

# Child Care Establishments in the Downtown Area

## Regulatory Barriers in Providing Child Care Services across the City

### Recommendation:

That the May 26, 2015, Sustainable Development report CR\_1415, be received for information.

### Report Summary

This report provides information on the inventory of child care facilities and capacities, regulations regarding child care facilities, market interest in child care, barriers to expand child care capacity, and options to overcome these barriers in Edmonton.

### Previous Council/Committee Action

At the October 22, 2014, City Council meeting, Councillor B. Anderson made the following inquiry:

Further to the motion passed at Executive Committee on June 4, 2014, with respect to "Childcare Establishments in the Downtown Area", the report for which is due back on February 24, 2015, I would like Administration to provide the following additional information to return to Committee at the same time:

- regulatory barriers to the provision of Childcare Services in Edmonton
- recommendations to facilitate further development of Childcare Services across the City in the Zoning Bylaw, with emphasis on accessing industrial areas.

At the June 4, 2014, Executive Committee meeting, the following motion was passed:

That Administration provide a report on:

- the existing inventory of child care establishments in the downtown
- market interest in downtown child care
- any existing barriers to, and potential solutions for, provision of downtown child care, and
- options to provide support for development of additional child care establishments in downtown

### Report

The initial child care establishment motion was the result of a discussion around changing market conditions and allocating height and density bonusing in the Capital

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City Downtown Plan. The scope of the project was later expanded to include child care services across the city.

### Inventory

According to the 2014 Edmonton Census, there are 44,227 children under five years old in Edmonton. According to Alberta Human Services, there are 23,814 licensed child care spaces operating in 460 facilities within the city. Some of these spaces may be occupied by children from outside of Edmonton. This number of licensed child care spaces does not include day homes, nannies, informal child care arrangements or single income families where one parent chooses to provide full time child care, but it does include day care, preschool, out of school care and innovative child care programs.

Six child care service providers are located specifically in Downtown. Only four of the six facilities agreed to provide information about their operations. Of those four, there are 245 licensed spaces, of which 232 children are enrolled. The combined wait list for these four facilities is 750. A detailed exploration of the inventory is provided in Attachment 1.

### Telephone Survey Results

In order to answer the questions asked by Executive Committee and City Council, Administration conducted a telephone survey of child care service providers operating within the city of Edmonton to confirm capacity and program type, and to determine the license holder's perspective regarding the barriers to expanding child care services, specifically asking about regulatory and non-regulatory barriers, as well as what their ideas would be to facilitate the expansion of child care services in the city. The survey focused on child care service providers licensed by the Government of Alberta, and excluded day homes from the analysis.

The survey results indicated that about half of the facilities are operating at capacity, and half are operating below capacity with an average of 89 percent of capacity being utilized. A typical child care facility has about 20 children waiting for a space, but there are some facilities that have very large wait lists that pull the average up. Some facilities are operating below capacity but have a wait list because there are not enough staff to meet the licensed capacity.

The survey results are contained in Attachment 2. Three primary barriers were identified:

1. Indoor and outdoor play space requirements - These are Provincial requirements of the *Alberta Child Care Licensing Act*, and *Alberta Child Care Licensing Regulation 143/2008* and are difficult to meet, particularly in downtown areas, because of rules that prevent the staggered use of outdoor play spaces.
2. Care giver to child ratios are high - Certain age categories are in higher demand that require a higher ratio. This makes child care more expensive

- and presents challenges to hire and retain adequate staff to satisfy licensing requirements.
3. Off-street parking requirements- Parking is a Zoning Bylaw 12800 requirement.

### Market Interest

Information obtained through the telephone survey, combined with the most recent demographic information indicates there may be a high demand for child care services. However, since most facilities are operating below capacity this indicates that there is a constraint on expansion that is unrelated to licensed capacity. The survey respondents indicated the constraints are recruiting and retaining enough primary staff members to maintain the supervision ratios, that some parents have difficulty affording care, and that some operators are concerned over the quality of care and intentionally operate below licensed capacity.

In the downtown and surrounding central neighbourhoods there are 1000 children on a wait list. For those 56 child care service facilities surveyed excluding downtown, there are 700 on a wait list. Anecdotal evidence shows that many parents will put their child on several wait lists in order to improve their chances of securing a child care space. A detailed exploration of market interest is provided in Attachment 3.

### Zoning Bylaw 12800

Zoning Bylaw 12800 allows child care services in most commercial, special area, or residential-commercial mixed use zones as either a permitted or discretionary use. There are a wide range of options in commercial zones, and the discretion is to ensure compatibility between commercial uses and a child care service use. Child care services is a permitted use in all downtown special-area zones and currently not permitted in any industrial zones.

In addition to the requirements of the zones, child care services uses are subject to Section 80, Special Land Use Provisions, which regulates the location (in the neighbourhood, on the site, and relative to other pre-existing uses in the area), the exterior appearance including fencing and lighting, and vehicle parking, including pickup and drop-off spaces.

Regarding expanding child care services into industrial areas, there may be concerns related to compatibility with surrounding uses. It may be possible to add child care services as a discretionary use to the (IB) Business Industrial Zone and (IL) Light Industrial Zone where adjacent businesses and infrastructure do not represent additional risk. (IM) Medium Industrial Zone and (IH) Heavy Industrial Zone are intentionally separated from neighbourhoods to mitigate nuisance factors such as noise, vibration, and odour, and to mitigate risk associated with certain industrial processes. Lower-intensity industrial is typically used to buffer these heavy industrial zones from lower intensity uses. More information about Zoning Bylaw 12800 regulations is found in Attachment 4.

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### Provincial Regulations

Government of Alberta regulations affect all aspects of daycare operations. The *Alberta Child Care Licensing Act*, and *Alberta Child Care Licensing regulation 143/2008* have many requirements that must be met in order to obtain approval for a new or expanded child care services facility. A summary of these regulations is provided in Attachment 5.

### Potential Amendments to Zoning Bylaw 12800

Changes to Zoning Bylaw 12800 are unlikely to significantly change the provision of child care spaces as the bulk of child care regulations are developed and enforced by the Province of Alberta. However, there are four potential changes to Zoning Bylaw 12800 that could have some effect:

1. Clarifying the wording in Section 80, Special Land Use Provisions for Child Care Services by removing subjective and undefined terms and re-evaluating the location criteria therein.
2. Evaluating the parking requirements, including reducing pickup and drop-off requirements, allowing shared parking, and allowing on-street parking to satisfy some or all of the requirements.
3. Evaluating the list of permitted and discretionary uses and expanding the number of zones where the use is either permitted or discretionary.
4. Including the provision of child care services facilities as part of density or development bonusing in direct control zones, as mentioned in Attachment 6.

A detailed exploration of all of these options is provided in Attachment 6.

### **Policy**

*The Way We Grow*, Edmonton's Municipal Development Plan:

- 6.1.1: Promote the growth of office employment opportunities across the city, with the Downtown as the primary focus
- 6.4.1: Attract creative workers and visitors by supporting arts, recreational, educational and cultural facilities
- 6.5.1: Work cooperatively and in partnership with school boards, other orders of government, health institutions and educational institutions to foster the sustainable development of Edmonton.

### **Attachments**

1. Inventory of Child Care Establishments
2. Telephone Survey Results
3. Market Interest in Child Care
4. Zoning Bylaw 12800 Regulations
5. Provincial Regulations
6. Options to Provide Support for Expanding Childcare

**Others Reviewing this Report**

- L. Cochrane, General Manager, Community Services
- D. Wandzura, General Manager, Transportation Services
- K. Rozmahel, General Manager, Corporate Services