

From: "Johnston, Sadhu" <Sadhu.Johnston@vancouver.ca>

To: "Direct to Mayor and Council - DL"

CC: "City Manager's Correspondence Group - DL"
"Singh, Sandra" <Sandra.Singh@vancouver.ca>

Date: 10/4/2019 2:56:07 PM

Subject: Memo - Building a Family Friendly Vancouver: Affordable Child Care – Motion on Notice - RTS 012937

Attachments: ACCS - GM - Memo (Council) - Progress on Family Friendly Vancouver-Affor....pdf

Dear Mayor & Council,

This memo provides an update on work arising from the December 5, 2018 Motion on Notice: *Building a Family Friendly Vancouver: Affordable Child Care* (RTS 012937). The motion calls for considerable policy and program considerations that involve multiple internal City departments, VCH, and the Province. Given the scope and complexity of the motion and available resources, staff could not deliver the work in the timelines set out in the motion; however, work has been underway and is progressing.

Staff provided a high-level provisional update in May 2019 as part of a presentation on Childcare (May is Childcare Month) and this attached memo update provides more detail on progress arising from the directions. Specifically, the memo provides:

- A discussion of the partnership between the City and the Province and the resulting MOU;
- A description of the actions the City is taking to help streamline and expedite the development of childcare;
- A list of the current and potential incentive programs and planning tools (for creating new childcare spaces) being explored; and
- A report on City staff's review of and approach to the development of purpose-built and modular childcare facilities.

If you have any further questions, please feel free to contact Sandra Singh at sandra.singh@vancouver.ca.

Best,
Sadhu

Sadhu Afochs Johnston | City Manager
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Pronouns: he, him, his



The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the Musqueam, Squamish, and Tsleil-Waututh peoples.

MEMORANDUM

September 30, 2019

TO: Mayor and Council

CC: Sadhu Johnston, City Manager
Paul Mochrie, Deputy City Manager
Lynda Graves, Administration Services Manager, City Manager's Office
Rena Kendall-Craden, Civic Engagement and Communications Director
Katrina Leckovic, City Clerk
Neil Monckton, Chief of Staff, Mayor's Office
Alvin Singh, Communications Director, Mayor's Office
Anita Zaenker, Chief of Staff, Mayor's Office
Nick Kassam, General Manager, Real Estate & Facilities Management
Gil Kelley, General Manager, Planning, Urban Design & Sustainability
Andrea Law, Director, Development Services
Mary Clare Zak, Managing Director, Social Policy and Projects

FROM: Sandra Singh
General Manager, Arts, Culture and Community Services

SUBJECT: Building a Family Friendly Vancouver: Affordable Child Care – Motion on Notice (RTS 012937)

PURPOSE

This memo provides a response to the December 5, 2018 Motion on Notice: *Building a Family Friendly Vancouver: Affordable Child Care*.

BACKGROUND

On December 5th, 2018 a Motion on Notice (Building a Family Friendly Vancouver: Affordable Child Care) was passed by Council, resolving:

- A. THAT Council direct staff to formally contact the appropriate Ministry of Children and Family Development staff to discuss opportunities for the City of Vancouver to secure funding for future projects from the Community Child Care Space Creation Program and report back to Council within the potential for provincial funding.
- B. THAT Council direct staff to explore ways the City of Vancouver can work with organizations and agencies including Vancouver Coastal Health and the B.C. government to streamline and expedite the processes associated with permits and licensing for child care facilities in Vancouver.

- C. THAT Council direct staff to explore a program to create incentives for applicants to include child care in future developments and report back to Council in spring of 2019; however, if funding from senior levels of government becomes available sooner, that staff prioritize and expedite a report and any recommendations to Council
- D. THAT Council direct staff to consider purpose-built child care, including temporary structures similar to modular housing when appropriate. FURTHER THAT staff consider requirements for child care facilities to be included; when appropriate, on any development of City Owned Land.

This brief provides an update on current and future activities, including items at early stages of the process.

