

FINANCIAL MANAGEMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

**SUBJECT: 2014 CHILD CARE FACILITIES MEMORANDUM OF AGREEMENT BETWEEN
THE CITY OF BURNABY AND BURNABY SCHOOL DISTRICT - REVISED
APPROACH**

RECOMMENDATION:

1. THAT Council receive this report for information.

REPORT

Council, at its Closed meeting held on 2019 October 10, received and adopted the attached report from the Financial Management Committee providing information on a revised approach to the Child Care Facilities Memorandum of Agreement with the Burnaby School District, and seeking authorization to submit an application for Provincial funding to create new child care spaces.

The Burnaby School District ratified the revised approach at its meeting held on 2019 October 15.

This report is provided for public information.

Respectfully submitted,

Mayor M. Hurley
Chair

Councillor S. Dhaliwal
Vice Chair

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

TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2019 September 11

FROM: DIRECTOR PLANNING & BUILDING

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

SUBJECT: 2014 CHILD CARE FACILITIES MEMORANDUM OF AGREEMENT
BETWEEN THE CITY OF BURNABY AND BURNABY SCHOOL
DISTRICT – REVISED APPROACH

PURPOSE: To provide Council with information on a revised approach to the Child Care Facilities Memorandum of Agreement with the Burnaby School District and to seek Council authorization to submit an application for Provincial funding to create new child care spaces.

RECOMMENDATIONS:

1. **THAT** Council approve the revised approach to the 2014 City and School District Memorandum of Agreement for Child Care Facilities, as outlined in Section 5.0 of this report.
2. **THAT** Council authorize City staff to work with School District staff to submit an application to the Ministry of Children and Family Development's (MCFD's) Multi and Large Site Capital funding program to create new child care spaces on a number of school sites throughout Burnaby.
3. **THAT** should MCFD funding be received, the City complete the necessary site consolidation and rezoning required for the City-owned lots to the immediate northeast of the Marlborough Elementary school site to allow for a portion of the site to be used as a new 37-space child care centre.

REPORT

1.0 INTRODUCTION

In 2014, the City and Burnaby School District signed a Child Care Facilities Memorandum of Agreement that provides for up to twelve child care centres to be built on school sites throughout the community. Under the Agreement, the City is responsible for the capital costs of developing the centres through Community Benefit Bonus Policy funds, the School District provides land, and locally-based non-profit organizations operate the centres.

Since the Agreement was signed in 2014, the Provincial government, through the Ministry of Children and Family Development (MCFD), has announced major capital funding programs available to local governments, school districts and other public sector and non-profit organizations to facilitate the creation of new child care spaces.

In recognition of the new funding available, along with ongoing significant community demand for new child care spaces, this report proposes a revised approach to the Memorandum of Agreement and seeks Council authorization to submit an application for Provincial funding to create new child care spaces at a number of school sites across the city.

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 Corporate Strategic Plan by supporting:

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 2014 CHILD CARE FACILITIES MEMORANDUM OF AGREEMENT BETWEEN THE CITY AND SCHOOL DISTRICT

The 2014 Agreement between the City and School District identifies the following key contributions towards creating new child care facilities:

- provision of school lands by the School District for the siting of the facilities;
- management of the development and construction of the facilities by the City with School District approvals;
- City funding of all capital construction, capital maintenance and future site restoration costs; and,
- School District management of the operating relationship between the District and the non-profit child care provider; and provision of day-to-day maintenance and repair and other operating costs by the child care provider.

The first two centres to be developed under the Agreement are the Capitol Hill and Montecito Children's Centres which will each provide 25 spaces for children ages 3 to 5 years old. The centres are scheduled to open in early 2020. The next site to be developed will be at Stride Park (on City land) immediately adjacent to the Stride community elementary school site. This centre will have 12 spaces for infant/toddlers and 25 spaces for 3 to 5 year olds. Detailed designs for this facility have now been submitted for Preliminary Plan Approval.

