



## City of Richmond

## Report to Committee

**To:** Planning Committee  
**From:** Cathryn Volkering Carlile  
General Manager - Parks, Recreation & Cultural Services  
**Re:** **Provincial Child Care Targeted Major Capital Funding Program and Richmond Providers' Requests for City Support**

*to Planning - Jan. 17, 2006*

**Date:** January 5, 2006

**File:** *07-3070-03-01*

### Staff Recommendation

1. That the Minister of State for Child Care be advised that the City is willing to explore providing City-owned land and/or buildings for the development of new child care spaces in Richmond as advised by the Child Care Development Board.
2. That staff be directed to identify and analyze suitable land and/or buildings for child care development and their financial implications, and bring these selections to Council for consideration before taking any further action.

*Cathryn Volkering Carlile*

Cathryn Volkering Carlile  
General Manager - Parks, Recreation & Cultural Services

Att. 4

FOR ORIGINATING DIVISION USE ONLY					
<b>ROUTED TO:</b>	<b>CONCURRENCE</b>	<b>CONCURRENCE OF GENERAL MANAGER</b>			
Lands and Property .....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	<i>Cathryn Volkering Carlile</i>			
Policy Planning .....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
Recreation and Culture .....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
Parks .....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
<b>REVIEWED BY TAG</b>	YES <input checked="" type="checkbox"/> <i>CVC</i>	NO <input type="checkbox"/>	<b>REVIEWED BY CAO</b>	YES <input checked="" type="checkbox"/> <i>[Signature]</i>	NO <input type="checkbox"/>

## **Staff Report**

### **Origin**

On October 1, 2005, the Province announced increased funding opportunities for the development of new child care spaces.

Three unsolicited requests have been received by the City from child care providers applying for this provincial capital funding. All requests are for the use of City land and/or buildings for renovation, in order to make their applications for Provincial funding financially viable.

The purpose of this report is to:

- provide background and information regarding the Provincial Government's new program: Provincial Targeted Major Capital Funding for Child Care,
- present the three unsolicited child care operators' requests,
- outline the review and selection criteria, and
- recommend that the City study, analyse and identify City-owned land and/or buildings to support the development of new childcare spaces and convey this intention to the Province.

### **Findings Of Fact**

#### **1. Provincial Capital Funding**

On October 1, 2005, the Province announced increased amounts of funding available in its Major Capital Funding Program and a new targeted funding component, "Targeted Major Capital Funding" (**Attachment 1**):

##### Major Capital Funding for Creation of New Child Care Spaces - Highlights

- Purpose: To support the creation of licensed group child care spaces
- For equipment, building, renovations or expanding the capacity of existing child care facilities
- Provincial contributions will be up to 50% of costs for all regions of the province, to a maximum of \$300,000 (previous limit for large urban centres was up to 25% of total costs, to a maximum of \$250,000).

##### Targeted Major Capital Funding

- A new targeted component of the Major Capital Funding Program was introduced to support the creation of new licensed group non-profit child care spaces for children under age 6 in areas of high need (aboriginal communities, both on and off reserve, and priority communities).
- In Richmond, four priority communities were identified by the Province: Cambie (East and West combined), City Centre, East Richmond and Thompson.

- The maximum funding available under the Targeted Major Capital Funding Program per child care project is \$500,000 with a provincial contribution of up to 90%. Under the provincial program, Richmond could theoretically receive in total \$2,000,000.
- Preference will be given to proposals where the child care spaces will be co-located with other children's services in "hub" models of service delivery.
- Applicants must be a not for profit organization, a municipality or band and either currently licensed or in the process of obtaining a license to provide child care to children under 6 years of age.
- Funds can be used for:
  - land purchase,
  - building or renovation costs,
  - modular building and site development, and
  - equipment and furnishings
 to support the development of new child care spaces.
- Application deadlines announced to date are November 15, 2005, January 31, 2006 and April 30, 2006. On December 13, 2005, at a meeting with the Society of Richmond Children's Centres and partners, Linda Reid, Minister of State for Child Care, indicated her intention to issue further proposal calls throughout her term of government.

The January 23<sup>rd</sup>, 2006 Federal Election may affect the ability of the province to offer future capital grants programs. The Provincial Child Care Policy Branch indicated that they do not yet know if or how future Major Capital Grants child care funding programs will be affected by election results. They can only ensure that applications for the January 31, 2006 deadline will not be affected.

The remainder of the report addresses requests of the City based on child care operator applications for Targeted Major Capital Funding.

## 2. Requests of the City

Three unsolicited requests have been received from child care operators for City support in the form of land or buildings, at no cost, to make their applications for Targeted Major Capital Funding to the Province financially viable. Requests have been received from:

- **Arts Connection/Paddington Station Finearts Childcare Centres (AC/PSFCC)** is seeking a space in the City Centre that could be renovated to house approximately 8,000 – 10,000 square feet of indoor space, plus outdoor play space for a new child care centre (**Attachment 2**).
- **Developmental Disabilities Association (DDA)** is requesting land or a building for renovation in East Richmond for a family service hub (**Attachment 3**). The square footage of their facility has yet to be determined. A family service hub that DDA is proposing in Vancouver would include 31,500 SF of indoor and 7,000 SF of outdoor space.
- **Society of Richmond Children's Centres (SRCC)** is requesting land or a building for renovation in East Richmond (North of Westminster Highway and East of No. 3 Road) for a

family service hub in partnership with Touchstone Family Association, Richmond Society for Community Living, Richmond Family Place and Volunteer Richmond (**Attachment 4**). The square footage has yet to be determined.

### Timeframe

All groups are aiming to submit applications to the Province for the January 31, 2006, provincial deadline.

## **3. City Commitment**

### Policy

City Policy #4002, "Child Care – Commitment" acknowledges that child care is an essential service for residents, employers and employees (**Attachment 5**).

This policy also commits the City to being an active partner with senior levels of government, parents, the private sector, and the community in the development and maintenance of a comprehensive child care system in Richmond.

### Child Care Implementation Strategy

Richmond's Child Care Implementation Strategy (Administrative Procedure 4002.01) includes a directive to staff to determine whether any current City land holdings might be appropriate to make available for immediate use as child care facilities (**Attachment 6**).

### 2001 – 2006 Richmond Child Care Needs Assessment and Future Needs

The 2001 – 2006 Richmond Child Care Needs Assessment indicates the need for additional child care centres in Richmond, specifically for non-profit licensed group facilities. The need for new spaces for children aged birth to 5 years old is particularly pronounced in City Centre, with the highest growth rate of children anticipated, and East Richmond, which has the lowest child care capacity relative to population.

As this data is in need of updating, completion of another Richmond Child Care Needs Assessment will be proposed for 2007 when the 2006 Census data becomes available.

The future need for additional child care centres will likely emerge in areas of high development, including West Cambie, City Centre and the Olympic Gateway area.

In the meantime, the CCDB has provided some recent figures prepared by Richmond Children First that demonstrate a continued shortage of licensed group child care facilities across the City and summarizes statistics gathered by the Richmond Child Care Resource and Referral Centre (**Attachment 7**).

### Children and Youth Asset Building

In February, 2005 Council endorsed the vision for "Richmond to be the best place in North America to raise children and youth". An adequate supply of accessible, affordable quality child

care spaces is essential for Richmond to become the best place in North America to raise children.

#### Parks, Recreation & Cultural Services Master Plan for 2005 – 2015

The draft Master Plan makes the following recommendations:

1. Develop multi-use facilities and, where possible, co-locate them with other community service facilities.
2. Focus on City Centre improvements as a response to RAV and increased growth in the City Centre area.

It also recommends that capital priorities for 2005 – 2010 include a south City Centre community centre and park and that capital priorities for 2010 – 2015 include a north City Centre community centre and library.

In response to these recommendations, the Parks, Recreation & Cultural Services Division has begun a process to identify the specific guiding principles and priority locations for development of parks, recreation and cultural services places and spaces in City Centre. This process is expected to be complete in the Spring of 2006.

#### **Analysis**

Decisions to support /or not support any of the above requests have business and community factors to consider and have business and community implications to the City.

The City needs to review the potential of participating in this program by analysing the location and availability of land/and or buildings within the targeted areas, confirming the need for childcare, establishing a sustainable relationship with any potential not for profit operator and ensuring financial viability and clearly assessing the implications of dedicating city assets.

#### **1. Location**

Priority communities for Targeted Major Capital Funding were determined by results of the Early Development Instrument (EDI), a survey instrument implemented throughout British Columbia by the Human Early Learning Partnership (HELP), U.B.C., to assess childrens' "school readiness". Those communities where high percentages of children were found to be vulnerable were identified as priority communities for Targeted Major Capital Funding.

In Richmond, four communities were identified as priority communities in Richmond for the construction of new child care facilities based on EDI results: Cambie, City Centre, East Richmond and Thompson.

However, EDI results do not correlate with highest need for new child care centres as indicated in the 2001 – 2006 Richmond Child Care Needs Assessment (e.g., according to the Needs Assessment, Thompson is not a top priority area for a new child care centre serving children under age 6).

The City needs to identify and review what land and/or buildings could be designated for this purpose in the targeted areas and the corresponding short and long term financial implications of dedicating such assets for childcare.

### **Need for City Support**

Currently, not-for-profit child care operators in Richmond:

- are in facilities that cannot be expanded on-site, and
- lack sufficient resources to purchase land for new facilities.

Another difficulty experienced by Richmond child care operators seeking to expand is the lack of available, appropriate, affordable space for rent or lease in Richmond.

Therefore, not-for-profit child care operators in Richmond are not in a financial position to expand or to apply for provincial funding without assistance from the City, as \$500,000 is insufficient to purchase land or to build and equip a new facility.

As available space for rent or lease in Richmond is unsuitable for child care purposes in terms of facility, location, or price, and not-for profit operators lack sufficient capital to purchase land, the City may contribute by:

- offering City-owned land or buildings to lease at nominal cost,
- purchasing property for this purpose, and
- negotiating in new developments for either space (depending on location), or contributions to the Child Care Development Statutory Reserve Fund, for child care centres.

The requirements for increased childcare needs to be reconfirmed to ensure that any potential location addresses expressed community needs for childcare.

## **2. Assessing Requests**

### Child Care Development Board Criteria

The Child Care Development Board has developed a list of criteria for assessing requests to the City (**Attachment 8**). The City will forward this information to the province.

### Provincial Criteria

Provincial requirements are outlined in **Attachment 1**.

### Additional City Criteria

In addition to CCDB and Provincial requirements, the City would also require projects to:

- meet criteria set out by zoning, development application, and building permit requirements,
- meet any other City bylaw or policy requirements
- submit a feasibility study and financial plan, and
- conform with Richmond Health Services Child Care Licensing criteria, including site selection.
- outlines the financial implications of committing city assets to childcare.

### **3. Status of Current Requests of the City**

Further information is required of the three groups who have approached the City before final decisions regarding the provision of City land/buildings can be made, for example,

- non-profit status must be determined,
- indoor and outdoor space requirements must be finalized,
- community support must be demonstrated,
- feasibility studies must be completed (operator funded), and
- preliminary architectural plans submitted.

City staff will prepare a checklist of criteria to circulate to those applying for City assistance.

### **4. City Response to Requests**

Staff recommend that the City write to the Province advising them that the City is seeking to support applications for provincial funding, but currently lacks sufficient information from applicants to make decisions regarding the provision of land at this point.

The CCDB considers it essential that child care development in Richmond be governed by careful planning based on determining what would best serve the community.

### **5. Role of Other Stakeholders**

#### Richmond Health Services

Richmond Health Services has indicated interest in housing a hub model of early childhood services, including a child care center, in an East Richmond primary care center, to be built in 2007.

#### School Board

The extent to which the School Board has been involved in discussions with child care providers to date is unknown.

#### Richmond Children First

Richmond Children First, a committee sponsored by the Ministry of Children and Family Development, supports the establishment of an early childhood development hub in Richmond and may be consulted regarding hub model proposals.

#### Community Associations

As the assessment of potential locations continues, consultation with appropriate community associations will occur particularly if land recommendations are in the same vicinity (South Arm Park, King George Park) as a community centre. Most of the centers offer preschool programs that could complement expanded childcare services.

With the hiring of a part-time temporary Child Care Development Coordinator in February 2006, discussions with other City stakeholders will be coordinated.

### **Financial Impact**

None at this time.

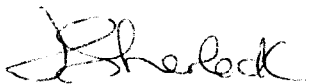
- The costs to the City to support this initiative are unknown at this time.
- City costs will involve the costs of land and/or renovated buildings.
- As matters become clearer, staff will advise Council of potential City funding sources and program cost.

### **Conclusion**

City contributions of land or other equity are essential to the feasibility of Richmond child care operators applying for provincial Major Capital Grants.

Staff recommend that a letter be sent to the Minister of State for Child Care indicating the City's willingness to explore providing City-owned land or buildings for the development of new child care spaces in Richmond, particularly as part of a hub model, as advised by the Child Care Development Board.

Staff will continue to review potential land and or buildings within the identified areas of the City and provide recommendations to Richmond City Council for consideration.



Lesley Sherlock  
Social Planner (4220)



Jamie Esko  
Park Planner (3341)



Serena Lusk  
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LS:ls



## Child Care

Ministry of Children  
& Family Development

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### Child Care Capital Funding Program

The Child Care Capital Funding Program is being enhanced. New investments will build capacity in the system and increase the number of licensed child care spaces in the province.

The Capital Funding Program includes two program components:

- [Major Capital Funding For The Creation of New Child Care Spaces and](#)
- [Minor Capital Funding For Emergency Repair, Replacement and Relocation.](#)

Capital Funding is available for licensed non-profit group child care providers.

As of October 1, 2005, the following changes came into effect:

Funding under the Major Capital funding program has been increased to a maximum of \$300,000 from \$250,000 to support the creation of licensed group child care spaces. The provincial contribution will be 50% for all regions of the province from the previous 25% for large urban areas, 35% for small urban areas and 50% for rural communities.

A new targeted component of the Major Capital Funding Program has been introduced to support the creation of new licensed group non profit child care spaces for children under age 6 in areas of high need. The maximum funding available under the Targeted Major Capital Funding Program is \$500,000 and the provincial contribution will be up to 90%.

Funding under the Minor Capital Funding Program has been increased from a maximum of \$4,000 to \$5,000 per project to assist licensed, group, nonprofit child care providers in meeting health, safety and quality standards. If a child care provider operates more than one licence care type at a facility, maximum funding amount is \$10,000 per facility.

- **Major Capital Funding for Creation of New Child Care Spaces** helps communities create new licensed group child care spaces that help meet the needs of B.C. families. Under this program, applicants may receive funding for buying equipment, building, renovating or expanding the capacity of existing child care facilities to create new child care spaces. **Application deadlines are November 15, 2005 and January 31, 2006.**
  - [Funding Guidelines](#) [pdf 103 kb]

- [Application Form](#) [pdf 74 kb]
- [Priority Communities](#) [pdf 51 kb]

- **Minor Capital Funding for Emergency Repair, Replacement and Relocation** helps licensed group child care providers maintain quality services for families in their communities. Under this program, child care facilities may receive funding to help them meet provincial licensing requirements related to upgrading or repairing existing facilities, replacing equipment and furnishings or assisting with moving costs. **Applications are reviewed on an ongoing basis.**

- [Funding Guidelines](#) [pdf 111 kb]
- [Application Form](#) [pdf 36 kb]

### Contact Information

Child Care Capital Funding Program Administrator  
Child Care Programs and Services Branch  
Ministry of Children and Family Development  
PO Box 9965 Stn Prov Govt  
Victoria BC V8W 9R4

Telephone in Greater Victoria: 250 356-6501  
Elsewhere in BC call toll free: 1-888-338-6622

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## **Child Care Capital Funding Program**

### **Major Capital Funding for Creation of New Child Care Spaces**

#### **What are the Funding Guidelines?**

Child care funding is available in 2005/06 for capital costs required for the creation of new licensed group child care spaces as follows:

#### **Regular Major Capital Funding**

- 50% contribution by the Province to maximum of \$300,000 for creation of licensed group child care spaces.

#### **Targeted Major Capital Funding:**

- 90% contribution by the Province to maximum of \$500,000 for creation of licensed group child care spaces in:
  - aboriginal communities on and off reserve
  - priority communities

for the following licence care types only: preschool, group 0-36 months (infant/toddler), and group 30 months to school age (3-5)

Preference will be given to those proposals where the child care spaces to be created are co-located with other children's services (eg. community hubs).

#### **Definition of Priority Communities for Targeted Capital Funding**

Targeted Major Capital funding is designed to support the creation of new licensed child care spaces for children under age six where they are most needed. A list of priority communities that are eligible for funding consideration under Targeted Major Capital Funding has been identified using the Early Development Instrument (EDI). The EDI is a validated survey instrument implemented throughout British Columbia and administered by the Human Early Learning Partnership (HELP) to assess "readiness for school" of children. The EDI gathers data on five areas, or sub-scales, of children's development: physical health and well-being; social competence; emotional maturity language and cognitive development; and , communication skills and general knowledge. The EDI is a group-measure tool providing data that is interpreted at the school district and neighbourhood level.

Based on the EDI data, a list has been developed of priority communities or neighbourhoods within the province where there are high percentages of children that have been found to be vulnerable on the EDI core measures. The list is organized by school district and community/neighbourhood.

Information on the EDI can be found at: <http://ecdportal.help.ubc.ca> or at [maps@help.ubc.ca](mailto:maps@help.ubc.ca). Information on this website includes EDI data and maps illustrating EDI results by school district and by neighbourhood. [Click here](#) for information on "What the EDI is (not)". For assistance in accessing and interpreting the information please contact HELP at [www.earlylearning.ubc.ca](http://www.earlylearning.ubc.ca).

**If you are interested in applying for Targeted Major Capital Funding it is recommended that you contact the Capital Funding Program Administrator in order to confirm whether your proposed location is in a priority community.**

**Call the Child Care Help Line, in Greater Victoria at 356-6501 or Outside Greater Victoria toll free at 1 888 338-6622.**

### **Who is Eligible?**

Non-profit societies in good standing with BC Corporate Registry, local government, public institutions, bands/tribal councils and First Nations Governments are eligible to apply for funding.

- Organizations must prove that they:
  - Are financially viable and have a solid business plan for operation of the child care facility
  - Have the knowledge, skills and experience to undertake the project and
  - If currently licensed, are in compliance with the Community Care and Assisted Living Act and Child Care Licensing Regulation, or if not yet operating, in the process of obtaining a licence under the *Community Care and Assisted Living Act*.

All applications must include the following:

- A clear demonstration that the project:
  - Provides much needed child care that is not readily available in the community
  - Complements existing child care programs
  - Will service families receiving Child Care Subsidy and children with special needs requiring extra supports
- Evidence that the sponsoring organization is working with the Licensing Officer to ensure that the proposed project will meet Licensing Regulations.
- A commitment to start the project within four months of the date of the funding agreement.
- A commitment to continuing the child care operation as follows:
  - For projects under \$25,000, applicants must demonstrate commitment to continuing the child care operation at a minimum to the end of their lease agreement and any extensions, up to a maximum of five years.
  - For projects between \$25,000 and \$300,000, where the applicant is renovating existing leased space or only requesting funding support for equipment and furnishings, applicants must demonstrate commitment to continuing the child care operation for a minimum period of five years.

- For projects between \$25,000 and \$300,000, where the applicant owns the building and/or land, applicants must demonstrate commitment to continuing the child care operation for a minimum period of 10 years.
- For projects over \$300,000, regardless of whether the applicant is renovating existing leased space or where the applicant owns the land and/or building, applicants must demonstrate commitment to continuing the child care operation for a minimum period of ten years.
- Written confirmation of the applicant's full financial contribution must be in place before approval of provincial funding will be considered.

Funding approval will be based on funding guidelines, program criteria and availability of funds in the Major Capital Program for Creation of New Child Care Spaces.

**Program criteria considered includes:**

- Demonstrated community need and community support for the proposed project
- Viable business plan
- Socio economic need
- The number and type of child care spaces to be created
- Cost per child care space

**Funding will be considered for:**

- Building a new child care facility including the cost of buying land or a building
- Assembly of a modular building and site development
- Buying equipment and furnishings to support new child care spaces in an existing facility or as part of the above activities to create new spaces

**Funding will not be considered for:**

- The creation of Childminding, Occasional Child Care at Ski Hill or Resort and Residential Care spaces.
- Projects enhancing existing spaces without creating new licensed group child care spaces
- Projects already completed before approval of funding from the Province of BC
- Assets acquired prior to approval of the funding application
- Non-capital items such as toys, art supplies, books, games, small appliances and computers

**The application deadline dates for 2005/06 are November 15, 2005 and January 31, 2006.**

**Funding applications must be received by the submission deadline. Late applications will not be reviewed.**

**Contact Information:**

Child Care providers can access information on child care funding by contacting the Child Care Help Line in Greater Victoria at 356-6501 or Outside Greater Victoria toll free at 1 888 338-6622. E-mail us at [mcf.ccof@gov.bc.ca](mailto:mcf.ccof@gov.bc.ca)

## List of Priority Communities

SD #	School District Name	Community/Neighbourhood
34	Abbotsford	Babich
70	Alberni	Central Port
41	Burnaby	Burnaby Mountain
41	Burnaby	Burnaby South
41	Burnaby	Edmonds
41	Burnaby	Middlegate
41	Burnaby	Stoney Creek
41	Burnaby	Twelfth Avenue
72	Campbell River	Campbell R N - Sayward
27	Cariboo-Chilcotin	Chilcotin
23	Central Okanagan	Belgo / Quigley
23	Central Okanagan	Black Mountain
23	Central Okanagan	Casorso
23	Central Okanagan	Chief Tomat
23	Central Okanagan	Matheson
23	Central Okanagan	Peachland
23	Central Okanagan	Pearson
23	Central Okanagan	Spring Valley
33	Chilliwack	Chilliwack - Downtown
33	Chilliwack	Chilliwack - South
33	Chilliwack	Chilliwack - West
82	Coast Mountain	Hazeltons
82	Coast Mountain	Terrace - Thornhill
71	Comox Valley	Glacierview / Vanier
71	Comox Valley	South Courtenay
43	Coquitlam	Burquitlam
79	Cowichan	Cowichan Bay / Glenora
79	Cowichan	Duncan Centre
48	Howe Sound	Pemberton
48	Howe Sound	Squamish - South
85	Island North	Port Hardy
84	Island West	Island West
73	Kamloops - Thompson	North Kamloops
73	Kamloops - Thompson	North Thompson
35	Langley	Rural South Langley
75	Mission	Mission - Downtown
75	Mission	Mission - North
75	Mission	Mission - West Heights
83	N Okanagan - Shuswap	Enderby
68	Nanaimo - Ladysmith	Cedar - Yellow Point
68	Nanaimo - Ladysmith	Newcastle - Townsite
68	Nanaimo - Ladysmith	S Wellington - Cassidy
68	Nanaimo - Ladysmith	South Nanaimo
91	Nechako Lakes	Fort St James
40	New Westminster	Downtown - Stewardson
40	New Westminster	Queensborough
40	New Westminster	Uptown
58	Nicola - Similkameen	Princeton

<b>SD #</b>	<b>School District Name</b>	<b>Community/Neighbourhood</b>
44	North Vancouver	Lower Lonsdale
53	Okanagan - Similkameen	Keremeos
67	Okanagan - Skaha	Downtown West
59	Peace River South	Chetwynd / Tumbler Ridge
59	Peace River South	Dawson Creek North
47	Powell River	Townsite
47	Powell River	Westview Centre
57	Prince George	Ospika North
57	Prince George	Peden Hill
57	Prince George	South Fort George
57	Prince George	The Bowl
52	Prince Rupert	North Coastal Communities
52	Prince Rupert	Pr Rupert - Centre
52	Prince Rupert	Pr Rupert - Cow Bay
52	Prince Rupert	Pr Rupert - Seal Cove
69	Qualicum	Errington / Nanoose
69	Qualicum	Northwest / Lasqueti
28	Quesnel	Quesnel West
38	Richmond	Cambie
38	Richmond	City Centre
38	Richmond	East Richmond
38	Richmond	Thompson
63	Saanich	Central South
63	Saanich	Sidney
87	Stikine	Stikine
36	Surrey	Beaver Creek
36	Surrey	Bridgeview
36	Surrey	Guildford East
36	Surrey	Kennedy Trail
36	Surrey	Newton North
36	Surrey	Strawberry Hill
36	Surrey	Strawberry Hill West
39	Vancouver	Grandview - Woodlands
39	Vancouver	Hastings - Sunrise
39	Vancouver	Kensington - Cedar Cottage
39	Vancouver	Killarney
39	Vancouver	Marpole
39	Vancouver	Mount Pleasant
39	Vancouver	Renfrew - Collingwood
39	Vancouver	Riley Park
39	Vancouver	South Cambie
39	Vancouver	Strathcona
39	Vancouver	Sunset
39	Vancouver	Vancouver - Downtown
39	Vancouver	Victoria - Fraserview
39	Vancouver	West End
61	Victoria	Esquimalt
61	Victoria	Fernwood



BRITISH  
COLUMBIA

Ministry of Children  
and Family Development

**CHILD CARE CAPITAL FUNDING PROGRAM**  
**MAJOR CAPITAL FUNDING FOR**  
**CREATION OF NEW CHILD CARE**  
**SPACES**

The information collected on this form is collected under the authority of the *Child Care BC Act*, (SBC 2001, c. 4) and will be used for the purpose of administering the Child Care Capital Funding Program. Any questions about the collection, use or disclosure of this information should be directed to the Director, Child Care Programs and Services Branch, PO Box 9965 Stn Prov Govt, Victoria BC V8W 9R4, Phone: In Victoria: 250-356-6501, Elsewhere in BC, Toll Free: 1-888-338-6622, Fax: (250) 953-3327.

**APPLICATION DEADLINE: NOVEMBER 15, 2005 AND JANUARY 31, 2006.**

**Supporting documentation must be attached in accordance with funding application criteria.**  
**An application is not a guarantee of funding.**

**A. APPLICANT INFORMATION**

Type of Organization: <input type="checkbox"/> Non-Profit Society <input type="checkbox"/> Local Government <input type="checkbox"/> Public Institution (college/university) <input type="checkbox"/> First Nations Government <input type="checkbox"/> Band/Tribal Council			
LEGAL NAME OF ORGANIZATION		CHILD CARE CENTRE NAME	
ORGANIZATION MAILING ADDRESS		CHILD CARE CENTRE ADDRESS	
CITY	POSTAL CODE	CITY	POSTAL CODE
SOCIETY NUMBER (if applicable) <b>S-</b>	ORGANIZATION PHONE NUMBER ( )	DATE OPENED (YYYY/MM/DD) (IF EXISTING CENTRE)	CENTRE PHONE NUMBER ( )
CONTACT PERSON FOR THE PROJECT (PLEASE PRINT)		LAND AND/OR FACILITY IS: (CHECK ONLY ONE - PLEASE ATTACH PROOF) <input type="checkbox"/> Owned <input type="checkbox"/> Rented/leased	
POSITION OF CONTACT PERSON	CONTACT PERSON PHONE NUMBER ( )	TYPE OF SERVICE: (ATTACH COPY OF LICENCE)	MAXIMUM NUMBER
CONTACT PERSON FAX NUMBER ( )	CONTACT PERSON EMAIL		

**B. FUNDING REQUEST INFORMATION**

Please indicate the funding you wish to be considered for (see Funding Guidelines)	
<b>Regular Major Capital Funding</b>	
<input type="checkbox"/> 50% contribution by the Province to maximum of \$300,000 for creation of licensed group child care spaces for licence care types and in child care settings other than those listed under Targeted Major Capital Funding below.	
<b>Targeted Major Capital Funding:</b>	
<input type="checkbox"/> 90% contribution by the Province to maximum of \$500,000 for creation of licensed group child care spaces in:	
<input type="checkbox"/> aboriginal communities on and off reserve <input type="checkbox"/> priority communities (see definition in Funding Guidelines)	
for the following licence care types only: preschool, group 0-36 months (infant/toddler) or group 30 months to school age (3-5).	
Indicate the type of project you are requesting funding for:	Amount of Request
<input type="checkbox"/> Expansion of existing child care facility <input type="checkbox"/> Creation of new child care facility	\$



**C. PROJECT SUMMARY (see Funding Guidelines)**

PROJECT DESCRIPTION (ATTACH ADDITIONAL PAGES IF REQUIRED)	
WHAT ARE THE NUMBER AND TYPE OF CHILD CARE SPACES TO BE CREATED?	WHAT ARE THE NUMBER AND TYPE OF CHILD CARE SPACES TO BE RETAINED?
What is the proposed start date for this project? (YYYY/MM/DD)	What is the proposed end date for this project? (YYYY/MM/DD)
SUMMARIZE COMMUNITY NEED AND INCLUDE STEPS YOU HAVE TAKEN TO AVOID DUPLICATING SERVICES (ATTACH ADDITIONAL PAGES IF REQUIRED)	
Name of Licensing Officer:	Phone Number: ( )
DESCRIBE WORK COMPLETED TO DATE TOWARDS LICENSING OF NEW FACILITY:	
DESCRIBE STEPS YOU WILL TAKE TO ENSURE QUALIFIED STAFF ARE IN PLACE:	

**D. SUMMARY OF EXPENDITURES FOR PROPOSED PROJECT**

Building Costs	\$	<b>Accepted Rates for Volunteer Labour</b>  \$10.00 per hour for unskilled labour  \$20.00 per hour for skilled labour  \$50.00 per hour for heavy machinery and operator
Site Development Costs	\$	
Equipment Costs (attached detailed list)	\$	
Fees	\$	
<b>Total Project Costs</b>	\$	

**E. LIST OF CONFIRMED SOURCES OF FUNDING****F. FINANCIAL SUMMARY**

	\$	Total Project Cost	\$
	\$		
	\$	Confirmed Funding from Sponsoring Organization	\$
	\$		
	\$	Funding Request from Province	\$
<b>Total Confirmed Funding</b>	\$		

## G. CERTIFICATION BY APPLICANT

On behalf of the sponsoring organization, I hereby certify that I have read and understand each of the following requirements, which have been satisfied by the organization. I understand that any funding provided as a result of this application will be governed by the terms of a formal agreement that must be entered into between the Province and the organization that will include all of these requirements:

1. The organization must continue the child care operation as follows:
  - For projects under \$25,000, applicants must demonstrate commitment to continuing the child care operation at a minimum to the end of their lease agreement and any extensions up to a maximum period of five years.
  - For projects between \$25,000 and \$300,000, where the applicant is renovating existing leased space or requesting funding support only for equipment and furnishings, applicants must demonstrate commitment to continue the child care operation for a period of 5 years.
  - For projects between \$25,000 and \$300,000, where the applicant owns the building and/or land, applicants must demonstrate commitment to continuing the child care operation for a period of 10 years.
  - For projects over \$300,000, regardless of whether the applicant is renovating existing leased space or where the applicant owns the land and/or building, applicants must demonstrate commitment to continuing the child care operation for a minimum of 10 years.
2. The organization must ensure that the child care facility is willing to serve families on Child Care Subsidy and children requiring extra supports.
3. The organization must not have the financial resources to undertake the request without financial assistance of the Province.
4. The organization must be in good standing with BC Corporate Registry (if applicable).
5. The organization must be in good standing with the Ministry of Children and Family Development (that is, the organization must either have no outstanding balances owing to the Ministry OR the organization must have established payment plans for outstanding balances from other child care funding programs and must be in good standing regarding its payments under those plans).
6. The organization must obtain all necessary permits and meet all local zoning by-laws.
7. Any cost overruns on the project are the sole responsibility of the organization.
8. If the final cost of the project is less than the estimate provided in this application, then the Province's obligation to pay the organization will be reduced by the same amount by which the total cost of the project is less the estimated cost.

