



STAFF REPORT ACTION REQUIRED

Schools-First Child Care Capital Retrofit – Updates Phase 2 and 3

Date:	May 7, 2014
To:	Community Development and Recreation Committee
From:	General Manager, Children's Services
Wards:	All
Reference Number:	

SUMMARY

This report responds to City Council's request that staff provide a summary of the approved and recommended child care capital allocations, locations, age-groups served and number of spaces under the Schools-First Child Care Capital Retrofit Policy. As reported to Council in February 2014, funding under the Schools-First Child Care Capital Retrofit Policy is to retrofit licensed child care spaces in schools that are made available as a result of four and five year olds attending Full-Day Kindergarten (FDK). These spaces are to be retrofitted to create licensed space for younger children.

Children's Services has been working with school boards to increase licensed space for the infant and toddler age groups. When implemented, this program will create 230 infant spaces and 710 toddler spaces in the TDSB schools. Plans with the TCDSB are still being finalized and will be reported at a later date.

The report also updates Council on discussions with TDSB regarding the creation of a master lease agreement governing before- and after-school programs associated with FDK.

RECOMMENDATIONS

The General Manager, Children's Services, recommends that City Council:

- 1) receive this report for information.

Financial Impact

Capital funding available through the Schools-First Child Care Capital Retrofit Policy is allocated by the Province directly to school boards, with no financial impact to the City. School boards are responsible for project costs and implementation under the Policy.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting on February 20 and 21, 2013, City Council authorized the General Manager, Children's Services, to endorse joint Consolidated Municipal Service Managers-school board plans for the investment of capital funding allocated to boards of education under the provincial Schools-First Child Care Capital Retrofit Policy.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.CD18.3>

At its meeting on February 19 and 20, 2014, City Council requested the General Manager, Children's Services to report to a future meeting of the Community Development and Recreation Committee with a summary of the approved and recommended child care capital allocations, locations, age-groups served and number of spaces created under the Schools-First Child Care Capital Retrofit Policy for Years 1, 2 and 3 of the program.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.CD26.3>

At its meeting on July 16, 2013, City Council requested the General Manager, Children's Services, in consultation with Legal Services, negotiate a master lease and operating agreement with the Toronto District School Board (TDSB) and the Toronto Catholic District School Board (TCDSB) on behalf of FDK before and after school third-party operators.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.CD22.3>

ISSUE BACKGROUND

In 2012, the Ministry of Education announced a Schools-First Child Care Capital Retrofit Policy that provides \$113 million over three years to school boards across Ontario. The funding is to retrofit licensed child care spaces in schools that previously served four and five year olds. These spaces are to be licensed for younger children. School boards also have the option of converting space not required for instructional purposes to licensed

child care spaces for children under the age of four. This converted space can also support the relocation of community based programs to schools with no existing child care operator.

As identified in previous reports, the Policy requires Toronto school boards and Children's Services as the Consolidated Municipal Service Manager (CMSM) to work together to plan investments and to jointly report to the Province. School boards are accountable for project implementation and costs. The funding is expected to be fully expended by August 31, 2015.

The Ministry of Education has provided each school board with a predetermined funding allocation and space conversion target (the number of spaces to be retrofitted). The Toronto District School Board's (TDSB) full allocation under the policy is \$14.4 million to convert 2,432 spaces, while the Toronto Catholic District School Board (TCDSB) has been allocated \$3.6 million to convert 608 spaces. These targets and funding allocations are independent of each other, meaning that the true cost to create a space was not considered in the calculation, which creates difficulty in achieving the targets. In addition, the formula does not take into account the age and condition of existing school infrastructure or the availability of space within schools. These issues were raised consistently by school boards and municipalities across the province.

In November 2013, the Ministry responded to concerns with an update to the Policy that provided new flexibility for target achievement. The new expectation under the policy is that school boards will achieve at least 75 per cent of the original target level in order to receive the entire funding allocation. Boards that achieve less than 75 per cent of their target would have their funding reduced proportionately. Based on this update, the TDSB has a revised effective target of 1,824 spaces, and the TCDSB of 456, in order to maintain the full funding allocation.

COMMENTS

Children's Services has consistently identified the need for the child care system to increase licensed spaces for infants and toddlers, who currently have the least access to space. As such, the Division's priority under the Schools-First Child Care Capital Retrofit Policy is to convert available space to licensed spaces for these age groups.