4.0 PROVINCIAL CAPITAL FUNDING

Subsequent to the 2014 Agreement, a new Provincial government was elected on a promise 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 focuses on the affordability of child care (a fee reduction program and new child care subsidy program for parents), creation of new spaces (a major capital funding program) and development of the child care workforce to increase the number of qualified Early Childhood Educators to work in the sector. In relation to these initiatives, 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. It also announced that it would be introducing a multi and large-scale project funding stream in mid to late September 2019.

5.0 REVISED APPROACH TO MEMORANDUM OF AGREEMENT WITH SCHOOL DISTRICT

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 before and after school spaces, the School District has undertaken a Feasibility Study for Before and After School Child Care. The study included a broad community consultation process in spring 2019 and a detailed site review in summer 2019. Based on the findings of this work, the School District has developed a plan to create new before and after school child care spaces on school sites throughout the District through the new Provincial capital funding available to public sector organizations. The plan aims to create new spaces as early as January 2020 with more spaces created by September 2020, followed by additional spaces in September 2021. 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 one-unit, 25-space centre would be in the order of \$650,000 or approximately \$2,700,000 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.

As part of the School District's Feasibility Study, the School District has identified school sites that could accommodate new spaces for children under five years old in addition to new before and after school spaces. To expedite the creation of new spaces, take advantage of new Provincial funding and facilitate a more streamlined approach to the procurement of modular buildings, it is proposed the Memorandum of Agreement align with this revised approach. The approach would be consistent with the overall terms of the Memorandum of Agreement, but with modifications to the role each partner plays, as outlined below:

- **Land Contribution** – The School District would continue to provide school sites for new child care facilities with the exception of some sites that would require adjacent City-owned land, similar to the Capitol Hill and Stride child care facilities currently being developed.
- **Capital Contribution** – With a successful application for new Provincial capital funding, it is anticipated that a significant portion of the capital costs of new facilities would be covered by Provincial grants (e.g., up to \$3 million for a 91-space centre that includes before and after school spaces and spaces for children under five years old). Should

Provincial funding be received, a \$3 million grant would be equally applied towards the entire project (before and after school spaces and spaces for children under five years old). Consistent with the original Memorandum of Agreement, a City capital contribution could still be needed to make up the difference between the grant amount received and construction, servicing and permit fee costs. A City contribution would also be required for capital maintenance. As with the original Agreement, capital funding would be drawn from the City's Community Benefit Bonus funds. A funding agreement with the School District would be established to ensure the buildings remain child care facilities for the long term.

- **Project Management** – In contrast to the first three facilities developed under the Agreement (Capitol Hill, Montecito and Stride) the School District would be responsible for project management. Since the School District already has an established relationship with its supplier of modular buildings and intends to 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 could contribute to the construction process by helping to expedite the City approval process (e.g. Preliminary Plan Approvals (PPAs) and Building Permits.

Also, under the revised approach, the School District would provide the City with full details of projects costs to ensure safe, efficient and cost-effective facilities are achieved.

- **Child Care Operations** – The School District would continue to manage the operating relationship with the non-profit child care provider for each site.

6.0 POTENTIAL NEW SPACES

As part of its first phase, the School District has identified the following sites that could accommodate new 37-space child care centres for children under five years old (12 infant/toddler spaces and 25 spaces for children 3 to 5 years old) in addition to the sites it has identified for new before and after school centres. Completion of the new centres could occur as early as fall 2020.