**I, the undersigned, do hereby certify that all the information provided on behalf of the organization is true and complete to the best of my knowledge and belief. By signing below, I agree and commit, on behalf of the organization, to the foregoing terms and conditions.**

SIGNATURE OF AUTHORIZED SIGNING AUTHORITY

NAME OF AUTHORIZED SIGNING AUTHORITY (PLEASE PRINT)

POSITION

DATE SIGNED (YYYY/MM/DD)

Please refer to page 4 of this form for the Required Documentation Checklist and mailing information.

**CHILD CARE CAPITAL FUNDING PROGRAM  
MAJOR CAPITAL FUNDING FOR CREATION OF NEW CHILD CARE SPACES  
REQUIRED DOCUMENTATION CHECKLIST**

**If any of the information listed below is missing or incomplete, the application may be found ineligible.  
A signed application is not a guarantee for funding.**

**Have you included:**

- ☐ Completed funding application form.
- ☐ Written confirmation of commitment to continue the child care operation in accordance with the funding guidelines.
- ☐ Written confirmation of the required financial contribution (may include confirmation of financing, bank statement, volunteer labour, or confirmation of financial contribution from other sources). A detailed list of any volunteer labour is required (if applicable) using the maximum rates provided in the application and up to a maximum of 15% of the total project costs. Note: Confirmed funding may not include the value of donated assets. Confirmed funding also may not include the value of land or building unless purchase of land/building is from a private source for the purpose of the project and is included in the project costs.
- ☐ Demonstration of need for the proposed child care spaces. This may include needs assessment survey, research, statistics or waitlists for spaces.
- ☐ Letters of support for the project. This may include community organizations, parents, funding partners, local government, etc.
- ☐ Detailed proposed budget for the project including written estimates.
- ☐ Viable business plan and operating budget for one year of operation.
- ☐ List of all anticipated revenues and expenditures including the number of staff, salary levels, projected enrollment level and proposed fees for the child care spaces.
- ☐ Copy of your Community Care Facility Licence, if currently operating a licensed facility.
- ☐ Proof of ownership of land and building or rental agreement or lease.
- ☐ Detailed floor plans (if applicable).
- ☐ List of any previous capital funding received from the Province of BC. Describe the type of funding, purpose of funding, date and amount received.

**Please mail your application and required documentation to:**

CHILD CARE CAPITAL FUNDING PROGRAM ADMINISTRATOR  
CHILD CARE PROGRAMS AND SERVICES BRANCH  
MINISTRY OF CHILDREN AND FAMILY DEVELOPMENT  
PO BOX 9965 STN PROV GOVT  
VICTORIA BC V8W 9R4

If you have any questions, please call the Child Care Helpline.  
In Greater Victoria at 356-6501 or Outside Greater Victoria toll free at 1-888-338-6622.  
Website: <http://www.mcf.gov.bc.ca/childcare/>

# Richmond Enhanced Early Learning Centres

ATTACHMENT 2

Presented by: Linda Shirley, Director  
The Arts Connection and Paddington Station Finearts Childcare Centres  
12191 First Avenue  
Richmond, BC V7E 3M3  
604.241.0141

Presented to: City of Richmond  
January 2006

For almost two years I have been encouraged by Linda Reid, Minister of State for Early Childhood Development, to expand the operation of my childcare centres into other areas of Richmond. With the initiation of the provincial capital funding program came the opportunity to take a closer look at this suggestion and determine the benefits for all stakeholders.

Although the intent was that The Arts Connection apply for this funding, the non-profit requirements for capital funding put restrictions on their ability to do so. Hence it was advised that a non-profit society be established to present this proposal and apply for the funding and that the society contract The Arts Connection to develop and implement their mandate. The Arts Connection's fifteen years of experience, along with the goodwill and respect it has earned in the community, will form an integral part in the success of such a venture.

The name "Richmond Enhanced Early Learning Centres" has been reserved with the Province of British Columbia and the appropriate steps will be taken upon acceptance of this proposal both by the City of Richmond and the Province of British Columbia to establish it as a registered society.



\* \* \* \* \*



In 2002, the City of Richmond embarked on the development of an Arts Strategy for the City to "guide actions and development to make Richmond a city with a thriving cultural life where the opportunities for participation in the arts at all levels are accessible and where cultural industries are welcomed and where cultural activity is visible and supported." Part of its mission was to "enhance the opportunities for training in the arts" and to "build capacity within and support for arts organizations". I was a member of the steering committee that developed this Arts Strategy that was later presented to City Council.



In Section 1.3 of the Arts Strategy it states that "the more we are exposed to art, the more we build self esteem and confidence. Children who are able to participate in art, theatre and musical programs experience far fewer social problems. Studies have shown that the arts increase the ability to learn."

In 2002 a Child Care Needs Assessment was also developed by the City of Richmond and the Richmond Child Care Development Board, of which I am now a member. It identified its purpose as being one to "assist in making Richmond the most appealing, livable and well-managed City in Canada" by "providing information, options and recommendations as to how to support the continued development of child care services, and enable Richmond to continue to be a leader in child care."

I perceive this proposal as an avenue that allows the City of Richmond to take the recommendations of these two documents and implement them on behalf of Richmond families and their children. It will show them to be a leader in child care by providing a unique resource that has been time-tested and proven successful. The contribution that would be expected is relatively minute when compared to the profound benefits it would provide.

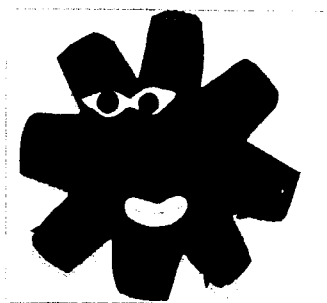
In 2003, The Arts Connection and its Paddington Station Finearts Preschool and Daycare program were recognized with the Richmond Chamber of Commerce and City of Richmond Award of Excellence. The implementation of a daycare program that serviced the needs of parents with difficult work schedules was an integral part of this recognition. The Arts Connection has the systems in place and the ability to expand this important aspect of childcare.

My vision would include, but not be limited to the following:

- a facility that would blend the critical need for childcare with the benefits of finearts programming, thereby providing an enriched childcare experience
- daycare/preschool facilities for infants and toddlers and 3-5 year group care that could service, with the component of flexible scheduling, in excess of 150 children monthly
- a centre that would service the needs of today's working parents with flexible scheduling to accommodate those who work rotating shifts, alternating shifts and weekends
- a "children's museum" style centre, that would provide much more than a basic early childhood education program—one where music, art, drama and dance are taught by teacher specialists and implemented into an enriching and nurturing program
- a centre where complimentary arts programs for young ones not requiring daycare would provide financial support and sustainability for the daycare program, keeping it affordable and accessible

I feel that, in view of the Province's identification of Richmond Centre as a critical need area, that this would be the best location for this centre. Funding through the Provincial Childcare Capital Funding Program in the amount of \$500,000 (90% of the overall cost) plus the Society's commitment of 10% of the overall cost, would provide the financial resources for developing the space to meet childcare requirements. However, finding and providing the appropriate site for this centre is where we see the City's contribution as being critical. A centre that offers these amenities would require:

- approximately 8,000-10,000 square feet of indoor space
- space for an outdoor play centre (whether that be at ground level or a space that would allow for the development of a rooftop facility)
- appropriate parking and easy accessibility for drop off and pick up
- visibility



The City's donation of space, with minimal or no monthly leasing commitments on the part of the society, would make it possible to support a high level of childcare, with the flexibility requirements of today's families, and the opportunity to develop a enriching and creative environment for children from infancy through to school age. It would allow for the addition of extra support staff administratively and within the classroom to ensure a quality care facility. Fees charged to parents, fees charged for complimentary programs and the childcare operating funding program grant could therefore be directed into strong administrative support, quality equipment and program development and maintenance of the space.

Richmond is a vibrant city that critically requires a vibrant children's centre. I would welcome and embrace the opportunity to implement my ideas along with your support.

## WHAT OUR FAMILIES HAVE TO SAY ABOUT US...

A few years back I was fortunate enough to cross paths with Elliot Eisner at a lecture he gave on the importance of the arts in intellectual development. For two hours I sat mesmerized as he expounded on the impact that early exposure to the arts has on a child's long term growth. He went on to debunk the grand logic of our current era of standardized tests and the budget driven rationalization behind "back to basics" educational thought, which has all but stripped our schools of programming in the visual and performing arts. It is clear that we need the arts in our children's lives more than ever before.

I say these things because I want to thank you, your board of directors, and all of the instructors who stand behind The Arts Connection in Richmond. For the past three years my two girls, Emily and Reina, have been the privileged recipients of visual and performing arts programs offered through this enterprise. In June I witnessed Reina and Emily perform together in a hip hop dance routine at the Gala evening at the Gateway Theatre in front of several hundred other proud parents, relatives, and community members who attended the event. I was also treated to the incredible array of talent that is the culmination of the year's work at the Gala. In July Reina sang "The Tide is High" as her solo performance at the end of a week long, intensive singing and choreography clinic. During the same week, Emily attended visual arts classes where one piece of her work was to be auctioned off this fall to raise community awareness social issues.

As an experienced educator and administrator in both the private and public school systems in this province, it is important to take note of what The Arts Connection provides for our children, and in a very real sense the long term quality of life in our community. There is little evidence that large, bureaucratized organizations have any chance of emulating the sophisticated, diverse and cost effective programs provided by your organization. On a more personal level I am grateful to your organization for what is the gift of self confidence, self esteem, and passion for the arts that has grown in my children since they have been attending your classes. I am deeply appreciative for the work of all involved in this wonderful organization.

- Jeff Stewart

Regretfully, this letter is to inform you that our family has sold our Richmond home and we will be moving to Langley as of February 1, 2004. Abbey has thoroughly enjoyed attending Paddington Station, as I have enjoyed her pageants and concerts. It has been very gratifying to see Abby flourish under the HIGHEST LEVEL OF PRE-SCHOOL EDUCATION THAT IS AVAILABLE. We commend Miss Kathy and Miss Mandy on bringing Abby "out of her shell" and teaching her significant lessons in English, Math social skills and manners. Abbey and I have made lifetime friends here at Paddington Station and hope to stop by the school and visit when we are able. Once again, thank you for delivering everything a parent could want for their child's education.

- Audrey and Jack Torok

Since September 2003 we have had our son, then 3 1/2 in the Paddington Station Too Preschool Daycare. He started out one day per week and this year he is there the full three days per week that I work. The teachers have been a great source of pleasure to our son. Especially when he first had trouble adjusting and would cry every time we left, they were always supportive and he was happy. Now, he loves each one of them. I truly appreciate the care and attention that is given to him each day.

He often reports "I learned it at Preschool". As teachers ourselves we really appreciate the nurturing and learning environment at Paddington Station Too and the wonderful curricular ideas and activities that have taken place there. I've used a few in my own class!

We will continue to use Paddington Station Too for the purposes of "Kindercare" during the Kindergarten school year, not because there are no other options, but because of the high quality care, instructors, curriculum and flexibility of timing and also because our son is happy.

- Margaret Choiniski

Practical. Offering a flexible schedule to those families with their own unique needs.

Atmosphere. There are tons of toys, craft materials and costumes in a bright and inviting setting.

Diverse Curriculum. Arts, dance, music, learning to work as a team, fine motor, gross motor, and social skills are emphasized.

Dependable ++. No worries about having to find alternative care at the last minute.

Individual Attention. Each child feels special and an important part of each day.

No is rarely said. The staff has expertise in redirecting children having difficulties. They can make a negative experience into a positive one children can learn from.

Gang. The children feel that they are a part of something special. They make friends and learn about how each of them is the same but different.

Tons of fun. It truly is!

Out Trips. They often take the children on special outings. The Pumpkin Patch, the Art Gallery, Finn Slew, Science World...the kids have a ball! Special attention to appropriate car seats and safety was never a concern.

Nowhere will you find a preschool/daycare facility that offers such flexibility and quality. Everything they do is for the kids, and they simply love it!

- Penny Thiessen

Our family's experience with Paddington Station Fine Arts Preschool has been wonderful. We were initially excited to find out that our children would have the opportunity to enroll in this excellent program because the preschool chose to accommodate my rotating work schedule. Throughout the year, Paddington Station has proven to be everything that we had hoped and expected to be. Our children spent their time in an environment that makes them feel safe and confident so that they can explore and create within the gentle boundaries of their teachers' guidance.

Our home is filled with special treasures that the kids have made at preschool and our minds are filled with the songs and stories that our kids have shared with us throughout the year. Paddington Station is more than a preschool, it is a second home for our children and we are so thankful that this preschool has become an extension of our family.

- Paula Brown

Our family would like to express the warmest thanks for the wonderful experience we're having at Paddington Station. We especially appreciate the way the children are treated with such care, respect, and nurturing. What an exceptional group of teachers indeed.

Of all the programs we've looked into, including the "elite" Vancouver establishments, your program is definitely the best - striking the right balance of fun, play, learning and development. Excellent facilities and a wonderful staff - our son looks forward to every class!

- Terence and Tanya Leong



# The Society of Richmond Children's Centres

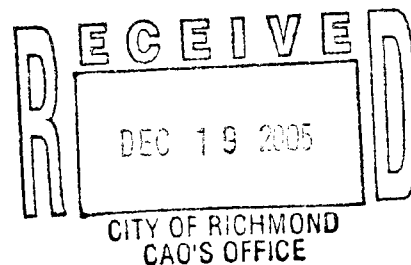
Unit 110 - 6100 Bowling Green Rd.

Richmond, B.C. V6Y 4G2

Tel: (604) 214-3490 Fax: (604) 214-3403

December 6, 2005

Cathy Carlile  
General Manager  
Parks, Recreation and Cultural Services  
City of Richmond  
6911 No. 3 Road  
Richmond BC  
V6Y 2C1



Dear Cathy:

## Consortium Agencies

Touchstone  
Family  
Association

Richmond  
Society for  
Community  
Living

Vancouver  
Coastal  
Health

Richmond  
Family Place

Richmond  
Children First

Volunteer  
Richmond

Society of  
Richmond  
Children's  
Centres

## RE: Child Care Expansion

As you are aware a number of agencies have come together around the idea of creating a HUB model for family services in East Richmond (North of Westminster Highway and East of No 3 Road). As a start to this process we will be applying for capital funding currently being offered by the Ministry of Children and Family Development under their Major Capital Funding for Creation of New Child Care Spaces.

The Consortium of agencies sees the City's participation as crucial to the success of this venture. We would like to formally request that the City set aside a parcel of land (or current building/s) in the target area for use by the consortium for services that would include child care.

The Consortium is pleased the City has been involved in the process this far and would like to formally invite the City to become a full member of the process and participate with us in bringing this project to completion.


The Consortium would like to have the opportunity to meet to discuss our project vision and the process through which we can realize this new community asset for our City.

Yours truly,

Valerie Orth  
Chair – Society of Richmond Children's Centres

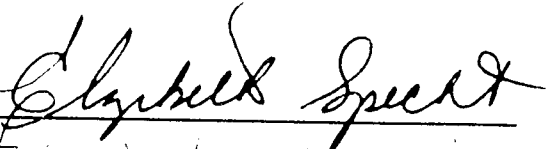
*Handwritten note:*  
K. G. S. 2005  
12/19/05

Signatories to the request for land for a HUB model in East Richmond

Signature: 

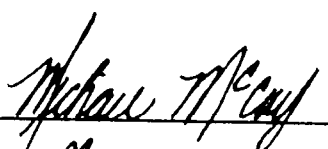
Name: Janice Parr Executive Director

Agency: Richmond Society for Community Living

Signature: 

Name: Elizabeth Specht

Agency: Volunteer Richmond Information Services

Signature: 

Name: Michael McCoy

Agency: Touchstone Family Association

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Agency: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Agency: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Agency: \_\_\_\_\_



COPY

## Letter Of Intent



**Submitted To:**

Attn: Child Care Funding Program Administrator  
Child Care Programs and Services Branch  
Ministry of Children and Family Development  
PO Box 9965 STN PROV GOVT  
Victoria BC V8W 9R4

**On behalf of:**

The Richmond Consortium - Application for the Development of an East Richmond Child Care  
Centre C/O The Society of Richmond Children's Centres

Attn: Nicky Byres  
Manager, Child Care Services  
Unit 110 - 6100 Bowling Green Road  
Richmond, BC V6Y 4G2  
Telephone: (604) 214-3490  
Fax: (604) 214-3403

Submission Date: November 15, 2005

Attn: Child Care Funding Program Administrator  
Child Care Programs and Services Branch  
Ministry of Children and Family Development  
PO Box 9965 STN PROV GOVT  
Victoria BC V8W 9R4

Child Care Funding Program Administrator MCFD:

**Re: Letter of Intent to Secure MCFD Capital Funding for a Dedicated East Richmond Child Care Centre**

Please consider the foregoing as a Letter of Intent on behalf of the Society of Richmond Children Centres (SORCC) and its community partners. The objective of this Letter of Intent is to secure capital funding under **MCFD's Major Capital Funding Program for Creation of New Child Care Spaces** to build a new dedicated child care facility in East Richmond, a targeted priority community under the definition set out in the RFP criteria. Please note that the City of Richmond is also submitting a Letter of Intent under this same funding stream. Given the understanding reached at recent community consultation forums on this initiative, these two letters should be considered implicitly linked.



Over the past ten years a series of significant studies have been conducted to demonstrate the child care needs in Richmond. While commissioned by different levels of government and social service agencies the reports independently indicate a rise in the aggregate population and a critical gap in child care services.

Most notable of these studies is the study conducted by the City of Richmond's Social Planning Department and the Social Planning Advisory Council of BC in collaboration with a number of Richmond Child Care operators (both private and public). The report concluded that there are only 19 spaces for every 1000 children under the age of 3 in-group care in Richmond.<sup>1</sup>

In addition, a projected shortage was identified for 2006 of 34-75 new regulated spaces in Kindercare or Group Care (3-5 yrs. old) and 12-24 spaces new regulated group facility program (under 3 years old).<sup>2</sup> Since this study was conducted a number of major child care centres in Richmond have ceased operations. In addition, the observations made by a number of community forum participants indicated that these statistics are on the conservative side.<sup>3</sup>

<sup>1</sup> The 2001 - 2006 Richmond Child Care needs Assessment

<sup>2</sup> Ibid

<sup>3</sup> Observations from community forums and stakeholder consultations (child care) held October 17th and November 2nd, 2005.

Recent child care statistics provided by the Richmond Children First Program - MCFD corroborates the above findings. These latest statistics are drawn from The Early Development Instrument (EDI): A Population-based Measure for Communities.<sup>4</sup> Based on geographical area, the report determined a significant inequity in the distribution of child care assets in East Richmond as compared to other areas within Richmond, particularly in regards to child care services, family centres and group child care centres.

Finally, new child care subsidies are anticipated to come into effect soon.<sup>5</sup> These new subsidies will enable more families to take advantage of licensed child care and as a result, demand on existing operators is expected to increase dramatically in Richmond. Complicating this increase in demand, the change in demographics and lack of child care assets, there is currently a two-year wait list to secure a licensed group child care space under the age of three.<sup>6</sup> This waiting period is expected to grow substantially over the next five years.<sup>7</sup> Clearly, there is a critical shortage of child care spaces and corresponding child care services in East Richmond.

Following the MCFD announcement of Child Care Capital Funding, the Executive Board of the SORCC approved an initiative to address the need for more child care spaces in East Richmond. The success of this initiative is obviously dependant on community support and MCFD funding contributions. To this end, SORCC planned a series of community and public consultation sessions designed to secure community support, in-kind contributions and partnerships.



To this effect, SORCC has successfully developed a 'working Consortium' of community partners dedicated to the establishment of a new child care facility in East Richmond. These partners include:

- The City of Richmond Social Planning Department
- The City of Richmond Parks, Recreation and Cultural Services
- Touchstone Family Services Society
- Richmond Health Department
- Richmond Family Place
- Richmond Children First
- Richmond Society for Community Living
- Vancouver Coastal Health
- Volunteer Richmond and Information Services
- Society of Richmond Children's Centres

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<sup>4</sup> EDI is a research tool to gauge school readiness of children at the junior and senior kindergarten level.

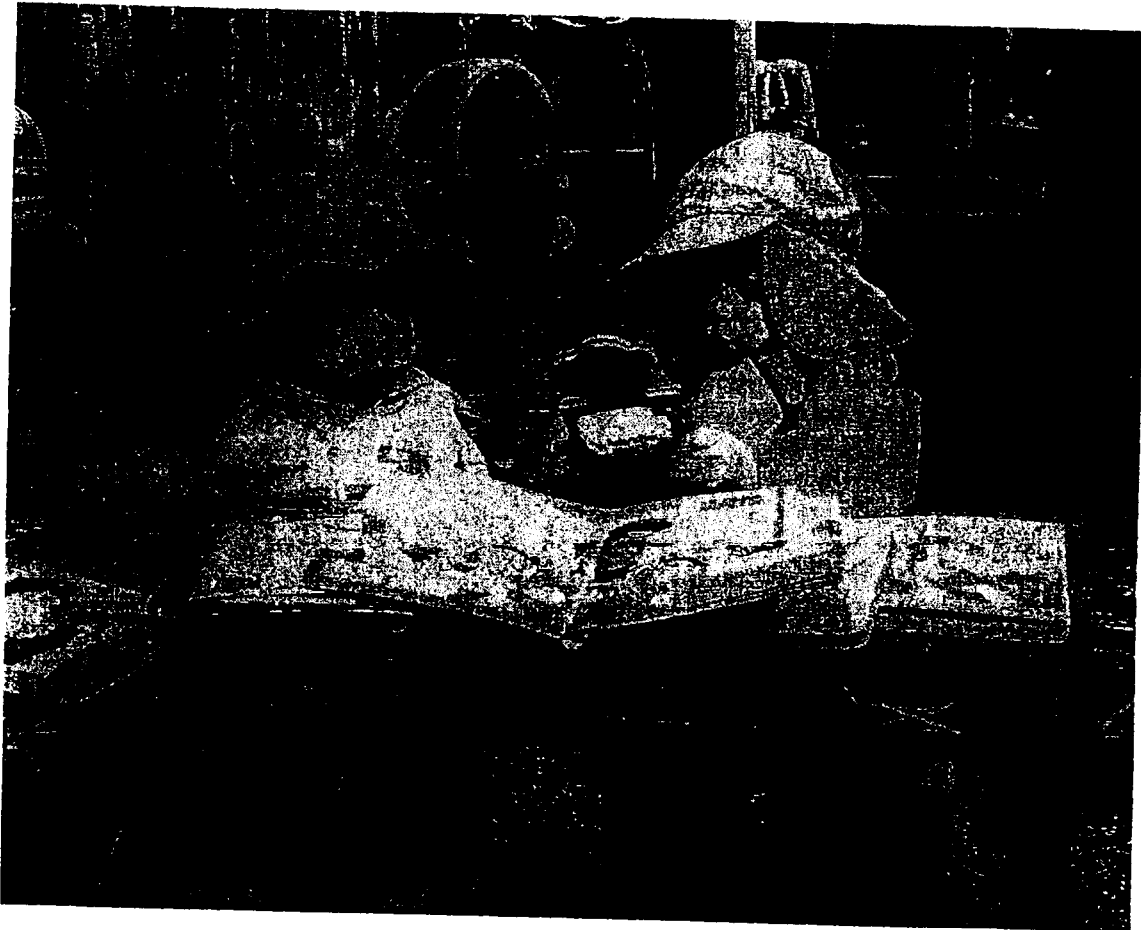
<sup>5</sup> Ibid.

<sup>6</sup> SORCC Wait list Report 2005.

<sup>7</sup> Observations from community forums and stakeholder consultations (child care) held October 17th and November 2nd, 2005.

While still in the process of development, these partners have agreed to work towards the process of developing a facility that would include dedicated child care space in East Richmond.

In terms of a preliminary vision, the Consortium has envisioned a basic model for this new initiative in East Richmond. The vision incorporates the 'hub model of services'<sup>8</sup>. This new facility is expected to house 12 infants, 12 toddlers, 25 3-5 year olds and a preschool/school age classroom plus staff room, a minimum of two offices, a multi stalls adult washroom and an art/ equipment supply storage room to satisfy the SORCC operational needs.



A more developed concept proposes that the centre be a component piece of a multi-use facility co-operated by a cadre of Richmond service providers. Some of the discussed functions may include a family gathering place, counseling room capacity, health offices/clinic, CCRR, lending rooms, workshop space, etc. While still in the early stages of development, there is tremendous enthusiasm and spirit of mutual

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<sup>8</sup> The hub model of service delivery is a co-location model designed to provide one-stop services for families. This hub model was advanced by the Richmond Health Authority, Children First Program - MCFD, Richmond City staff and a number of Richmond Service providers at the stakeholder consultation (child care) held November 2nd, 2005.

collaboration. This is demonstrated by declarations from members of the Consortium for significant commitments of in-kind donations adding to the overall momentum of this initiative.

The Consortium believes that a child care facility in Richmond is a critical investment in Richmond's future and we are committed to seeing the vision come to fruition. We are certain that you can appreciate that capital development projects take time if they are to be meaningful and sustainable. Given the stakeholders involved and the critical community need we request that MCFD join our Consortium and hold in trust the capital grant of \$500,000 for this child care community asset (in partnership with the City of Richmond). This will provide the Consortium with the critical time necessary to solidify the vision, develop the partnership relationships and collection of the required in-kind contributions as specified in the RFP guidelines.

On behalf of the SORCC and our Consortium, we look forward to your timely response.

Sincerely,



Valerie Orth  
Board Chair  
Society of Richmond Child Care Centres  
(Consortium Host Organization)

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## APPENDIX 1.0 COMMUNITY PROCESS AND WORK PLAN

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Following the MCFD announcement of Child Care Capital Funding, the Executive Board of the SORCC approved an initiative to address the need for more child care spaces in East Richmond. The success of this initiative is obviously dependant on community support and MCFD funding contributions. To this end, SORCC planned a series of community and public consultation sessions designed to secure community support, in-kind contributions and partnerships.

**\* Focus Session:** This session consisted of an initial series of meetings to customize the process, review project time line, examine the issues/challenges and solidify project expectations

**Staff and Board In-service:** To ensure the internal stakeholders are on-board with the process of developing a new child care facility in East Richmond an in-service session was held October 11<sup>th</sup>, 2005. Board and staff members were provided a broad overview of the proposed initiative and the associated implications; internal stakeholders were invited to ask questions, provide feedback and test assumptions. **Goal: Gain internal commitment and agreement to go forward with the proposed business venture – Achieved (October 11<sup>th</sup>, 2005).**

**Component One – Round Tables:** Component one encompasses an intensive research process designed to collect information from the primary stakeholders. Practically this will be carried out through a series of focus groups designed to solicit input and feedback regarding the establishment of a childcare facility in East Richmond.

- **Round Table One - Open House to Generate Enthusiasm:** This was designed specifically to generate enthusiasm and commitment towards the development of new childcare facility in East Richmond. Attendance was targeted at current clients, city staff, local politicians, private sector supporters, other non-profits and the local media. **Goal: Gain commitment to the journey of developing a new child care facility in East Richmond – Achieved (October 17<sup>th</sup>, 2005).**
- **Round Table Two: Crystallizing Key Stakeholders:** Building on the momentum from the First Round Table a select representative group was invited to help generate a vision for the East Richmond child care concept. In addition, participants were asked to form a dedicated Consortium to develop an East Richmond child care facility. **Goal: Create a Consortium of community partners committed to the development of an East Richmond child care facility – Achieved (November 2<sup>nd</sup>, 2005).**
- **Letter of Intent submitted to MCFD – Submitted (November 15<sup>th</sup>, 2005).**
- **Round Table Three: Determining Potential Funding Partners:** By inviting representatives from various potential funding sources it is anticipated that "some form of In-kind commitment" will be generated. Potential funders include: city and provincial politicians, the Richmond Regional Health Authority, for-profit business supporters, private individuals, philanthropic organizations and local developers. **Goal: Generate a series of commitments regarding in-kind support for the initiative to establish child care facility in East Richmond – Meeting scheduled for November 24<sup>th</sup>, 2005.**
- **Formal Proposal submission by the city of Richmond on behalf of the Consortium - Submission date to be determined.**

## Commitment to the Journey Declaration

The Society Of Richmond Children's Centres Is A Non-Profit Society Whose Mission Is To Provide Exemplary Child Care In Richmond That Includes Play-Based Learning And Family-Centered Care In An Enriching Creative Environment.

To the Process of Developing a DEDICATED  
DAYCARE FACILITY in East Richmond

## Staff Members

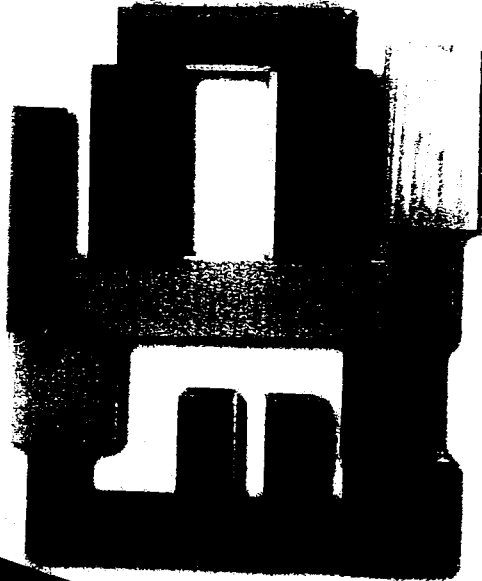
## Board Members

Shusho  
Eva Badgual  
Andrius  
Indavi  
N. S. S.