DISCUSSION

Current Activities and Initiatives Responding to the Motion

1. *Item A - Enhanced Provincial Partnership*

- City staff prioritized and successfully negotiated and signed a historic partnership and funding agreement between Ministry of Child and Family Development (MCFD) and the City. The resulting Memorandum of Understanding (MOU) between the City and the Province (Appendix A) outlines a financial contribution of \$33 M from the Province to the City, with the goal of delivering or securing approximately 1300 new public or non-profit group childcare spaces, which expands on the City's commitment of 1000 spaces (as outlined in the 2019-2022 Capital Plan).
- The 1300 additional new spaces are to be made up of a combination Group Child Care for children 0-5 years old, as well as School Age Care (for children aged 5-12 years old), to be delivered on publicly owned land, or leased lands across the City, by March 31st 2024.
- The majority of the new childcare spaces are expected to be delivered as co-located facilities with new and seismic replacement schools, new and replacement civic facilities (including community centres) and as purpose-built childcare on other City-owned sites.
- All options for new spaces will be considered, including opportunities to develop structures similar to modular housing for childcare purposes, if identified as a feasible and cost effective approach to meeting need.
- Staff are currently in the process of working with the Province to solidify a "Project Delivery Plan", which will serve as the blueprint for how the \$33M in funding is to be deployed.

2. *Item B – Streamlining and Expediting Processes*

- Actions are underway to examine and address any *inefficiencies with internal and external processes related to permitting and licensing for childcare*. These efforts are interdepartmental (ACCS in consultation with DBL, PDS, and other City departments), and include consultation with external partners such as Community Care Facilities Licensing (CCFL) and childcare operators.

- In August 2019, City staff from ACCS and DBL met with representatives from Vancouver Coastal Health (including senior staff from CCFL) to discuss a coordinating development processes, effectively assessing environmental health impacts, and improving communication between the City and CCFL regarding childcare applications. Staff from both organizations have committed to regular meetings, and will reconvene in October 2019 to focus some joint attention on emergent issues, including:
 - Establishing and communicating environmental health benchmarks for childcare facilities;
 - Streamlining and clarifying the respective roles, responsibilities and process involved in licensing (CCFL) and permitting (City of Vancouver).
- ACCS staff has initiated discussions with DBL in an effort to *identify barriers and solutions to efficiently process development permits* for new school age care spaces (for children aged 5-12), within schools. A coordinated work plan between ACCS, DBL and other departments is required. To date, no timeline has been established for completion of the work. Further consultation with DBL and more fulsome project scoping is sought pending available staff resources.
- Coordinated work is ongoing between ACCS and DBL staff to *revise and improve content on the City's childcare webpage*. An improved webpage experience will be beneficial for parents, prospective operators, developers and anyone seeking information about the development of childcare spaces in the City. The revamped webpage is expected to be complete before the end of 2019.
- Work is underway to *modernize the format of the City's Childcare Design Guidelines* in coordination with the City of Vancouver's Regulatory Redesign. The intent of the reformatting is to increase the usability and clarity of the Guidelines. ACCS is working with the Regulatory Redesign team in PDS, with completion anticipated for Q1 2020.

3. Item C – Creating an Incentive Program and New Tools

- As part of the City's current CAC policy review, an *expansion of the geographic scope and use of CACs for creating childcare* is being considered. Current CAC practices have resulted in a relative concentration of new childcare facilities in areas with significant development activity (such as the Cambie Corridor) compared to neighbourhoods with less development opportunity. Proposed new CAC policy direction will seek to broaden the geographic allocation of cash CACs collected for childcare to support more equitable access to childcare for families.
- As part of the upcoming development of a new long-term Childcare Strategy, ACCS staff will be exploring and developing a suite of possible *incentive programs and planning tools* intended to accelerate the development of childcare spaces. The potential incentive programs and planning tools will each require staff time to effectively research, design, implement and evaluate, in collaboration with other City Business Units. Programs and tools under consideration include:

- **Density Bonusing** – staff are seeking to identify opportunities to incentivise the inclusion of new childcare facilities in market development projects by considering additional density.
- **Social Housing / BC Housing** – staff are pursuing opportunities with Housing Policy, PDS to partner with key social and non-market housing providers and agencies (including BC Housing and VAHA) in order to also deliver childcare.
- **Regulatory Tools** - staff are seeking to identify additional regulatory tools to require the inclusion of childcare (or financial compensation where on-site delivery is not possible) in development. One example might include requiring childcare as part of all future large-site rezonings.
- **Employment/Office Based Childcare** – staff are exploring options to create greater opportunities and incentives for the creation of new childcare spaces in commercial and office oriented development projects.

All new childcare incentive programs or planning tools will also need to be aligned with the general directions of the upcoming City-wide Plan.

