

TO:	CHAIR AND MEMBERS COMMUNITY AND PROTECTIVE SERVICES COMMITTEE NOVEMBER 15, 2016
FROM:	LYNNE LIVINGSTONE MANAGING DIRECTOR NEIGHBOURHOOD, CHILDREN AND FIRE SERVICES
SUBJECT:	FAMILY CENTRE WESTMINSTER – INCREASED PROVINCIAL INVESTMENT

RECOMMENDATION

That, on the recommendation of the Managing Director of Neighbourhood, Children and Fire Services:

- a) The attached proposed By-law (Appendix A) **BE INTRODUCED** at the Municipal Council meeting to be held on November 22, 2016 to approve a Schedule A (Appendix B), an amending agreement to the Funding and Project Agreement between the Corporation of the City of London and the London District Catholic School Board for the construction of a neighbourhood Family Centre at St. Francis Catholic Elementary School approved by Council on March 30;
- b) The Mayor and Clerk **BE AUTHORIZED** to execute the agreement approved in (a) above.

It being noted that:

- This new Funding and Project Agreement amends the agreement approved by Council on March 30, 2016 because of subsequent investment in funding from the Ministry of Education.
- This is the third of three reports to be brought forward in November 2016 relating to the increased Ministry of Education financial support for the establishment of neighbourhood Family Centres. The other two reports relate to this investment for Family Centres at new public elementary schools in Northeast and Northwest London.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- Neighbourhood Family Centre: London District Catholic School Board: St. Francis Catholic Elementary School – March 30, 2016
- Neighbourhood Family Centre: Thames Valley District School Board: Northwest London New Public School – February 17, 2016
- Neighbourhood Family Centre: Thames Valley District School Board: Northeast London New Public School – February 17, 2016
- London’s Child and Youth Network: Family-Centred Service System Impact Assessment – December 15, 2015
- Neighbourhood Family Centre: Thames Valley District School Board: Lord Nelson Public School Update – November 17, 2014
- Neighbourhood Family Centre: Thames Valley District School Board: Lord Nelson Public School – March 24, 2014
- Child Care Funding Formula Update – April 8, 2013 (Established Child Care and Early Years Childhood Development Reserve Fund)
- Neighbourhood Family Centre: Thames Valley District School Board: White Oaks Public School – January 21, 2013
- Child and Youth Agenda II – “The Best for Our Children, Youth and Families II – The Next Three Years of London’s Child and Youth Agenda to 2015” – November 2012
- Dr. Charles Pascal Report: With our Best Future in Mind, Implementing Early Learning in Ontario – July 20, 2009

BACKGROUND

Purpose

The purpose of this report is to: summarize recent Ministry of Education announcements regarding additional capital funding for family and child programs in London; and to present for consideration an Appendix to Amend the Funding and Project Agreement between the Corporation of the City of London and the London District Catholic School Board (LDCSB) which reflects the significantly reduced financial contribution the City will provide to construct a Family Centre at St. Francis Catholic Elementary School in the Westminster neighbourhood.

Background

In November 2015, the Ministry of Education announced a capital funding allocation in the amount of \$440,975 to the LDCSB to support the construction of a Family Centre at St. Francis Catholic School in the Westminster neighbourhood.

On March 30, 2016, Council authorized Civic Administration to enter into a contract for the construction of St. Francis Catholic School with the London District Catholic School Board. Council approved \$973,500 for the construction of the Family Centre at St. Francis Catholic School, using 100% Provincial funding from the Child Care and Early Childhood Development Reserve Fund.

In May 2016, the Ministry of Education provided an opportunity for school boards to submit, in partnership with local Consolidated Municipal Service Managers (CMSMs), additional capital funding requests for the construction of Family Support Programming space in previously approved Ministry of Education capital projects. This was the first time the Ministry of Education provided this opportunity to school boards and CMSMs.

The LDCSB and the City of London jointly submitted an application for funding for a Family Centre at St. Francis Catholic School, previously supported by Council on March 30, 2016. As a result of this application, the Ministry of Education has increased its total funding allocation to the LDCSB to \$1,182,401 for the construction of the Family Centre at St. Francis Catholic School.