The Society of Richmond  
Children's Centres



The Society of Richmond Children's Centres is  
pleased to invite you to a round table process to  
develop a dedicated child care facility in  
East Richmond.

The Society is inviting all community stakeholders to discuss how they may be part  
of the creation of this new community  
asset for Richmond families.

We are excited about beginning this journey and hope you will participate with us.

Monday October 17th 7pm

Richmond Cultural Centre Lecture Hall  
180-7700 Minoru Gate, on the corner of  
Granville Ave and Minoru Blvd.

Please RSVP to Nicky Byres - Manager of Child Care Services, Society of Richmond  
Children's Centres at 604-214-3490

APPENDIX 4.0 LIST OF PARTICIPANTS FROM THE PUBLIC FORUM

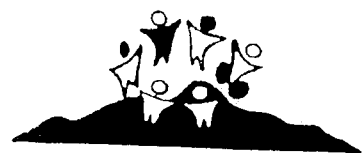


The Society of Richmond  
Children's Centres

ROUND TABLE – October 17<sup>th</sup>, 2005

	NAME	Organisation	Phone
1	Allison Lee	SRCC-BGR	231-0870
2	Alissa Sporchia	SRCC-BGR	872-7395
3	Shannon Marks	SRCC-BGR	729-5842
4	Dalerie Orth	Board	277-0300
5	Nicky Byres	Manager SRCC	214 3490
6	J. Markowka	SRCC C/R	271-2934
7	Joellen Joy	ECE Sporchia's CCDB Butterfly Muschert	(h) 275-8277
8	Lesley Richardson	Richmond CC/RRC	279-7127
9	David Richardson	Richmond Resident	247-0022
10	AMCOW	Board	271-9196

APPENDIX 4.0 LIST OF PARTICIPANTS FROM THE PUBLIC FORUM



The Society of Richmond  
Children's Centres

ROUND TABLE – October 17<sup>th</sup>, 2005

	NAME	Organisation	Phone
11	Caroline Benoit	SRCC	278-1015
12	Harp Murdie	Butterfly Rug Montreal Preschool	(604) 241-1960
13	LINDA SHIRLEY	The Auto Connection	241-0141
14	Tianna Morris/Hossack	SRCC	604-789-9694
15	Graeme Hossack	community member	604-789-9694
16	Lehita Myers	Richmond Family Place	604 248 4336
17	DAVID INCE	RICHMOND REC + CENTRE	604-276-4011
18	ELIZABETH SPECHT	SRCC Board	604-270-1534
19	Patrice Tillotson	SRCC Board	604 241-9805
20			

## Child care roundtable planned

The Society of Richmond Children's Centres is hosting a roundtable on child care next week.

The event takes place Monday, Oct. 17 at 7 p.m. at the Richmond Cultural Centre. Participants will discuss a process to develop a dedicated child-care facility in East Richmond.

Society board chair Valene Orth said her group has been planning for expansion for the last three years, and may finally be able to act on it.

"The Sept. 9 and Oct. 1, 2005 funding announcements from the provincial government have allowed us to act now," said Orth.

The province has agreed to pay for 50 per cent of up to \$300,000 for major capital projects that create new child-care spaces.

The society is under increasing pressure from the more than 400 families on waitlists to expand services. Before going ahead on projects, the society wants to consider partnerships with other agencies.

"Quality child-care services are so important to working parents and Richmond has a great track record of working with developers, communities and providers and we are excited to write the next chapter for our community and its families," said Orth.

Richmond News  
October 14<sup>th</sup>, 2005

APPENDIX 6.0 LIST OF CONSORTIUM MEMBERS

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The City of Richmond – Social Planning Department

The City of Richmond – Parks, Recreation and Cultural Services

Touchstone Family Association

Richmond Health Department

Richmond Family Place

Richmond Children First

Richmond Society for Community Living

Vancouver Coastal Health

Volunteer Richmond and Information Services

Society of Richmond Children's Centres

Letters of Support:

1. Volunteer Richmond Information Services
2. Richmond Family Place
3. Richmond Society for Community Living
4. Richmond Children First
5. Vancouver Coastal Health



Ms. Valerie Orth  
Chair of the Board  
Richmond Society of Children's Centres  
6100 Bowling Green Road  
Richmond BC V6Y 4G2

Dear Ms. Orth,

Re: Hub Model for Richmond.

Thank you for the invitation to the very productive community meeting last week. The community interest and support for the concept of a hub model which includes a child care centre and community agencies in one location is innovative and exciting.

Our agency fully supports the application by the Society of Richmond Children's Centres for the child care centre phase of this project. The community stakeholders will continue to meet to further explore possibilities for making the hub model project a reality.

We hope that your application for funding for the much needed child care spaces is successful so that we can work together to plan for a one-stop access point for Richmond families to obtain the services they need.

Yours sincerely

Elizabeth Specht  
Executive Director





November 10, 2005

Ministry of Child and Family Development  
Child Care Program Branch  
STN PROV GOVT  
Victoria, BC

Dear Members of the Selection Committee:

It is my pleasure to recommend the Society of Richmond Children's Centres (SRCC) for its commitment to providing childcare services that are consistent with the very best childcare practices.

East Richmond would be an ideal location for a new centre and Richmond Family Place has been aware of the needs of young families in that area for a very long time. The need is only becoming greater, not only for childcare services but for the full range of family support that are so essential for the healthy development of our community's children.

The families of East Richmond would be strengthened by the availability of services provided by a range of agencies and we are actively pursuing funding opportunities that could create the dream of a full-service Childcare Hub that includes Early Childhood Development Programs and Family Support and Education Programs for all families.

Sincerely,

Letizia Myers  
Executive Director

6560 Gilbert Road • Richmond • V7C 3V4 • 278-4336 • Fax: 278-4433 •  
[richmondfamilyplace@telus.net](mailto:richmondfamilyplace@telus.net)



A United Way Member Agency

Charitable Donation No 107895179 R001





# Richmond Society for Community Living

November 10, 2005

To Whom It Concern:

Subject: Society of Richmond Children's Centres - Expansion and Co-location Initiative

The Richmond Society for Community Living is pleased to support the Society of Richmond Children's Centres application for a capital grant to support the expansion of child care services and future co-location with other Richmond social service agencies.

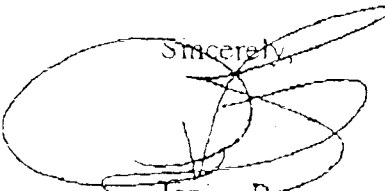
The Society of Richmond Children's Centres has a proven record of providing quality childcare to Richmond children and their families. This funding will allow the Society to expand their child care services to meet a significant need in the community.

In addition, the proposed co-location of other health and social services will ensure that limited resources are well used, while at the same time ensuring the greatest numbers of families are able to take advantage of these resources.

The Richmond social service agencies have a long history of working in partnership to better serve the community. The combined resources provided by MCFD, social service agencies, City of Richmond, and other interested partners, has the potential of creating a model of service delivery that will benefit the Richmond community for many years to come.

For the above mentioned reasons, Richmond Society for Community Living has no hesitation in supporting the application for capital funding submitted by the society. If you require any further information please contact myself at 604-279-7043 or Debra Pierce, Program Manager at 604-279-7056.

Sincerely,



Janice Barr,

Executive Director

# RICHMOND Children First

RICHMOND CHILDREN FIRST  
STEERING COMMITTEE

November 10, 2005

**Dave Phillips (Chair)**  
Ministry for Children &  
Family Development

**Joyce Branscombe**  
Vancouver Coastal  
Health

**Greg Buss**  
Richmond Public Library

**Kathy Champion**  
Richmond School District

**Letizia Myers**  
Richmond Family Place  
(Host Agency)

**Carrie McClellan**  
Richmond Early  
Intervention Network

**Michael McCoy**  
Richmond Community  
Services Advisory  
Council

**Lesley Richardson**  
Child Care  
Development Board

**Lesley Sherlock**  
Urban Planning  
City of Richmond

**Kate Sparrow**  
Parks, Recreation &  
Culture  
City of Richmond

**Jan Weaver**  
Vancouver Coastal  
Health

**Sharon White**  
Ministry of Children &  
Family Development

Community Coordinator  
Helen Davidson  
(604) 241-4035

Dear Sir/Madam:

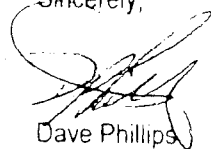
The Society of Richmond's Children Centres has a solid reputation in the community for providing quality care and collaborating with community partners to ensure the needs of children and their parents are met.

Their plan to develop a child care centre in East Richmond that could potentially be expanded into a 'hub model' for families and children, responds to the demographic profile of families in that neighbourhood and enhances capacity in a neighbourhood with a large percentage of vulnerable children and limited resources.

In planning for this centre, the Society of Richmond's Children's Centres has demonstrated its interest in working with community partners by initiating consultations with key stakeholders to determine community need and explore possible partnerships.

This project supports the vision of Richmond Children First to work together as a community to build a strong continuum of support for Richmond children and their families. Richmond Children First is pleased to provide a letter of support to the Society of Richmond's Children Centres for the development of a child care centre in East Richmond.

Sincerely,



Dave Phillips  
Chairperson  
Richmond Children First  
(604) 660-9260

November 14, 2005

Child Care Funding Program Administrator  
Child Care Programs and Services Branch  
Ministry for Children and Family Development  
PO Box 9965 STN PROV GOVT  
Victoria BC V8W 9R4

**Re: Society of Richmond Children's Centre Grant Application for the Major Capital Funding Program for the creation of new Child Care spaces**

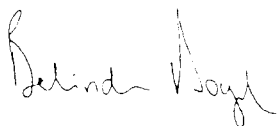
Dear Sir/Madam,

This letter is in support of the grant application from the Society of Richmond Children's Centres to provide Richmond residents with a dedicated child care facility for children 0-6 years of age in the East Richmond area

Richmond Health Services understands the importance of exemplary child care that includes play-based learning and family-centred care. Superior child care services that provide support to families are essential in providing young children with the support and education they need to gain a healthy start in life. A healthy start in life is important in contributing to the life long health of our residents.

Coordinated and broad reaching efforts are needed to ensure that parents in this community are supported in caring for their children. As a non profit society, committed to providing exemplary child care, The Society of Richmond Children's Centres is uniquely suited to provide these services in a collaborative and community based model. This project would enable families to provide the very best start for their little ones in an environment that is respectful of the diverse needs of our residents and would further support the efforts of Richmond Health Services in promoting positive health outcomes.

We are pleased to support The Society of Richmond Children's Centres as they seek funding to create superlative child care services in the East Richmond area and ensure that in partnership we are supporting healthy lives in healthy communities.



Belinda Boyd, Leader  
Community Engagement  
Tel. 604-244-5101  
Fax. 604-244-5552  
belinda.boyd@vch.ca  
www.vch.ca

## Society of Richmond Children's Centres

### Background Information

1. Certificate of Incorporation
2. Board of Directors
3. Mission Statement
4. Society Structure

NUMBER S-34007



*SOCIETY ACT*

CANADA  
PROVINCE OF BRITISH COLUMBIA

**CERTIFICATE OF INCORPORATION**

*I Hereby Certify that*  
**SOCIETY OF RICHMOND CHILDREN'S CENTRES**

has this day been incorporated under the *Society Act*

*Issued under my hand at Victoria, British Columbia  
on August 01, 1995*



JOHN S. POWELL  
*Registrar of Companies*

Society of Richmond Children's Centres  
Board of Directors  
2004 / 2005

**Parent Representatives**

**BGR – Infant Program**

Elizabeth Specht  
3160 Springford Ave  
Richmond BC  
V7E 1T9  
Ph (h) 604-270-1554  
Ph (w) 604-279-7029  
[especht@volunteerrichmond.ca](mailto:especht@volunteerrichmond.ca)

Michele Tedford  
20-7740 Abercrombie Dr  
Richmond BC  
V6Y 3G6  
Ph (h) 279-0653  
Ph (w) 604-231-8643  
[geomic@telus.net](mailto:geomic@telus.net)

**BGR – Toddler Program**

Caroline Benoit  
5186 Hollywood Dr  
Richmond BC  
V7E 4V4  
Ph (h) 604-270-1015  
Ph (w) 604-276-9900  
[ericcaroline@shaw.ca](mailto:ericcaroline@shaw.ca)

**BGR 3-5 Program**

Patricia Tillotson  
8620 Doulton Place  
Richmond BC  
V7C 5A3  
Ph (h) 604 241-9805  
Ph (w) 604 278-0315  
[pmtillotson@hotmail.com](mailto:pmtillotson@hotmail.com)

Carmen Chui  
2973 West 40<sup>th</sup> Ave  
Vancouver BC  
V6N 3B3  
Ph (h) 604-266-6502  
Ph (w) 604 279-7624  
[carmenchui@shaw.ca](mailto:carmenchui@shaw.ca)

Sara Badyal  
7271 Lombard Rd  
Richmond BC  
V7C 3M9  
Ph (h) 604-271-6025  
Ph (w) 604-276-4282  
[sarabadyal@hotmail.com](mailto:sarabadyal@hotmail.com)

Angela Chow  
5531 Stefanko Place  
Richmond BC  
V7E 5G2  
Ph (h) 604-271-9196  
Ph (w) 604-233-4074  
[amackin1@wcb.bc.ca](mailto:amackin1@wcb.bc.ca)

**Terra Nova Children's Centre**

Kathy Wong  
119 W 60<sup>th</sup> Ave  
Vancouver BC  
V5X 1Z3  
Ph (h) 604-326-1168  
Ph (w) 604-288-3184  
[kwong@vcn.bc.ca](mailto:kwong@vcn.bc.ca)

Gerald DesRosiers  
#100-3555 Westminster Highway  
Richmond BC  
V7C 5P6  
Ph (h) 604-244-1406  
[gerryhua@yahoo.com](mailto:gerryhua@yahoo.com)

## **Cook Road Children's Centre**

Monica Diakiw  
47-6800 Dallyn Rd  
Richmond BC  
V7C 5E2  
Ph (h) 604-273-3034  
Ph (w) 604-660-9284 (March 15/05)  
[Monica.Diakiw@gems2.gov.bc.ca](mailto:Monica.Diakiw@gems2.gov.bc.ca)

## **Community Members**

Valerie Orth  
Advisor  
10260 Aintree Cres  
Richmond, BC  
V7A 3T8  
Ph/fx (h) 604 277-0300

Karoline Heckman  
#6 – 6360 Lynas Lane  
Richmond BC  
V7C 5C9  
Ph: 604-271-6540 (h)  
Ph: 604-279-7267 (w)  
[karoline.heckman@icbc.com](mailto:karoline.heckman@icbc.com)

Patricia Vargas  
121-8611 General Currie  
Richmond BC  
V6Y 3W4  
Ph: 604-  
[patty-vargas@excite.com](mailto:patty-vargas@excite.com)

## **MISSION STATEMENT**

The Society of Richmond Children's Centres is a non-profit society whose mission is to provide exemplary child care in Richmond that includes play-based learning and family-centered care in an enriching creative environment.

## **CORE VALUES**

1. **People**  
We are committed to respect and honesty towards the children, staff and families
2. **Community**  
We support the cultural diversity of our community through exemplary child care service
3. **Fiscal Responsibility**  
We strive to provide affordable child care within a framework for fiscal responsibility
4. **Advocacy**  
We advocate with and on behalf of families for the services they need and the funding we need to provide quality child care for all



Society of Richmond Children's Centres  
Board of Directors  
Parents and Community Members

Manager  
Of  
Child Care Services

3 Senior Supervisors

Terra Nova Children's  
Centre  
25 spaces  
Licensed Group 3-5 (incl.  
8 spaces of Kindercare)

Leased from City of  
Richmond

Cook Road Children's  
Centre  
25 spaces  
Licensed Group 3-5 (incl.  
8 spaces of Kindercare)

Leased from City of  
Richmond

Bowling Green Road  
Children's Centre

25 spaces  
Licensed Group 3-5

Leased from Richmond  
Health Services.

Bowling Green Road  
Children's Centre

Licensed Group Infant /  
Toddler

24 spaces  
2 rooms (12 I & 12 T)

TOTAL STAFF  
22  
Non-Union

Lesley Sherlock, Social Planner  
Urban Development Division,  
City of Richmond

Cathy Volkering Carlile  
General Manager  
Parks, Recreation and Cultural Services  
City of Richmond,  
6911 # 3 Road, Richmond, B.C.  
V6Y 2C1



Re: Request by the Developmental Disabilities Association for approval of civic land for purposes of building an Early Childhood Development Centre Hub in East Richmond.

Dear Ms. Sherlock:

We are submitting a full business plan, including an addendum for our proposed E.C.D.C. Hub to confirm our interest in developing such a valuable resource for the City of Richmond. Enclosed as well are letters of support we gathered during our Vancouver-based project work over the past three years. As you can see, a great deal of thought and work have gone into developing this self-sustaining childcare social enterprise model to date.

**Our request** of the City is for land to build our hub on, and we prefer an East Richmond site.

There are many ways to approach this social enterprise model, but the essence of the plan is that income from a variety of other sources would offset any operating deficit created by the child care programs. The costs would be capital ones alone, with excellent quality self-sustaining child care programs then available to the residents of Richmond, operated by a very experienced and knowledgeable non-profit society. We foresee the creation of between 50-60 childcare spaces for Richmond, and our intent would be to create a continuum of quality inclusive services from birth through to school age, and possibly to age 12 via a satellite program. This model also allows for a variety of other child/family supportive services to be co-located in the same building, much as we see with the Caring Place (though on a smaller scale). Depending on the buildable square footage available, we will be able to adjust our model accordingly to suit the site. The end result will be a vibrant child and family-friendly hub of services.

In conversation with Minister of State for Childcare, Linda Reid, she stated that she would strongly support the creation of such a hub of child/family services in East Richmond with Childcare as the centre of this hub. Her interest is specific to a Child Development Centre model, and would include some therapy services, offices for a Child



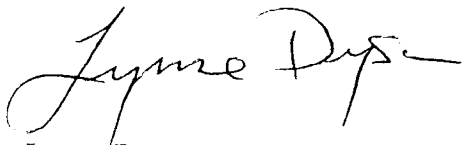
Care Resource & Referral worker, and possibly Infant Development/Supported Child Development staff.

In Vancouver, I've also been working for the past two years on another similar childcare project, to be built on civic land in East Vancouver. The total projected cost for the building there is just under three million dollars. As you can see from our other project in Vancouver, the E.C.D.C. Hub model, projected building costs are higher due to the addition of more extensive retail/office space, but with that project a developer would be involved, and the bonus density formula employed.

Two of the principles involved in developing this plan, D.D.A. and Liz Lougheed-Green, E.D. of The Potluck Café, have extensive experience operating social enterprise non-profit businesses. The third is an Investment Manager with Van City Capital. Van City itself has been extremely supportive of this project and the self-sustaining model.

I trust that this will be enough information for your purposes, but we do have budgets for the child care operations available, if desired. We are very aware that there is a great need for additional child care spaces for all age groups in Richmond, and hope we can be of assistance through the creation of this hub.

Yours truly,

A handwritten signature in cursive script, reading "Lynne Dyson". The signature is fluid and elegant, with a long horizontal flourish extending to the right.

Lynne Dyson  
Director  
Child and Family Services

# **The Top Ten Goals of the Early Childhood Development Centre Hub**

1. Facilitate readiness to learn.
  2. Increase coping and resiliency skills in children.
  3. Develop culturally sensitive and relevant programs.
  4. Encourage parent involvement and develop ownership in the centre.
  5. Provide parents with parenting skills and tools.
-

# **Goals of the Early Childhood Development Centre Hub**

...Continued

6. Support and empower families in their role as the primary caregivers of children.
  7. Increase parent's ability to access and link with community resources.
  8. Reduce parents' isolation and anxiety.
  9. Increase parents' knowledge and confidence about child development.
  10. Develop social support networks for parents.
-

## **...a warm and nurturing environment to:**

- ✓ Develop social support networks for parents
- ✓ Provide parents with parenting skills and tools
- ✓ Encourage parent involvement and develop ownership in the Centre
- ✓ Develop culturally sensitive and relevant programs
- ✓ Support caregivers in their important role

**... a warm and nurturing environment to:**

- ✓ Stimulate brain development in young children
- ✓ Facilitate readiness to learn
- ✓ Support and empower families in their role as the primary caregivers of children
- ✓ Increase parent's ability to access and link with community resources
- ✓ Reduce parent's isolation and anxiety
- ✓ Increase parent's knowledge and confidence about child development



*Children progress through various stages of growth and development. The time from before birth through age 5 is a critical window of opportunity for helping children receive a good start in life.*

**Source: Provincial Health Officer's Annual Report 1997**



# IT'S ABOUT HEALTHY BEGINNINGS



- ☆ Brain development before age 1 is more rapid and extensive than previously realized
- ☆ Brain development is more vulnerable to environmental influences than suspected
- ☆ The effects of early environment are long lasting
- ☆ The environment affects the number of brain cells and the way they are “wired”
- ☆ We now have evidence of the negative impact of early stress on brain development and function <sup>2</sup>

2. United Way of the Lower Mainland, Little Acorns, A Status Report on Early Childhood in the Lower Mainland, 1998



*Early intervention that helps get development back on track produces the best results.... Demonstration projects have shown that quality child care from infancy to school age stimulates higher achievement in reading, writing, and general knowledge and makes children better prepared for school and more successful in it.*

Source: United Way of the Lower Mainland, Little Acorns, A Status Report on Early Childhood in the Lower Mainland, 1998.

# AN EARLY CHILDHOOD DEVELOPMENT CENTRE HUB

## SHOULD:

- ✓ Be located in every community
- ✓ Reflect the unique characteristics of each community, i.e., culture, economics, population, family make-up
- ✓ Promote the well-being of children 0-6 within the context of the family
- ✓ Provide linkages to other community services
- ✓ Facilitate readiness to learn
- ✓ Reflect principles inherent in research on brain development

# **COMPONENTS OF THE EARLY CHILDHOOD DEVELOPMENT CENTRE HUB**

- ✓ Extensive collaboration between not-for-profit community based agencies, health, and education providers and the business community
- ✓ The provision of a continuum of services provided to families and their children – from pregnancy through birth kindergarten entry

# TIMING IS EVERYTHING



“According to Clyde Hertzman, with the Department of Health Canada and Epidemiology at the University of British Columbia in Vancouver, ‘the period from preconception to age 5 can be referred to as the investment phase for child development’.”<sup>1</sup>

1. Health Canada, Our Promise to Children, 1998, Karen Tregallis Photography

# IT'S ABOUT HEALTHY BEGINNINGS...

IF NOT,

- Children are vulnerable to lifelong relationship problems at home and at work
- Children are likely to fail at school and/or drop out prematurely <sup>3</sup>

3. Dr. Paul Steinhauer, The Primary Needs of Children, 1996

# WHY SUPPORT EARLY INTERVENTION?

Developing a Healthy Brain: Timing is Everything

110 THE HANDEDNESS TEST, WASHINGTON, MAY 27, 2004

Helping your child develop a better brain

REVERSING THE REAL BRAIN DRAIN

Wired to Learn

**MINDS ARE BORN FERTILE**

**The First Three Years Are Crucial**

**Rethinking the Brain**

**Old Thinking...**

**New Thinking...**

Major changes expected in early education

Latest news in infant brain research from the United Way and its agencies that focuses on children and their families through preventative programs would result in healthier communities.

## Introduction

Research has long suggested the importance of the first six years of a child's life, and the life-long impact of positive early childhood development experiences during this period. Despite our knowledge of these facts, early childhood programs and services have been fragmented, leaving many children vulnerable to poor school readiness and subsequent later life challenges. This is particularly true for those children in families living at, or below, the low-income cut-off line.

Today, more than 80% of BC's parents with children in this age category are in the work force. For these parents, quality child care is a critical component of their children's early development, however recent statistics show that 31% of these parents report child care issues have interfered with their ability to secure and/or maintain full-time employment or education opportunities. Not surprising when we consider that currently in BC there is a chronic undersupply of quality, inclusive licensed child care, and day care centres maintain long wait lists.

This is an alarming fact when it is understood that early childhood development is more than a personal quality of life issue. Research also shows the societal economic benefits of quality early child development experiences. For example, a recent Canadian cost-benefit analysis showed that for every dollar invested in licensed, high quality child care for children and their families, at least two dollars of tax payers money was saved in the long-term. International longitudinal research has shown these savings to be as high as seven dollars for children in high-risk categories.

In order to address the mosaic of issues early childhood development stakeholders – including parents, early childhood educators, researchers and health professionals – have been calling for a comprehensive, inclusive, quality, affordable and universal system of child care. Their goal is to provide all children with the tools to navigate their lives successfully, while proactively acting to promote healthy communities and a healthy society. These goals are supported by those involved with the Early Childhood Development Centre Project.

The Early Childhood Development Centre Project is a means to address the current undersupply of quality, inclusive child care opportunities creatively, while attending to early childhood development in a holistic hub environment. Using social enterprise as the medium, the project will create a revenue stream that will offset the deficits currently experienced by most licensed child care providers. Historically, these deficits have severely constrained the creation of further spaces. Through the construction of a more resilient financial model, the ECDC will help to address the issues of inclusive child care, access (by increasing the overall number of spaces) and quality.

The area that this model has limited ability to address initially is affordability. Child care spaces are provided at current market rates, with subsidies for lower-income children, however, we all agree that it is an important goal to create a more affordable system, facilitating access for all. We will continue to support efforts to build a quality, inclusive, comprehensive, affordable and universal system. It is our hope that when this model is proven, any surpluses it generates will be directed to reducing fees for parents and enhancing compensation for staff, resulting in increased affordability and program sustainability.



We are proud of our work to develop this project, and we are committed to an early childhood development system that meets the needs of all children and their families and promotes a healthy, family-enabling society. Our energy is directed towards making this goal a reality in the foreseeable future, so that our children will not be faced with the same challenges as many generations before them. We believe the Early Childhood Development Centre is a key way to successfully achieve this goal.

## **Addendum to Business Plan December 2005**

The Early Childhood Development Centre business plan was initially completed in March of 2005. This project is fortunate to have had a team of dedicated and highly qualified people driving it. It has also benefited from the input of those well respected in early childhood development circles including Dr. Clyde Hertzman, Lynell Anderson and Carol Ann Young. Their valued input has resulted in several refinements of the original business plan. These modifications are summarized below.

Changes to the business plan address three key points:

1. Changes resulting from the negotiation of new collective agreements that affect early childhood educators and will take effect in early 2006;
2. Our overriding commitment to quality – for children, for families, and for early childhood educators. To this end, we have increased staffing levels.
3. Recent increases in Child Care Operating Funding.

### **Amendments**

The ECDC project team is currently contemplating two possible program configurations – one with an on-site Out of School (OOS) Care component, and one without. Inclusion of an OOS class would offer superior continuity and stability to families as well as higher utilization of facility space, but would result in a larger operating deficit / higher square footage requirement. Revisions and assumptions under each scenario are analyzed separately.

#### **I. ECDC with no on-site OOS program**

Our refinements under this scenario are as follows:

1. In the updated model, assuming no on-site OOS care, the total number of child care spaces decreases from 80 spaces to 59, with composition of these spaces changing as follows: out of school care is eliminated (was 20 spaces), infant spaces decrease to 7 from 9, and preschool increases to 16 from 15. Toddler spaces remain unchanged at 12.
2. The main reasons for considering the exclusion of OOS care are:
  - An additional 1.8 FTE's would be required to staff the program adequately;
  - OOS would lead to increased administrative costs (\$5,000 per year is assumed) and overhead. The latter is the most significant consideration, as operation of on-site OOS care would require the purchase of a van (as ongoing maintenance, insurance and fuel costs, as well as a salary for a part-time driver;
  - Licensing requirements call for significantly more outdoor playspace if an OOS care program is offered, thereby increasing the space commitment required from our developer partner.

3. In order to make the role of corporate subsidies clearer, these have been presented in a separate column.
4. As a result of these changes, total fee income for the Centre decreases from \$565,200 to \$440,950.
5. Reduced fee income is partially offset by increases in CCOF (Child Care Operating Funding) from \$37,960.65 to \$118,767.60.
6. Corporate sponsorships: The updated budget relies on \$70,000 to provide planned subsidies (in addition to those currently available from MCFD) to low-income families. This is an increase from \$56,520. However, as in the original budget, the ECDC has always planned to source \$80,000 in corporate sponsorships. Thus planned corporate sponsorships do not change, but the 'margin for error' is reduced.
7. In the original business plan, the operating deficit of the child care program was calculated at (\$142,120.53). This deficit increases under the new model, despite increased operating funds, to (\$183,316.90).
8. The main driver behind the increased operating deficit is that the number of early childhood educators remains constant at 11 FTE despite the elimination of the out of school class. Thus wage costs remain constant while one revenue stream is eliminated. The rationale for this change is quality; the Early Childhood Development Centre will be designed to deliver the highest quality early childhood experience possible.
9. Administrative staff for the child care center increases from .6 FTE to 1.0 FTE as administrative duties will be more involved than for DDA's existing child care centres.
10. Housekeeping staff falls from .8 FTE to .53 FTE. This reduction reflects DDA's operational experience in an existing program of this size.
11. The head teacher position has been eliminated in the revised child care budget, however, a part-time coordinator salary of \$35,000 has been added to the property management costs. The coordinator position will be critical to realizing the synergies that will exist between the various tenants, who will all be related to early childhood development and/or services geared to families, of the Early Childhood Development Centre
12. While indoor space remains the same for the child care centre, outdoor space falls from 6,999 to 5,492 square feet.

## **II. ECDC with onsite OOS care**

Our refinements under this scenario are as follows:

1. In the updated model, assuming on-site OOS care, the total number of child care spaces decreases from 80 spaces to 79, with composition of these spaces

changing as follows: out of school care remains unchanged at 20 spaces, infant spaces decrease to 7 from 9, and preschool increases to 16 from 15. Toddler spaces remain unchanged at 12. Despite the large number of students enrolled, because OOS and preschool programs are offered during different hours, there would never be more than 63 students onsite at any given time.