- ACCS staff are working in partnership with childcare operators, CCFL, and an architect/consultant to develop *alternative configuration models* for childcare facilities. The goal and expected outcome is to identify a broader range of opportunities for the delivery of childcare in development projects in order to meet changing needs and provide greater flexibility in service delivery. New facility sizes and configurations, including design considerations for larger childcare centres (more than 69 spaces), are being considered and will inform future City-led childcare projects. Work on the project is expected to be complete by Fall 2019.
- ACCS staff are working with the Vancouver School Board on a new *outdoor-based School Age Care (SAC) prototype* aimed at making high quality, licensed care (for children aged 5-12) more accessible in Vancouver schools. The prototypes involve using licensable classrooms and support spaces in schools on an “as-needed” basis (specifically in cases of extreme weather), while otherwise immersing children in outdoor learning, on school grounds, in neighbouring parks, community gardens, and at local community centres and libraries. The prototypes being tested at two school sites during the 2019-2020 school year (Kerrisdale Annex and False Creek Elementary) in order to assess outcomes achieved among children/families, and the operational feasibility of implementing programs in schools and other sites (i.e. City parks) across the city.

4. **Item D – Purpose-Built Childcare, including Modular Childcare**

- The City’s current practice already considers the development of *purpose-built childcare* facilities where it is feasible. However, aspects of the present land-development environment pose significant challenges to the delivery of any purpose built childcare, including:
 - Under-supply of available, suitable land and correspondingly high land costs;
 - Exceedingly high (and escalating) construction costs;
 - Limited sources of funding (CACs and DCLs).

It is current practice for the City, when considering the development of its public lands and assets, to co-locate facilities to the greatest extent possible. As new civic facilities (such as community centres) come on-line, and as existing facilities come up for renewal/replacement, the City evaluates each project for the suitability and feasibility of adding childcare.

- Staff from ACCS and REFM have developed cost estimates for a range of different childcare building types, including *modular*. From a long-range cost and asset management perspective, modular childcare is the least cost efficient option. From a service delivery perspective, modular presents both advantages and disadvantages. Where there is no reasonable opportunity to invest in a permanent facility or to co-locate a childcare with another City facility, staff will consider the development of temporary, or modular, childcare facilities. Staff will also continue to explore options and opportunities with key childcare partners, such as the Vancouver Park Board and the Vancouver School Board, regarding modular childcare.

FINAL REMARKS

Significant work is underway within ACCS, and in partnership with other City Business Units, to consider and develop new models or approaches to accelerate the delivery of childcare in Vancouver.

If Council members have any further questions, please feel free to contact General Manager Sandra Singh at sandra.singh@vancouver.ca.



Sandra Singh
General Manager
Arts, Culture & Community Services

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SS/sp

Memorandum of Understanding
Joint Initiative for the Creation of New Child Care Spaces in the City of
Vancouver

This Memorandum of Understanding (“**MOU**”) between the City of Vancouver (the “**City**”) and Her Majesty the Queen in right of the Province of British Columbia, as represented by the Minister of Children and Family Development (the “**Province**”) (together, the “**Parties**”) sets out the roles and responsibilities of the parties regarding a multi-year joint-initiative that will support the City to reach the mutual goal of creating 2,300 new child care spaces in non-profit and/or publicly operated licensed group childcare across the City of Vancouver.

1. Common Purpose

- 1.1 The goal of the **Parties** is to deliver, or secure the delivery of approximately 1,300 licensed new group public or non-profit child care spaces, which will expand the City’s commitment of 1,000 spaces as described in the *Healthy City Strategy*, and being a combination of Group Child Care under 36 months, Group Child Care 30 Months to School Age, and Group Child Care School Age spaces on publicly owned lands, or leased lands across the City of Vancouver by March 31st, 2024 (the “**Project**”, and each childcare facility comprising part of the Project is hereinafter a “**Specific Project**” or a “**Childcare Facility**”).

2. Province’s Roles and Responsibilities

- 2.1 The **Province** agrees to:

- A. provide the **City** the amount of \$33,000,000 (the “**Provincial Contribution**”) as contribution towards achieving completion of the **Project**, including assurance of ongoing provision of child care services at each **Childcare Facility**; and
- B. work with the **City** and any other governmental entities and Provincial ministries, partners and/or stakeholders to assist in identifying and creating opportunities for implementation of the **Project**, and the **Province** acknowledges that the capacity to meet targets and timelines will be largely dependent on support from the foregoing entities, ministries, partners and/or stakeholders.

