



<b>SUBJECT</b>	<b>CHILD CARE UPDATE</b>
<b>REPORT TO</b>	BOARD OF GOVERNORS
<b>MEETING DATE</b>	DECEMBER 5, 2019
<b>MATTER TYPE</b>	<input checked="" type="checkbox"/> BOARD DISCUSSION <b>NOT</b> REQUIRED <input type="checkbox"/> BOARD DISCUSSION REQUIRED
<b>ACTION REQUESTED</b>	No decision required: received by the PC&I Committee for information
<b>REPORT DATE</b>	November 5, 2019
<b>EXECUTIVE PROPONENT</b>	Ainsley Carry, Vice-President Students
<b>PRESENTED BY</b>	Andrew Parr, Managing Director, Student Housing and Hospitality Services
<b>SUPPORTED BY</b>	Darcelle Cottons, (retiring) Director, UBC Child Care Services Karen Vaughan, (incoming) Director, UBC Child Care Services

**EXECUTIVE SUMMARY**

Child care is a key component of recruitment and retention for UBC faculty, students and staff, and a provincially required amenity for UBC neighbourhood development. UBC Child Care Services is the main provider of child care on the academic campus. In the neighbourhoods UBC delegates the delivery of child care facilities to the University Neighbourhoods Association. The UNA then partners with a third party (e.g. YMCA) to operate child care.

From 2009 to 2019 the number of UBC operated child care spaces on the Vancouver campus has grown from 397 to 726; a growth of 83%. Despite this growth waitlist times and overall demand continue to grow as well. As a result, staff has been exploring options to fast-track the implementation of the Child Care Expansion Plan (CCEP) by delivering new child care spaces earlier than originally planned in the CCEP. This is being driven by three factors:

- Recent Provincial Government announcements regarding capital funding grants and child care subsidies that will likely put even greater demand on Child Care at UBC, particularly from students who can take advantage of the low income subsidy and, as a result, receive close to \$10 per day child care.
- Growing increase in length of UBC’s child care waitlist, particularly in infant/toddler and before/after school care for school-aged children.
- Expected greater demand for child care services on both the UBC Vancouver and Okanagan campuses as senior faculty retire and are replaced with younger faculty and the expected net new faculty over the next 8-10 years. It is expected that many of these new younger faculty will come with families.

This report will provide information on the following:

- Child Care Expansion Plan (CCEP)
- Recent growth and current state
- CCEP Future Opportunities
- Child Care funding strategy and delivery model
- UBC Okanagan context

## UBC CHILD CARE EXPANSION PLAN (CCEP) – UBC Vancouver

UBC has long been a leader in the provision of quality child care, and is the largest provider of on-campus child care in North America. UBC is committed to expanding child care on campus as the campus community grows. In 2018, the **UBC Child Care Expansion Plan** was updated to address projected demand from the growing residential community and UBC's financial and operating capacity for expansion. The implementation of the CCEP, like other planning policies, is reviewed every five years, or as required, to respond to changing policy, including UBC Land Use Plan updates.

A key outcome of the CCEP is that there is and will continue to be ongoing demand for new child care spaces through to 2041, particularly for children younger than three years. Based on current projected neighbourhood growth, the CCEP targets will create up to 277 new child care spaces between 2020 and 2041 for both academic and neighbourhood centres. This will result in an inventory of over 1,200 spaces in total by 2041 (935 existing spaces plus up to an additional 277 spaces). *The overall number of spaces is approximate and subject to funding approval of individual projects.*

### UBC-V Child Care Space Targets

	UBC Child Care Centres	UNA-Managed Centres
<b>5-Year Target (By 2024)</b>		
# New Spaces	Up to 72 spaces	Up to 86 spaces
# of New Centres	Minimum 3 centres	2 centres
Potential Locations	Brock Commons (48 spaces)	Wesbrook Child Care Centre (49 spaces)
	Armoury Commons (24 Spaces)	Residential Site, Wesbrook Place (37 spaces)
<b>Long Term Target (2025 – 2041)</b>		
# New Spaces	55 spaces or more	161 spaces
# of New Centres	A mix of new centre(s) and a reconfiguration of existing centres	3 centres plus space for school age care in new elementary school
Potential Locations	<ol style="list-style-type: none"> <li>Possible future academic building development.</li> <li>Totem Field Student Housing, particularly if this is developed as student family housing.</li> <li>Future Acadia Park and/or reconfiguration of existing centres</li> </ol>	<ol style="list-style-type: none"> <li>TBD sites in Stadium Rd. and Acadia neighbourhoods: 3 centres each 37 spaces, infant/toddler/preschooler</li> <li>Future elementary school: ~50 school age spaces</li> </ol>
<b>Subtotal Additional Spaces by 2041</b>	Up to 127 new spaces	Up to 247 new spaces
<b>Total Additional Spaces by 2041</b>	Up to 374 new spaces (combined UBC and UNA)	

Source: UBC Child Care Expansion Plan (2018)

### RECENT GROWTH AND CURRENT STATE

UBC Child Care Services is the largest university operated child care service in North America. Over the past 10 years the number of UBC operated child care spaces on the Vancouver campus has grown by 329 spaces, including 96 new spaces in a full range of age groups currently under development. These 96 spaces will be fully operational by the end of 2019 in Acadia Park using modular construction. While this is not a less expensive way to construct, it is much quicker. The total project cost is \$4.65 million with \$3.0 million coming from 3 x \$1 million provincial grants.