2. The main reasons for considering the inclusion of OOS care are:
  - To provide families with superior continuity of care;
  - To increase capacity utilization of the ECDC's facility space.
  - *Note: the preference of the ECDC project team would be to offer OOS care, but in facilities within local school(s) rather than onsite at the ECDC – thereby eliminating the need for additional outdoor play space and transportation-related overhead. DDA would provide staffing, however, and administrative support.*
3. Fees charged by the OOS program have been reduced to reflect the City of Vancouver's current average of \$240 per month.
4. In order to make the role of corporate subsidies clearer, these have been presented in a separate column.
5. As a result of these changes, total fee income for the Centre decreases from \$565,200 to \$505,200.
6. Reduced fee income is partially offset by increases in CCOF (Child Care Operating Funding) from \$37,960.65 to \$125,552.60. Note that CCOF income is lowest for school-aged children, as recent increases to CCOF funding were targeted almost exclusively at children under the age of six.
7. Corporate sponsorships: The updated budget relies on \$70,000 to provide planned subsidies (in addition to those currently available from MCFD) to low-income families. This is an increase from \$56,520. However, as in the original budget, the ECDC has always planned to source \$80,000 in corporate sponsorships. Thus planned corporate sponsorships do not change, but the 'margin for error' is reduced.
8. In the original business plan, the operating deficit of the child care program was calculated at (\$142,120.53). This deficit increases most under the new model with on-site OOS care included to (\$229,002.94).
9. The main driver behind the increased operating deficit is the increase in staffing levels by 1.8 FTE over the same program without an out of school class.
10. As with the model that excludes OOS care, administrative staff for the child care center increases from .6 FTE to 1.0 FTE as administrative duties will be more involved than for DDA's existing child care centres.
11. Housekeeping staff falls from .8 FTE to .53 FTE, as in Scenario 1.

12. The head teacher position has been eliminated in the revised child care budget, however, a part-time coordinator salary of \$35,000 has been added to the property management costs. The coordinator position will be critical to realizing the synergies that will exist between the various tenants, who will all be related to early childhood development and/or services geared to families, of the Early Childhood Development Centre
13. While indoor space remains the same for the child care centre, outdoor space increases from 6,999 to 9,000 square feet.

## Conclusions

The original business plan called for 31,500 of indoor space (exclusive of parking and outdoor play space) from the developer partner. This request included an 18% 'cushion' to allow for vacancies, fluctuations in fee income and operating expenses.

The revised model requires additional square footage in order to offset the ECDC's increased operating deficit. The size of the deficit depends on whether or not OOS care is offered to families.

If the ECDC does NOT have OOS care –

- the updated Early Childhood Development Centre will require 22,800 square feet of tenanted (and hallway / common) space plus 7,216 square feet for the child care program itself, for a total of 30,016.
- If a cushion equivalent to that built into the original model is added (18%), the total square footage request of our developer partner becomes 35,419. Given the conservative nature of our model, however, we believe that a 10% cushion will be sufficient coverage. Thus, **our revised request would be for 33,018 square feet** – an increase of 1,518 square feet or 5% over our original request.
- Using the same cost assumptions as those built into the original business plan, the estimated capital cost to build the ECDC would be \$5,029,436.06. If a 30% margin for rising construction costs is built into the capital cost equation (as it was in the original business plan), the projected capital cost increases to \$6,538,266.88.

If the ECDC DOES have on-site OOS care –

- the updated Early Childhood Development Centre including an onsite OOS care program will require 27,000 square feet of tenanted (and hallway / common) space plus 7,216 square feet for the child care program itself, for a total of 34,216 square feet of indoor space.
- In addition to the indoor space requirements, 9,000 square feet (an increase of more than 3,000 square feet over the original model) of outdoor playspace would also be required.
- If a cushion equivalent to that built into the original model is added (18%), the total square footage request of our developer partner becomes 40,375. Given the conservative nature of our model, however, we believe that a 10% cushion will be sufficient coverage. Thus, **our revised request would be for 37,638 square feet** – an increase of 6,138 square feet of indoor space alone, or 19.5% more than our original request.

- Using the same cost assumptions as those built into the original business plan, the estimated capital cost to build the ECDC would be \$5,764,026.66. If a 30% margin for rising construction costs is built into the capital cost equation (as it was in the original business plan), the projected capital cost increases to \$7,493,234.66.

As the model including OOS care generates a much larger operating deficit – which requires a larger social enterprise facility to offset and therefore involves much higher capital costs – we believe it would be most prudent financially to pursue an ECDC that does not offer onsite OOS care. As stated above, the team's preference would be to work in concert with a local elementary school to staff OOS care on the school's premises.

These changes provide for the best possible model given the current child care environment and allow us to immerse ourselves fully in the next step, that of implementation. We are grateful to those who have contributed to this process, the experts, our advisory committee, and our sponsor organization, the Developmental Disabilities Association. We look forward to continued success as this process unfolds.

-CDC OPERATIONAL BUDGET (NO OUTS CARE)

	# of spaces	Monthly fee	fee income	CCOF Income	Corporate Subsidy	Staff	Indoor Sq. Ft	Outdoor Sq. Ft.
Infants	5	\$1,100.00	\$ 66,000.00	\$17,514.00		3	1469	686
	2	\$550.00	\$ 13,200.00	\$7,005.60	\$ 13,200.00			
toddlers	10	\$1,000.00	\$ 120,000.00	\$35,028.00		3	1959	1500
	2	\$500.00	\$ 12,000.00	\$7,005.60	\$ 12,000.00			
to 5 yrs	19	\$750.00	\$ 171,000.00	\$35,431.20		3	2553	3306
	5	\$375.00	\$ 22,500.00	\$9,324.00	\$ 22,500.00			
preschool	13	\$ 250.00	\$ 32,500.00	\$6,060.60				
3hr)	3	\$125	\$ 3,750.00	\$1,398.60	\$ 3,750.00	2	1235	
Additional Corporate subsidies				\$	\$ 18,550.00			
			\$ 440,950.00	\$ 118,767.60	\$70,000	11	7216	5492
INDOOR SQ. FOOTAGE REQUIRED FOR CHILDCARE								
staffing Costs				0	TOTAL CHILDCARE INCOME			
							\$	629,717.60
Administrator	1	\$69,499.00	\$69,499.00	ESTIMATED OPERATING EXPENSES			\$	47,000.00
CE	11	\$46,123.00	\$ 507,353.00					
housekeeping	0.53	\$37,435.20	\$ 19,840.66	ADMINISTRATIVE EXPENSES				\$73,912.23
secretary	0.6	\$43,217.70	\$ 25,930.62					
TOTAL STAFFING COSTS			\$ 692,122.28	TOTAL CHILDCARE EXPENSES				
							\$	813,034.50
							\$	(183,316.90)

SURPLUS / DEFICIT FOR CHILDCARE

Property Management Model

Revenue				
Sq. footage	avg net lease rate	taxes & operating costs	tenant improvements	
19,000.00	\$ 16.85	\$ 15.00		\$1.92
SQ. FOOTAGE REQUIRED FOR TENANTS				
19,000	Plus 20% for hallways etc.	22,800.00		
INCOME GENERATED FROM TENANTS				
			\$	320,157.60
Expenses				
Property Management				
Incremental position of p/t coordinator				\$65,000
				\$35,000
Less Cost of TI's in normalized year (assumes 1/3 of tenants turning over)				
			Surplus / Deficit	\$ 220,157.60
				\$ 36,522.75
			SURPLUS / DEFICIT IN NORMALIZED YEAR	\$ 183,634.85

SURPLUS / DEFICIT IN NORMALIZED YEAR



**Combined Models**

Indoor Square footage required for childcare 7,216

Outdoor Square footage required for childcare 5,492

Indoor square footage required for tenants (incl. common areas) 22,800

**TOTAL INDOOR SQUARE FOOTAGE REQUIRED 30,016**

**TOTAL OUTDOOR SQUARE FOOTAGE REQUIRED 5,492**

Total Surplus / Deficit for childcare program -\$183,317

Total Surplus / Deficit for Property Management \$183,635

**TOTAL SURPLUS DEFICIT FOR COMBINED MODELS \$318**

# ECDC CAPITAL COST BUDGET, PROPERTY MANAGEMENT MODEL (NO OOS CARE)

33,018 total indoor SF + 5,492 SF outdoor play space + parking (28 spaces)

Required Area	\$ PSF	Day Care	Outdoor Daycare Space	Commercial & Daycare Parking	Tenanted & Common Area Space	Total Combined	% of Total	Avg. \$ PSF
Land Costs								
Land Closing Costs								
Hard Costs	\$ 145.00	1,046,320	219,680	280,000	2,580,200	4,126,200	82.04%	\$ 90.67
Hard Costs - Permits & Connect	\$ 2.00	14,432			51,604	66,036	1.31%	\$ 1.45
Soft Costs	\$ 13.00	93,808			335,426	429,234	8.53%	\$ 9.43
Finance Costs	\$ 6.00	n/a			n/a	n/a	n/a	
Year 1 Tenant and Common Area Improvements	\$ 5.83	n/a	n/a		150,426	150,426	2.99%	\$ 5.83
Contingency	\$ 7.80	55,285			201,256	257,540	5.12%	\$ 5.66
Total	\$ 179.63	1,210,845	219,680	280,000	3,318,911	5,029,436	100.00%	\$ 110.51

Capital Cost to Build ECDC

\$5,029,436.06

+ 30% margin for rising construction costs in GVRD

\$6,538,266.88

## Assumptions:

- Furnished daycare space is concrete structure - \$145.00 psf
- Outdoor daycare space includes furniture and equipment including playground equipment
- Commercial underground parkade at \$40.00 psf includes 28 spaces (18 spaces for daycare, 10 retail)
- Commercial structure is concrete exterior walls only with electrical, mechanical and plumbing rough-ins. No interior partitions or finishes provided. Cost is \$100.00 psf
- Finance costs during construction are listed. However, likely not required given structure of deal.

# THE CONCEPT OF THE "WORLD" IN THE HISTORY OF THE HUMAN SPIRIT

	# of spaces	Monthly fee	Fee Income	CCOFP Income	Corp Subsidy	Staffing	Indoor sq. ft	outdoor sq. ft
Programs	Infants	5	\$1,100.00	\$ 66,000.00				
	Toddlers	2	\$550.00	\$ 13,200.00	\$ 13,200.00	3	1469	686
	Preschool	10	\$1,000.00	\$ 120,000.00	\$35,028.00	3	1959	1500
	Pre-K	2	\$500.00	\$ 12,000.00	\$ 12,000.00			
	Pre-K 5 yrs	19	\$750.00	\$ 171,000.00	\$35,431.20	3	2553	3306
	Preschool	5	\$375.00	\$ 22,500.00	\$9,324.00			
	Preschool (yr)	13	\$ 250.00	\$ 39,000.00	\$6,060.60	2	1235	
Additional corporate subsidies available based on need	OS	3	\$125	\$ 4,500.00	\$ 4,500.00			
		15	\$240	\$ 47,250.00	\$5,692.50	1.8	0	3508
		5	\$120	\$ 9,750.00	\$1,092.50			
			\$ 505,200.00	\$125,552.60	\$ 7,300.00	12.8	7216	9000
DOOR SQ. FOOTAGE REQUIRED FOR CHILDCARE								
7216								
Staffing Costs								
ADMINISTRATOR	1	\$69,499.00	\$69,499.00					\$ 700,752.60
	12.8	\$46,123.00	\$ 590,374.40					\$ 13,297.50
	0.53	\$37,435.20	\$ 19,840.66					\$ 58,000.00
	0.6	\$43,217.70	\$ 25,930.62					\$83,314.37
TOTAL STAFFING COSTS			\$ 775,143.68					
								\$ 929,755.54
								\$ (229,002.94)

Property Management Model

Revenue

Sq. footage	avg net lease rate	taxes & operating costs	tenant improvements
22,500.00	\$ 16.85	\$ 15.00	\$1.92

**SQ. FOOTAGE REQUIRED FOR TENANTS**

22,500 Plus 20% for hallways etc. 27,000.00

**INCOME GENERATED FROM TENANTS**

Expenses

Property Management  
Incremental position of p/t coordinator

\$65,000  
\$35,000

\$ 379,134.00

Surplus / Deficit

\$ 279,134.00

Less Cost of TI's in normalized year  
(assumes 1/3 of tenants turning over)

\$ 43,250.63

**SURPLUS / DEFICIT IN NORMALIZED YEAR**

\$ 235,883.38

**Combined Models**

Indoor Square footage required for childcare 7,215.64

Outdoor Square footage required for childcare 9,000.24

Indoor square footage required for tenants (incl. common areas) 27,000.00

**TOTAL INDOOR SQUARE FOOTAGE REQUIRED 34,215.64**

**TOTAL OUTDOOR SQUARE FOOTAGE REQUIRED 9,000.24**

Total Surplus / Deficit for childcare program -\$229,002.94

Total Surplus / Deficit for Property Management \$235,883.38

**TOTAL SURPLUS DEFICIT FOR COMBINED MODELS \$6,880.43**

# ECDC CAPITAL COST BUDGET, PROPERTY MANAGEMENT MODEL (W/ ONSITE OOS CARE)

37,638 total indoor SF + 9,000 SF outdoor playspace + parking (28 spaces)

	\$ PSF	Day Care	Outdoor Daycare Space	Commercial & Daycare Parking	\$ PSF	Tenanted & Common Area Space	Total Combined	% of Total	Avg. \$ PSF
Required Area		7,216	9,000	7,000		30,422	53,638		
Land Costs									
Land Closing Costs									
Hard Costs	\$ 145.00	1,046,320	360,000	280,000	\$ 100.00	3,042,200	4,728,520	82.04%	\$ 88.16
Hard Costs - Permits & Connect	\$ 2.00	14,432				60,844	75,276	1.31%	\$ 1.40
Soft Costs	\$ 13.00	93,808				395,486	489,294	8.49%	\$ 9.12
Finance Costs	\$ 6.00	n/a				n/a	n/a	n/a	n/a
Year 1 Tenant and Common Area Improvements	\$ 5.83	n/a	n/a		\$ 5.83	177,360	177,360	3.08%	\$ 5.83
Contingency	\$ 7.80	56,285				237,292	293,576	5.09%	\$ 5.47
Total	\$ 179.63	1,210,845	360,000	280,000		3,913,182	5,764,027	100.00%	\$ 107.46

## Capital Cost to Build ECDC

\$5,764,026.66

+ 30% margin for rising construction costs in GVRD

\$7,493,234.66

### Assumptions:

- Furnished daycare space is concrete structure - \$145.00 psf
- Outdoor daycare space includes furniture and equipment including playground equipment
- Commercial underground parkade at \$40.00 psf includes 28 spaces (18 spaces for daycare, 10 retail)
- Commercial structure is concrete exterior walls only with electrical, mechanical and plumbing rough-ins. No interior partitions or finishes provided. Cost is \$100.00 psf
- Finance costs during construction are listed. However, likely not required given structure of deal

# LYNELL ANDERSON, B.COM., CGA

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3133 Redonda Drive, Coquitlam, B.C. V3E 2A3 Telephone: (604) 464-1945  
EMAIL: lynellanderson@shaw.ca

November 1, 2005

Alanna Hendren, Executive Director  
Developmental Disabilities Association  
100-3851 Shell Road  
Richmond, BC  
V6X 2W2

Dear Alanna:

Further to my meeting with Lynne, Karen and Liz in the summer, and follow up discussions and information exchanges with Andrew, I am pleased to volunteer comments on the revised child care program configuration, staffing plan and budget. In summary:

1. We have confirmed our mutual understanding that more substantial public funding and coordinated public policy is required in order to ensure that the long term child care goals are achieved – that is, child care programs that are affordable and accessible for all families, provide appropriate compensation for child care workers, and are sustainable for community service providers. I appreciate the ongoing commitment of the ECDC project team and Developmental Disabilities Association (DDA) to supporting these goals.
2. Within that context, I believe the revisions address many of the issues and questions previously raised and the resulting plan can accomplish two important current objectives:
  - In order to address the widely acknowledged shortage of licensed child care spaces in Vancouver, the plan secures additional spaces in a new development and provides for anticipated operating deficits.
  - With capital funding contributions (or their equivalent) in place, the plan provides these child care spaces at no cost to a community-based organization, ensuring that all future public funding and fundraising opportunities can and will be directed to enhancing the quality, affordability, accessibility and sustainability of the child care programs.

Again, my review focused on the child care aspect of the proposal, not the property management function details. However, a summary of the overall project proposal follows as it provides a foundation for my suggestions.

Ideally, I understand that the plan calls for the City of Vancouver to provide the site developer with a density bonus that will offset the cost of developing a centre to house both the child care programs as well as additional, rent-generating space. If the density bonus is not obtained, then capital funding from various public and private sources will be accessed. Either way, the rental payments from the non-child care space will offset the anticipated operating deficits in the child care programs.

In order to support the rationale for public investment of capital/deficit funding support, I suggest that your commitment to supporting the advancement of a high quality, affordable and

accessible child care system, and to use all available opportunities to achieve these goals in these child care programs, be clearly stated in the proposal.

I think this is especially important because, for example, the revised budget reflects fee levels that are at the higher end of the range for Vancouver (as at November, 2004), exceeding both the East of Main and city-wide averages (by 43% and 27% respectively for group 3-5 care). While the budget shows that these fees will be subsidized for some families, they're not affordable for most – a common concern in Vancouver, and one that we're all working to resolve through more substantial public funding in the future.

To that end, I note that the revised budget incorporates a substantial increase in the direct operating funding provided by the provincial government (from \$37,961 in one version of the original budget to \$118,767 in the revised budget). I believe this increase is partly due to the recent funding announcement resulting from the new federal transfer payments, which is obviously a helpful step forward.

Other comments on the revised program configuration, staffing plan and resulting budget follow:

1. I appreciate your confirmation that DDA will be the operator for the ECD Centre. When I had first read excerpts of the proposal, I'd wondered about a typical sponsoring organization's capacity to oversee a property management function, obtain substantial corporate funding to directly subsidize child care spaces, and raise funds for the first year's possible tenant improvements. However, the breadth and depth of DDA's experience and capacity clearly minimizes this challenge.
2. Given DDA's involvement in reworking this budget, I have not reviewed the revised expenses (staffing, operating and administrative) in detail. Rather, I have focused on a higher level review of the program configuration, related revenues and staffing plan.
3. The revised program configuration reduces some net costs (e.g. fewer infants). By removing the school age program and reducing the preschool program, there is flexibility to add programs at a later date. However, there may also be pressure to maximize the use of the space in the planning stage, in order to support the capital investment required for that space. If that's the case, I think school age programming warrants further review - perhaps additional corporate donations could support the transportation costs that are making the financial viability particularly problematic?
4. Regarding fees, I understand that there are various reasons why they are relatively high. To some extent this approach reflects cautious budgeting, because they can always be reduced if expectations are consistently exceeded. (The budget is also cautious in allowing for some bad debts). Moreover, given the unfilled demand for child care the spaces will likely be filled.
5. Most significantly, however, I understand that DDA is committed to maintaining lower child/staff ratios than required by licensing. This policy reflects an admirable commitment to quality yet, given the current child care funding realities, it carries a price tag – in terms of higher costs resulting in higher parent fees and/or operating deficits. And, given the unmet demand for child care you're likely aware that there could be pressure to maximize capacity.
6. Again, budgeting for lower child/staff ratios may reflect a cautious approach that allows for future flexibility to, for example, add more children without substantially increasing costs.



7. A review of the revised staffing plan indicates that the desired staff coverage is maintained throughout the day – provided, of course, that family' needs are staggered.
8. Finally, I think it would clarify the staffing costs if either the budget was modified to show the actual wages and benefits paid to employees, with a separate substitute budget, or if there was a note clearly explaining that the \$46,000 annual cost per ECE includes substitutes, professional development, etc. While the DDA salary scale is relatively high compared to many others, readers of this somewhat public document could misunderstand the actual compensation paid to staff.

I hope these comments are helpful to you as the project unfolds, and would be pleased to meet with you and the project team to speak to them in more detail.

Sincerely,

Lynell Anderson

DEVELOPMENTAL DISABILITIES ASSOCIATION  
OVERCOMING OBSTACLES. ENCOURAGING ABILITIES

November 8, 2005

Honourable Linda Reid  
Minister of State – Childcare MCFD  
PO Box 9062  
Stn Prov Govt  
Victoria BC V8W 9E2

Dear Minister Reid:

Please accept this letter as an expression of interest and intent to develop a Child Development Centre in the East Richmond area. In our meeting on October 21, 2005, you identified the need for a "Child Care Hub" to be developed in this high needs area, based on Dr. Hertzman's research.

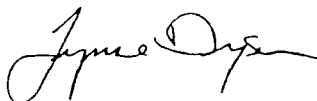
The Developmental Disabilities Association (DDA) has set inclusive child care in Richmond as one of its priorities. We envision the facility containing but not limited to the following:

- A centralized child care program – infant to five year old, possibly ages 0 - 12
- Child care resource and referral
- Various therapies
- IDP consultant
- Family support
- SCDP consultant

Depending on land/building available, we would be open to the concept of developing this as a "P3" with involvement from the private sector. We have a potential partner agency interested in participating in the endeavour, which can be further explored as we move forward in the process. DDA is committed to exploring this potential project with you, and will provide a more detailed proposal upon request, with permission from our Board.

We look forward to your response and direction regarding the East Richmond Project. The opportunity to work with you in responding to the inclusive child care needs of our province is very exciting.

Sincerely,



Lynne Dyson  
Director – Child and Family Services  
Developmental Disabilities Association



**Early Childhood Development Centre  
Working title: 'Kids Village'**

**Business Plan for Pilot Site  
At CityGate South, Quebec & Terminal Streets**

**Prepared for the exclusive use of:  
The Developmental Disabilities Association**

**15 March 2005**

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Feasibility Study for an Early Childhood Development Centre (green tab, binder 1)

Business Cards of Key Contacts / Information Sources (binder 2)

Early Development in Vancouver: Report of the Community Asset Mapping Project

Vancouver City Neighbourhoods Map and Community Statistics data

Traffic Patterns – Main & Terminal, Quebec & Terminal

Statistics Canada 2001 Community Profiles Information for Vancouver

Community Facility Needs 'White Paper' Southeast False Creek

Westcoast Information Daycare Fee Survey and Information Daycare

City of Vancouver Childcare Design Guidelines

Parking Requirements City of Vancouver

Also Available: Developmental Disabilities Policy and Procedure Manual

## EARLY CHILDHOOD DEVELOPMENT CENTRE 'KIDS VILLAGE' EXECUTIVE SUMMARY

### **Why do we desperately need a new approach to early childhood development and childcare?**

- More and more Canadian mothers with young children work outside the home.
- A recent OECD study found that childcare in Canada is fragmented, expensive and often provides little more than babysitting services.
- There is a great shortage of available licensed child-care spaces, enough for fewer than 20% of children aged 6 years and younger with working parents.
- By age 6, 1 in 4 children show signs of cognitive or behavioural problems.
- Despite the federal government's recent proposal to provide funding to support the development of a universal system, the suggested amount of \$5 billion represents just 10% of the funding (as estimated by childcare advocates) required to deliver such a system.

### **What is 'social enterprise'?**

'Social enterprise' refers to the use of income-generating activities to underwrite the cost of social programs. We believe that social enterprise holds the promise of a solution to the funding dilemma that has always plagued childcare. Through it, we can create a new, economically self-sustaining model of delivery for childcare and complement it with relevant products and services geared to an enriched early childhood experience.

### **What is the Early Childhood Development Centre (Kids Village)?**

The ECDC (Kids Village) will co-locate the childcare element of the Centre (designed to provide child care to approximately 80 children and their families) with a variety of products, services and activities. The goal is that the ECDC (Kids Village) will facilitate "one-stop" access to family focused services such as:

- language and cognitive development programs
  - early literacy, science and arts programs
  - research into early childhood development through UBC's Human Early Learning Partnership, etc.
- emotional and social development
  - group play opportunities
- physical development
  - Mommy and Me yoga
  - agility classes
- health and nutrition services
  - family doctors
  - midwifery care
  - pediatric dental care
- a range of family and parenting supports, including:
  - parenting and nutrition classes, counselling, etc.
  - community meeting spaces (family-friendly cafes, community kitchens)
  - conveniently located services most needed by families (pharmacy, grocery, dry cleaner, etc.)
  - relevant products – educational toy and book retailers, children's consignment stores, etc.

The operating deficit of the childcare program – which will function as the cornerstone of the hub – will be offset by rent paid by the various co-located tenants to the operator of the childcare program. All surpluses will be reinvested in the community. In addition, corporate sponsorships will be used to subsidize access for lower income families.

Our intent is to create a family destination spot on a transit line that co-locates services needed by busy and increasingly stressed families. It will be a fun place enriching the lives of families and improving the school-readiness of all children in an inclusive environment. And it will be financially resilient.

## Vision

The Early Childhood Development Centre (ECDC / Kids Village) will transform the lives of parents and young children by delivering innovative early childhood services, child care and out of school programs for children from birth to 12 years. It will be a pioneer in providing quality, inclusive and economically self-sustaining programs that contribute to the long-term health of our communities and our society.

## Mission:

The Early Childhood Development Centre (Kids Village) seeks to:

- Create quality, inclusive and self-sustaining child care in a social enterprise model that innovatively addresses issues of undersupply.
- Deliver conveniently accessed early childhood and family support services that address regular, supplementary and special needs requests.
- Adhere to a triple bottom line of economic, social and environmental sustainability.

## Why should stakeholders be interested in this model?

- It is **cost effective** --- research shows us that \$ 1 invested in kids before they reach school age can save as much as \$6 dollars down stream.
- This is an **innovative and creative** approach to the delivery of social services. Vancouver has a track record for innovation on social justice issues. This pilot project can, once again, hold Vancouver up as a "role model" for other communities.
- Our model **supports a "triple bottom line"**-- social, financial and environmental. By creating a centralized hub of co-located services relevant to families, we will reduce the environmental footprint on our city.
- Co-location of services will make it possible for some **not – for – profit agencies** related to early childhood education to achieve a degree of reach and impact currently not possible due to funding shortages.
- **Most importantly, the community need for quality, accessible, daycare is extremely high.** Long waitlists, high costs and uncertainty around quality of care are realities for today's parents. Our children deserve stable, supportive early childhood development opportunities now -- not later.
- This initiative is **equitable**. Families suffering from barriers to access will be eligible for subsidies above and beyond provincial grants, and the proposed pilot site is in one of Vancouver's most vulnerable neighbourhoods (lower Mount Pleasant).
- Lastly, if we increase the access of quality early childhood development and childcare services, we can **increase our potential labour force participation** among parents of young children.

We invite you to **join us in making our "social enterprise" model possible**. Working together to develop healthy children and families in the short term will help to contribute to developing thriving, sustainable communities in the long term. We ask for your support.

### History of the ECDC / Kids Village Project

Kristi Miller and Liz Lougheed-Green became parents in 2001, and struggled to find acceptable quality care for their children upon their return to paid work. They soon realized that the reason childcare – particularly for infants and toddlers – is difficult to access is because there is a critical undersupply of licensed childcare in British Columbia. For example, there are more than 200,000 children under the age of 3 in the province, but only 3,300 licensed childcare spaces for them. Miller and Green further came to realize that the root cause of this undersupply lies in economics – most childcare programs lose money and are therefore not financial self-sustaining.

The two developed the conceptual framework behind a social enterprise model of childcare delivery in the belief that this would make childcare programs financially viable.

With this vision in mind, Miller and Lougheed-Green approached the Developmental Disabilities Association in February of 2003 with a request that that organization act as the sponsoring agency for the ECDC project. DDA's Board of Directors graciously endorsed the project, and the groups have worked closely together ever since.

A feasibility study was completed in November 2003 and a business plan begun in May 2004. The results are summarized as follows.

The group's research examined two possible social enterprise models of child care delivery. Both models assumed that good quality childcare is the cornerstone of effective early childhood development.

'Social enterprise' refers to the use of income-generating activities to support and contribute to social causes. Earned income is used to underwrite social programs.

#### **Social Enterprise Option 1: Property Management Model**

A property management model would co-locate the childcare element of the Early Childhood Development Centre (which would provide child care and early childhood services to approximately 80 children and their families) with a variety of services and activities. The goal is that the ECDC will facilitate "one-stop" access to family focused services such as:

- language and cognitive development programs (Mother Goose, early literacy programs, Science World's science and technology presentations, and research into early childhood development through UBC's Human Early Learning Partnership)
- activities aimed at physical development (Mommy and Me yoga, agility classes, etc.)
- health and nutrition services (family doctors, midwives, pediatric dental care)
- family and parenting supports (Family Services of Greater Vancouver, etc.)
- relevant retailers (children's consignment stores, family-friendly cafes, educational toy and book retailers, and others.)

This approach aims to offset the childcare program's expected operating deficit with lease payments received from these co-located tenants. In so doing, the ECDC will create a long-term funding model that allows it to be self-sustaining.

In addition, the ECDC will be designed with maximum flexibility in mind so as to further strengthen its financial position (as well as broaden the range of support services offered to families) by hosting a range of activities on a fee for service basis. The ECD Centre will also offer corporate sponsorships to companies looking to address human resource management issues related to family life and work-life balance.

If the pilot site proves to be successful, the Centre can serve as a model or blueprint for the development of similar facilities in other communities.



The property management model was explored by surveying and talking to three main groups. These included ancillary and social services that might have an interest in locating within the ECDC, socially responsible corporations, and parents with children currently accessing child care. There was strong interest from all parties with the one caveat that location will be critical to ensuring both access and profitability. Corporations also showed an interest with one corporation in particular supporting the development of such a project. Parents were particularly interested in the model and among their suggestions for co-located activities was an indoor playground, much like *Go Bananas* and *Crash Crawly's*. That leads us to the second model of delivery that was investigated.

### **Social Enterprise Option 2: Operator Model**

The 'operator' model of the Early Childhood Development Centre proposes to use the revenues generated by a for-profit division of the ECDC to offset the operating deficit of the childcare program. The specific social enterprise analysed as part of this business planning process was that of an indoor playground or family entertainment centre.

As with the Property Management Model, corporate sponsorships and centre-based services would be offered. Ideally, this model would also be located within a larger group of family-friendly services making it a destination landmark, not unlike Kids Only Market on Granville Island.

The business plan concluded, however, that the risks inherent in the direct operation of a social enterprise of this kind largely outweighed its potential benefits. While a mature, well-established family entertainment centre can be expected to generate cash flows close to half a million dollars per year (when market rent expenses are backed out), indoor playgrounds involve significant capital expenditures and maintenance costs, offer little flexibility (once built) in terms of space configuration and utilization, and require a high degree of expertise in the niche field of family entertainment.

Nonetheless, it is imperative that children frequenting the ECDC have fun. The owner of Crash Crawly's is interested in expanding his concept and has expressed an interest in potentially locating a Vancouver operation within the ECDC. The business plan therefore concludes that the lowest risk – highest gain strategy involves inviting Crash Crawly's to become a tenant of the ECDC, occupying approximately 9-10,000 square feet of space at an average net lease rate of about \$19 / SF / year.

Much of the business plan focuses on the potential for a pilot site located at Main & Terminal Streets – a location currently under consideration for redevelopment by a consortium of developers to include Vancity Savings Credit Union (lead), Bosa Developments, Blake Cowan and potentially others. After analyzing the operating deficit, capital costs and the risks/benefits associated with each of the two revenue models, a summary of next steps is provided. The concessions required to make the pilot Early Childhood Development Centre a success – from both the City of Vancouver and our developer partner (Developer) – are outlined in the attached document.