There are three key influences that have driven plans for the capital funding in TDSB schools: a recognition that the original funding allocation could not achieve the space conversion target; the 75 per cent space conversion threshold and funding reductions for school boards below this threshold; and a recent clarification from the Ministry that allows funding to be used to equip preschool rooms.

As noted, the original space conversion targets were thought to be unrealistic as soon as they were announced. Because the funding allocation is not related to the space conversion target, many school boards are facing challenges in meeting the targets.

Feedback to this effect prompted the introduction of the 75 per cent space conversion threshold.

At the same time, it is important to note that the reduction of funding for school boards below their target can have negative consequences for construction plans. The higher the cost of construction, the lower the ability to meet the space conversion target. In Toronto, many of the schools require significant investment. If a school board's plan falls below the threshold due to the costs of construction, the amount of recalculated funding can be insufficient to construct even the planned number of spaces. This could begin a cycle where planned space conversions are reduced, which further reduces the allocation, and therefore further reducing the ability to convert spaces. The formula design could, therefore, make achieving the targets impossible with the funds available. Both school boards and Children's Services raised this issue with the Ministry several times in order to have the targets adjusted to a more reasonable level.

In response to the above, the Ministry of Education has recently clarified that the capital funding could be used to equip existing preschool rooms with toys and equipment, and that existing spaces in these rooms could be counted towards the space conversion target. This amendment recognizes that preschool rooms will be serving younger children (those too young to attend FDK) and may need more age-appropriate toys. Toys and equipment are less expensive than the construction costs required to create infant and toddler rooms and therefore represent a way to achieve the space conversion target and maintain the full capital allocation.

As a result of this clarification, and after working with Children's Services, the TDSB plans to equip 1,420 preschool spaces in order to meet the board's space conversion target, leverage its full allocation, and create as many infant and toddler spaces as possible. This requires a small investment of approximately \$222,500 to equip preschool rooms in order to maintain the full \$14.4 million allocation and will result in an increase in the TDSB of 230 infant spaces and 710 toddler spaces, as shown in Table 1.

Table 1: Infant and Toddler Spaces created under each year of the Provincial Schools-First Child Care Capital Retrofit Policy

TDSB	Infant Spaces	Toddler Spaces	Total Infant and Toddler Spaces
Year 1	10	45	55
Year 2	160	395	555
Year 3	60	270	330
TDSB Total	230	710	940

Overall, including preschool equipping, the TDSB plan achieves 2,360 spaces at a planned cost of \$13,879,898 at 67 sites. The median estimated cost of a room conversion is \$196,350, with a range from \$2,500 to \$553,350. It is premature to report on the average actual cost of a space given that estimates are being refined and construction has not yet been completed. The difference between the estimated costs and the \$14.4

million allocation will serve as contingency funding to cover any unanticipated costs or to retrofit and equip additional child care rooms.

2,360 spaces is 97 per cent of the space allocation target. The list of sites and planned spaces is attached as Appendix A. Planned spaces are in priority areas, based on Children's Services' Service Planning principles, including geographic equity. Projects for phase two include the highest priorities for capital funding. The TCDSB is revising its plan to determine if this strategy of equipping preschool rooms will enable it to achieve its target. Their plans will be reported once finalized at a later date.

Status of TDSB Master Lease Agreement

The City is not a party to before- and after-school lease agreements between the Boards of Education and community-based third party providers, and does not have authority to negotiate on behalf of these providers.

Nevertheless, the TDSB and Children's Services have met to discuss the creation of a master lease agreement. The school board is currently in the process of developing such a document with the intent to better describe the relationships and joint expectations of all parties serving children in schools and has agreed to have the City review and provide input into the draft. The first, existing agreement was made to facilitate the creation of FDK before- and after-school programs. Now that implementation of FDK is nearing completion, the board will share the next version of the agreement with Children's Services to ensure that it is more reflective of the partnership goals that are part of FDK. The TCDSB's lease agreement with third party operators better reflects the partnerships that are central to the goals of FDK.

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SIGNATURE

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ATTACHMENTS - Appendix A - List of Planned Spaces in TDSB Schools.

