

# City of Ottawa has no plan for its \$3.6M child care reserve <sup>[1]</sup>

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## EXCERPTS

The city has no plan to spend the \$3.6 million it has collected through development charges to build new childcare spaces, even though many Ottawa families wait for months to secure a spot in a licensed centre.

The money has been accumulating since 2009 and can only be spent on child care centres owned or operated by the city. But because such a venture is not on the horizon, the city has decided to sit on the cash and is also proposing in its updated development charges bylaw to pause any further collection.

That's a big mistake, says the former head of the department that oversees child care.

"I don't know where within city hall this move to eliminate comes from. Quite frankly, it's mystifying to me and it's the wrong time," said Dick Stewart, who retired in 2002.

The child care sector has undergone a profound shift since the province introduced full-day kindergarten in 2010 and for some programs it was not viable to restructure to accommodate younger children, so they closed. While many programs have made the transition successfully by offering more programs for preschool-aged children, waiting lists for licensed care still remain lengthy.

The city is using the "turmoil" in the childcare sector to minimize its role at the exact moment it should be stepping up, Stewart said.

In his mind, the city's thinking seems to be that is no one is knocking down the door asking for the money and there's no plan to use it, so why continue collecting it?

"They're not trying to use it is the point I'm trying to make," he said.

That the cash reserve even exists came as a surprise to Kim Hiscott, executive director of Andrew Fleck Child Care Services.

"Parents should be very concerned and anxious about this," she said.

Families in virtually every corner of the city - from Orléans to Kanata to Barrhaven - often wait for months to secure a space in a licensed facility, she said.

"I don't think there's a saturation (of licensed child care spaces) in any community. There's no reason not to be spending the dollars."

The city has not approached the child care community to discuss possible ways to spend the money it has collected, Hiscott added.

The city is "clarifying the rules under the Development Charges Act with the Ontario government to ensure there will be an appropriate use of the funds," said treasurer Marian Simulik in a statement emailed to the Citizen by the city's media relations staff.

But Stewart wonders what requires clarification, as the provincial law states that development charges can be used "by others on behalf of, and as authorized by, a municipality or local board."

He said he can't find any clause in either the law or its attendant regulations that would prevent the city from partnering with a non-profit organization to use the funds.

Simulik's statement confirmed the reserve balance for child care is \$3.62 million and blamed the child care sector's "significant transformation" on the introduction of full-day kindergarten.

It also said the city is not building or opening any new child care facilities at this time.

Cumberland Coun. Steve Blais has asked city staff to find out if the money in the development charges review could be used to pay for the child care portion of any new recreation centres, thereby stretching recreation dollars even further.

The city has an additional \$1.7 million in a reserve fund for social housing that it hasn't spent. The updated bylaw proposes to pause further collection of this money as well.

The development charges bylaw will be discussed at the May 13 planning committee meeting.

- reprinted from the Ottawa Citizen

**Region:** Ontario <sup>[2]</sup>

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