In the neighbourhoods, child care spaces have grown by 25, with an additional 49 space facility under development and expected to open in fall 2020. There are also two out of school care facilities in the neighbourhoods with a total of 39 spaces.

There are now 974 licensed full- and part-day spaces serving UBC (on academic land, in UBC neighbourhoods and in UEL elementary schools) as follows:

- 726 spaces are run by UBC Child Care Services, including before/after school care spaces
- 24 spaces managed by the UNA and operated by the YMCA
- 39 out of school care spaces managed by the UNA and operated by the YMCA
- 160 spaces run by other third-party operators (including 96 spaces run by the Developmental Disabilities Association).

Despite this growth waitlist times and overall demand continue to grow. Furthermore, this demand is expected to continue to grow with the transition of retiring faculty to younger faculty as well as net growth in the number of faculty; in both cases it is expected that many of these new faculty will arrive at UBC with families.

### **CHILD CARE EXPANSION PLAN – FUTURE OPPORTUNITIES**

Several additional child care projects are underway or being considered; these are:

- The Wesbrook Child Care Centre (WBCCC), a 49-space child care centre was approved by Executive and is now being tendered with an expected completion in fall 2020. The total project cost is \$4.79 million, and includes a \$0.5M provincial grant, with the remaining \$4.29M funded by charges collected on residential development.
- Brock Commons Phase 2 will include a 12-space infant/toddler and a 24-space 3-5 year old centre; expected completion is 2022.
- Renovations to Berwick Child Development Centre, operated under lease by the Developmental Disability Association (DDA) to expand the life of the building, preserving the existing 96 spaces for another 15-20 years.
- Additional opportunities for growth will be considered within future academic and student housing capital projects and through additional modular developments.

### **CHILD CARE FUNDING STRATEGY AND DELIVERY MODEL**

UBC Vancouver delivers and operates child care facilities for the academic campus through UBC Child Care Services, a division of Student Housing and Hospitality Services. In the neighbourhoods UBC delegates the delivery of child care facilities to the University Neighbourhoods Association. The UNA then partners with a third party like the YMCA to operate child care. The capital funding model for the academic campus is different than for the neighbourhoods, as described below:

*Academic Lands:* In 1994, the Board of Governors committed to supporting UBC Child Care Centres within available resources. This support includes capital, major repairs, utilities as well as central administrative support. More recently, Student Housing and Hospitality Services (SHHS) has been funding UBC Child Care expansion directly through departmental reserves, operational funding support, and as part of Student Housing Commons development projects. This model of funding child care growth through SHHS reserves, while effective in the short term, is not sustainable. As a result, staff are review different funding options, including re-implementing the 1994

Board of Governors commitments, to ensure appropriate investment in child care continues. With recent funding opportunities via the BC Government UBC will submit grant applications for new projects to maximize funding through the BC Government funding sources.

*UBC Neighbourhoods:* Capital costs are funded by UBC through Community Amenity Charges (CACs), and financed directly from internal UBC financing to be repaid with future CAC revenue. CACs are a \$3.25 per square foot fee (adjusted annually for inflation) that UBC collects on all market residential housing. UBC uses CACs to build child care facilities, in most cases as spaces within UBC Properties Trust-owned rental housing buildings. UBC or UBC Properties Trust owns the space, and licenses it to the University Neighbourhoods Association, who then enters into a third party operating agreement with an organization like the YMCA to deliver child care programs.

The CCEP clearly stipulates that the delivery of new child care centres is subject to future capital funding availability.

### **UBC OKANAGAN CONTEXT**

Since the merge of UBC and Okanagan University College there has been just one not-for-profit operated child care centre on the UBC Okanagan campus. While the demand increase is less significant than the UBC Vancouver campus it has been growing at UBCO and the same recruitment issues are beginning to arise. For this reason, staff are now considering the future needs for child care expansion at UBCO. There are two simultaneous initiatives underway at UBCO:

1. Working with the existing non-for-profit operator, add a second centre possibly using the modular construction process recently used at the UBCV campus. Staff are currently completing a BC Government Capital Grant Application to possibly partially or fully fund this development, and are working with key partners across campus to consider appropriate siting options.
2. With assistance from a third-party consultant, complete a comprehensive long term needs analysis report. This report will include a scan of child care in the Kelowna area, growth projections to 2040 and will provide analysis about different operating models (i.e. self-operated similar to UBCV or third-party not-for-profit partnerships).