APPENDIX A - LIST OF PLANNED SPACES IN TDSB SCHOOLS

Implementation Year	Name of School(s)	Ward	Proposed Operator Name	Estimated Licensed Capacity of Repurposed Space:		
				Infant	Toddler	Pre-school
1	FLEMING PUBLIC SCHOOL	42	Fleming Jr. YMCA	0	15	32
1	TUMPANE PS	9	Tumpane Child Care Learning Centre	0	15	0
1	EASTVIEW PS	43	Eastside Child Care Centre	0	15	36
1	SIR SAMUEL STEEL JR. PS	39	Sir Samuel Steele Jr. YMCA	10	0	24
2	EATONVILLE JR. PS	3	Terry Tan Chil Centre (Eatonville)	10	0	32
2	FIRGROVE PUBLIC SCHOOL	7	Firgrove Satellite Child Care	0	0	24
2	GATEWAY PUBLIC SCHOOL	26	Pride In Heritage Children's Centre	0	15	24
2	CORVETTE JUNIOR PUBLIC SCHOOL	35	N.Y.A.D. Corvette	10	15	24
2	DONWOOD PARK JUNIOR PUBLIC SCHOOL	37	N.Y.A.D. Donwood	0	15	16
2	FAIRBANK MEMORIAL COMMUNITY SCHOOL	17	Fairbank Memorial Day Care Centre	10	15	16
2	WARDEN AVENUE PUBLIC SCHOOL	35	Warden Woods Satellite Child Care Centre	10	15	24
2	CARLETON VILLAGE JUNIOR AND SENIOR PUBLIC SCHOOL	17	Carleton Village Early Learning Centre	10	15	16
2	NORMAN COOK JUNIOR PUBLIC SCHOOL	35	Today's Child Tomorrow's Future - Norman Cook	0	15	16
2	BRAEBURN JUNIOR SCHOOL	2	Braeburn Woods Day Care Centre	0	15	16
2	KEELESDALE JUNIOR PUBLIC SCHOOL	12	Macaulay Child Development Centre-Keeleesdale	0	15	16
2	MCMURRICH JUNIOR PUBLIC SCHOOL	21	McMurrich Sprouts	0	15	24
2	YORKWOODS PUBLIC SCHOOL	8	Tot World Child Care Centre	10	0	24
2	GULFSTREAM PUBLIC SCHOOL	7	Gulfstream Day Care Centre	0	15	24
2	GEORGE PECK PUBLIC SCHOOL	37	Wexford Community Childcare Centre	0	0	24
2	MARYVALE PUBLIC SCHOOL	37	Maryvale Jr Ymca	10	0	24
2	GEORGE WEBSTER ELEMENTARY SCHOOL	31	George Webster Jr Ymca	0	0	24
2	LYNNGATE JUNIOR PUBLIC SCHOOL	40	Lynngate Jr Ymca	10	0	24
2	LUCY MAUD MONTGOMERY PUBLIC SCHOOL	42	Lucy Maud Montgomery Jr Ymca	10	5	16