### **Conclusions**

The facts are clear, child care focused on early childhood development is valuable and in high demand. As a society it is to our benefit to find ways to create more high quality spaces through innovative models that focus on long-term sustainability. We believe that the feasibility study and business plan document well the need for increased services targeted at early childhood development. We believe, furthermore, that the proposed economic model holds the promise of a truly innovative mechanism for the delivery of social services. The next step is to formalize the relationship with our developer partner(s) and to ensure buy-in from the City of Vancouver and other key stakeholders.

### Background & Introduction

"The early years last a lifetime. Although this idea can be dismissed as an empty slogan, it is profoundly true. There is now an impressive body of research, from a wide range of fields, demonstrating the extent to which child development affects health, well-being, and competence across the balance of the life course. Over the past decade in Canada, early child development has made the transition from being a purely private matter, of concern only to families, to an issue with a high public profile. This is because we now know that the determinants of success in early child development are to be found in the environments where children grow up, live, and learn."

- *Clyde Hertzman et al, Early Development in Vancouver: Report of the Community Asset Mapping Project, August 2002, (p. 3)*

In the City of Vancouver, the residential concentration of young children does not correspond to those neighbourhoods planned for families. Instead, young children are concentrated in areas closest to the commercial districts and transportation zones in the central and eastern parts of town.

The site currently under consideration (the so-called CityGate South site) is located in the Vancouver neighbourhood of Mount Pleasant, and is bordered by six additional communities (Fairview, South Cambie, Riley Park – Little Mountain, Kensington – Cedar Cottage, Grandview-Woodlands, and Strathcona). Clyde Hertzman and his team of researchers have concluded that the City's most developmentally vulnerable children live in three of these neighbourhoods: Strathcona, Mount Pleasant and the Grandview-Woodlands (p. 10).

All Vancouver School Board kindergarten students were assessed using the Early Development Indicator (EDI) – a group measure used to examine populations of children in different communities – in 2000. According to EDI results, East Vancouver's children are at greatest risk.

- There are more children in Mount Pleasant and Grandview – Woodlands scoring vulnerable on language and cognitive development measures than anywhere else in the City of Vancouver;
- Young children in Strathcona and Grandview – Woodlands are at highest risk of poor physical health and well-being;
- Students in Strathcona, Grandview – Woodlands, and Mount Pleasant are the most vulnerable in terms of social competence. Children in Riley Park – Little Mountain and Kensington – Cedar Cottage are almost as vulnerable.
- Young children in Strathcona, Grandview – Woodlands, Mount Pleasant, South Cambie, Riley Park – Little Mountain and Kensington – Cedar Cottage all display higher levels of emotional immaturity than those in more affluent neighbourhoods.
- Communication skills and general knowledge are weaker among young children in East Vancouver neighbourhoods.
- The cost of a nutritious food basket as a proportion of mean household income is highest in the West End, the Business District, Strathcona, Grandview-Woodlands and Mount Pleasant.
- Renters spending 30% or more of their income on shelter costs are concentrated in the downtown core, Strathcona, Grandview – Woodlands, Mount Pleasant, Kensington – Cedar Cottage, UBC, and Sunset.
- The population aged 15 years and over without a secondary education is highest in seven of Vancouver's east side neighbourhoods.
- 24-28% of families are lead by a lone parent in the neighbourhoods of Mount Pleasant, Strathcona, and Grandview – Woodlands.
- Child protection investigations per capita per neighbourhood are highest in the downtown core, Strathcona, Grandview – Woodlands and Mount Pleasant.
- The rate of hospital admissions for injuries per 1,000 children is highest in the downtown core, Strathcona, Grandview – Woodlands and Mount Pleasant.

Clyde Hertzman's team further noted that there is a tenfold difference in neighbourhood child care accessibility rates (defined as the number of spaces of licensed care available per child under the age of six) across the City. In the best-served area there are 0.89 slots per child whereas in the least well-served area there are only 0.09 slots per child. The least served areas are found, predominantly, in the working class areas of the east side (p.26). Ironically, the effectiveness of licensed child care as a developmental intervention is larger for children considered vulnerable.

Community development can improve outcomes for these children. Specifically, neighbourhood socio-economic integration must increase and residential transience must be reduced. In addition, healthy early child development requires a significant degree of inter-sectoral collaboration. The programs, services, and environmental influences on children's development involve all three levels of government as well as philanthropic, business, neighbourhood, and family activities (p.34).

The Early Childhood Development Centre initiative models an economically self-sufficient hub that co-locates services relevant to children and families and includes support from corporate sponsors. The ECDC is designed to provide childcare services as the cornerstone of an enriched early childhood development experience. Its services will provide supports – of various forms – to families with an emphasis on those with young children. In addition to serving those families that use the childcare service, the hub will also offer a wide range of products and services to all families in the community.

The advocates of the ECDC model seek a site on which to pilot their concept. The CityGate South site is an excellent candidate. Located in Mount Pleasant, it is conveniently accessible not only to the future residents of CityGate South and the redeveloped South East False Creek, but also to the 40,000 families that currently reside in Mount Pleasant and its six neighbouring communities – neighbourhoods whose children are known to be at risk.

The ECDC is an important first step toward improving outcomes for all children, especially those of East Vancouver. If the model proves successful, additional Early Childhood Development Centres could be established in other neighbourhoods. The ECDC model holds the promise of a new, effective, comprehensive and economically self-sustaining delivery mechanism for early child development services. If successful, it will set an important precedent that social enterprise can and does work in the delivery of social and community development services.

The purpose of this document is to pick up where the Feasibility Study for an Early Childhood Development Centre left off. It explores in detail the two revenue models suggested in the feasibility study – one based on a property management approach, and the other based on the hands-on operation of a social enterprise. In addition, this report includes a demographic profile of the ECDC's target market, a competitive analysis of similar services offered in the immediate vicinity and the City of Vancouver, and other supporting information. It also details what is required of the developer and the City of Vancouver in order for the model to represent a 'win' for all parties.

## The Financial Plan

### The Childcare Program Defined

We consider good quality, fully licensed childcare to be the cornerstone of early childhood development. As such, the Early Childhood Development Centre will offer enriched childcare programming, to be operated by the Developmental Disabilities Association. All programs will be staffed by Early Childhood Educators with relevant special needs training.

The facility itself is to be designed with maximum physical flexibility, so that the childcare operator has the ability to vary the spaces offered to each age group on an as-needed basis.

Although total enrolment is expected to reach 80, at no time will there be more than 68 children on-site. [The Out of School care program would operate outside normal school hours, while the Preschool program would operate within school hours. Thus the two programs would never be on-site simultaneously.] The proposed program is therefore well within the City of Vancouver's childcare guidelines, which prescribe a maximum of 69 children.

1. As we envision it, the ECDC will offer 80 childcare spaces, broken down into the following age categories:
  - 9 x infants
  - 12 x toddlers
  - 24 x 3-5 year olds
  - 20 out of school spaces
  - 15 preschoolers
2. The following fee schedule is assumed:
  - Infants @ \$1,000 / mth
  - Toddlers @ \$900 / mth
  - 3-5 @ \$650 / mth
  - Out of school @ \$300 / mth
  - Preschool @ \$380 / mth
3. The City of Vancouver's childcare design guidelines require that, for a childcare facility of this type, 7,216 square feet of indoor space and 6,999 square feet of outdoor space is required.
4. Based on these assumptions and the Developmental Disabilities Association's historical experience with staffing and administrative costs (which were reduced in mid-2004 due to a renegotiated collective agreement with BCGEU employees), the childcare program should expect an operating deficit of \$142,120.53 per year. Please refer to the spreadsheet entitled 'ECDC – Estimated Operating Deficit of Childcare Program' for additional detail.
5. A collaborative approach will be used within the child care program, working with the family and professionals involved in the child/family's life around the developmental needs of the child. This means that each child will have an individual education program geared to their specific strengths and needs. It also means that the family is involved as much as it wants to be in outlining the developmental goals it has for the child. The child care program, which incorporates good early childhood development practices, will also have a 'family support' component, recognizing that the child's well being is tied to the well being of the family. There will be parent education opportunities, an open door policy, hot lunch and other food and clothing programs as needed. Staff will be regularly offered opportunities to increase their skills and knowledge around children's development, both typical and atypical. The childcare program will be well rounded, with age appropriate toys and equipment to challenge children's learning, flexibility within the

program for the children, excellent staff/child ratios, and plenty of indoor and outdoor play space. Children's progress in the various areas of development will be monitored and tracked, and any concerns about development shared with families. Referrals will be made with parental permission for appropriate assessments and families will be offered written resource materials around children's development. In a quality program, the cultural background of the family and child will be recognized and respected. There will be celebrations of important holidays, foods from various cultures introduced to the children, parents invited to share information about their culture, and written materials translated into other languages, or flagged as important, and needing translation. Best practices in discipline will be utilized, with the emphasis on helping the child to self-correct and internalize lessons. Physical punishment and harsh discipline are never options, nor is a punitive "time out" procedure. Children's developmental successes are recognized and celebrated. There is recognition that helping children to develop their social skills and their empathy is at least as important to their readiness for school as is their academic readiness.

6. The childcare program will be operated by the Developmental Disabilities Association (DDA). DDA's strengths and experience provide additional early childhood developmental opportunities. DDA has a 50 year history of working with young children with developmental and other disabilities, and thus a strong knowledge base around typical and atypical development. There are many resources available for families with children with and without disabilities. These include a Family Support & Advocacy Worker, a clinical psychologist, an enormous library of resource material for families, and solid connections with all other related professionals, and Vancouver-based agencies providing early childhood development and family support services. The Association operates the Vancouver Infant Development Program, as well as the Vancouver Supported Child Care and Respite programs and has extremely qualified and knowledgeable staff in all areas.

DDA has a detailed operations manual that outlines its operational practices and policies in the childcare arena. Rather than duplicate this operational information here, the manuals are available upon request.

# 2000 -- ESTIMATED OPERATING DEFICIT OF CHILDCARE PROGRAM

	# of spaces	monthly fee	fee income	CCOF income	staffing	indoor sq. ft	outdoor sq. ft
ints	9	\$ 1,000.00	\$	\$ 7,441.20	3	1469.25	686.25
lders	12	\$ 900.00	\$	\$ 9,921.60	3	1959	1500
5 yrs	24	\$ 650.00	\$	\$ 17,596.80	3	2553	3306
of School	20	\$ 300.00	\$	\$ 4,599.00	2		
school	15	\$ 380.00	\$	\$ 5,843.25	0	1235	1507
ce / storage / kitchen / bathrooms etc.							

80 \$ 565,200.00 \$ 37,960.65 11 7216 6999

## FOOTAGE REQUIRED FOR CHILDCARE

TOTAL CHILDCARE INCOME \$ 546,640.65

FTE annual salary budgeted salary expense

ffing costs							
ministrator	0.6	\$ 64,222.00	\$	\$ 38,533.20			\$ 54,000.00
ad Teacher	1	\$ 48,204.77	\$	\$ 48,204.77			
ly Childhood Educators	11	\$ 39,703.36	\$	\$ 436,736.96			\$62,614.65
usekeeping	0.8	\$ 30,555.13	\$	\$ 24,444.10			
retary	0.6	\$ 40,379.16	\$	\$ 24,227.50			\$0.00

## TAL STAFFING COSTS

TOTAL CHILDCARE EXPENSES \$ 688,761.18

SURPLUS / DEFICIT FOR CHILDCARE \$ (142,120.53)



## **The Financial Plan**

### **Corporate Sponsorship**

Corporate sponsorship packages remain unchanged since the time of the Feasibility Study. The goal remains the subsidization of up to 20% of the childcare spaces within the ECDC program at the rate of 50%. Six corporate sponsorships will be solicited in total – two at the gold level, two at the silver level, and two bronze. Total sponsorship proceeds are expected to be \$56,520. In return for their sponsorship, the children of corporate sponsors' employees will receive priority access to a portion of the childcare spaces.

Vancity Savings Credit Union has already expressed an interest in becoming a gold level sponsor. Further sponsorships have not yet been solicited as the writers felt that sourcing additional sponsors would not be a major challenge, and that it would be imprudent to approach candidates for sponsorship again (they were approached as part of the Feasibility Study) until such time as we have a formal relationship with a developer and the City of Vancouver's public and binding endorsement of our concept.

Marina Percy, a public relations and communications consultant who has dedicated significant volunteer time to this initiative, is concerned about the public's perception of such sponsorships. Percy's concern is that the community may interpret priority access for the children of corporate sponsors' employees as a 'rich people get their kids in' policy. Her feeling is that the ECDC should not offer preferential treatment to anyone other than low income families and families with children who have disabilities.

At a strategic level, DDA and the Advisory Committee will have to decide whether any benefit should be conferred upon corporate sponsors in exchange for their financial support.

For additional information on the sponsorship packages, please refer to page 79 of the Feasibility Study (included as an Appendix for easy reference).

In the event that the City of Vancouver fails to come through with a full density bonus for the proposed ECDC / Kids Village site, 'back-up' funders must be solicited. To this end, it may also be worthwhile to contemplate another package of corporate sponsorships to help defray the capital costs associated with building the pilot facility.

## Corporate Sponsorship Packages

Goal: to subsidize 50% of the regular childcare fees on a minimum of 10% of the spaces (and maximum of 20%) to be offered by the ECDC / Kids Village

Age Group / Class	Total # of Spaces	# of Subsidized Spaces	Monthly Fee	Months / Year	Subsidy Rate	Corporate Sponsorship Required
Infants	9	1.8	1000	12	0.5	10800
Toddlers	12	2.4	900	12	0.5	12960
3-5 Years	24	4.8	650	12	0.5	18720
Out of School	20	4	300	12	0.5	7200
Preschool	15	3	380	12	0.5	6840
<b>TOTAL</b>	<b>80</b>	<b>16</b>				<b>\$56,520</b>

## Sponsorship Packages

	Total Funds Required	Cost per Sponsor / Year	Round To
Gold (max. 2)	\$32,297	\$16,149	\$20,000
Silver (max. 2)	\$16,149	\$8,074	\$10,000
Bronze (max. 2)	\$8,074	\$4,037	\$10,000

## Benefits Conferred

### Gold

priority access to a total of 20 spaces (10 spaces per) charitable donation receipt one seat each on ECDC's governing body right of first refusal on becoming sponsor at subsequent locations marketing and promotional benefits -- logo on pamphlets and brochures, etc. logo on signage (minimum 3-year contract) recognition in DDA publications, web site prominent recognition on donor recognition wall on-site media benefits

### Silver

priority access to a total of 10 spaces (5 per) charitable donation receipt marketing and promotional benefits recognition in DDA publications, web site smaller plaque on donor recognition wall on-site

### Bronze

priority access to a total of 4 spaces (2 per) charitable donation receipt recognition in DDA publications, web site small plaque on donor recognition wall on-site



## The Financial Plan

### Social Enterprise Option #1 – Property Management Model Offsetting the Operating Deficit

This section explores, in detail, the various factors influencing the financial viability of the ECDC assuming that its operating deficit is offset by rental income received from co-located tenants that provide ECD-related products and services. The assumptions and background critical to assessing the viability of this revenue model are discussed below.

#### (i) Survey of Lease Rates in Similar Neighbourhoods By Property Category (as at May 7, 2004)

##### *Category: Retail-Commercial, City of Vancouver*

Address	Area Description	Net Lease Rate	Operating Expenses	Other Comments
3955 Oak St.	@ W. King Edward	\$22 / SF / yr	Not mentioned	High visibility, street front, ample parking
2924 Main St.	14 <sup>th</sup> and Main retail corridor	\$25 / SF / yr	Not mentioned	Starbucks, Tisol, Dairy Queen nearby
1720 W. Broadway	Located between Granville & Burrard	\$19-\$22 / SF / yr	Not mentioned	Same building as Future Shop and Pier 1 Imports
1635 & 1637 W. Broadway	Love's Auction building between Granville & Burrard	\$20 / SF / yr for main floor	Not mentioned	Basement and mezzanine for \$5 / SF / yr

Source: CB Richard Ellis web site, [www.cbre.com](http://www.cbre.com)

Average net lease rate, retail-commercial: \$22.13 / SF

##### *Category: Office, City of Vancouver*

Address	Area Description	Net Lease Rate	Operating Expenses	Other Comments
601 W. Broadway	Broadway Plaza in Fairview, Cambie & Broadway	\$14 / SF / yr	Not mentioned	Office tower, parking, security
1055 W. Broadway	Fairview	\$19 / SF / yr	Not mentioned	Tower, underground parking, a/c
1525 W. 8 <sup>th</sup> Ave.	Fairview, Broadway & Granville	\$12.25 / SF / yr	Not mentioned	Includes kitchen space, 1 private office, open work area
1111 Homer St.	Yaletown	\$12 / SF / yr [\$5 / SF / yr no windows]	Not mentioned	Character building, extensive renovations done in 2000
1737 W. 3 <sup>rd</sup> Ave.	Granville Island	\$14 / SF / yr	\$7.75	High ceilings, skylights, mezzanine

Source: CB Richard Ellis web site, [www.cbre.com](http://www.cbre.com)

Average net lease rate, office: \$14.25 / SF

##### *Category: Industrial, Flex Space, City of Vancouver*

Address	Area Description	Lease Rate	Operating Expenses	Other Comments
200 W. 4 <sup>th</sup> Ave.	Between Cambie & Main	\$13.75 - \$14 / SF / yr	Not mentioned	

Source: CB Richard Ellis web site, [www.cbre.com](http://www.cbre.com)

#### (ii) Background

- Operating costs and property taxes represent additional costs to tenants, above and beyond the average prices per square foot quoted above. Although there is considerable variation, it is safe to assume that these costs range between \$10-20 / SF, and are increasing at 5-10% per year (in times of increasing property values, the property tax component in particular will rise);

- Vacancy rates are, at the present time, generally higher for office properties than for retail-commercial space (as reflected in the lower average net lease rate per square foot). The retail-commercial space market has been strong in Greater Vancouver for some time, but the office market has been weaker. CB Richard Ellis believes, however, that the office market is getting tighter as prime sites around the downtown core are being developed for residential purposes. Office vacancies are currently 13.1%, but the real estate brokerage projects that this will fall to 11.5% by the end of 2005 and will continue to tighten thereafter;
- Typical tenant improvement allowances depend on the landlord or developer in question. Some landlords will give some type of TI allowance. Private owners, however, and those with 'shallower pockets' may not grant anything. The range is therefore from \$0-\$15 / SF, with \$5-\$10 / SF being a safe assumption.
- Some landlords will grant a free rent period, but this is by no means a standard lease term.

*[sources: Salima Karim and Chris Clibbon, Real Estate Analyst, CB Richard Ellis, 604 662 5115]*

**(iii) Assumptions (see ECDC Operational Budget spreadsheet, attached)**

7. The ECDC will offer 80 childcare spaces, broken down into the following age categories:
  - 9 x infants
  - 12 x toddlers
  - 24 x 3-5 year olds
  - 20 out of school spaces
  - 15 preschoolers
8. The following fee schedule is assumed:
  - Infants @ \$1,000 / mth
  - Toddlers @ \$900 / mth
  - 3-5 @ \$650 / mth
  - Out of school @ \$300 / mth
  - Preschool @ \$380 / mth
9. The ECDC will require a full-time head teacher, 11 early childhood education staff, as well as part-time housekeeping, secretarial and administrative staff. The total projected staff cost will be \$572,146.53.
10. Operating, administrative and property management expenses are projected to total, in aggregate, \$216,614.65.
11. One-third of tenants will occupy retail-commercial space, paying an average of \$22.13 / SF / year.
12. Two-thirds of tenants will occupy office-type space, paying an average of \$14.25 / SF / year.
  - Although office rates are likely to increase, for the purposes of conservatism, no increase over the present average is assumed.
13. Operating expenses and property taxes are estimated at \$15 / SF / year, and are assumed not to vary by type of tenant. These costs are to be borne by the tenants themselves.
14. Tenant improvements are assumed to average \$5.83 / SF / year, based on a T.I. allowance to retail tenants of \$7.50 / SF / year, and \$5.00 / SF / year to office tenants (again assuming 1/3 – 2/3 tenant mix).

- During the first year of the ECDC's operation, it is assumed that the cost of initial tenant improvements (\$5.83 x 20,629, or \$120,267.07) is covered by fundraising activities.
  - In a 'normalized year' it is assumed that 1/3 of tenants rotate, for a total projected annual TI expense of \$1.92 / SF (or approximately \$31K per year).
15. An additional 20% (based on total tenanted space) allowance is budgeted for hallways and common areas.

**(iv) Break-Even Level of Operations**

1. When property management costs are explicitly considered, the annual operating deficit for the ECDC's childcare program increases to \$242,120.53.
2. A childcare program of this size and make-up requires 7,216 SF of indoor space and 6,999 SF of outdoor space in order to meet licensing standards.
3. At an average net lease rate of \$16.85 / SF and normalized annual T.I. cost of \$1.92 / SF, 16,220 square feet of tenanted space is required to offset the childcare program's operating deficit.
4. A further 3,244 SF is required for common areas in the tenanted space.
5. Thus the facility required by the ECDC hub includes 26,680 SF of indoor space and 6,999 SF of outdoor space, or 33,679 SF in total.
6. These assumptions reflect a break-even level of operations.

**(v) Sensitivity Analysis**

The ECDC Property Management Model has been tested for its sensitivity to each major variable. Each input has been varied independently and its effect on the ECDC model is summarized below.

- The number of childcare spaces

Infant and toddler spaces are the most expensive to operate, while 3-5 and preschool spaces help to reduce the operating deficit. Specifically:

- Each additional infant space increases the ECDC's operating deficit by \$5,077.90 / year, its requirement for indoor space by 163 SF, outdoor space by 77 SF, and tenanted space by 355 SF (plus 20% allotment for hallways and common areas). 589.5 SF of total additional indoor space would be required for every additional infant space offered in order to operate at break-even.
- Each additional toddler space increases the ECDC's operating deficit by \$1,691.63 / year, its indoor space requirement by 163 SF, outdoor space by 125 SF, and tenanted space by 130 SF. 319.5 SF of total additional indoor space would be required for every additional toddler position offered.
- Each additional space for 3-5 year olds reduces the ECDC's operating deficit by \$973.98 / year, increases its indoor space requirement by 107 SF, its outdoor space requirement by 138 SF, and reduces the required tenanted space by 60 SF.

- Each additional out of school position increases the ECDC's operating deficit by \$897.42 / year, but has no impact on the childcare space's square footage requirements (as it is assumed that the preschool program will utilize the same space during times when school-aged children are attending elementary school). Because of the increased operating deficit, however, an additional 60 SF of tenanted space is required for each additional out of school position.
- Each additional preschool spot reduces the ECDC's operating deficit by \$4,493.55 / year, increases its indoor space requirement by 82 SF, and reduces the overall square footage requirements by 271.5 SF. Additional preschool spots have no impact on required outdoor space.
- The impact of changes +\$100 and -\$100 to the proposed fee schedule were also measured. Given the size (24 spots in proposed model) and profitability (each spot reduces operating deficit by \$973.98, as outlined above) of the 3-5 element of the ECDC, changes to these fees have the largest absolute impact on the operating deficit.
  - The proposed fee for infants is \$1,000 / mth. The ECDC's operating deficit increases by \$9,720 if fees drop by \$100. The deficit drops by the same amount if fees are raised to \$1,100 / mth.
  - A +/- \$100 / mth change to toddler fees results in a +/- \$12,960 change in the operating deficit.
  - A +/- \$100 / mth change to 3-5 fees leads to a +/- \$25,920 change in the operating deficit.
  - A +/- \$100 / mth change to out of school program fees results in a +/- \$21,600 change in the operating deficit.
  - A +/- \$100 / mth change to preschool fees creates a +/- \$16,200 change in the operating deficit.
- Enrolment – Unfilled Childcare Spaces
  - A 10% drop in enrolment would increase the operating deficit by \$50,868, and increase the leasable space required to break-even to 30,796.14 SF of tenanted indoor space plus 7,216 SF of indoor play space for the childcare facility, for a total of 38,012.14 SF of indoor space (an increase of 4,333 SF over the break-even analysis outlined above).
  - Maintaining full enrolment through effective marketing and wait list management will be critical.
- Staffing
  - A 10% increase in staffing costs would increase the operating deficit of the ECDC by \$62,936.12. It is therefore critical that wage costs be kept under control, as widespread fee increases would be required in order to offset higher than expected salary costs.
- Operating, administrative and property management expenses are projected to total \$216,614.65.
  - Given the complexity of the proposed hub model and the number of new elements (that is, elements with which the Developmental Disabilities Association, the operator of the future ECDC, has no previous experience) it is

somewhat difficult to project these costs with precision. A 50% increase in these costs would result in an operating deficit that is \$110K higher than the original estimate. As with staffing, it is critical to keep these costs under control.

- The weighted average net lease rate is anticipated to be \$16.85 / SF / year.
  - A 10% drop in net lease rates to \$15.17 / SF increases the break-even square footage requirement. The total indoor square footage required to break-even would rise by 2,472 SF to 29,152.14 SF.
- Vacancies

No explicit allowance is made for vacancies in the original model.

- A 10% vacancy rate at the original average net lease of \$16.85 / SF / year would put the ECDC in a deficit position of more than (\$27K) / year.

#### (vi) Conclusions

The variables to which the ECDC Property Management Model is most sensitive are, in order of magnitude:

1. Staffing costs;
2. Less than full enrolment;
3. Net lease rates;
4. Fees for 3-5 year olds;
5. Vacancies;
6. Operating, administrative and property management costs;
7. Fees for out of school care;
8. The number of infant spaces offered.

A worst case scenario model has therefore been developed. This revised model assumes a 10% weakening in each of the variables tested above, which results in an operating deficit of (\$426,283.25), \$184K more than the base case analysis (for the property management model of social enterprise). In order to break-even under these revenue and cost assumptions, 52,218 SF of tenanted space would be required in addition to 7,938 of indoor and 7,699 of outdoor space required for childcare (total 60,156 SF of indoor space and 7,699 of outdoor).

**Base case requirement from developer: 26,280 SF of indoor space + 6,999 SF outdoor**  
**Worst case scenario request from developer: 60,156 SF of indoor + 7,699 SF outdoor**

It is unlikely that all variables tested would weaken simultaneously. As a result, a 20% square footage allowance is considered adequate risk coverage. **If the property management revenue model is adopted, the recommended initial 'ask' of the developer would therefore be for a total of 31,500 SF of indoor space [excluding parking, estimated at another 7,000 SF +] and 6,999 of outdoor play space.** Only a facility of this size will create sufficient area for the childcare program as well as enough rent-paying tenants to fully offset the ECDC's operating deficit (with acceptable margin for error).

It should be noted, parenthetically, that the ECDC will have two other 'last resort' sources of capital:

- proceeds of corporate sponsorships, and
- ongoing fundraising abilities, provided the organization is structured as a non-profit society.

CDC -- PROPERTY MANAGEMENT MODEL & OPERATING DEFICIT, BREAK-EVEN SCENARIO

	# of spaces	monthly fee	fee income	CCOF income	staffing	indoor sq. ft	outdoor sq. ft
Infants	9	\$ 1,000.00	\$	\$ 7,441.20	3	1469.25	686.25
Childcare	12	\$ 900.00	\$	\$ 9,921.60	3	1959	1500
to 5 yrs	24	\$ 650.00	\$	\$ 17,596.80	3	2553	3306
out of School	20	\$ 300.00	\$	\$ 4,599.00	2		
Preschool	15	\$ 380.00	\$	\$ 5,843.25	0	1235	1507
Office / storage / kitchen / bathrooms etc.							