3. City of Vancouver’s Roles and Responsibilities

- 3.1 The **City** will use the entirety of the **Provincial Contribution** in furtherance of completion of the **Project**, including assurance of ongoing provision of licensed child care at each **Childcare Facility** (for a minimum of 25 consecutive years).

- 3.2 Once the first portion of the **Provincial Contribution** has been provided to the **City**, the **City** will, as soon as possible, begin working with potential partners, including but not limited to the Vancouver Board of Education ("**VBE**"), the British Columbia Housing Management Commission ("**BC Housing**"), the Ministry of Education ("**MOE**"), the Vancouver Board of Parks and Recreation ("**VPB**"), and non-profit societies to identify sites, buildings and potential additional funding for the **Project**, and where necessary will enter into legal agreements with these entities, ministries and/or organizations to secure the same in respect of each **Specific Project**. For clarity, the **Provincial Contribution** for the **Project** is the maximum amount that the **Province** will provide toward the **Project**. The **City** will be responsible to arrange for other funding over and above the **Provincial Contribution** that may be needed for completion of the **Project**, including ongoing assurance of provision of child care at each **Childcare Facility** for the minimum required time period.
- 3.3 The **City** will act as project manager where the **Childcare Facility** is being delivered on a City-owned site. If the **Childcare Facility** is not being delivered on a City-owned site or if the **Childcare Facility** is being delivered as part of a larger project where the **City** is not acting as project manager, the **City** will work in collaboration with the project manager and provide full oversight for quality assurance for the childcare portion of the project, including compliance with the *Community Care and Assisted Living Act* and Child Care Licensing Regulation (see section 6.1 below).

4. Use of Provincial Funds

- 4.1 The **Provincial Contribution** will be used to fund, or partially fund, the design, construction and delivery of each **Specific Project**, including all associated project costs based on industry standard including, consulting, project management, soft costs and hard costs (i.e. construction) in accordance with project budgets, and may also be used for facility and capital start-up costs, including but not limited to equipment and furnishings. The **Provincial Contribution** will not be used to fund, or partially fund, the cost of operating each **Childcare Facility**.

5. Governance and Release of Funds to City

- 5.1 The **Parties** will establish a senior leadership team comprised of senior staff representatives from the **City** and the **Province** (the "**Senior Leadership Team**"). Representatives of other key stakeholders, including the VPB, VBE, the MOE, as well as BC Housing and other Provincial ministries, may be included as advisors, as agreed to by the **Parties**.
- 5.2 The **Senior Leadership Team** will meet on a regular basis to actively plan and finalize a plan for delivery of the **Project** (the "**Project Delivery Plan**") which will include a list of agreed upon **Specific Projects** and

potential specific projects; a preliminary budget including administrative costs and construction schedule information; any additional minimum requirements (that are not listed under Section 6); reporting requirements (including status and progress reports and a final financial reconciliation for each **Specific Project** and the overall **Project** on completion); and requirements for the repayment of any unused portion of the **Provincial Contribution**.

- 5.3 Following the execution of this Memorandum of Understanding by both parties, the **Province** will pay the **Provincial Contribution** to the **City** in three equal parts of \$11M; the first such payment to be in the fiscal year 2019-2020, the second to be in the fiscal year 2020-2021, and the third to be in fiscal year 2021-22. The **City** agrees that no portion of the **Provincial Contribution** will be used or otherwise expended until such time as the **Parties** have finalized the **Project Delivery Plan**, including agreement on the costs to administer the **Project Delivery Plan** over the term of the **MOU**. Before issuance of each payment, the **Parties** will review annually the **Project Delivery Plan** to ensure the **Project** is diligently proceeding in accordance with the Common Purpose outlined in section 1.
- 5.4 In addition to the **Senior Leadership Team** meetings, at least two staff-level contacts will be identified from each organization for ongoing communications.

6. Minimum Requirements for Childcare Facilities

- 6.1 The Childcare Facilities will be required to be licensable by Vancouver Coastal Health (**VCH**) Community Care Facilities Licensing and operators must obtain a license to operate. Regulation by **VCH** will ensure that design and construction of the childcare facilities are in compliance with BC's *Community Care and Assisted Living Act* and the Child Care Licensing Regulation.
- 6.2 Applicable laws and City, policies, guidelines and regulations must be followed in the design, construction and operation of each **Specific Project** including, without limitation, the Childcare Design Guidelines, Childcare Technical Guidelines, and the Vancouver Building Bylaw.
- 6.3 The **City** will be responsible for selecting and appointing non-profit or public childcare operators where the **City** owns or leases the site, subject to input from partner agencies such as the **VBE**, in accordance with City procurement policies.