Implementation Year	Name of School(s)	Ward	Proposed Operator Name	Estimated Licensed Capacity of Repurposed Space:		
				Infant	Toddler	Pre-school
2	PRINGDALE GARDENS JR PS	38	Children Of Tomorrow - Pringdale Gardens	10	0	0
2	BLACKSMITH PUBLIC SCHOOL	8	Blacksmith Child Care Centre	0	15	24
2	ROSELANDS JUNIOR PUBLIC SCHOOL	11	Roseland Day Care Centre	0	15	24
2	VRADENBURG JUNIOR PUBLIC SCHOOL	40	Vradenburg Community Child Care Centre	10	15	16
2	GENERAL MERCER JUNIOR PUBLIC SCHOOL	17	General Mercer Early Learning Centre	10	15	16
2	REGAL ROAD JUNIOR PUBLIC SCHOOL	17	Ascot Day Care	0	15	24
2	ROSE AVENUE JUNIOR PUBLIC SCHOOL	28	Rose Avenue Child Care Centre	10	15	24
2	DAVID LEWIS PUBLIC SCHOOL	39	David Lewis Jr Ymca	0	15	16
2	WESTWAY JUNIOR SCHOOL	4	Gold Circle Early Childhood Day Care Centre	0	15	16
2	O'CONNOR PUBLIC SCHOOL	34	O'Connor School Age Satellite	0	0	24
2	HIGHVIEW PUBLIC SCHOOL	9	Highview Wilson Child Care	0	15	16
2	BROOKSIDE PUBLIC SCHOOL	42	Brookside Child Care Centre	10	0	24
2	WINCHESTER JUNIOR AND SENIOR PUBLIC SCHOOL	28	Winchester Daycare Centre	10	15	24
2	GUILDWOOD JUNIOR PUBLIC SCHOOL	43	N.Y.A.D. Guildwood	0	15	24
2	JOHN A LESLIE PUBLIC SCHOOL	36	John A. Leslie Childcare	0	0	24
2	ETIENNE BRULE JUNIOR SCHOOL	5	Humber Bay Child Care Centre	0	15	24
2	GEORGE SYME COMMUNITY SCHOOL	11	George Syme Day Care Centre	0	15	16
2	NORTHLEA ELEMENTARY AND MIDDLE SCHOOL	26	Northlea Community Child Care	0	15	24
2	LAMBTON PARK COMMUNITY SCHOOL	11	Lambton Park Child Care Centre	0	15	16
2	J R WILCOX COMMUNITY SCHOOL	21	J.R. Wilcox Day Care Centre	10	0	16
3	PARKDALE JUNIOR AND SENIOR PUBLIC SCHOOL	14	Parkdale Public School Child Care	0	15	16
3	SHEPPARD PUBLIC SCHOOL	9	Cast For Kids Child Care Centre	10	15	24
3	PARKSIDE ELEMENTARY SCHOOL	31	Parkside Child Care Centre	0	15	16

Implementation Year	Name of School(s)	Ward	Proposed Operator Name	Estimated Licensed Capacity of Repurposed Space:		
				Infant	Toddler	Pre-school
3	HIGHLAND HEIGHTS JUNIOR PUBLIC SCHOOL	39	Timothy Eaton Infant & Toddler Centre	0	0	24
3	PERTH AVENUE JUNIOR PUBLIC SCHOOL	18	Perth Early Learning Centre	0	15	24
3	GLEN PARK PUBLIC SCHOOL	15	Dalemout Child Care	0	15	16
3	SENECA HILL PUBLIC SCHOOL	33	Phoenix Child Centre	0	0	24
3	ROCKFORD PUBLIC SCHOOL	10	Rockford Child Care	0	15	24
3	ORDE STREET JUNIOR PUBLIC SCHOOL	20	Orde Day Care Centre	0	15	24
3	CRESTHAVEN PUBLIC SCHOOL	24	Kids Haven Community Child Care	10	0	16
3	PINEWAY PUBLIC SCHOOL	24	Pineway Child Care Learning Center	10	0	24
3	RODEN JUNIOR PUBLIC SCHOOL	30	Roden Community Child Care Centre	0	15	16
3	CLINTON STREET JUNIOR PUBLIC SCHOOL	19	Centro Clinton Day Care - Site 1	0	15	24
3	CHESTER ELEMENTARY SCHOOL	29	Chester Jr Ymca	0	15	24
3	NIAGARA STREET JUNIOR PUBLIC SCHOOL	19	Garrison Creek Community Day Care	10	0	24
3	PORT ROYAL PUBLIC SCHOOL	41	Port Royal Jr Ymca	10	15	16
3	QUEEN VICTORIA JUNIOR PUBLIC SCHOOL	14	Queen Victoria Childcare Centre (100 Close)	0	15	24
3	GARDEN AVENUE JUNIOR PUBLIC SCHOOL	14	Sunnyside Garden Avenue Day Care	0	15	24
3	EARL BEATTY JUNIOR AND SENIOR PUBLIC SCHOOL	31	Beatty Buddies Day Care	0	15	32
3	MORRISH PUBLIC SCHOOL	44	Morrish Jr Ymca	0	15	16
3	ALEXANDER MUIR/GLADSTONE AVE JR AND SR PUBLIC SCHOOL	18	Alexander Muir Gladstone Jr Ymca	10	0	24
3	PARK LAWN JUNIOR MIDDLE SCHOOL	5	Park Lawn Preschool	0	15	24
3	MCKEE PUBLIC SCHOOL	23	McKee McKids	0	15	24
3	BRIAN PUBLIC SCHOOL	33	Brian Petits Amis	0	15	24
Total				230	710	1420