
To: Finance, Facilities and Technology Committee

Prepared By: Jason Reid

Subject: White Road Property

Date: October 1, 2020

Purpose and Background

The purpose of this briefing note is to report on the benefits and feasibility of creating a Nature Based Early Learning Centre on the White Road property, and to recommend that an application for funding be submitted.

An extensive public consultation process regarding the future of the White Road property concluded in September 2018. The overall question considered in the consultation was what should the Board do with the White Road property so that the educational needs of students and our community are best served and the wishes of the donor were respected?¹ In the event that a suitable alternative educational use did not exist, the consultation also considered how the proceeds from disposal could support public school purposes. Leaving the property vacant long term was not considered an option, given the wishes of the donor and the risks of owning a vacant lot in an increasingly developed residential neighbourhood.

Following the consultation the White Road Property Committee issued a [final report](#), and in October 2018 the Board of Education approved the Committee's recommendation to complete a review considering the benefits and feasibility of creating a Nature Based Early Learning Centre on the White Road Property.

The feasibility of creating an Early Learning Centre on the site depends on both the financial viability of the project, and whether it is an appropriate use for the site. As the property is zoned for residential use, rezoning will be necessary before it can be used for an Early Learning Centre. An application to rezone the property will only be successful if the district can demonstrate that the impact on the site and neighbourhood is appropriate.

Funding is available for the creation of childcare spaces through the Childcare BC New Spaces Fund ("New Spaces Fund"). At the time the feasibility work began in the fall of 2018, funding available through the New Spaces Fund was capped at a maximum of \$1 million per site, which was a significant barrier to the project's financial feasibility. On July 15, 2019, government [announced](#) changes to the funding program including an increase to the maximum funding

¹ The White Road property was donated to the trustees of the South Saanich School District, predecessor of School District No. 63 (Saanich), on April 7, 1873 by Mr. William Turgoose. In the original hand written transfer document to the School District the following condition was documented: "... unto the Trustees of the South Saanich School District (hereinafter referred to as the said Trustees) and their Successors forever Upon Trust To hold and use the same for Public School purposes in the said District"

available per site from \$1 million up to \$3 million. Following this announcement, feasibility work focused on developing a project fully funded through the New Spaces Fund.

The benefits of an early learning program are clear and align with both the wishes of the donor and the educational mandate of the Board of Education. The demand for early learning spaces exceeds the availability of spaces on the peninsula and in Greater Victoria. In September 2020, Central Saanich published a Child Care Inventory and Action Plan ([link to report](#)). The report demonstrates the need for additional childcare spaces, includes recommendations related to land use to encourage more child care spaces, and includes a specific recommendation (page 49) that the municipality: “Work with SD63 to support their proposed development of child care spaces on the “White Road” property.”

Nature Based Early Learning Centre

Program Concept Summary

In the spring of 2020, Director of Instruction Carly Hunter and Vice Principal Helena Takhar investigated options considering how the program could align and contribute to the overall educational goals of the school district, and consulted with two operators of similar programs in the region. I also consulted with Beacon Community Services (who operate a number of early learning programs) and staff at the New Spaces Fund.

Our recommendation is that the program be for ages 3-5 (without infant care) to facilitate focus on the creation of a robust early learning program. Given the demand for full time care, we envision the program likely running from 8am to 6pm, with possible extended hours for some spaces if needed in the community. Our vision is that the early learning program will integrate with district programs to create opportunities for learning and sharing and to facilitate a more seamless transition from early learning into K-12. The foundation of the program would be built upon the ideologies of the Early Learning Framework. Through a nature-based program rooted in W̱SÁNEĆ ways of knowing and being, children will establish a sense of community, place and belonging leading to smooth transitions into future education.

In Saanich, we have a goal to infuse Indigenous content in the early years for all children. It is essential for children that live, learn and play on the land of the W̱SÁNEĆ people gain knowledge of their ways of knowing and being and to be exposed to the SENĆOŦEN language. Woven through the fabric of the program would be the First Peoples Principals of Learning, by engaging with local W̱SÁNEĆ elders and educators to ignite an understanding of indigenous perspectives within the program.

In December 2019, I reported that up to 99 childcare spaces could be created in the proposed facility (based on licensing space criteria). However, following consultations with established operators, we have concluded this would be too many spaces for the building and site, and would not be conducive to the creation of a quality program. The recommended configuration is three classrooms of 24 students, for a total of 72 program spaces. This configuration reflects efficiently staffing the required supervision ratio (8 students per Early Childhood Educator).