80 \$ 565,200.00 11 7216 6999

2. FOOTAGE REQUIRED FOR CHILDCARE

TOTAL CHILDCARE INCOME \$ 546,640.65

	FTE	annual salary	budgeted salary expense	ESTIMATED OPERATING EXPENSES	\$
Staffing costs					
Administrator	0.6	\$ 64,222.00	\$ 38,533.20		\$ 54,000.00
Lead Teacher	1	\$ 48,204.77	\$ 48,204.77	ADMINISTRATIVE EXPENSES	
Early Childhood Educators	11	\$ 39,703.36	\$ 436,736.96	PROPERTY MANAGEMENT EXPENSES - NEW	\$62,614.65
Housekeeping	0.8	\$ 30,555.13	\$ 24,444.10	TAXES AND OPERATING	\$100,000.00
Secretary	0.6	\$ 40,379.16	\$ 24,227.50		\$0.00

TOTAL STAFFING COSTS

TOTAL CHILDCARE EXPENSES \$ 788,761.18

SURPLUS / DEFICIT FOR CHILDCARE \$ (242,120.53)

base income from tenants	Sq. footage	avg net lease rate	taxes & operating costs	tenant improvements
	16,220.00	\$	\$ 15.00	\$1.92

2. FOOTAGE REQUIRED FOR TENANTS

Plus 20% for hallways, etc. 3,244 19,464

COME GENERATED FROM TENANTS

\$ 273,313.49

TOTAL INDOOR SQUARE FOOTAGE REQUIRED

\$ 31,192.96

26,680.14

TOTAL OUTDOOR SQUARE FOOTAGE REQUIRED

\$ 31,178.90

6999

LESS COST OF TI'S IN NORMALIZED YEAR (assumes 1/3 of tenants turning over)

TOTAL SURPLUS / DEFICIT IN NORMALIZED YEAR \$ 14.06

# ECDC -- PROPERTY MANAGEMENT MODEL & OPERATING DEFICIT -- WORST CASE SCENARIO

*all variables tested in sensitivity analysis weakened by 10%*

	# of spaces (10% more)	monthly fee (10% less and 10% vacancy)	fee income (10% less and 10% vacancy)	CCOF income	staffing	indoor sq. ft	outdoor sq. ft
Infants	9.9	\$ 800.00	\$ 95,040.00	\$ 8,185.32	3.3	1616.175	754.875
Toddlers	13.2	\$ 720.00	\$ 114,048.00	\$ 10,913.76	3.3	2154.9	1650
3 to 5 yrs	26.4	\$ 520.00	\$ 164,736.00	\$ 19,356.48	3.3	2808	3637
Out of School	22	\$ 240.00	\$ 63,360.00	\$ 5,058.90	2.2		
Preschool	16.5	\$ 304.00	\$ 60,192.00	\$ 6,427.58	0	1359	1658
Office / storage / kitchen / bathrooms etc.							
<b>88</b>			<b>\$ 497,376.00</b>	<b>\$ 41,756.72</b>	<b>12.1</b>	<b>7938</b>	<b>7699</b>
<b>SQ. FOOTAGE REQUIRED FOR CHILDCARE</b>							
	FTE	annual salary (10% increase)	budgeted salary expense				
Staffing costs							
Administrator	0.6	\$ 70,644.20	\$ 42,386.52	(10% increase in all SG&A)			
Head Teacher	1	\$ 53,025.25	\$ 53,025.25	ESTIMATED OPERATING EXPENSES			
Early Childhood Educators	12.1	\$ 43,673.70	\$ 528,451.72	ADMINISTRATIVE EXPENSES			
Housekeeping	0.8	\$ 33,610.64	\$ 26,888.51	PROPERTY MANAGEMENT EXPENSES - NEW			
Secretary	0.6	\$ 44,417.08	\$ 26,650.25	TAXES AND OPERATING			
<b>TOTAL STAFFING COSTS</b>			<b>\$ 677,402.25</b>	<b>TOTAL CHILDCARE EXPENSES</b>		<b>\$ 915,678.36</b>	
Lease income from tenants	Sq. footage	avg net lease rate (20% less -- 10% vacancy + 10% drop in rates)	taxes & operating costs	tenant improvements			
	36,900.00	\$ 13.48	\$ 15.00	\$1.92			
<b>SQ. FOOTAGE REQUIRED FOR TENANTS</b>			Plus 20% for hallways, etc.			<b>44,280</b>	
<b>INCOME GENERATED FROM TENANTS</b>							
						<b>\$ 497,412.00</b>	
<b>TOTAL INDOOR SQUARE FOOTAGE REQUIRED</b>				<b>TOTAL SURPLUS / DEFICIT</b>		<b>\$ 71,128.75</b>	
<b>TOTAL OUTDOOR SQUARE FOOTAGE REQUIRED</b>				<b>LESS COST OF TI'S IN NORMALIZED YEAR</b>		<b>\$ 70,931.03</b>	
				(assumes 1/3 of tenants turning over)			
				<b>TOTAL SURPLUS / DEFICIT IN NORMALIZED YE.</b>		<b>\$ 197.73</b>	

[illegible]

Staffing costs	FTE	annual salary	budgeted salary expense	
Administrator	0.6	\$ 64,222.00	\$ 38,533.20	ESTIMATED OPERATING EXPENSES
Head Teacher	1	\$ 48,204.77	\$ 48,204.77	ADMINISTRATIVE EXPENSES
Early Childhood Educators	11	\$ 39,703.36	\$ 436,736.96	PROPERTY MANAGEMENT EXPENSES - NEW
Housekeeping	0.8	\$ 30,555.13	\$ 24,444.10	TAXES AND OPERATING
Secretary	0.6	\$ 40,379.16	\$ 24,227.50	
TOTAL STAFFING COSTS			\$ 572,146.53	TOTAL CHILDCARE EXPENSES
				\$ 788,761.18
				\$ 54,000.00
				\$62,614.65
				\$100,000.00
				\$0.00
				\$ 242,120.53

TOTAL INDOOR SQUARE FOOTAGE REQUIRED	31,504.14		
	(18% overall SF cushion)		
TOTAL OUTDOOR SQUARE FOOTAGE REQUIRED	6999		
		TOTAL SURPLUS / DEFICIT	\$ 98,931.57
		LESS COST OF TI'S IN NORMALIZED YEAR (assumes 1/3 of tenants turning over)	\$ 38,906.34
		TOTAL SURPLUS / DEFICIT IN NORMALIZED YEAR	\$ 60,025.23



**The Financial Plan**  
**Social Enterprise Model #1 -- Property Management Model**  
**Capital Costs**

The realistic (that is, the recommended 'ask' of 31,500 SF of indoor space + parking + 6,999 SF of outdoor play space) case scenario identified in our analysis of the ECDCC's anticipated operating deficit was further used to estimate capital costs associated with construction of the facility.

- Realistic Case Capital Cost = \$4,894,455.72 (cost initially calculated Spring 2004)

The base case scenario would cost approximately \$4.9 million (based on current construction costs), to build.

*Note that we are currently in a period of rising construction costs, and City of Vancouver Planning staff has advised that capital costs may – even under the realistic case scenario -- increase to as much as \$6,500,000 by the time construction begins on this facility.*

# ECDC CAPITAL COST BUDGET, PROPERTY MANAGEMENT MODEL, REALISTIC CASE

31,500 total indoor SF + 6,999 SF outdoor playspace + parking (28 spaces)

	\$ PSF	Day Care	Outdoor Daycare Space	\$ PSF	Commercial & Daycare Parking	\$ PSF	Tenanted & Common Area Space	Total Combined	% of Total	Avg. \$ PSF
Required Area		7,216	6,999		7,000		24,284	45,499		
Land Costs										
Land Closing Costs										
Hard Costs	\$ 145.00	1,046,320	279,960	\$ 40.00	280,000	\$100.00	2,428,400	4,034,680	82.43%	\$ 88.68
Hard Costs - Permits & Connect	\$ 2.00	14,432					48,568	63,000	1.29%	\$ 1.38
Soft Costs	\$ 13.00	93,808					315,692	409,500	8.37%	\$ 9.00
Finance Costs	\$ 6.00	n/a					n/a	n/a	n/a	n/a
Year 1 Tenant and Common Area Improvements	\$ 5.83	n/a				\$ 5.83	141,576	141,576	2.89%	\$ 5.83
Contingency	\$ 7.80	56,285					189,415	245,700	5.02%	\$ 5.40
Total	\$ 179.63	1,210,845	279,960		280,000		3,123,651	4,894,456	100.00%	\$ 107.57

## Capital Cost to Build ECDC

\$4,894,455.72

+ 30% margin for rising construction costs in GVRD

\$6,362,792.44

## Assumptions:

- Furnished daycare space is concrete structure - \$145.00 psf
- Outdoor daycare space includes furniture and equipment including playground equipment
- Commercial underground parkade at \$40.00 psf includes 28 spaces (18 spaces for daycare, 10 retail)
- Commercial structure is concrete exterior walls only with electrical, mechanical and plumbing rough-ins. No interior partitions or finishes provided. Cost is \$100.00 psf
- Finance costs during construction are listed. However, likely not required given structure of deal.

## The Financial Plan

### Social Enterprise Model #2 – Operator Model

#### Offsetting the Operating Deficit

*(referred to inaccurately as the 'Social Enterprise Model' in the ECDC Feasibility Study)*

This section explores the financial viability of the ECDC assuming that its operating deficit is offset by proceeds derived from the direct, hands-on operation by ECDC staff or contractors of a for-profit division (the so-called 'social enterprise'). The specific for-profit activity under analysis is that of a family entertainment centre, also known as an indoor playground. Current financial information for such a centre has been generously provided by Mr. Bill Enefer, President and Owner of Crash Crawly's Adventure Fun Centre in Coquitlam, on the strict condition of confidentiality. Mr. Enefer's contribution was complemented by background and data supplied by Nathan Jones, Industry Segment Account Executive for Koala Play, a Delta-based manufacturer of indoor playground equipment. The pro forma income statement that follows is based on a combination of actual Crash Crawly's results, standard expense levels as outlined by Koala Play, and certain reasonable assumptions.

#### (i) Background & Assumptions

- Although standard components of most family entertainment centres, arcade and redemption games and laser tag are not a good fit with the developmental mandate of the proposed ECDC and, as such, have been excluded from projected revenue.
- Concession revenues at Crash Crawly's represent almost 37% of sales. Bill Enefer indicates that 'junk food sells'. Parents, when celebrating an event like a birthday, seem to accept that their children will indulge in 'treats'. It will be up to the operational team and ECDC staff to strike a balance between healthy food choices and profitability.
- A visual sports system was recently acquired by Science World. Although also a common element of indoor playgrounds, such a system has been excluded so as to avoid direct competition with Science World.
- Retail, promotional and merchandising items tend, in the words of the Koala Play manufacturer, to involve large up-front capital expenditures and be relatively weak performers. As a result, they have been excluded from projected revenues.
- Koala Play has had some successes with corporate sponsorship programs in the past. As a result, a nominal revenue stream of \$15K / year has been included. In the context of the ECDC, such sponsorships might include Toys 'R Us, London Drugs, Kumon, Please Mum, etc.
- Bill Enefer indicates that there is a Koala Play client in California whose facility is run with an emphasis on ECD activities. This client offers 'Mommy and Me' agility classes in addition to a variety of programs for local daycares. A small revenue stream of \$15K per year has been included for such activities, although it is difficult to predict exactly how lucrative such programs might be.
- Based on Crash Crawly's experience, the average revenue is \$14 / child / visit. The average visit lasts 2.25 hours.
- Current admission at Crash Crawly's is \$8.99 per child. An unlimited number of adults enter the facility with each paid child's admission. Nathan Jones indicates that this policy is not universal among FEC operators and may cause some revenue leakage. Other centres can and do charge adult admission.
- Birthday parties are generally targeted at children aged seven years and under. The average revenue per birthday party is \$161.
- Crash Crawly's employs 38 staff, of whom eight are full-time and the remainder part-time. The average hourly wage is \$9.
- Crash Crawly's occupies 15,000 square feet of space. 100 on-site parking spaces are available for customer use.

**(ii) Additional Insights**

- Family entertainment centres are highly seasonal, with the months of July and August being the slowest. During good weather, children prefer to play outside. An outdoor component to the playground would help to mitigate this seasonality (the Coquitlam facility has no such outdoor playground space). If a family entertainment centre is to be included in the ECDC facility, consideration should be given to designing the daycare's outdoor play space such that it could back on to or share space with the family entertainment centre.
- Indoor playgrounds / FEC's are a 'hands-on' business. Experience matters.
- Koala Play recommends that FEC's not exceed 17,000 square feet in size; 9-12,000 square feet is typical.
- Playgrounds are typically configured on one level with 18'-24' ceilings (to allow maximum drop for the slides, etc.).
- The manufacturer requires 8-14 weeks (from the time a final design is chosen) for delivery. A one year warranty is provided on the equipment, and the expected useful life of the playground is five to seven years. Soft parts and vinyls will require replacement most often (as much as every two years). Bill Enefer estimates the cost of major upgrades at \$350K, required approximately every five years.
- In Bill Enefer's experience, location is not overly important. The facility functions as a destination point for families in the area, who will find it wherever it is located.
- In the GVRD, family entertainment centres are not governed by any particular safety standards or codes. Koala Play adheres instead to international safety standards. ASTM is the universally recognized safety standard, and Koala Play also belongs to the American National Playground Safety Council. All Koala Play playgrounds are certified by safety experts and engineers.

**(iii) Profitability of Crash Crawly's (please see attached Income Statement)**

Based on annualized financial information provided by Bill Enefer for the first ten months of fiscal 2004, Crash Crawly's will generate sales of approximately \$1.3M and EBITDA of \$200K. Note that this level of performance is for a well-established, mature business (Crash Crawly's opened in 1995).

Crash Crawly's three top revenue generators are (in order of importance):

1. Concession
2. Playground Admissions
3. Birthday Parties

This company pays approximately \$285K per year in rent. In the event that the ECDC chooses to operate an indoor playground / FEC, rent would essentially be a transfer payment moved from one part of the organization to another. We would essentially be paying ourselves. As a result, the total cash flows available to the ECDC to offset its operating deficit would be:

- \$202K EBITDA
- + \$285K Rent (Net Lease Costs)

TOTAL = \$487K

This level of profitability / cash flow would be more than sufficient to offset the ECDC's operating deficit (estimated at \$242K / year) with a coverage margin of 2X.

Family Entertainment Centre Pro Forma Income Statement  
based on Crash Crawly's actual results for first 10 months of fiscal 2004

Sales	% of Revenue	Revenue per Child per Visit	Estimated # of Visits in Normalized Year	(annualized) Total Revenue
Playground	28.75%			\$ 376,800.00
Concession	36.63%			\$ 480,000.00
Birthday Parties	26.65%		2169	\$ 349,200.00
Toddler Rides	5.22%			\$ 68,400.00
Corporate Sponsorship Revenues	1.37%			\$ 18,000.00
ECD Activities, such as Mommy & Me Agility Training	1.37%			\$ 18,000.00
Total	100%		1,275,694	\$ 1,310,400.00
Total Sales	\$ 1,310,400.00			
Direct Cost of Sales (wristbands, party supplies, cost of food)	\$ 157,248.00			
Gross Margin	88.00%			
SG&A Expenses				
Salaries & Benefits, estimated @ 25% of gross sales	327,600.00			
Sales, Marketing and Other Related Expenses, 2.5% of sales	32,760.00			
Rent (net lease cost), \$19 / SF / year, 15,000 SF of space	285,000.00			
Rent (property taxes and operating costs), \$10 / SF / year	150,000.00			
Utilities, 2% of gross sales	26,208.00			
Accounting, 0.6% of sales	7,862.40			
Bank Charges & Miscellaneous, 1% of sales	13,104.00			
Insurance, based on Crash Crawly's actual premiums 2004	45,000.00			
Janitorial Supplies	25,000.00			
Office Supplies & Stationery, .3% of sales	3,931.20			
Postage & Courier, .15% of sales	1,965.60			
Repairs & Maintenance, general, toddler ride, playground, kitchen & plumbing	25,000.00			
Security	2,000.00			
Trade Shows & Accommodations, .4% of sales	5,241.60			
Total Operating Expenses	950,672.80			
Earnings Before Interest, Taxes and Depreciation / Amortisation (EBITDA)	\$ 202,479.20			

## The Financial Plan

### Social Enterprise Model #2 -- Operator Model Capital Costs

#### (i) to Outfit the Indoor Playground

- The estimated cost of Koala Play indoor playground equipment for a 9-12,000 SF facility is USD 225K, or approximately C\$310K. This figure includes installation and all services provided by the equipment manufacturer (testing, etc.).
- Bill Enefer estimates his total turnkey cost at C\$1.2M.
- At normalized levels of profitability (i.e. including a market rent expense), the payback period on the capital assets (the playground equipment) is approximately 18 months. When all turnkey costs are considered, the payback period increases to almost six years.

#### (ii) Construction Costs

The same model used to estimate capital costs under the Property Management Model has been used to estimate construction costs for the Operator Model of social enterprise. Please refer to the attached spreadsheet (ECDC Capital Cost Budget, Operator Model, Realistic Case) for itemized capital costs.

- Assuming 10,000 SF of indoor playground with 18' ceilings and no additional parking, capital cost = \$4,343,445

As this configuration of an indoor playground space would essentially consume two floors, it has been treated as 20,000 SF in our model, and is expected to cost \$4,343,445.

- Assuming 10,000 SF, 18' ceilings, and 3X original parking (likely necessary in order to accommodate the larger traffic flows associated with a family entertainment centre), the capital cost increases to = \$4,903,445

Note that these costs are to build a shell, and that the turnkey costs (as estimated by Bill Enefer) would apply in addition. That is, as operators of an indoor playground, the ECDC should anticipate capital expenditures of a further \$1.2M.

*Note that we are currently in a period of rising construction costs, and City of Vancouver Planning staff has advised that capital costs may – even under the realistic case scenario -- increase by as much as 30% by the time construction begins on this facility. This would take the capital cost of the basic facility (28 parking spaces) to \$5.6 million, and the cost of a facility with more parking to \$6.4 million – the latter comparable to the expected capital cost under the Property Management Model (exclusive of playground equipment purchases).*

# ECDC CAPITAL COST BUDGET, OPERATOR MODEL, REALISTIC CASE

10,000 SF of family entertainment space w/ 18' ceilings (2 stories) + childcare facility + parking (28 spaces)

Required Area	\$ PSF	Day Care	Outdoor Daycare Space	Commercial & Daycare Parking	\$ PSF	Tenanted & Common Area Space	Total Combined	% of Total	Avg. \$ PSF
Land Costs									
Land Closing Costs									
Hard Costs	\$ 145.00	1,046,320	279,960	\$40.00	\$100.00	2,000,000	3,606,280	83.03%	\$ 87.50
Hard Costs - Permits & Connect	\$ 200	14,432				40,000	54,432	1.25%	\$ 1.32
Soft Costs	\$ 13.00	93,808				260,000	353,808	8.15%	\$ 8.56
Finance Costs	\$ 6.00	n/a				n/a	n/a	n/a	n/a
Year 1 Tenant and Common Area Improvements	\$ 5.83	n/a	n/a		\$ 5.83	116,600	116,600	2.68%	\$ 5.83
Contingency	\$ 7.80	56,285				156,000	212,285	4.89%	\$ 5.15
Total	\$ 179.63	1,210,845	279,960	280,000		2,572,600	4,343,405	100.00%	\$ 105.38

## Capital Cost to Build ECDC

\$4,343,404.80

## + 30% margin for rising construction costs in GVRD

\$5,646,426.24

### Assumptions:

- Furnished daycare space is concrete structure - \$145.00 psf
- Outdoor daycare space includes furniture and equipment including playground equipment
- Commercial underground parkade at \$40.00 psf includes 84 spaces (18 spaces for daycare, 66 retail)
- Commercial structure is concrete exterior walls only with electrical, mechanical and plumbing rough-ins. No interior partitions or finishes provided. Cost is \$100.00 psf
- Finance costs during construction are listed. However, likely not required given structure of deal

## The Financial Plan

### Comparison of Property Management v. Operator Models

#### Property Management Model

- (i) Pro
  - Diversified risk – broad tenant base.
  - Model is flexible as the mix of tenants can be changed with relative ease.
  - Property management expertise can be bought / hired / contracted – supply is good.
  - Will allow the ECDC to offer a wide variety of products and services catering to children and their parents, thereby making it possible to fulfill the 'hub model' mandate.
- (ii) Con
  - Property management is not our core business. While DDA has no direct experience in property management, it does however have some background in property development, property maintenance and other key fields.
  - The property management model requires more square footage than the operator model.

#### Operator Model

- (i) Pro
  - In order to attract large numbers of children and families, the hub has to be fun. An element such as an indoor playground will serve as a major draw and make the ECDC a destination point.
  - Profitability and cash flow of a mature indoor playground / family entertainment centre business are more than sufficient to offset the operating deficit of the childcare program. This model of social enterprise appears to be lucrative.
  - Excluding parking, the total square footage required by the family entertainment centre is estimated at 20,000 SF (10,000 SF of floor space, 18' ceilings). This compares favourably to the area required under the realistic case property management model (31,500 SF of total indoor space space). The operator model may therefore be of more interest to our developer partners, and will require smaller concessions from the City of Vancouver on its density bonus formula.
- (ii) Con
  - 'Hands-on' business – operator's skilled presence required. Experience with operation of indoor playgrounds is more difficult to find than property management expertise.
  - Seasonal (outdoor playground also required to mitigate seasonality).
  - High fixed costs (payback period of almost six years).
  - Relatively frequent replacement / upgrade required.
  - Little flexibility to modify the playground once it has been built.
  - Parking requirements may be more than the ECDC can satisfy.
  - Space configuration may not be workable at proposed ECDC site (up to 24' ceilings, minimum of 9,000 SF, potential need for outdoor play area as well).
  - Inclusion of an indoor playground could crowd out other providers of products and services important to young families. This could make it difficult for the ECDC to fulfill its original mandate – the co-location of programs and services, all geared to early childhood development.
  - In order to meet its 'co-location' mandate, additional square footage will be required. In the end, the square footage requirements of the property management model and this operator + co-located services model will be similar.
  - Potential liability to DDA in the event of client injury or death at the playground.



## The Financial Plan

### Conclusion

Bill Enefer is currently considering expansion to Langley, and is also interested in the possibility of a Vancouver location. At the top of his Vancouver list is the SE Marine Drive area, although he has also expressed an interest in locating inside the ECDC. The Coquitlam store is currently paying \$19 / SF (net lease) – a price which is within reason given the assumptions previously discussed in the Property Management Revenue Model. The major challenges will be parking and the median level of income in the immediate neighbourhood. Notwithstanding the latter issues, Bill Enefer's level of interest can be described as high.

In addition, in a meeting with Bryan Tisdall, President & CEO of Science World, on May 27<sup>th</sup>, 2004, that organization indicated its strong interest in working with the ECDC team on a number of fronts, including co-marketing and the possibility of having Science World operate an indoor playground and/or science-related activity centre within the ECDC. Since that original meeting, Science World has provided the ECDC team with a glowing letter of support. Given Science World's mandate to foster science and technology education for BC's children in a fun, interactive environment, its physical proximity to the proposed CityGate South site, large member base (500,000 +) and experience in designing and delivering such services, this organization may prove to be an alternate (and perhaps even preferred) supplier of the 'fun factor' at the ECDC.

### Hybrid Strategy – Property Management Model with the Potential for Hands-On Operation

Given the risks inherent in running a family entertainment centre, the writer recommends that the ECDC initially adopt what is essentially a property management strategy. Crash Crawly's (or other FEC) or Science World should be invited to become one of several tenants within the ECDC. Seven to ten years hence, DDA could decide whether or not it wants to assume the role of FEC operator:

- The FEC tenant's lease might be structured in such a way as to offer the family entertainment centre a reduced lease rate in exchange for some percentage share of revenues / profits (allowing the ECDC to benefit to some limited degree in the entrepreneurial success of the FEC).
- As part of the reduced fixed rent package, it could further be negotiated that ECDC managers participate in running the FEC. This would allow them an opportunity to learn the FEC business.
- The FEC's lease could be capped at 7-10 years. The landlord could opt not to renew the lease at maturity, if ECDC managers and DDA felt confident in their ability to operate a family entertainment centre. DDA could then step in and become the operator.

This would allow the Centre to fulfill its mandate of co-location by housing other service providers in addition to a family entertainment centre, while still benefiting from the volume of traffic and 'fun factor' that an indoor playground will bring to the ECDC and maintaining an option to become the FEC operator in the medium-term.

Given the special configuration and parking requirements of such an activity centre, Mr. Enefer and/or Mr. Tisdall will have to be kept well informed as we move through the design process. In the relationship with Science World, it will be particularly important to design a concept that complements that organisation's existing business (rather than cannibalizes it).

### Recommendations

The foregoing analysis leads to the recommendation that the ECDC initially pursue the Property Management Revenue Model – preferably with maximum flexibility built in to the FEC's lease, as

discussed above -- based on a total facility space of approximately 31,500 SF of total indoor space plus parking and 6,999 SF of outdoor play space.

The ECDC work team is further advised to make every effort to induce Crash Crawly's or Science World (or similarly 'fun' activity) to tenant a portion of the building (again, with maximum flexibility in mind).

Going forward, the developers will be motivated to continue their relationship with the ECDC for two main reasons:

1. Inclusion of a public amenity such as this may increase the City of Vancouver's willingness to sell two City-owned parcels of land critical to the redevelopment of CityGate South. If the City refuses to sell the land in question, CityGate South is unlikely to proceed.
2. Geoff Meggs, Executive Assistant to City of Vancouver Mayor Larry Campbell, has indicated a commitment in principle to modifying City policies such that the Developers would receive a higher density bonus than is currently provided for based on existing density bonus formulas.
3. Larry Beasley, Planning, has also indicated (in correspondence to the developer partner) a degree of interest in 'facilitating' the ECDC project through the City's density bonus tool.

It is hoped, furthermore, that inclusion of the ECDC concept will prove useful to the Developers in marketing residential units in CityGate South to families, as Concord Pacific has done in the past.

## The Marketing Plan

### The Market

#### (i) City of Vancouver

The City of Vancouver had a population of 545,671 residents at the time of the 2001 census, an increase of 6.2% from 1996. Of these, 72,355 (or 13%) were individuals under the age of 15 – 1,120 more children than in 1996, a 5-year increase of 1.6% (slower than the rate of growth of the overall population). The central location of the proposed ECDC pilot site means that virtually all City of Vancouver residents could access it within 10-15 minutes driving time.

*Age and Gender of Vancouver's Children in 2001*

Age Range	Male	Female	TOTAL
0-4	11,990	11,700	23,690
5-14	25,155	23,510	48,665
15-19	14,735	14,155	28,890
<b>TOTAL</b>	<b>51,880</b>	<b>49,365</b>	<b>101,245</b>

Source: Statistics Canada, 2001 Community Profiles, [www12.statcan.ca/English/profil101](http://www12.statcan.ca/English/profil101)

#### (ii) 7 Closest Neighbourhoods

The proposed Developer site at Main and Terminal Streets is located in the Vancouver neighbourhood of Mount Pleasant. This site borders six additional neighbourhoods including:

- ✓ Fairview
- ✓ South Cambie
- ✓ Riley Park – Little Mountain
- ✓ Kensington – Cedar Cottage
- ✓ Grandview – Woodland
- ✓ and Strathcona.

The proposed Early Childhood Development Centre will serve the immediate population of South East False Creek. It is anticipated that, given the huge demand for good quality childcare and family-focused services in the City of Vancouver, the ECDC will also serve the populations of these neighbouring communities.

Together, these neighbourhoods represented 30% of the City of Vancouver's overall population and 29% of its children at the time of the federal census in 2001. The average annual family income in these neighbourhoods approached \$59,000, above the City's median family income of \$51,268 and higher than the Province's median of \$54,840.

*Demographic Profile of Vancouver Neighbourhoods (based on 2001 census data) Bordering the Proposed ECDC Site at Main & Terminal*

Neighbourhood	Total Population	Growth Rate (1996-2001)	Population < 19	Number of Families	Avg. Family Income
Mt. Pleasant*	24,535	3.5%	3,901	5,500	\$49,772
Fairview*	28,405	6.7%	2,556	6,505	\$81,766
South Cambie	6,995	3.8%	1,280	1,685	\$83,677
Riley Park – Little Mtn.	21,990	1.3%	4,574	5,805	\$63,348
Kensington Cedar Cottage	44,560	5.1%	10,561	11,640	\$50,485
Grandview Woodland	29,085	-0.4%	5,148	6,755	\$46,501
Strathcona	11,575	-0.6%	1,505	1,870	\$35,596
<b>TOTAL</b>	<b>167,145</b>	<b>2.8% (avg)</b>	<b>29,525</b>	<b>39,760</b>	<b>\$58,735 (avg)</b>

Source: City of Vancouver Planning Department CityFacts Census Data Series, Community Statistics, \* denotes neighbourhoods likely to change significantly as a result of the proposed South East False Creek redevelopment

Residents of those neighbourhoods closest to TransLink SkyTrain stations were more likely to use public transit to travel to work than were those who lived in neighbourhoods not served by the train (26%-32.6% as compared to 19.9% for South Cambie and 23.1% for Fairview). Given the proposed site's proximity to SkyTrain's Main Street / Science World Station as well as the Main Street bus route, it is therefore reasonable to assume that its proximity to public transit will widen the geographic scope from which the ECDC will draw.

*Mode of Travel to Work for Residents of Bordering Neighbourhoods  
(based on 1996 census data)*

Neighbourhood	Public Transit	Walk	Bicycle
Mt. Pleasant	32.6%	9.9%	6.1%
Fairview	23.1%	16.6%	3.8%
South Cambie	19.9%	11.2%	5.4%
Riley Park – Little Mtn.	26.0%	5.5%	4.4%
Kensington Cedar Cottage	29.6%	2.5%	1.7%
Grandview Woodland	30.7%	8.2%	4.9%
Strathcona	29.3%	28.6%	6.5%
<b>Average</b>	<b>27.3%</b>	<b>11.8%</b>	<b>4.7%</b>

*Source: City of Vancouver Planning Department CityFacts Census Data Series, Community Statistics*

SkyTrain usage is, furthermore, on the increase in the Greater Vancouver Regional District. In a press release dated November 28, 2002, TransLink noted that SkyTrain's ridership had increased 23% over the previous year.

[source: [http://www.translink.bc.ca/Whats\\_New/News\\_Releases/news11280201.asp](http://www.translink.bc.ca/Whats_New/News_Releases/news11280201.asp).]

In 2003, the average daily number of boardings at the Main St. – Science World SkyTrain Station was 9600. This represents about 5% of the total boardings on the SkyTrain system (about 205,000 daily boardings system-wide). On weekdays, the Main St. – Science World Station is the seventh busiest station on the 32-station SkyTrain network. However, on Saturdays and Sundays this station is the fifth and fourth busiest station on the system, respectively. The total station activity (i.e. boardings and alightings) is generally double the boardings or about 19,000 boardings and alightings on an average weekday at Main Street Station.

[Source: 2003 SkyTrain System Monitoring Program: Volume 1 - Summary Report - prepared by Creative Transportation Solutions Ltd. for TransLink]

(iii) Southeast False Creek (SEFC) – The Immediate Area

In its 'White Paper' on Community Facility Needs for the redeveloped Southeast False Creek area (prepared in November of 2002 for the City of Vancouver's Social Planning Department), CitySpaces Consulting assessed community needs and determined the on-site community facilities required for the SEFC area. As part of this process, CitySpaces estimated that:

- the redevelopment of SEFC will result in a population increase of between 12,760 and 16,106 individuals;
- 1,377-1,789 of this increase will come from the CityGate South redevelopment, the portion of the SEFC redevelopment that includes the proposed Developer project and ECDC site;
- 25%-35% of all housing in SEFC will be designed for families;
- proposed developments in adjacent areas could lead to the creation of up to 30,000 new high-tech jobs on the False Creek Flats;
- the children of employed parents living in SEFC will have limited access to day care alternatives, given the nature of the housing stock to be built and existing in nearby neighbourhoods. In addition, parents employed in SEFC office, institutional or retail uses will require childcare (page 13). CitySpaces concluded

that 408 full-day childcare spaces will be needed in the new SEFC neighbourhood.

The report further states that, in the case of False Creek North (Yaletown), City staff and service providers believe that the actual population is significantly higher than originally projected (page 6). Community service providers indicate an increase in the number of families residing in this area of the city as seen by increases in school enrollment, childcare utilization (wait lists of 800+ names) and birth rates. A higher number of people are living in non-family market housing in Yaletown than originally projected, and this includes more children than expected.

By 2010, it is therefore expected that the total population of Mount Pleasant and Fairview will be between 65,700 and 69,046. The total population of the seven Vancouver neighbourhoods bordering the proposed site will be 179,905 – 183,251. These numbers will include approximately 43,000 families<sup>1</sup> and 24,000 children<sup>2</sup> under the age of 15.

In addition to serving residents of the City of Vancouver and the seven neighbourhoods detailed above, the ECDC will be visible to a significant number of commuters each day. The Southeast False Creek Transportation Study Final Report projected that redevelopment of the SEFC area would result in 3,260 vehicle trips per hour during peak morning hours, and 4,990 vehicle trips per hour in the PM peak. Approximately half of these trips will be made by private motor vehicles, and the remainder by bicycle, public transit or on foot.

#### (iv) Current Traffic Levels in the Immediate Area

The two busiest intersections at the proposed ECDC site are those where Terminal Avenue intersects with Main and Quebec Streets respectively. The Main Street intersection is the busier of the two, with 64% more AM traffic and 74% more PM traffic than that at Quebec & Terminal. At peak volumes, almost 5,000 vehicles per hour pass by the northeast corner of the proposed Developer site. (Current traffic counts at these intersections in the SEFC area are detailed in the attached matrices and diagrams.)

- On a typical winter day (December) during the peak AM hour (7:55-8:55 am), 2,526 motorized vehicles pass through the intersection at Quebec & Terminal Streets. In addition, 43 bicycles and 204 pedestrians use the intersection.
- During the peak PM hour (4:15-5:15 pm) in winter, 2,762 vehicles, 41 bicycles and 299 pedestrians go through the intersection at Quebec & Terminal.
- During the summer months, the peak AM hour occurs slightly earlier (7:45-8:45 am). On a typical day, 4,137 vehicles pass through the intersection at Main & Terminal Streets. A further 64 bikes and 284 pedestrians use the intersection.
- During the peak summer PM hour (also 4:15-5:15 pm), 4,804 vehicles, 87 bikes and 495 pedestrians pass through the intersection.

#### (v) Science World's Experience

- 500,000 visits annually;
- Daily traffic varies between 1,000 and 2,000, with Spring Break visits approaching 4,000 per day;
- Weekday traffic largely consists of school-aged children;
- 30% of visits are made by Science World members;

<sup>1</sup> (39,760/167,145)\*estimated total neighbourhood population in 2010 of 180,000, rounded to 43,000

<sup>2</sup> (72,355/545,671)\*estimated total neighbourhood population in 2010 of 180,000, rounded to 24,000

- Potential for co-marketing or coordinated activities to be explored at a meeting between Science World's marketing and other executives. The date of this meeting has been scheduled for May 27, 2004.

[source: Suan Teo, Director of Marketing, Science World, 604 443 7548, [steo@scienceworld.ca](mailto:steo@scienceworld.ca)]

(vi) Conclusions

- In the seven Vancouver neighbourhoods including and bordering the proposed site, there are almost 30,000 residents under the age of 19 and almost 40,000 families.
- There are over 100,000 children in Vancouver as a whole.
- The SEFC area is already a major destination for families and children City-wide. Opportunities for co-marketing with Science World exist and are currently being explored.
- Significant vehicle, bicycle and pedestrian traffic pass through the intersections of Main & Terminal and Quebec & Terminal each day, particularly in the evening hours. Even before redevelopment of SEFC, the proposed site is well trafficked and ideal for a pilot site ECDC location.
- Excellent public transit further strengthens the location's overall visibility and accessibility.
- SEFC will become home to an additional 16,000 people by 2010. These individuals will require significant childcare. Demands placed by commuting workers will only make the need for childcare and other ECD services more acute.
- Future tenants of the ECDC facility will benefit directly from these significant resident and commuter populations.
- 25-35% of all housing on the SEFC site will be designed for families with children. The inclusion of an ECDC-type hub will be an attractive, community enhancing feature that will make residential units in CityGate South more saleable. Opportunities exist for co-marketing of the hub with the site developer.

## **The Marketing Plan**

**Competitive Analysis – see attached**

## The Marketing Plan

### Competitive Analysis

#### (i) Childcare

#### *City of Vancouver Childcare, Under 36 months*

Name, Address, Telephone	Operator	Wait List	Licensed Capacity	Hours	Cost (from youngest to oldest)	Nearest Public Transit
Berwick Child Development Centre, 2765 Osoyoos Cres. Head Teacher: Diane Bugar 604 822 6616	DDA	200 for 3-5 35 for SN	24 x 3-5 48 x Special Needs	9:00 am – 2:00 pm	\$420 (preschool)	King Edward bus
Champlain Child Development Centre, 7760 Stikine Place Head Teacher: Katharine Naughton 604 438 5525	DDA	80 for 3-5 20 for SN	25 x 3-5 15 x Special Needs	7:30 am – 5:50 pm	\$550 \$350 (preschool)	49 <sup>th</sup> Ave bus
Children's House 6735 Salish Drive 604 263 3261	Musqueam Indian Band		12 x toddler	7:30 am – 6:00 pm		41 <sup>st</sup> Avenue bus
City Hall Child Care Centre, 2685 Cambie St., 604 876 8918 Administrator: Tina	City Hall Child Care Society	400+, never any difficulty filling spots	10 x infant 12 x toddler [3 special needs] 25 x 3-5 yrs [3 special needs]	8:00 am – 5:45 pm, FT & PT spaces	\$920 \$850 (and rising) \$600 (and rising)	Cambie St and Broadway buses
Collingwood Neighbourhood House Child Care Centre, 5288 Joyce Street, 604 435 0323	Collingwood Neighbourhood House	'it's a big one', people from area have priority	12 x infant 12 x toddler 25 x 3-5 20 preschool	7:30 am – 6:00 pm, FT & PT spaces	\$833 - \$650 for 3 days \$833 \$508 \$186 (also on Sat's)	Joyce St. SkyTrain
Creekview Tiny Tots, 1483 Lamey's Mill Road, 604 732 3616 Head supervisor: Barbara	Stand alone facility	'ohhh, it's long'	12 x toddler	7:45 am – 5:45 pm, FT & PT spaces	\$1000	Granville Island buses
Dorothy Lam Children's Centre, 188 Drake St., 604 718 6555	VSOCC	1,500 + names for all of VSOCC	12 x infant 12 x toddler 25 x 3-5 20 preschool Out of school care	7:30 am – 6:00 pm, FT & PT spaces	\$945 \$ \$650	Stadium SkyTrain, Yaletown bus routes
Emmia's Infant/Toddler Care	YWCA		12 x infant	8:00 am – 4:00 pm,		



598 E. 22 <sup>nd</sup> Avenue 604 879 1121	Frog Hollow	Not sure about toddlers, 3-5 list is 50+	12 x toddler 25 x 3-5	FT & PT spaces	\$770 \$518	Rupert SkyTrain, Broadway bus
Frog Hollow Neighbourhood House's Satellite Daycare 3260 E. Broadway 604 252 2918	DDA	100 infant 100 toddler 100 3-5	6 x infant 12 x toddler 20 x 3-5 [6 special needs]	7:30 am – 5:30 pm, FT & PT spaces for toddlers, only one on 3-5 side 7:30 am – 5:30 pm, FT & PT spaces	\$985 \$940 \$680	Cambie & Oak St bus routes
GF Strong Integrated Daycare, 4255 Laurel St., 604 737 6256	Kiwassa Neighbourhood Services Association		8 x infant/toddler 12 x 3-5 10 x OOS	5:00 am – 12:30 pm		
Hastings Park Child Care Centre, 2900 East Hastings St. 604 254 1631 (for employees of Hastings Park only)	Immigrant Services Society of BC		16 x toddler - 3-5	9:00 am – 4:00 pm		
Immigrant Services Society DayCare, 501-333 Terminal 604 684 6562	JCC	Quite long	12 x toddler 25 x 3-5	7:30 am – 5:30 pm FT & PT spaces	\$990 \$805	Oak St. & 41 <sup>st</sup> Avenue buses
Jewish Community Centre 950 W. 41 <sup>st</sup> Ave 604 257 5111 Daycare Director: Ros Bell, X 209	DDA	200 infant 150 toddler 250 3-5	12 x infant 12 x toddler 32 x 3-5 4 x toddler French only	7:30 am – 5:45 pm FT & PT spaces 8:00 am – 6:00 pm	\$985 \$940 \$680	Broadway corridor
Kids in General 889 W. 13 <sup>th</sup> Ave. 604 875 5699	Stand alone facility					
La Garderie de L'Île Aux Enfants, 5445 Baillie St. 604 708 5100	Langara College	Hard to tell, but spots never empty	12 x toddler 50 x 3-5	8:30 am – 4:30 pm FT only, for students only	\$800 \$500	49 <sup>th</sup> Avenue buses
Langara Child Development Centre, 100 W. 49 <sup>th</sup> Ave. 604 323 5662	VSOCC	1,500 +	12 x infant 25 x 3-5	7:30 am – 6:00 pm FT & PT spaces	\$945 \$650	Robson St. bus
Library Square Children's Centre, 301-345 Robson St. 604 718 6555	YMCA		12 x infant 15 x toddler	7:30 am – 6:00 pm FT & PT spaces		
Little Beach YMCA Day Care 1005 Beach Ave. 604 683 3417	Stand alone facility		1 x < 12 mths 3 x < 18 mths 25 x 3-5	7:30 am – 5:30 pm		
McGregor Day Care Centre VCC King Edward Campus 604 871 7408	Mosaic		25 x 0-5 yrs (for parents attending Mosaic programs only)	9:00 am – 4:00 pm		
Mosaic Child Care Centre 2730 Commercial Drive 604 684 8825	Stand alone facility		12 x toddler 25 x 3-5	7:30 am – 5:30 pm		
Mt. Pleasant Child Care Centre 960 E. 7 <sup>th</sup> Ave. 604 879 8321						

Playhouse Child Development Centre, 4107 Brant Head Teacher: Kim Looi 604 873 6448	DDA	80 infant 105 toddler	12 x infant 12 x toddler 2 x SN (actually enrolls only 18)	7:45 am – 5:30 pm	\$900 \$760	Nanaimo SkyTrain and bus
Pender Street Children's Centre, 100 – 1140 W. Pender 604 718 6555	VSOCC		16 x toddler	7:00 am – 7:00 pm	\$650	SkyTrain, downtown buses
Pooh Corner Day Care Centre 975 Lagoon Drive 604 684 9734	Stand alone facility		12 x toddler 10 x 3-5	7:45 am – 5:45 pm		
Quayside Children's Centre 1011 Marinaside Crescent 604 718 6555	VSOCC	1,500 +	12 x infant 12 x toddler 25 x 3-5	7:30 am – 6:00 pm	\$945 \$650	Cambie St. bus
Shannon Day Care Centre 290 – 1200 W. 73 <sup>rd</sup> 604 263 3421	Stand alone facility		10 x toddler 15 x 3-5	7:30 am – 6:00 pm		Granville St. bus, Richmond buses
Sunny Hill Daycare 3644 Slocan St. 604 453 8300	Sunny Hill Hospital		12 x toddler 20 x 3-5 (4 x SN)	8:00 am – 5:00 pm		
Waterside Child Development Centre	DDA	39 toddler 5 for 3-5 3 for SN	12 x toddler 8 x 3-5 4 x Special Needs	7:30 am – 5:30 pm	\$685 \$565	Gastown buses
West Point Grey Under Three 1708 W. 16 <sup>th</sup> Ave 604 731 8710	Stand alone facility		12 x toddler	7:45 am – 5:30 pm		King Edward bu (9 block walk)
YWCA Leslie Diamond Child Care Centre 535 Hornby St 604 895 5816	YWCA	1000+	26 x infant and toddler	7:45 am – 5:30 pm	\$1100 \$900	Burrard SkyTrain, downtown buses

TOTAL NUMBER OF LICENSED INFANT SPACES IN CITY OF VANCOUVER: 134  
TOTAL NUMBER OF LICENSED TODDLER SPACES IN CITY OF VANCOUVER: 285  
TOTAL NUMBER OF LICENSED 3-5 SPACES IN CITY OF VANCOUVER: 462

TOTAL NUMBER OF SPECIAL NEEDS SPACES: 88

Proposed Daycare Sites:

- Developmental Disabilities Association (DDA)
  - 2005 – consolidation and expansion of Playhouse Child Development Centre and Learning Tree 3-5 daycare, to result in a total of 69 spaces ranging from infant to preschool;
  -
- Vancouver Society of Children's Centers (VSOCC)
  - September 2004 – new out of school program at Dorothy Lam School
  - 2005 – infant, toddler and 3-5 program to open at the north end of the Shaw Tower in Yaletown;
  - 2006 – infant, toddler and 3-5 program to open across from present Dorothy Lam location (David Lam Park, Yaletown);
  - Long-term – 2 x infant, toddler and 3-5 centres to open (one in Tinseltown / International Village, the other in Coal Harbour).
  -
- (ii) Family Entertainment Centres / Activities
  - Kids Only Market, Granville Island
- (iii) Joint-Use Projects / Co-Located Services Targeted at Families
  - 1 Kingsway, <http://www.city.vancouver.bc.ca/corpsvcs/facility/1kingsway/background.htm>
    - Development to include child care centre (a strong need for additional child care in the Mount Pleasant neighbourhood was identified), rental housing, a new Mount Pleasant Branch Library, and underground parking. The concept of "one stop shopping" underlined the new development planned for 1 Kingsway.

## Strengths, Weaknesses, Opportunities and Threats

## SWOT Analysis

<p style="text-align: center;"><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Space to be designed with maximum flexibility in mind so that changes can be made to accommodate shifting childcare requirements in neighbourhood;</li> <li>• Facility to be mixed use;</li> <li>• Property management and/or business management can be hired;</li> <li>• Stakeholder buy-in to be received from all key community groups prior to construction;</li> <li>• Innovative delivery mechanism for social services;</li> <li>• Program should be financially self-sufficient, and therefore resilient.</li> </ul>	<p style="text-align: center;"><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• This is a 'start-up' with no proven track record of success;</li> <li>• Neither property management nor the management of for-profit businesses (in this case, an indoor playground) is our 'core business';</li> <li>• Some children's rights advocates oppose the idea of 'letting government off the hook' – they believe that it is government's responsibility (not the community's) to fully fund universal, accessible daycare;</li> <li>• It is likely to take several years before we have an ECDC pilot site open for business.</li> </ul>
<p style="text-align: center;"><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Childcare is extremely topical at the moment for Canadians, and considerable efforts are being expended to improve childcare delivery mechanisms;</li> <li>• The primary developer partner identified is motivated to work with us;</li> <li>• Operational opportunities are manifold: <ul style="list-style-type: none"> <li>➤ Offer longer operating hours than existing childcare facilities (evenings, weekends);</li> <li>➤ Offer drop-in care;</li> <li>➤ Offer Saturday morning pre-school programs;</li> <li>➤ Increase capacity utilization – while making more family-focused programming available – by offering relevant classes and courses (first aid, pilates, prenatal, baby sign language etc.) in daycare premises after hours;</li> <li>➤ In order to minimize unfilled spaces in the infant program, introduce a requirement for two months' notice of withdrawals;</li> </ul> </li> </ul>	<p style="text-align: center;"><b>Threats</b></p> <ul style="list-style-type: none"> <li>• City of Vancouver Social Planning Department may conclude that an 80-space childcare program is in violation of current childcare guidelines. In the event this happens, the program will have to be reconfigured as a 69-space program. The operating deficit and space requirements will therefore change;</li> <li>• City of Vancouver may not come through with full density bonus on social enterprise space, requiring capital fundraising efforts from other sources.</li> </ul>

### The Marketing Plan

How can the developer, Developer, market inclusion of the ECDC concept to its own advantage?

- Concord Pacific's example:

*"Concord Pacific Place cares about your families; hence 25% of the site is designated for families with small children. We intend to build several childcare centres throughout the new community. For your peace of mind, these childcare centres will be fully licensed, meeting the strict requirements of the Province ABL and City of Vancouver."*



*To be owned and operated by the City of Vancouver, the childcare facility construction and furnishings are paid for by Concord Pacific Group Inc."*

[source: <http://www.concordpacific.com/ourneighbourhood/childcare.html>]

## The Communications Plan

A Leadership Vancouver community project team consisting of Michael Mortensen, Mimmo di Giacamo, Kristi Miller, Stephen Hinds and Barbara Little has committed to developing a communications and messaging plan in support of the ECDC project. Marina Percy, principal of Fresh Strategy, has further confirmed her interest in assisting the group with strategies and tactics surrounding this plan.

### ECDC / Kids Village Fundraising / Partnership Development Communications Strategy

#### Situation Analysis

Following the presentation to City Council in early February 2005, the ECDC Project Team is in a position to begin forging and formalizing fundraising partnerships for financial / in-kind support for the Kids Village project.

A communications strategy is required to set out the steps for the 'who, what, when, where, why and how' we approach our potential partners. Accordingly, this document lays out the guiding steps for moving forward in partnership development.

#### Partners to Be Targeted

The budget for the project is approximately six million dollars (assuming rising construction costs). This Communications Strategy is based on the prudent assumption that the City of Vancouver may not grant a density bonus based on the full 31,500 square feet of the ECDC / Kids Village Centre. As a result, other 'back-up' partnerships will be solicited.

#### Key Partnerships Targeted

#### Percentage of Support Sought

City of Vancouver	20% (min., as an in-kind contribution through density bonus)
Provincial Government	20%
Private Sector/Corporations	20%
Foundations	15%
Federal Government	10%
Communities	10%

#### Action Plan

##### *Step One: Develop Tailored Proposal Packages*

For each of the partnership audiences, the information in the proposal package will be the same. However, we will tailor the front end of the packages to address the interests and concerns of each audience group.

#### Action

- Marina to work on City, Province, Federal
- Mimmo, Stephen, to work on Foundations and Communities
- Kristi, Marina, to work on Vancity and Corporate
- coordinate printing and assembling of packages

#### Timeline

- Customized front-end material to be developed in Draft by March 2, 2005.
- Final versions to be completed and assembled by March 9, 2005.

**Step Two: Develop Target Lists**

For each target audience group, we will need to set up 'hit lists' of the organizations and people we want to approach for partnerships. We'll need name, title, phone, email, address for each.

**Action**

- Marina to determine City, Province, Federal contacts
- Mimmo, Stephen to determine Foundation and Communities contacts
- Kristi, Mimmo, to determine VanCity and Corporate contacts
- Barbara to coordinate and merge all lists into one Excel spreadsheet

**Timeline**

- Contact lists all put together by March 2, 2005
- Contact lists merged and ready for distribution by March 9, 2005

**Step Three: Make Initial Contact**

Prior to sending out the proposal packages, we'll want to contact each target and let them know to expect a package in the mail.

**Action**

- Marina to contact City, Province and Federal contacts
- Mimmo, Stephen to contact Foundation and Communities contacts
- Kristi, Mimmo to contact VanCity and Corporate contacts

**Timeline**

- Initial contacts made between March 7-11, 2005

**Step Four: Packages Distributed**

- The packages should all be sent out on March 11, 2005.

**Step Five: Follow Up and Setting Up Meetings**

- The primary contacts for each group should follow up the next week (by March 18, 2005) and set up meetings to discuss details. Meetings should be scheduled to include no less than two representatives from our group.
- Meetings should be scheduled for the weeks between March 21-April 8, 2005.

**Next Steps**

TBD

## The Communications Plan

### Messaging -- What is Kids Village?

In order to effectively communicate (to the media and stakeholders) the key elements of the ECDC / Kids Village project, Marina Percy suggests the following language:

#### 1. What is Kids Village?

Kids Village is a pilot project being developed in Vancouver to respond to the growing need for working parents to have safe, quality childcare conveniently located near family and community services and retail amenities.

Kids Village is a financially sustainable, social enterprise that will bring together quality childcare and family-oriented services and retailers under one roof.

*[give examples]*

#### 2. Who is leading this initiative to develop it?

The concept of Kids Village was originally developed in 2001 by a group of working parents who were having a hard time finding quality childcare. Since that time, we've formalized the concept into a comprehensive business plan and rollout strategy.

The DDA is the sponsoring agency; they are providing *[what exactly]*.

*[You also need to say who the team is and what the team is doing, and the Leadership Vancouver connection]*

#### 3. How much will it cost?

The capital cost to develop Kids Village is approximately \$6.5 million dollars. Once open, Kids Village will be self-sustaining; operational costs will be covered through the leases paid by vendors in Kids Village, and will offset a portion of the cost of childcare.

#### 4. Who is paying for it?

To raise the \$6.5 million dollars required for capital costs, we are currently finalizing our funding partners program, which is aimed at generating funds through a variety of public and private sources.

We have set out some 'ideal' goals, and we're going to request funding as follows:

- 20% City of Vancouver – in-kind \$1.4 Million
- 20% Provincial Government – cash \$1.4 Million
- 10% Federal Government – cash \$750,000
- 20% Corporate Sponsorship – cash \$1.2 Million
- 5% VanCity – cash \$300,000
- 15% Foundations – cash \$900,000
- 10% Community – cash \$600,000

Over the next two months, our efforts will be concentrated on establishing funding partner relationships.

#### 5. How will Kids Village benefit the children and communities of Vancouver?

This business model benefits children by providing more quality daycare than is available now, more access to services and amenities, and a strong developmental focus.

This model benefits the community at large by reducing levels of 'child-care commuting' by parents, it adds huge convenience, integration, collaboration, a sense of community, synergy,



and continuum of care... It is equitable, and it creates jobs, business opportunities, and reduces the number of taxpayer dollars needed to run childcare programs.

#### **6. Who are supporters? Opponents?**

Because our business model is a sustainable, centrist model, we are generating interest and support from parents, families, academics, researchers, early childhood educators, Government, the business community, political centrists and pragmatists.

Our model does not fit with those who support a 100% publicly funded system.

#### **7. How will you decide what services go into the building?**

We will use the accepted pillars of early childhood development as the criteria for deciding what services and retail amenities are included in Kids Village:

- Language and cognitive development programs
- Emotional and social development
- Physical development
- Health and Nutrition services
- A range of family and parenting services and retail amenities

Of course, other criteria will come into play as well—such as ‘fun’ factor, credibility, safety.

Most importantly, we will be doing some consultation with parents and children, and we’ll be asking for their input on what they would like to have included in Kids Village. This input will be integrated into our decision making process.

#### **8. What stage are you in the process now?**

This project is still in the planning stages. Our priorities right now are to seek regulatory approval, and to establish funding partnerships.

#### **9. How is Kids Village different from other childcare facilities/options currently operating?**

Kids Village will be the first social enterprise, financially self-sustaining childcare facility in Canada that combines childcare services and family services and retail amenities under one roof as a planned ‘all-inclusive’ business model.

#### **10. How are spaces for children going to be decided? Is it first come first served or a lottery? How will people be treated fairly who want their kids to get in a space?**

The childcare portion of Kids Village is planned to have space for 80 children.

As part of our business model, we have allocated 10% of the spaces for low-income families.

The other 90% will be on a first come first served basis, with a wait-list.

Space for children with disabilities will also be earmarked. We also wants to give preference to siblings in order to keep families together.

#### **11. Explain what it means that the City is being asked for an in-kind donation. What does that mean exactly?**

We are asking the City of Vancouver for 1.4 million dollars worth of ‘air space’ – we want the City to allow our developer partner to build more in exchange for that developer building the Kids Village space for us.

**12. Who will the developer be? Is there going to be a tendering process? Will there be an open tender for the services within the building?**

We are in discussions with both Bosa and Polygon.

At this point, we have not determined if we are going to put out a tender for services in Kids Village. These decisions on how we will seek tenants for Kids Village will be determined coming out of our public consultation process.

**13. Will there be other Kids Villages in other parts of town, in other parts of the province?**

Kids Village is a pilot project that we anticipate will become the flagship for many Kids Villages across Vancouver and Canada. We believe that our business model is a benefit to every community, and our plan is to make this first Kids Village a success, to encourage the development of more Kids Villages.

**14. At this point, how is this project being funded?**

Many people have been donating significant time and expertise to get this project to where it is today.

In addition, we have received funding grants from the Community Economic Development and Technical Assistance program, Vancity Foundation, and DDA for our feasibility study, which cost approximately \$25K.

The costs to develop our Business Plan were funded by a private family foundation and the United Way's Enterprising Non-Profit Program.

There are currently no funds to pay for the work being done right now for partnership development, communications, public consultation and program rollout. We are seeking funds to support our work in these critical areas moving forward.

**15. What are your priorities / next steps:**

Our priorities right now are to seek and secure funding partners for the capital costs, and to finalize negotiations with the City on their in-kind support. Then, we'll begin a community consultation process.

### What We Need From our Developer Partner(s)

#### (i) Property Management Model

*(square footage requirements exclude expected parking space)*

- Base Case Request = 33,679 SF
  - 26,680 SF of indoor space
    - i. 7,216 SF designed as childcare space
      - 1. Must be designed with maximum flexibility in mind so that modifications to the program can be made as demand fluctuates.
      - 2. Must include a room suitable for after-hours activities, such as parenting programs, first aid, prenatal classes, etc.
    - ii. 5,353 SF (equal to one-third of tenanted space) of retail-commercial space
    - iii. 10,867 SF (two-thirds of tenanted space) of office space
    - iv. 3,244 SF of common area
  - 6,999 SF of outdoor children's play space
- Worst Case Scenario Request = 59,917 SF
  - 52,218 SF of indoor space
    - i. 7,938 SF designed as childcare space
      - 1. Must be designed with maximum flexibility in mind so that modifications to the program can be made as demand fluctuates.
      - 2. Must include a room suitable for after-hours activities, such as parenting programs, first aid, prenatal classes, etc.
    - ii. 12,177 SF of retail-commercial space
    - iii. 24,723 SF of office space
    - iv. 7,380 SF of common area
  - 7,699 SF of outdoor children's play space
- Realistic Case Request = 31,500 indoor SF + 6,999 SF outdoor space **[preferred starting point]**
  - 31,500 SF of indoor space
    - i. 7,216 SF designed as childcare space
      - 1. Must be designed with maximum flexibility in mind so that modifications to the program can be made as demand fluctuates.
      - 2. Must include a room suitable for after-hours activities, such as parenting programs, first aid, prenatal classes, etc.
    - ii. 6,679 SF of retail-commercial space
    - iii. 13,561 SF of office space
    - iv. 4,044 SF of common area
  - 6,999 SF of outdoor children's play space
- Commitment of the developer, to the extent possible, that tenants in commercial space outside the ECDC will be family and child-friendly. For example, video arcades and fast food restaurants should be discouraged, while grocery stores, drug stores, and other products / services relevant to families would be preferred. Right of first refusal on prospective tenants outside the ECDC would be ideal (although unlikely).

## And What do the Developers Get in Return?

### Density Bonus Formula

The City of Vancouver's Social Planning Department determines what constitutes 'amenity space'. Under existing guidelines for childcare, amenity space is assessed based on the number of daycare spaces provided and the childcare program. The formula used to calculate the density bonus is:

$$\text{Density Bonus} = \text{Capital Cost of Amenity Space} / \text{Land Cost per Square Foot}$$

The existing formula makes no allowance for a social enterprise approach (the term 'social enterprise' being used here in its broadest sense, not relating specifically to the second revenue model explored earlier). That is, there is no explicit inclusion of the additional square footage required by the proposed ECDC to make either revenue model successful by fully offsetting the childcare program's operating deficit. We await clarification from City of Vancouver Planning Department as to whether or not parking is included in the capital cost of the amenity space.

According to the ECDC Capital Cost Budget, Property Management Model, Realistic Case, the cost to build the indoor and outdoor daycare spaces will be approximately \$1,490,805. If the 30% margin for rising construction costs is included in the capital cost budget, this number increases to \$1,930,046.50. The formula above, if applied to the proposed ECDC site at Main & Terminal, therefore yields a maximum density bonus of  $\$1,930,046.5 / \$45.77^3 = 42,343$  SF, almost 11,000 square feet more than that we are requesting of the developer partner under the property management model (exclusive of parking space). In all likelihood (please refer to footnote 3), however, the City of Vancouver will calculate a land cost per square foot higher than that used here. If, for example, the City's Real Estate Department proposes a land cost per square foot of \$75, the density bonus drops to just 25,734 SF.

[Brian Sears of the City's Real Estate Department indicates that the City's official position at this point in time is that the two lots in question are not for sale – and, if they were, the price would be significantly higher than \$46 per square foot, and probably even higher than \$75 per square foot. A follow-up call was received from Sears on June 1<sup>st</sup>, 2004, during which he indicated that the land cost per square foot for the final CityGate North building was approximately \$60, likely the minimum price for which the City would sell the two parcels in question.]

If the City of Vancouver takes this 'hard line' approach to the density bonus formula, the ECDC will likely proceed at this site only in the event that the Developer family is willing to pay a high price to motivate the City to sell its two plots of land at Quebec & Terminal and Main & Terminal Streets, respectively, or if the ECDC team is able to bring other funders to the table. If not, the proposed CityGate South redevelopment – as we envision it in this document, including a pilot site of the ECDC – may prove to be 'too rich' for the developer partner.

If, on the other hand, the City of Vancouver can be convinced to recognize the full space contribution of the Developers, the density bonus (assuming 31,500 SF of indoor space + 7,000 SF of parking) would be calculated at (including the 30% margin for rising construction costs):

- $\$6,362,792 / \$45.77 = 139,017$  SF (assuming industrial land cost)

Or

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<sup>3</sup> Chris Clibbon, Senior Real Estate Analyst with the brokerage firm of CB Richard Ellis, indicates that the average land cost per square foot for industrial land in the City of Vancouver is currently \$45.77 – significantly higher than in other GVRD jurisdictions. The land in the area of Quebec & Terminal Streets is currently zoned FC-1 (SEFC) or CD-1 (Citygate). Neither is an industrial zoning. The writers are attempting to source land cost data on these zones. The City's Real Estate Department indicates that the site is zoned FC-3 – a commercial/residential zoning (albeit a 'weird' one, in Brian Sears' words).

- $\$6,362,792 / \$75 = 84,837$  SF (assuming a higher land cost)

At retail rates per square foot of approximately \$350, an 85,000 SF density bonus would generate gross revenues of \$29.75M, and net proceeds of approximately \$3.5M (see below).

- Total cost to the developer:
  - Land acquisition cost of \$75 / SF
  - Construction costs of \$180 / SF + 30% margin for rising costs, or \$234 / SF

= net proceeds to developer of \$41 / SF, or \$3,485,000

When the \$6.4M capital cost of the ECDC is factored in, the developer loses \$2.9M – but motivates the City of Vancouver to sell its land.

**What We Need  
City of Vancouver**

- (i) **Childcare Component**
  - Social Planning's agreement to license an 80-space childcare program, with the knowledge that no more than 69 children would be onsite at any given time.
  - The proposed ECDC facility can be operated as a 69-space program (i.e. the program size envisioned by the City's White Paper on SEFC), but the writers feel strongly that an 80-space program will not result in decreased quality of childcare. On the contrary, a program of this size will offer superior stability, community development and a better continuum of care to parents and children.
- (ii) **Ownership & Maintenance**
  - The writers have assumed that, once complete, ownership of the ECDC facility will transfer to the City of Vancouver, which in turn will lease the premises back to the Developmental Disabilities Association for \$1 / year for a 99-year period.
  - The writers remain completely open to other ownership structures – including the possibility of a third owner (such as a cooperative structure).
  - The main concern of the ECDC is the cost of maintenance to the ECDC building. Maintenance costs are expected to be low in the early years of the facility, but will increase over time. It is anticipated that \$10-\$20 / SF / year will be collected from tenants to cover operating expenses and property taxes, resulting in annual revenues of \$206,280 - \$412,560. A portion of these funds will be directed towards maintenance.
- (iii) **Sale of the two City-owned lots located at Quebec & Terminal and Main & Terminal Streets, respectively.**
- (iv) **Social Enterprise Component**
  - Explicit recognition in the City of Vancouver's density bonus formula of the additional square footage contribution being made by the developer. Ideally, the developer's additional space contribution should be recognized on a 1:1 basis and include parking space.