7. Type of Tenure

- 7.1 The **City** will identify for the **Project** sites owned by the **City**, the **VBE**, the **VPB**, or other public and non-profit partners which are scheduled for new development, and will seek to co-locate childcare within the new developments through outright ownership or leases sufficient to meet the 25 consecutive year time period referenced in section 3.1.
- 7.2 The **City** will also explore the possibility of retrofitting completed buildings or portions of buildings, particularly for school age childcare.
- 7.3 Lease/ownership of the childcare facilities will vary on a site-by-site basis and will be documented in appropriate legal agreements as required.

8. Timing and Failure to Deliver

- 8.1 The **City** will proceed diligently and make all reasonable efforts to achieve the **Project** by March 31st, 2024. At a minimum, the **City** will have delivered half of the **Project** by such date and will have commenced design development on the remainder. If specific projects fall behind the estimated timelines (such as those delivered by partners where the **City** does not control the schedule), the **City** will promptly notify the **Province** when such delays become known to the **City**. In no case will the **City** be required to reimburse the **Province** any amount of the **Provincial Contribution** if the **Project** is delayed but still delivered. However, if the **Province** determines, in its reasonable discretion, that the **City** is not, without valid reasons:
 - A. proceeding diligently to complete the **Project** or any **Specific Project**, as required; or
 - B. otherwise complying with the **City's** material obligations under this **MOU** or any other subsequent agreement(s),

Then the **Province** may require the **City** to repay any amount of the **Provincial Contribution** then remaining unspent by the **City** that the **Parties** mutually agree to be equivalent to the value of the **Specific Project(s)** that will not be delivered.

9. Communications

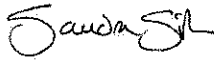
- 9.1 The **Parties** agree not to make any announcements or public statements concerning the contents of this **MOU** and the **Project** without the written concurrence of the other party subject to this document, and will use reasonable efforts to coordinate their approaches to their governing bodies.

10. Terms and Conditions

- 10.1 Each party will bear its own costs of the **MOU** and transactions resulting from it. The **Parties** acknowledge that any one or more of the commitments or initiatives described in this **MOU** may require further negotiation and documentation in one or more legally-binding written agreements subject to all required approvals by the **Parties**.
- 10.2 The **Parties** acknowledge that the obligation of the **City** to deliver the **Project** and each **Specific Project** is subject to approvals by the **Vancouver City Council** ("**Council**"), and nothing herein shall fetter the public process or the discretion of City Council or any officials of the **City** with respect to the exercise or performance of any regulatory power or function. The **City** will work to advance the delivery of the **Project** and each **Specific Project** as contemplated herein and in furtherance thereof, will proactively seek such Council approvals from time to time as required in order to give full effect to this **MOU**.
- 10.3 Subject to section 10.2, the **Parties** will perform such acts, execute and deliver such writings, and give such assurances as may be reasonably necessary to give full effect to this **MOU**.
- 10.4 The **City** is an independent contractor and not the servant, employee, partner or agent of the **Province**. No partnership, joint venture or agency will be created or will be deemed to be created by this **MOU** or any action of the **Parties** under this **MOU**. For greater certainty, the **City** does not have any authority to, and will not in any manner whatsoever, commit or purport to commit the **Province** to any obligation or liability of any kind, including the payment of any money to any person.
- 10.5 Any alteration or amendment to the terms and conditions of this **MOU** must be in writing and executed by the duly authorized representatives of both parties.
- 10.6 This **MOU** may be executed by the **Parties** in any number of counterparts, each of which when so executed and delivered will be deemed to be an original and all of which together will constitute one and the same document. Delivery of an executed counterpart by email with a scanned PDF attachment will be effective to the same extent as if a party had delivered a manually executed counterpart.

This 04 day of July, 2019.

The City of Vancouver
by its authorized signatory:

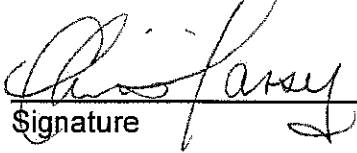


Signature

Print Name: Sandra Singh

Title: General Manager, Arts, Culture and Community Services

The Province,
by its authorized signatory:



JUL 05 2019

Signature

Print Name: CHRISTINE MASSEY

Title: ASSISTANT DEPUTY MINISTER