In addition, the TVDSB and the City of London jointly submitted an application for funding for the Northeast and Northwest Family Centres, previously supported by Council on March 1, 2016. As a result of this application, the Ministry of Education has provided a funding allocation of \$880,000 to the TVDSB for the construction of a Family Centre in Northeast London and \$920,000 for the construction of a Family Centre in Northwest London.

In summary, as a result of the collaborative submissions for previously approved capital projects, the Ministry of Education has invested a total of \$2,982,401 for the construction of three Family Centres in London. As a result of this increased investment by the Ministry of Education, the required investment by the City of London will be significantly lower than the \$2,931,500 previously approved by Council; the adjusted cost to the City of London for the construction of the three Family Centres is now anticipated to be \$581,557.

Due to the change in municipal investment, a new report and Funding and Project Agreement are being brought forward for each of the three Family Centres; the agreement for the Family Centre at St. Francis Catholic School is being brought forward as an amending agreement.

Funding and Project Agreement

Attached as Appendix B is a proposed amendment to the existing Funding and Project Agreement between the City of London and the LDCSB signed June 7, 2016. The amended Funding and Project Agreement contains the same conditions, standards, and timelines by which the construction of a neighbourhood Family Centre at St. Francis Catholic Elementary School will be undertaken. As per the previous agreement the London District Catholic School Board has:

- completed and made available the architectural drawings for the construction of the neighbourhood Family Centre;
- sought the approval of these plans by the City of London;
- sought the approval of the tender of these plans by the City of London; and
- positioned itself to complete the construction of the Family Centre at St. Francis Catholic School by March 2017.

The amendment to the Funding and Project Agreement notes the change in the contribution of the LDCSB from \$440,975 to \$1,182,401; as a result, the City’s contribution should now not exceed \$369,233 compared to the original \$973,500 previously approved.

Risk Considerations

The amending Funding and Project Agreement to the signed June 7, 2016 agreement between LDCSB and the City of London identifies the obligations of both parties for a period of 10 years, after which the LDCSB is under no obligation to the City with respect to the Family Centre. However, the LDCSB has been an active and committed partner in the development of the Family-Centred Service System strategy of the Child and Youth Network which includes the continued expansion of the network of Family Centres in schools.

There is currently a Family Centre operating successfully at Jean Vanier Catholic School with the support of the LDCSB. In addition, the Ministry of Education has also been supportive of schools as locations for Family Centres as proposed in Dr. Charles Pascal’s report: With our Best Future in Mind, Implementing Early Learning in Ontario – July 20, 2009. Finally, the funding allocation by the Ministry of Education explicitly identifies the use of the capital funds as being for the construction of a Family Centre at St. Francis Catholic Elementary School. Therefore, it is recommended that the City proceed with this amendment to the existing Funding and Project Agreement.

FINANCIAL IMPACT

Funding for this project in the amount of \$973,500 was previously approved by Council from 100% Provincial funding in the Child Care and Early Childhood Development Reserve Fund. The additional investment by the Ministry of Education via the LDCSB means a much smaller contribution by the City is now required than was previously approved under the original agreement.

The estimated total cost of the project to the City of London is now projected to be \$369,233 and represents costs that are beyond the Ministry of Education allocation to the LDCSB. This estimate is based on the cost sharing arrangement outlined in the Funding and Project Agreement and reflects the total estimated project cost (including construction costs, fees, disbursements, etc.) plus a 10% contingency for unforeseen costs. This much smaller contribution by the City of London means that the anticipated drawdown from the Child Care and Early Childhood Development Reserve Fund will be \$604,267 less than originally anticipated.

There is a high degree of confidence that the Family Centre construction costs will not exceed the estimated amount. The possibility of significant cost overruns is mitigated by the following:

- In the capital allocation to the LDCSB, the Ministry of Education holds the school board accountable to construct within the allocation and will be ensuring that the costs of this project do not exceed Ministry benchmarks
- The LDCSB has demonstrated experience as a Project Manager in the construction of child care spaces and Best Start hubs, delivering both projects on time and within the tendered budget.

Conclusion

The revised Project and Funding agreement reduces the City of London’s contribution to this project by approximately \$604,267. The additional and significant Ministry investment in the Child and Youth Network’s strategy of creating Family Centres in schools is a recognition of the effectiveness of the ongoing and well-established collaborative partnerships in the community. These partnerships and vision have enabled the Child and Youth Network to leverage such opportunities for funding. The development of a common vision over 8 years ago and the hard work to implement that vision has positioned London as a leader in transformative change for the system of services that support children, youth and families in Ontario. The Ministry of Education’s substantial investment recognizes and supports the good work occurring in London.