- Marian Learning Resource Centre¹ – 37 spaces
- Westridge Elementary – 37 spaces
- Cascade Heights Elementary – 37 spaces
- Marlborough Elementary – 37 spaces

It should be noted that due to site limitations on the Marlborough school site, a portion of the City-owned lots to the immediate northeast of Marlborough Elementary would be required to accommodate a 37-space centre for children under five years old (see *Attachment I*). This

¹The Marian Resource Centre is a School District owned facility that was previously leased to an independent school. The School District is exploring moving its Early Childhood Education program to the Marian site to create an ECE training facility with onsite child care.

scenario would be similar the Capitol Hill and Stride Children's Centres currently under development where City-owned land is being used for these centres. However, before a portion of the subject City-owned land could be used for this purpose, a consolidation of the lots and rezoning to the P3 District would be required. Therefore, should Provincial capital funding be received, it is recommended that the City complete the necessary site consolidation and rezoning required for the subject lots to allow for a portion of the site to be used for a new child care centre.

It should be further noted that in 2019 April, Council approved in principle an expenditure of \$664,000 to support the development of a 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.

Including the Burnaby North spaces, the first phase of this revised approach could result in the creation of 172 new child care spaces for children under five years old. These spaces would be in addition to the estimated 250 before and after school spaces the School District plans to create by fall 2020. Combined, the revised approach has the potential to make a significant positive impact on the high level of child care need in Burnaby.

7.0 NEXT STEPS

As the funding and operation of child care is not within the core mandate of the School District, the District's plan to create new child care spaces will depend on the District receiving capital grant funding from the Ministry of Children and Family Development.

With Council approval of the revised approach to creating new child care spaces on school sites, as outlined above, it is proposed that City staff work with School District staff to prepare and submit an application to MCFD's Multi and Large Scale Capital Funding program. As the total amount of funding available under this program could be limited, it would be in the best interest of the City to submit the application soon after the funding opportunity is announced (currently expected in mid to late September).

Through the work required to develop the grant application, details of the City's contributions needed to create new spaces would be determined. This information would be reported to Council for approval before proceeding further.

8.0 CONCLUSION AND RECOMMENDATIONS

In recognition of new Provincial capital funding available for child care, along with ongoing significant community demand for new child care spaces, this report proposes a revised approach to the 2014 City and School District Memorandum of Agreement for Child Care Facilities, as outlined in Section 5.0 above. In contrast to the first three facilities developed under the Agreement, under the revised approach the School District rather than the City would be responsible for the construction of new facilities. This approach would involve the School

To: Financial Management Committee
From: Director - Planning & Building
Re: Child Care Facilities Memorandum of Agreement
Between the City of Burnaby and Burnaby School District
- Revised Approach
2019 September 11 Page 7

District ordering modular buildings from its regular supplier of portable classrooms and completing interior finishing of the buildings on site.

Based on information announced by MCFD, a significant portion of the capital costs for new facilities could be covered by Provincial grants (up to \$3 million per centre). As with the original Memorandum of Agreement, a City capital contribution could still be needed to make up any difference between Provincial grant funding received and construction costs. This funding would be drawn from the City's Community Benefit Bonus funds. The revised approach has the potential to create approximately 172 new child care spaces for children under five years old and up to 250 spaces for school aged children.

It is therefore recommended that Council approve the revised approach to the 2014 City and School District Memorandum of Agreement for Child Care Facilities, as outlined in Section 5.0 above.

It is further recommended that Council authorize City staff to work with School District staff to submit an application to MCFD's Multi and Large Site Capital funding program to create new child care spaces on school sites throughout Burnaby.

Lastly, should MCFD funding be received, it is recommended that the City complete the necessary site consolidation and rezoning required for the City-owned lots to the immediate northeast of the Marlborough Elementary school site to allow for a portion of the site to be used for a new child care centre.