## Our Team

### Parents

**Kristi Miller** -- Kristi is an Investment Manager with Vancity Capital and has more than ten years' experience on commercial finance. Her responsibilities include sourcing, negotiating, structuring, underwriting and monitoring a portfolio of subordinated debt investments in BC-based small and medium-sized enterprises. Kristi's academic credentials include a UBC MBA, a McGill BA, and she is a Level 3 CFA (Chartered Financial Analyst) candidate. She has served on the boards of many local non-profits dedicated to serving the needs of children, including the Strathcona Health Society and Boat Daycare Society. Kristi has two children – a four year old daughter, and an infant son.

**Elizabeth Loughheed-Green** – Liz is the Executive Director of the Potluck Café Society, and has many years of experience as a community developer and social policy advocate. Prior to joining Potluck, Liz was the Community Development and Special Projects Coordinator for First Call: The BC Child and Youth Advocacy Coalition. She also served as the provincial coordinator for both BC Campaign 2000 (BC arm of a national child poverty campaign) for several years, and the "Spotlight on Children and Youth's" community mobilizations. Liz has also served with groups such as the Child Care Human Resources Round Table, the Working Group on Poverty, and Watch yOUR Step. Liz holds a Master's Degree in Social Policy and is the proud mother of a beautiful and brilliant four year-old daughter.

### Advisory Committee Members

**Lynne Dyson** – Lynne is Director of Child and Family Services with DDA. She began her involvement in childcare as a community activist and mother working with other parents to set up childcare centres in the 1970's. Lynne later worked for the BC Government as a Social Worker, focusing primarily on the childcare field. Over time, she developed a professional interest and specialization in the area of children with special needs. For 14 years, Lynne worked in this capacity. In 1991, she joined DDA. DDA currently provides services to over 1400 children and families in Vancouver and Richmond, through its Infant Development, Supported Child Development, Respite, Leisure and Family Support programs. The organization employs approximately 150 people in 11 community-based facilities, and is the sponsoring agency behind the Early Childhood Development Centre project. Lynne's extensive experience, combined with her sense of innovation and entrepreneurship, have been critical to the success of the ECDC initiative.

**Clyde Hertzman** -- Clyde is the Director of the Human Early Learning Partnership and a Professor in UBC's Department of Health Care and Epidemiology, and Associate Director of the Centre for Health Services and Policy Research. Nationally, he is a Fellow of the Canadian Institute for Advanced Research (CIAR) and a Canada Research Chair in Population Health and Human Development. Clyde has played a central role in creating a framework that links population health to human development, emphasizing the special role of early childhood development as a determinant of health. His research has contributed to international, national, provincial, and community initiatives for healthy child development.

**Donna Wilson** – Donna is the Senior VP of Human Resources for the Vancouver 2010 Olympic Corporation. As a member of the senior management team of VANOC, Donna shares responsibility for the leadership of the organization and for the ultimate success of the 2010 Winter Games. Prior to joining VANOC, Donna spent more than three years as VP Human Resources for Vancity. Under her leadership Vancity achieved top 100-employer recognition in 2004 and 2005, with a 'best employer in Canada' designation by MacLean's magazine in October 2004. Donna graduated from SFU with a Bachelor's degree in psychology. She lives in Vancouver and has two grown children.

**Jacques Khouri** – Jacques is President & CEO of Vancity Enterprises. VCE is a unique market developer with a social mission. Quite simply, VCE's goal is to improve the quality of life in the Lower Mainland, Fraser Valley and Victoria by undertaking socially responsible real estate developments. VCE works in partnership with local groups and societies to achieve both social and business objectives.

**Karen Larson**, Independent Consultant and Early Childhood Educator – Karen is a professional Early Childhood Educator who managed the operational aspect of DDA's childcare programs for many years before deciding to work as an independent consultant. Karen is a self-described 'concrete thinker' and brings exceptional operational, management and operational skills to the table. She is the proud mother of two young sons.

**Leslie Thomas** -- Leslie is the Child Care Manager for Britannia Community Services Centre and has more than twenty years of experience in the childcare field. Her responsibilities include program planning and delivery, financial administration, human resource development, system maintenance, and public relations for the childcare centres administered by Britannia. In addition to her daily duties, she supports the Britannia Childcare Committee and the boards of the various childcare centres. Leslie has a diploma in Early Childhood Development, as well as three children and a three year old grandson.

#### **Leadership Vancouver Community Project Team Members**

**Mimmo Di Giacomo** – Mimmo is currently the Manager of Strategic Development for the Arthritis Society, BC and Yukon Division. He has over eight years of fundraising experience in various capacities. His eclectic educational background includes degrees in Classical Studies and Veterinary Medicine. Originally from Milan, Mimmo moved to Vancouver in the mid-1990's. Here, he found his real calling in life after getting involved – on a volunteer basis -- with various non-profit organizations in. He is currently a member of the Board of the South Granville Seniors Centre, and participates in an advisory capacity to other not-for-profit committees. When not involved with raising funds, Mimmo pursues his passion for international travel, screenplay writing and spending time with his godchild, Emiliana.

**Stephen Hinds** -- Stephen works in the field of human resources at Citizens Bank of Canada. His main areas of responsibility include recruitment, labour relations and performance management. Prior to his career in HR, Stephen held leadership positions in health care, community relations and non-profit housing. Stephen has a degree in Criminology and a Graduate Certificate in Human Resource Management from Royal Roads University. His volunteer experiences include counseling teens at risk to serving on boards dedicated to meeting the needs of people living with disabilities.

**Barbara Little** – Barbara is a Certified Management Accountant with extensive managerial experience in accounting and administration. Her diverse background includes senior accounting roles in not-for-profit, manufacturing, and property management organizations. She is passionate about community development and creating healthy, vibrant communities. She has served on the board of the Burnaby Arts Council and has considerable cooperative experience as a founding member of a housing cooperative. Barbara lives in Burnaby with her husband.

**Michael Mortensen** -- Michael works as an Urban Planner with the City of Vancouver. In the past two years, he has worked on more than 30 major development applications in and around the core of downtown Vancouver. Before joining the City, he led a team of Housing Officers at Canada Mortgage & Housing Corporation, and managed the administration and financing of Assisted Housing projects across BC. Michael earned an MA in Urban Geography at UBC, and continues to explore urban planning and community development through his affiliation with the Planning Institute of BC and the Canadian Institute of Planners. Expecting another child this April with his partner Ellen, Michael is already the father of a three-year-old son. With a two-working-



parent family, he knows first-hand the benefits of excellent child care and the challenges that many families face in finding it.

### **Consultants**

**Marina Percy** – Marina is the founder and President of Fresh Strategy. With more than 13 years' experience in the communications field, Marina's purpose is to lead today's organizations to talk truths, build relationships, and ensure actions speak louder than words. She is committed to helping clients in private, public and not-for-profit sectors plan more strategically, operate more efficiently, and communicate more effectively.

Fresh Strategy is a boutique agency that combines incisive, sharp thinking with strategic and informed decision-making and communications planning that deliver solid returns on investment for clients. The company integrates triple bottom line values and practices into all our business practices and client services. Fresh Strategy clients include but are not limited to the Province of British Columbia, Citizens Bank of Canada, Association of Women in Finance, AIDS Vancouver, Campbell Saunders Ltd., The Summit Group, VanCity Capital Corporation, Canadian Wireless Telecommunications Association, Vietnam Friendship Village, PEAK 2005, Avatech Solutions (NYSE), Bridges Restaurant Group, Taku River Tlingit First Nation, Harvey McKinnon and Associates.

Marina sits on the editorial board of advisors for Business in Vancouver. She is an executive board member of The Vietnam Friendship Village Project Canada, and a qualified Strategic Planning and Communications consultant for The Province of BC. Marina received the Dean's Honour Award for her M.A. in Political Theory and Communications from McGill University in 1992. Marina also has a Broadcast Journalism diploma and Management Consulting training.

**ECDC Funding Partners**

Below is a list of agencies that have provided funding support for the ECDC project to date:

**Feasibility Study (completed November 2003):**

\$13,208	CEDTAP (Community Economic Development Technical Assistance Program)
\$ 8,000	Vancity Foundation
\$ 5,000	Developmental Disabilities Association

TOTAL: \$26,208

**Business Plan (completed March 2005):**

\$ 4,000	Mowat Family Foundation
\$ 5,000	Enterprising Non-Profits (a United Way initiative)

TOTAL: \$ 9,000

### **Outstanding Issues**

- clarification of preferred legal and accounting status
- recommendations regarding management and governance structures
- broadening of advisory committee to include MCFD, MACAWS, Federal Ministry of Social Development, VSB and Parks Board representatives
- implementation of communications plan



December 3, 2004

Ms. Kristi Miller  
Investment Manager  
VanCity Capital Corp  
700-815 West Hastings  
Vancouver BC V6C 1B4

Dear Kristi

It is a pleasure to write this letter of support for the Early Child Development Centre proposal.

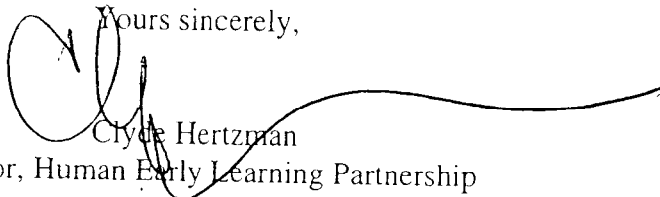
Our work at the Human Early Learning Partnership has shown that the most promising way for communities to support early child development is by creating local facilities, anchored by a quality childcare facility, that also serve as an access point to the full range of programs and services that help young children develop. Your proposal is a paragon of this model.

The proposed location is strategic and sensible. The likelihood is that this facility will not only provide for commuters and for local residents in lower Mount Pleasant, but also serve as a model for social sustainability in the emerging southeast False Creek community. As such, it should serve as a model to emulate in urban areas around the province.

Although I would like to see full public funding for initiatives such as this, I think your funding model makes a great deal of sense in the current funding environment. I am confident that, once established, the ECDC will be able to survive for the long term.

I hope you find these comments helpful.

Yours sincerely,



Clyde Hertzman  
Director, Human Early Learning Partnership



## FAMILY SERVICES OF GREATER VANCOUVER

*Strengthening People,  
Families & Communities*  
— since 1928 —

EXECUTIVE DIRECTOR  
Teri Nicholas, M.S.W. R.S.W.

Alanna Hendren  
Executive Director  
Developmental Disabilities Association  
Suite 100 - 3851 Shell Road  
Richmond, BC V6X 2W2

November 10, 2004

To Whom It May Concern:

---

Dear Sir / Madam;

I am writing on behalf of Family Services of Greater Vancouver in support of the Developmental Disabilities Association (DDA) and its Early Childhood Development Centre initiative. The proposed location at Main and Terminal Streets in Vancouver would allow for a central facility around which other relevant services could be built. The ECDC will function as a hub for families and children in this neighbourhood, with good quality, accessible and affordable childcare programs as its cornerstone. The programs offered by FSGV include counselling and support services to children, families and youth and we hope to be able to partner with DDA by providing complementary services.

We are very interested in the possibility of working with other providers of services to children and families in order to provide integrated and accessible programming to our community. We look forward to the development of this innovative and exciting project.

Yours truly,

Teri Nicholas  
Executive Director

Science World

1455 Quebec Street

Vancouver, BC, Canada V6A 3Z7

www.scienceworld.bc.ca

TEL: 604-443-7548

FAX: 604-443-7433

November 22, 2004

Ms. Kristi Miller  
Investment Manager  
VanCity Capital Corp.  
700 - 815 West Hastings Street  
Vancouver, BC V6C 1B4



Dear Kristi,

I am writing on behalf of Science World British Columbia in support of the Developmental Disabilities Association and its Early Childhood Development Centre initiative. We share with you the goal of educating young minds, encouraging creativity and inventiveness, and building an awareness of the contribution of education to the quality of our communities today and the transition to a knowledge-based economy in the future.

The Early Childhood Development Centre will function as a hub for families and children in this neighbourhood, with good quality, accessible and affordable childcare programs as its cornerstone. Science World offers significant high quality programming aimed directly toward children and families. Specifically, these programs focus on educating children of all ages about the importance of science and technology in our world. As a result, I feel that the priorities of our organization would integrate closely with the aims of the Early Childhood Development Centre.

Science World looks forward to the opportunity to work closely with the Early Childhood Development Centre in the months and years ahead to pursue our common goal of educating young minds. I encourage the community to support your valuable and worthwhile pursuit.

Sincerely,

A handwritten signature in black ink, appearing to read "Bryan Tisdall". The signature is fluid and stylized, with a long horizontal stroke extending from the end.

Bryan Tisdall  
President & CEO

## PACIFIC MIDWIFERY PRACTICE

*Elizabeth Ryan - Patti Thompson - Shannon Norberg*

*Terry-Lyn Evans - Kelly Chisholm*

*Lehe Elarar - Kat Montgomery*

*Registered Midwives*

*6808 Leg-in-Boot Square*

*Vancouver, BC V5Z 4B4*

*604-874-7999*

Attention: Lynne Dyson  
Director of Child and Family Services  
Developmental Disabilities Association

This letter is to inform you of Pacific Midwifery Practice's support for the Early Childhood Development Centre project.

Pacific Midwifery Practice provides prenatal, birth and postpartum care to mothers, families and newborns. We are a team of Registered Midwives that provides primary health care services to over two hundred women and families each year. Midwifery care involves one to one, individualized, quality care throughout the childbearing year. We strongly believe that a holistic approach toward what is one of most important events in a mother's and baby's life creates the cornerstone for the creation of healthy families and relationships.

We support the Early Childhood Development Centre project as we feel it creates continuity with the services that we provide, in an environment that would be accessible and supportive to young families from a variety of backgrounds. There is a high demand for midwifery care and at present not enough midwives to meet all the needs of families in Vancouver. A central location such as is being presented would allow greater numbers of families from across the socio-economic spectrum to access essential services and create better health.

The project is exciting for us in that we hear on a daily basis how challenging the childcare situation currently is in Vancouver and how difficult it is to access quality childcare especially for younger children. We feel that by centralizing services key to the development of young children and families the City of Vancouver would be actively promoting healthy communities from a more holistic perspective.

In conclusion, Pacific Midwifery Practice wants to thank you for your serious consideration of this important project and for furthering the health of our communities.

Sincerely, *Shannon Norberg, RM*  
on behalf of:  
Pacific Midwifery Practice

STRATHCONA  
COMMUNITY  
DENTAL CLINIC

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601 Keefer Street, Vancouver, B.C. V6A 3V8 Tel: 604 713-4485 fax: 604 713-4465  
strathconahealth@shaw.ca

Kyle Pearce, President  
Strathcona Health Society

City of Vancouver

Dear ,

I am writing this letter to inform you of Strathcona Health Society's support for the Early Childhood Development Centre project.

Strathcona Health Society has gained an awareness of many of the fundamental issues facing children in Vancouver through a three-year development process, and our subsequent three years of operations. Our clinic provides dental treatment, but we also work to remove barriers to low-income and newcomer families, so that they can achieve equitable levels of health and educational readiness.

We support the Early Childhood Development Centre project for several reasons, most importantly because our experience shows that families are facing significant challenges to raising healthy children – many of these challenges are related to basic developmental needs of children, like nutrition, health prevention and psycho-social development.

Our clinic sees clients from the Mount Pleasant area, and we are aware that families in that and other areas could benefit from a comprehensive approach to achieving a good start in life. We are interested in working with the proponents to identify how Strathcona Health Society's service provision and revenue-generation aspects would be an asset to the Centre.

Finally we also feel that the time is right to build innovative approaches to family, and therefore community, health. An integrated child development model such as is proposed, would ultimately continue to build Vancouver's reputation as a leader in the use of innovative approaches to building a high quality of life for its citizens.

In conclusion, Strathcona Health Society supports the development of the Early Childhood Development Centre, and urges you to facilitate its development.

Sincerely,

Kyle Pearce





**'HaidaBucks'**  
HaidaBucks Holding Inc.  
PO Box 769  
Old Massett, BC V0T 1M0

January 28, 2005

Lynn Dyson  
Director, Child and Family Services  
Developmental Disabilities Association  
Suite 100 – 3851 Shell Road  
Richmond, BC V6X 2W2

Dear Ms. Dyson:

It is with great pleasure to provide this letter of support of the Developmental Disabilities Association and your Early Childhood Development Centre project. This initiative will help address the challenging childcare needs in the downtown Vancouver area. This project will provide families with the opportunities which are not readily available especially in the downtown area.

As an Aboriginal owned company, HaidaBucks is excited that these much needed services will be available for aboriginal youth and families in the downtown core. HaidaBucks is looking to expand its retail coffee operations in the City of Vancouver and would be pleased to support such a worthwhile project, especially when it's the children who will benefit from these services.

HaidaBucks looks forward to working closely with the Early Childhood Development Centre in the future.

Sincerely,

A handwritten signature in black ink, appearing to read 'Cliff Fregin', with a long, sweeping horizontal line extending to the right.

Cliff Fregin,  
Partner

3322 Garden Drive  
Vancouver, B.C.  
V5N 4Y4

04 April 2003

Re: Early Childhood Development Centre project, Letter of Support

To whom it may concern;

My name is Ann McLean. I am a busy professional, and mother. My daughter, Stella, is nearing her second birthday and my husband and I hope to have more children.

Stella was born in May of 2001. That summer I listed her with various daycare providers, with hopes that she could be accepted into care the following May. I was shocked to learn that waiting lists ran to the hundreds; the Vancouver Society of Children's Centres, for example, had over 900 names on its list – 30 families for every one infant space they offer! I delayed my panic until the following spring when I was told that we were still number 20 or 30 on many lists! Ultimately I stayed at home with Stella, without bringing in any income for two months, until July.

Fortunately, we were lucky enough to be offered an infant position at the Development Disabilities Association's Playhouse facility. We are very happy here, but still feel the pressures associated with the lack of early childhood daycare spaces in this City. Stella has only just moved into Playhouse's toddler program (despite the fact that she is 22 months old – four months older than the general age at which children are moved from infant to toddler programs), and have already wait-listed her for a variety of preschool programs.

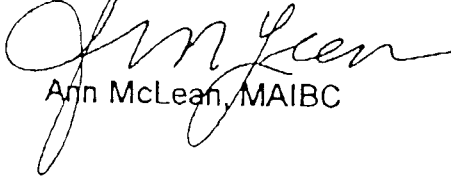
My direct experience tells me that there are simply not enough daycare spaces in Vancouver.

I am familiar with the Early Childhood Development Centre model that Kristi Miller, Liz Lougheed-Green and DDA have initiated. DDA is an accomplished and experienced provider of top-quality early childhood care. The organisation is committed to the interests of parents, children and the community. This model offers a viable alternative to / complement for government subsidies and embodies a real ability of all parties involved to think outside the box. I genuinely believe that this problem-solving approach will lead to an increase in the supply of infant and toddler spaces in Vancouver, as well as an enriched early childhood experience for all families in the neighbourhood in which the hub will be located.

004 005 7485 P.03/03

This model is all about social enterprise – an innovative, sustainable way to think about the delivery of community services. It is an exciting and promising idea, and look forward to the possibility that such a program could be set in motion.

Sincerely,

  
Ann McLean, MAIBC

April 3, 2003

My name is Diane Friedman and I am writing this letter in support of the need for more childcare spaces in the City of Vancouver, and in support of the initiative proposed by the Development Disabilities Association.

Today I am eight months pregnant with my first child. My husband and I plan to share maternity/paternity leave and spend a full 12 months at home with our son. After a year, we will both return to work as we both enjoy stimulating professional careers which we have worked many years to achieve.

Early on in our pregnancy, friends and colleagues insisted that we start looking for daycare immediately, as it is difficult to find. We were sure they were exaggerating but started looking into it. We were shocked to learn that waiting lists at fully-licensed daycares typically run 12-18 months with literally hundreds of names on the lists.

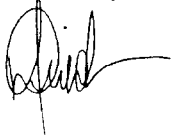
We never imagined that professional daycare would be such a challenge to find. Clearly, the market for daycare spaces is in a state of severe dis-equilibrium. Some of the centres (of course those with the best reputations) advised us that their waiting lists have grown so long that are not even taking any more names for their waiting list.

I am appalled by the scarcity of good quality fully-licensed daycare spaces in the City of Vancouver. This shortage forces women (like myself) to accept that returning to work means consenting to a lower quality daycare for our children. This is objectionable.

I have worked hard to establish myself professionally, in a satisfying and rewarding career. I should not be in a position where returning to my career is at the expense of my child's care.

I am therefore very much in support of the initiative proposed by the Development Disabilities Association and as a businesswoman, believe their business model makes sense. The economics should lead long-term to sustainability, and an increase in the number of infant and toddler care spaces available in the City of Vancouver.

Yours truly,

A handwritten signature in black ink, appearing to read 'Diane Friedman', with a stylized flourish extending to the right.

Diane Friedman



# City of Richmond

# Policy Manual

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Adopted by Council: Dec. 9/91

**POLICY 4002**

(See also the Implementation Strategy endorsed Apr. 27/92)

File Ref: 3070-00

**CHILD CARE - COMMITMENT**

## **POLICY 4002:**

It is Council policy that:

1. One of the goals of Richmond's Official Community Plan is: "To provide for the social needs of the community with adequate support services .... planning for increased services for the anticipated changes in the population mix of our community".
2. The City of Richmond acknowledges that child care is now an essential service in our community for residents, employers and employees.
3. The City of Richmond is committed to being an active partner with senior levels of government, parents, the private sector, and the community in the development and maintenance of a comprehensive child care system in Richmond. This system shall provide quality programs which are accessible and affordable.

(Planning Department)



# City of Richmond

# Policy Manual

Page 1 of 3

Apr. 27/92

**ADMINISTRATIVE  
PROCEDURE 4002.01**

File Ref: 3070-00

## CHILD CARE IMPLEMENTATION STRATEGY

### ADMINISTRATIVE PROCEDURE 4002.01:

#### IMPLEMENTATION STRATEGY:

To implement Richmond Child Care Policy No. 4002, City Council has endorsed the following implementation strategy:

1. To establish a child care facility for City employees, in consultation with City Employees and union representatives.
2. To establish a Child Care Development Fund, to finance development of child care in City Buildings and on City land, and to provide assistance to other endeavours directed towards achieving City child care objectives.
3. To develop policies and guidelines, and use Council's powers and negotiations in the development approval process to achieve child care targets and objectives.
4. To establish a grants policy on financial support for child care operations. Where City-owned property is leased, grants should be used in preference to subsidies.
5. To use the Child Care Development Fund to acquire sites for lease to non-profit societies for child care.
6. Consider the encouragement of spaces for children with special needs and mainstreaming such children, in developing a child care grants policy.
7. To designate a specific staff position as being responsible for co-ordination of child care matters.
8. To instruct staff to review various regulations, policies and procedures to ensure that no undue barriers exist to the development of child care.
9. To give explicit consideration to child care policies in all local area plans and develop targets for the number, type and location of child care services required.
10. To instruct the staff to develop networks and processes and data bases to facilitate the development of child care facilities, programs and non-profit child care agencies; to work with existing agencies in a complementary way to assist in development of a comprehensive information and resource base.
11. To instruct staff to determine whether any current City land holdings might be appropriate to make available for immediate use as child care facilities.
12. To encourage employer involvement in child care.



13. To investigate the possibility of establishing a group child care centre for shift workers for such institutions as Kwantlen College, Richmond General Hospital and the Workers Compensation Board.
14. To seek staff with ECE qualifications to fill appropriate new positions in Community Care Facilities Licensing in the Health Department, should they be created.
15. To instruct staff to review and where appropriate improve City produced public information material on child care.
16. To encourage the Richmond Friendship Home Society to use their land for child care.
17. To request the Council of Community Associations to review the issue of child care in community centres and provide information on the possibility and priority of child care programs in current or future community centre space.
18. To request the Co-ordinating Committee on Ethnic Relations to investigate and report on concerns, needs, and problems facing ethnic, native and other minority groups in the area of child care.
19. To declare the month of May "Child Care Month", and to support awareness and fund-raising activities during that month.
20. To work towards the establishment of a community-based Child Care Development Board (CCDB).
21. To set up a Steering Committee which would:
  - develop a community-based model for the CCDB.
  - define an appropriate structure, mandate and membership for the board.
  - work with the Province to coordinate this endeavour with current or proposed Provincial initiatives.
  - explore long term funding mechanisms for the board.
  - put this board in place in the community.

The steering committee would include representatives of the Health & Social Services Committee, the Child Care Development Task Force, the Child Care Advisory Committee of the RCSAC, Richmond Information and Volunteer Centre and their Child Care Support Program, other interested organizations such as Family Place, and resource persons from City staff.

22. To seek Provincial funding for the CCDB.
23. To consider direct financial support for the CCDB, after the initial start-up funding, through the Grants Program or through the budget process.



24. To transfer those functions identified as staff assignments in this strategy to the CCDB as appropriate.
25. To forward the Child Care Development Task Force report to the Richmond School Board and request the Board to consider and respond to the Task Force suggestions set out in Section II of their draft strategy.
26. To forward the Child Care Development Task Force report and this report to the Provincial Government and request that the appropriate Ministries consider and respond to the Task Force suggestions in Section III of their draft strategy and, in particular, to provide funding and other support for child care including funding for a community-based Child Care Development Board.
27. To forward the Child Care Development Task Force report to the Federal Government and request that the appropriate Ministries consider and respond to the Task Force suggestions in Section IV of their draft strategy.
28. To instruct the Director of Community and Governmental Relations to establish a liaison with the key staff members in the other levels of government and the School Board, to monitor progress made in response to the Child Care Development Task Force suggestions to those bodies, and to report back periodically on their responses.



## **Statistics on Numbers of Children in Richmond and Number of Childcare Spaces Based on 2001 Data.**

### **Richmond Children First 2001 Draft Document**

#### **Children 0-6 years Neighbourhood Profiles.**

This study shows that there were 11,596 children 0-6 years old living in 46,025 families in Richmond.

For this number of children there were 2016 licensed child care spaces . Therefore only 17.4% of total child population had access to licensed child care.

#### **Children and spaces by area of Richmond:**

##### **Blundell**

1045 children 0-6 and 228 regulated spaces (20%)

##### **Bridgeport and Sea Island**

358 children 0-6 and 101 regulated spaces (30%)

##### **Broadmoor**

1327 children and 383 regulated spaces (27%)

##### **City Centre**

2287 children 0-6 and 356 regulated spaces (16%)

##### **East Richmond/Hamilton**

2008 children 0-6 and 352 regulated spaces (16%)

##### **Seafair**

1030 children 0-6 and 83 regulated spaces (8%)

##### **Shellmont**

899 children 0-6 and 87 spaces (10%)

##### **Steveston/Gilmore**

1567 children 0-6 and 222 regulated spaces (14%)

##### **Thompson**

1075 children 0-6 and 238 regulated spaces (24%)

### **City of Richmond Child Care Needs Assessment 2001-2006**

This document states that the minimum additional spaces needed by 2006 were projected to be:

#### **1. Group centres**

24 Infant and Toddler spaces (under 3 years old)

75 Group child care spaces (3-5 years old)

1907 School Age Child Care Spaces

## 2. **Family Child Care Centres**

31 Birth to 5 year old spaces

121 6-12 year old spaces

### **Total of projected new spaces needed:**

**130 spaces** for children from birth to 5 years old

**2028 spaces** for 6-12 year olds

The Needs assessment document states

*"the data therefore suggests the presence of a large unregulated child care sector in Richmond, particularly among children 6 and older. While research consistently indicates that quality child care is found more regularly within regulated (licensed) care contexts, not all families use regulated child care services, particularly since the cost and availability of regulated child care pose significant barriers."*

### ***Please Note:***

The following factors must be taken into account

- ❖ two large group centres have closed during this period
- ❖ There has been a great deal of new housing development in Richmond in this period

### **Richmond Child Care Resource and Referral Centre**

The data from the RCCRRC shows the most requested area that families are looking for childcare

In order of priority:

City Centre,

East Richmond

Thompson

Seafair

Steveston

With smaller numbers requesting services in other areas.

Prepared by:

Lesley Richardson and Sue Graf

Co-Chairs, Child Care Development Board

January 2006

**Child Care Capital Funding Program: Major Capital Funding for Creation of New  
Child Care Spaces. January 2006**

**Proposed Criteria for Applications to City of Richmond for Assistance.**

**Preamble:**

In the City of Richmond Parks, Recreation and Cultural Services Master Plan there is a commitment by the City to a Relationship Based Approach.

*"To achieve Richmond's vision, the tradition of citizens, organizations, government agencies and the City working together, cooperatively and collaboratively, must be nurtured and expanded. Meeting the community's current and future needs is beyond the capacity of the public sector, private sector or not-for-profit sector alone – all must work together to make this happen. All parties must accept and share responsibility for the community's social, economic, environmental and cultural well being.*

*Building relationships between and among quality- of-life service providers is critical to the sustainable success of the system. These relationships will help ensure effective and efficient use of scarce resources and will lead to exciting new service delivery relationships for the community. Creating a strong, connected community depends on Richmond's quality-of-life organizations working together"*

**Criteria for Applications to City of Richmond for Assistance.**

Preference will be given to those proposals where:

1. The child care spaces to be created are co-located with other children/family services (eg. community hubs).
2. An organization can provide a clear demonstration that the project provides much needed child care that is not currently available in the community
3. An organization is a non-profit society in good standing with BC Corporate Registry.
4. An organization must prove that they are financially viable and have a solid business plan for operation of the child care facility
5. An organization has a proven record showing that they have the knowledge, skills and experience to undertake the project.
6. If currently licensed, are in compliance with the *Community Care and Assisted Living Act* and Child Care Licensing Regulation, or if not yet operating, in the process of obtaining a license under *the Community Care and Assisted Living Act*.
7. Proposed facility is complementary to existing child care programs in the City
8. The child care facility will service families receiving Child Care Subsidy
9. The child care facility will service families with children with special needs requiring extra supports
10. The organization will demonstrate a commitment to the principles of quality, affordable, accessible and developmentally appropriate early childhood programs.
11. Demonstrated support and partnerships from within the Richmond community for the proposed project.

Prepared by:

Child Care Development Board, January 2006