With 72 childcare spaces, it will also be possible to create some flexible space within the planned building footprint, which we have learned is important when managing the unique needs of 72 children aged 3-5.

Rezoning and Community Consultation

The White Road property is zoned RE-2 (Rural Estate) and would need to be rezoned for a non-residential use. In order for the property to be rezoned, the district will need to demonstrate that the property's proposed use is appropriate for the residential neighbourhood. Impact on the site and surrounding community is an important consideration. The completed community consultation supports the proposed use of the property, and prior to making a rezoning application we would reengage with those involved in the consultation to present the final project plan.

Staff at the New Spaces Fund have confirmed that funding can be approved contingent on rezoning, and that funding can be applied to rezoning costs. Once a project is successful and has received its first funding payment, work on the project is expected to commence within four to six months; however, this work can be initiation of the rezoning process. The estimated timeline for completion needs to be reflected in the funding application; however, there are no set or maximum timeline parameters required by the New Spaces Fund.

One possible reason to begin rezoning prior to completing the funding application is to gain comfort that the project proposed for funding will be successful in a rezoning application. This option was discussed with Central Saanich staff who noted the district could begin the rezoning process to receive feedback before submitting the funding application, and only complete the rezoning process once funding was confirmed. The cost to initiate a rezoning application is approximately \$4,000 and additional costs would be required to complete the process for a traffic study and possibly other consulting work.

However, as a project that creates less than the proposed 72 spaces would not be financially viable (see discussion below), it would not be possible to scale back the program further regardless. Also, changes to the planned use of the site that result from rezoning that do not significantly impact the size or nature of the program will not be an issue for the funding agreement. For these reasons, there are limited benefits to commencing the rezoning process prior to submitting the funding application.

Funding Application and Cost

The current New Spaces Fund application window closes on November 1, 2020. At this time, there is not a set date for a future application intake, and one will likely not be announced before March 2021.

The maximum funding available for a project is \$3 million. In ranking applications, the New Spaces Fund also considers the cost per childcare space created. The budgeted cost per space for the recent expansions funded by the New Spaces Fund (Sidney Elementary, Cordova Bay

Elementary and Lochside Elementary) ranged between about \$20,000 to \$30,000 per space. In consultation with staff at the New Spaces Fund, the maximum cost per space that will be considered is \$40,000, which equates to \$2,880,000 for the creation of 72 childcare spaces.

The construction cost estimate for the proposed facility is \$3,370,000 including a 15% construction contingency². If a funding application was submitted this fall and approved February 2021, when the signing the funding agreement the Board would effectively be committing to allocation of approximately \$500,000 to fund the project.

To fund additional community space in the new Children's Development Centre (now under construction), the district partnered with Beacon Community Services who is contributing \$200,000 to the project as a prepaid lease payment for 25 year access to the community space addition (60 square meters) and common areas. Beacon will also share annual operating costs of the facility. A similar arrangement could also work for this planned childcare facility, and a \$500,000 prepaid lease contribution (in addition to monthly operating cost contributions) is reasonable for 25-year access to a 465 square meter facility. However, there are likely few childcare operators that are able to make such a financial contribution, and proceeding with a funding agreement without first having this or another funding source increases the risk the Board will ultimately need to cover some or all of the unfunded cost to complete the project.

Selecting an Operator

The key criteria for selecting an operator include:

- Expertise and capacity in the delivery of early learning and childcare including the capacity to recruit and train Early Childhood Educators (ECEs);
- Ability to deliver a program aligning with the expectations of the school district, including integration with district programs as described above (alignment of organizational mandate is a key consideration); and
- Financial capacity to fund up to \$500,000 in capital cost.

New Spaces Fund staff have confirmed that selection of the operator (community partner) can occur following confirmation of funding.

Next Steps

Given the potential of changes to the funding program and the timing of future funding intakes, I recommend that a funding application be submitted prior to November 1, 2020.

To address the potential financial risk related to the funding shortfall, I recommend that prior to signature of a funding agreement (February or March 2021), that either a suitable operating partner be selected or a plan to otherwise mitigate the financial risk be approved by the Board.

² The conceptual design and construction cost estimate are included in the December 2019 report from the Finance, Facilities and Technology committee.

Prior to confirmation of funding a community open house will be planned in the new year to review the plan with those who participated in the consultation. The feedback received from this session would inform the subsequent rezoning application.

Staff Recommendation

That the Board approve submission of a funding application to the BC Childcare New Spaces Fund to develop a Nature Based Early Learning Centre on the White Road Property.

With Respect,

A handwritten signature in blue ink, appearing to read "Jason Reid".

Jason Reid
Secretary Treasurer