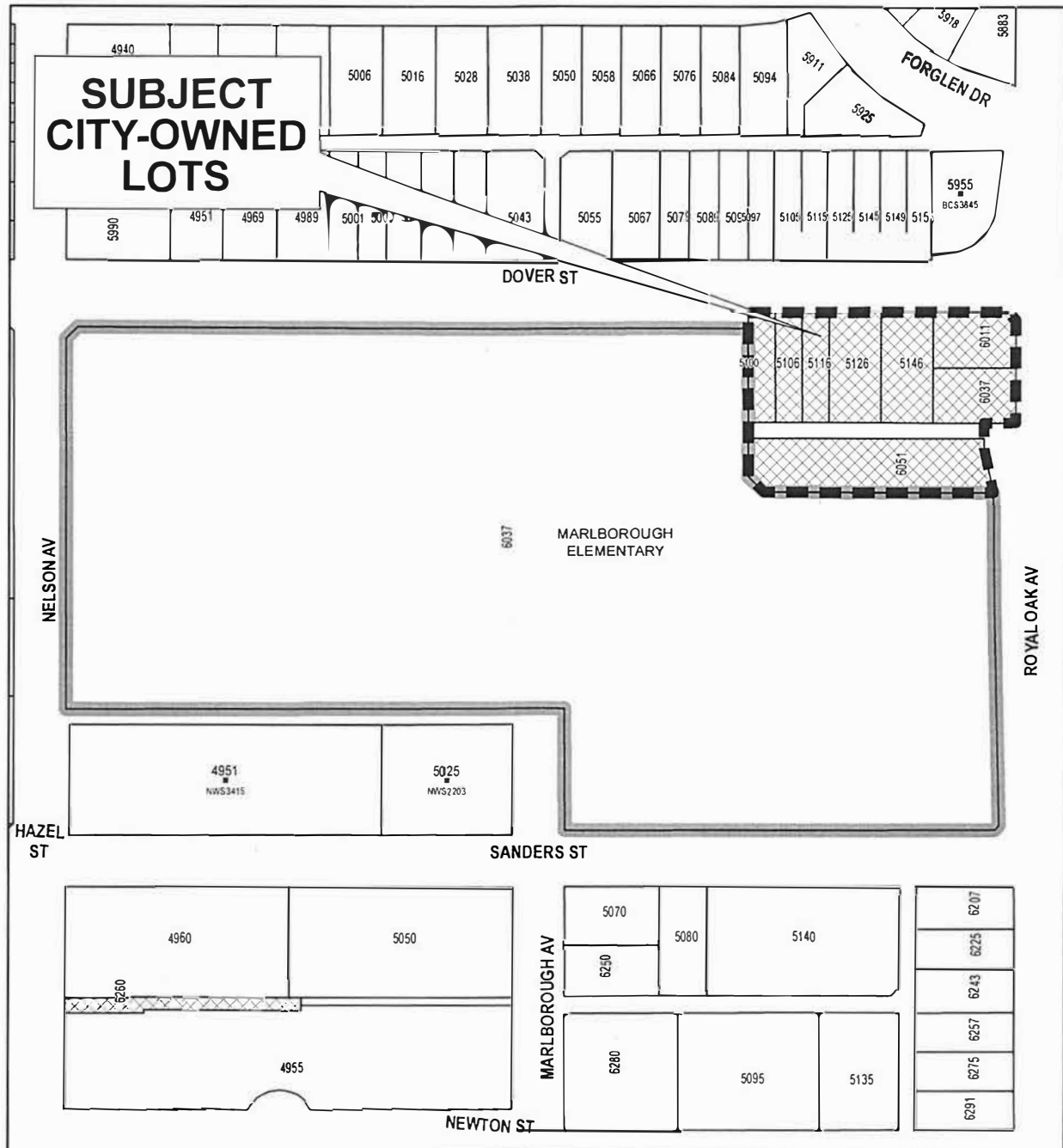
With Council approval of the recommendations, staff will provide further information on the project, including cost implications for the City, in due course.



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



PLANNING & BUILDING DEPARTMENT



DATE:
SEP 10 2019

SCALE:
1:2,500

DRAWN BY:
AY

MARLBOROUGH ELEMENTARY SCHOOL/ CITY PROPERTIES



Subject Properties



School Site



City-owned Property