PREPARED BY:	
Adrienne Small Children's Services Manager I Neighbourhood, Children and Fire Services	
SUBMITTED BY:	RECOMMENDED BY:
Trevor Fowler Manager, Children's Services Neighbourhood, Children and Fire Services	Lynne Livingstone Managing Director, Neighbourhood, Children and Fire Services

APPENDIX A

Bill No.
2016

By-law No.

A By-law to approve the Amending Agreement to the Funding and Project Agreement with the London District Catholic School Board for construction of a Neighbourhood Family Centre at St. Francis Catholic Elementary School; and to authorize the Mayor and City Clerk to execute the Amending Agreement.

WHEREAS subsection 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS The Corporation of the City of London and the London District Catholic School Board entered into a Funding and Project Agreement dated March 2016, for construction of a Neighbourhood Family Centre at St. Francis Catholic Elementary School, pursuant to City of London By-law A.-7377-103 ("Funding and Project Agreement");

AND WHEREAS the Ministry of Education has announced conditional funding for the Board of \$ 1,182,401 towards the capital costs of the renovation of the premises, which substantially alters the basis upon which the parties' previously agreed-upon financial arrangements for the renovation of the premises was negotiated;

AND WHEREAS it is now anticipated that the maximum amount sufficient to cover all of the City's costs in this matter will not exceed \$ 369,233;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Amending Agreement to the Funding and Project Agreement entered into between the London District Catholic School Board and The Corporation of the City of London attached as Schedule "A" to this by-law, is authorized and approved.
2. The Mayor and City Clerk are authorized to execute the Amending Agreement authorized and approved under section 1 of this by-law.
3. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council , 2016.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First reading -
Second reading -
Third reading –

APPENDIX B

SCHEDULE “A”

THIS AMENDING AGREEMENT

B E T W E E N:

LONDON DISTRICT CATHOLIC SCHOOL BOARD
(the “Board”)

- and -

THE CORPORATON OF THE CITY OF LONDON
(the “City”)

WHEREAS the Board and the City entered into a Funding and Project Agreement dated March 2016, for the purpose of constructing space for a Neighbourhood Family Centre consisting of a renovation of existing space and an addition at the St. Francis Catholic Elementary School (the “Agreement”);

AND WHEREAS the Ministry of Education has announced conditional funding for the Board of \$ 1,182,401 towards the capital costs of the renovation of the premises, which substantially alters the basis upon which the parties’ previously agreed-upon financial arrangements for the renovation of the premises was negotiated;

AND WHEREAS it is now anticipated that the maximum amounts sufficient to cover all of the City’s costs in this matter will not exceed \$ 369,233 ;

AND WHEREAS the Board and the City wish to amend the Agreement;

NOW THEREFORE THIS AMENDING AGREEMENT WITNESSES that in consideration of the premises and the mutual covenants contained in the Agreement, and subject to the terms and conditions of this Amending Agreement, the parties agree as follows:

1.0 AMENDMENTS

1.1 Section 2.03 of the Agreement is amended by deleting the phrase “The Board shall pay the first \$440,975” and replacing it with the phrase “The Board shall pay the first \$1,182,401”.

1.2 Section 4.03 of the Agreement is amended by deleting the name “Ian Gibb” and replacing it with the name “Trevor Fowler” and deleting the email address igibb@london.ca and replacing it with the email address tfowler@london.ca.

2.0 AGREEMENT BINDING

2.1 Except as amended in accordance with the provisions of this Amending Agreement, the Agreement shall remain binding and in full force and effect.

2.2 This Amending Agreement shall be binding on the parties and their respective successors and assigns.

3.0 EXECUTION

3.1 The City and the Board acknowledge that it has each read this Amending Agreement, understands it and agrees to be bound by its terms and conditions.

IN WITNESS WHEREOF the parties have duly executed this Amending Agreement.

SIGNED, SEALED AND DELIVERED

THE CORPORATION OF THE CITY OF LONDON

Date:

Mayor, Matt Brown

City Clerk, Catharine Saunders

LONDON DISTRICT CATHOLIC SCHOOL BOARD

Date:

Per:
Name:
Title:

Date:

Per:
Name:
Title: