under this plan as detailed in *Section 5.0* above, the School District rather than the City will be responsible for project management and the construction of new facilities. In total, the plan aims to create 773 new spaces of which 564 will be for school-aged children and 209 spaces for children five years old and younger. The plan includes new spaces in major capital projects (e.g. Burnaby North Secondary), creating an Early Childhood Education hub at the Marian school site, and creating new spaces in modular buildings on school sites throughout the community.

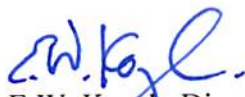
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The School District has applied to the MCFD's capital funding program for a total of \$13,790,998 and is seeking \$5,575,000 from the City to help fund phase 1 and 2 of its plan. In turn, the City has submitted its own applications to MCFD for up to \$5,575,000 in MCFD funding. Phase 1 and 2 will create 148 spaces for children aged five and younger and 270 spaces for school-aged children. As part of the plan, a portion of the City-owned lots to the immediate northeast of the Marlborough Elementary school site will be required to accommodate a 37-space facility for children aged five and under.

The plan detailed in *Section 5.0* above will create new child care spaces in a cost-efficient and timely manner to address significant community demand for quality child care spaces. These spaces will remain in the public domain for the long term. It is therefore recommended that Council approve an expenditure of up to \$5,575,000, depending on any MCFD grant funding received, from Community Benefit Bonus funds to support the development of child care facilities on various School District/City sites throughout the city.

Lastly, it is recommended that a copy of this report be forwarded to the Ministry of Children and Family Development.

With Council approval of the recommendations, staff will provide Council with further information on the progress of the project including any capital funding received by the City from the Ministry of Child and Family Development.



E.W. Kozak, Director
PLANNING AND BUILDING

MM:sa
Attachment

Copied to: City Manager
Director Corporate Services
Director Public Safety and Community Services
Director Engineering
Director Finance
City Clerk
City Solicitor

