

FINANCIAL MANAGEMENT COMMITTEE

TO: *THE MAYOR AND COUNCILLORS*

SUBJECT: PROVINCIAL CHILD CARE FUNDING OPPORTUNITIES

RECOMMENDATION:

1. **THAT** Council receive this report for information.

REPORT

Burnaby City Council, at its Closed meeting held on February 27, 2023, received and adopted the attached report providing information on Provincial child care funding and the status of two City child care centres under development.

This report is provided for public information.

Respectfully submitted,

Councillor Dhaliwal
Chair

Councillor Gu
Vice Chair

TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: February 7, 2023

FROM: GENERAL MANAGER
PLANNING AND DEVELOPMENT

FILE: 1750 20

SUBJECT: PROVINCIAL CHILD CARE FUNDING OPPORTUNITIES

PURPOSE: To provide information on Provincial child care funding and the status of two City child care centres under development.

RECOMMENDATIONS:

1. **THAT** Council authorize staff to return \$2,280,000 in Provincial funding for a 65-space child care centre at 4828 Rowan Avenue and submit a new application for funding based on the actual costs and number of spaces to be created on the site, as detailed in *Section 4.0*.
2. **THAT** in line with Provincial funding opportunities, the City consider, where possible, the inclusion of new child care centres in new civic infrastructure projects, in significant civic renovation projects, and on non-market housing sites.

REPORT**1.0 BACKGROUND**

In 2018, the Province initiated its 10-year plan to create a universal child care system in B.C. More recently, the Federal government announced its new Early Learning and Child Care Plan (2021) to provide parents with, on average, \$10/day licensed child care spaces for children under six years old within five years. The Province has allocated \$5.2 billion from 2018 to 2025 and the Federal government has allocated \$3.2 billion from 2021 to 2025 to develop the system. A key focus of this funding is to create new, quality licensed child care spaces. This report provides information on the ChildCareBC New Spaces fund and updates Council on the status of two City-owned child care centres under development.

2.0 POLICY CONTEXT

Increasing the availability of quality child care services in the community aligns with the *Burnaby Child Care Action Plan (2021)*, *Climate Action Framework (2020)*, *Corporate Strategic Plan (2022)*, *Environmental Sustainability Strategy (2016)* *Social Sustainability Strategy (2011)*, *Economic Development Strategy (2007)* and the *Child Care Policy (2000)*.

3.0 CHILDCAREBC NEW SPACES FUNDING

When the ChildCareBC New Spaces funding was first announced in 2018, private as well as public and non-profit providers were eligible to apply for the funding. In its drive to develop a public, universal system of child care, eligible organizations are now restricted to public and non-profit sector organizations.

Initially, the Provincial funding allocated \$40,000 per space. In the current intake¹, the Province has removed maximum funding amounts to support larger space creation projects. The removal of caps on funding is in recognition of the higher construction costs that municipalities face. In addition, consultation/design costs incurred up to 12 months prior to entering a funding agreement with the Province are eligible for funding.

To date, the City has accessed \$3 million in Provincial/Federal funding for the development of the Montecito, Capitol Hill and Stride child care centres.

4.0 CURRENT PROJECTS

In 2021, the City signed a funding agreement with the Province for \$2,280,000 for a 65-space child care centre that would provide priority placement for City and Burnaby RCMP staff.

Since the funding agreement was signed the centre's location has been changed twice.² Due to the location changes, the Province has requested a revised floor plan that demonstrates that the new site can accommodate 65 spaces. Until the revised floor plan is submitted, the City is not able to submit any further applications for New Spaces funding, for example, an application for the new 25-space centre at the Christine Sinclair Centre.

When the application was first submitted in 2020 it was based on 57 spaces. At the time, the Provincial cap on funding was \$40,000/space. As noted above, the Province has now removed the cap on funding. For this reason, staff propose that the City return the \$2,280,000 to the Province and re-apply for New Spaces funding when a new floor plan is ready, estimated to be in late spring. Initial site review indicates that the site may accommodate between 65 and 74 spaces. A new funding application would reflect the actual number of spaces and costs to build the centre and could result in the City receiving more than \$40,000 per space for the centre.

If the City were to return the funding, there is a risk that the project would not receive new Provincial funding. However, staff consider this risk to be low since the project meets key Provincial funding criteria: a publicly-owned site and a focus on infant/toddlers spaces.

Further, if the City returns the \$2,280,000 in funding, it would allow the City to apply for New Spaces funding for the 25-space centre at the Christine Sinclair Community Centre. This centre

¹ The current intake has no deadlines. Application may be submitted at any time. For more information on the New Spaces fund, see <https://www2.gov.bc.ca/gov/content/family-social-supports/caring-for-young-children/space-creation-funding/childcare-new-spaces-fund>

² When the application was first submitted, the centre's location was at 4828 Rowan Avenue. The location was then changed to the Christine Sinclair Community Centre, and subsequently moved back to 4828 Rowan Avenue.

is expected to open in late 2023 or early 2024. By submitting an application now, the City would be able to include design costs incurred to date (as noted above, design costs incurred up to 12 months prior to entering a funding agreement with the Province are eligible for funding).

In summary, staff propose that:

- The City return the \$2,280,000 it received from the Province for the 65-space centre at 4828 Rowan Avenue.
- The City submit a new application for funding when the floor plan for 4828 Rowan Avenue is ready. The new application would be based on the actual costs and number of spaces at the Rowan site and could result in more funding for the City.
- Upon approval from Council to return the \$2,280,000 in funding, the City apply for New Spaces funding for the new 25-space centre at the Christine Sinclair Community Centre.

5.0 ADDITIONAL CHILD CARE OPPORTUNITIES

In July 2021, Council adopted the Burnaby Child Care Action Plan. Through consultation with the community, Council and the Burnaby Board of Education, the City adopted a target to create 4,400 new spaces between 2020 and 2030 to meet the demands of our growing population. Since 2020, 932 new spaces have been created. Of these spaces, 787 spaces have been built on school sites. Based on the School District's Project Definition report (2019), another 85 spaces are currently planned for school sites.

Based on the numbers above, it is estimated that the City will need 290 new spaces per year for children ages 5 and under between 2023 and 2030, for a total of 2,315 new spaces to meet our child care targets.

A portion of new spaces will be built by the private sector. However, a significant portion will need to be built by the public and non-profit sectors. In this regard, while the Province has committed significant capital funding for new spaces for the public and non-profit sectors, it will depend on local governments to identify public/non-profit owned sites to accommodate new child care centres.

To assist in creating new child care spaces in Burnaby it is proposed that:

- any new civic infrastructure projects include child care spaces where possible;
- any significant renovations to existing civic infrastructure projects include child care spaces where possible;
- any new non-market housing proposals include child care spaces where possible; and
- the City continue to work with the School District to facilitate new child care spaces on school sites.

Staff are currently reviewing the rezoning process to determine how more publicly-owned child care centres could be created in Burnaby's town centres and urban villages and plan to report to Council this spring on proposals.

To: Financial Management Committee
From: General Manager Planning and Development
Re: Provincial Child Care Funding Opportunities
February 7, 2023..... Page 4

6.0 RECOMMENDATIONS

This report provides information on the ChildCareBC New Spaces fund and updates Council on the status of two City-owned child care centres under development.

In consideration of recent increased Provincial funding amounts available for new spaces, it is recommended that the City return the \$2,280,000 it received from the Province for a 65-space centre at 4828 Rowan Avenue and re-submit an application for funding based on the actual costs and number of spaces to be created on the site, as detailed in *Section 4.0* above.

Further, in line with Provincial funding opportunities, it is recommended that where possible, new child care centres be considered in new civic infrastructure projects, in significant civic renovation projects, and on non-market housing sites.



E.W. Kozak, General Manager
PLANNING AND DEVELOPMENT

MM:sa