

# **REPORT**

Report Date: September 24, 2020

Contact: Mary Clare Zak Contact No.: 604.871.6643

RTS No.: 14014
VanRIMS No.: 08-2000-20
Meeting Date: October 6, 2020
Submit comments to Council

TO: Vancouver City Council

FROM: General Manager of Arts, Culture and Community Services in consultation

with the General Manager of Real Estate and Facilities Management and the General Manager of Finance, Risk and Supply Chain Management

SUBJECT: Seksik Early Care and Learning Centre (321 Princess Avenue): Funding

Approval and Authorization to Enter Legal Agreement(s)

#### **RECOMMENDATION**

- A. THAT Council approve a one-time capital grant of up to \$960,000 for the Seksik Early Care and Learning Centre at 321 Princess Avenue.
- B. THAT Council authorize the General Manager, Arts, Culture and Community Services to execute and deliver on behalf of the City all legal agreements required to implement Recommendation A, including the funding agreement attached hereto as Appendix A and to disperse the grant described in Recommendation A on the terms and conditions set out therein or such other terms and conditions as are satisfactory to the General Manager, Arts, Culture and Community Services and the Director of Legal Services.
- C. THAT no legal rights or obligations will arise or be created by Council's adoption of Recommendations A or B unless and until all legal documentation has been executed and delivered by the respective parties.

### REPORT SUMMARY

This report seeks Council approval of a one-time childcare large capital grant in the amount of \$960,000 to Atira Women's Resource Society ("Atira") to assist with the cost of interior and exterior alterations to an existing amenity space at 321 Princess Avenue in order to operate the Seksik Early Care and Learning Centre.

This group childcare centre will offer 24 licensed childcare spaces, with 16 childcare spaces for children aged 30 months to school-age and eight childcare spaces for children between the ages of 18 months and three years, located in the Downtown Eastside neighbourhood of Vancouver.

This report also seeks Council authority to enter into any necessary legal agreements to facilitate delivery of the grant, including the attached funding agreement.

### COUNCIL AUTHORITY/PREVIOUS DECISIONS

- 2020: The General Manager of Arts, Culture & Community Services and the Province mutually agreed to minor amendments and re-signed the MOU.
- 2019: The General Manager of Arts, Culture & Community Services negotiated and signed the MOU with the Province, committing \$33 million in Provincial funding towards the City's childcare objectives and expanding on the City's commitment of 1,000 spaces to up to 2,300 spaces.
- 2019: Council authorized (RTS 13121) the Mayor or City Manager to execute an MOU with the Province.

2018: Council approved the 2019 - 2022 Capital Plan with the following childcare targets:

- 1,000 new spaces in total:
  - o 750 spaces for children ages 0 4
  - o 250 spaces for children ages 5 12

#### GENERAL MANAGER'S COMMENTS

The General Managers of Arts, Culture and Community Services, Real Estate and Facilities Management, and Finance, Risk and Supply Chain Management recommend approval of the foregoing.

#### REPORT

## Background/Context

In recent years, there has been an increasing commitment towards childcare in all levels of government. The federal government has committed to investing \$7.5 billion over 11 years, as announced in Budget 2016 and 2017, to support and create more high-quality, affordable child care across the country, particularly for families most in need. The Province of BC has expressed its commitment to a ten-year plan to bring universal childcare, and has allocated substantial funding to lay the groundwork for this to take place. As childcare was recognized as an essential service during the COVID-19 pandemic and critical to economic recovery, it is expected that childcare will continue to be at the forefront of senior governments' priorities.

Currently, there is a shortfall of more than 16,000 licensed childcare spaces for children ages 0-12 in Vancouver. While childcare is primarily a senior government responsibility, the City has supported the provision of quality care through land use planning and development, provision of funding, and collaboration with the Province and other stakeholders since the late 1980s. In the previous Capital Plan (2015-2018), the City set out a target to create 1,000 licensed spaces, which it exceeded. In the 2019-2022 Capital Plan, the City has committed to creating an additional 1,000 licensed spaces, and has approved more than 200 licensed spaces to date.

In 2019, the City signed a Memorandum of Understanding ("MOU") with the BC Ministry of Children and Family Development, committing the Province to provide \$33 million for Vancouver childcare over the next three years. Through this collaboration, the objective is to create up to an additional 1,300 licensed childcare spaces in Vancouver. With this additional Provincial funding, the City and Province together will create up to a total of 2,300 new licensed spaces for children under the age of five and school-age children.

### **Project Description**

Seksik Early Care and Learning Centre, located at 321 Princess Avenue will be a 24-space non-profit childcare operated by Atira. This childcare will offer 16 childcare spaces for children aged 30 months to school-age and eight childcare spaces for children between the ages of 18 months and three years. Atira has demonstrated experience operating licensed childcare facilities in B.C. for children aged 0–4. The organization currently operates the Maxxine Wright Early Care and Learning Centre in Surrey, the Willow Early Care and Learning Centre in Richmond, and the River Run Early Care and Learning Centre in Richmond.

Seksik will be located in an existing mixed-use development that consists of 60 social housing units owned by the Affordable Housing Charitable Association (AHCA). The childcare is planned for what is currently identified as the residential amenity space. The Developmental Disabilities Association (DDA) operated a non-profit childcare, Waterside Child Development Centre, in this space until 2017, when it closed due to funding shortages. At the time of the closure, Waterside Child Development Centre was offering a 12-space licensed program for children under the age of 36 months. In previous years, it had also offered an 8-space program for children aged 30 months to school age. Atira has now arranged with AHCA for the right to renovate the residential amenity space and operate therein the Seksik Early Care and Learning Centre.

Atira's budget for the Seksik Early Care and Learning Centre estimates a total of \$1,138,200 for interior and exterior alterations to the existing amenity space. Staff from the City's Real Estate and Facilities Management (REFM) department, including a City Quantity Surveyor, has reviewed the budget and project scope provided by Atira at a high level, and has confirmed that Atira's cost estimate of \$1,138,200 is within acceptable cost parameters for a major renovation of an existing facility.

As such, to assist with the costs of interior and exterior alterations to the existing amenity space, Atira is seeking a capital grant of \$960,000 through Social Policy and Projects which, if approved, will be sourced entirely from the Provincial childcare contribution, as set out in the MOU. Atira is also seeking a grant through the DTES Plan Implementation Matching Grant, which, if approved through a separate Council report (RTS 13784 scheduled for October 6, 2020), will provide an additional \$50,000 for alterations for the Seksik Early Care and Learning Centre.

The City has issued both a development permit and building permit for the childcare facility, with construction dependent on the approval and release of grant funds. Once Atira receives the funds, it is expected that construction will begin immediately. Atira will be responsible for the overall management and completion of the renovations.

## Demonstrated Need for Childcare

Childcare spaces for all ages (0-12) are in short supply across the city, with 40% of estimated childcare needs met citywide. In Strathcona, the local area within which the Seksik Early Care and Learning Centre will be located, there is a shortfall of approximately 100 childcare spaces for children aged 0-5. In addition, the need for infant and toddler care (children under 36 months) is particularly acute, with only 12% of need being met, compared to 21% citywide.

A majority of children experience vulnerabilities on one more or more of the Early Development Instrument's (EDI) scales in Strathcona. The EDI is used to benchmark kindergarten children on five developmental scales, identifying vulnerabilities that can impact school readiness. Quality child care and early learning opportunities are critical to providing children with a good start and mitigating vulnerabilities.

Atira has identified that Seksik Early Care and Learning Centre will help to meet a high need for safe childcare in the Downtown Eastside neighbourhood of Vancouver. Designed for those who live and work locally, Seksik Early Care and Learning Centre will help to lessen the shortfall of licensed childcare spaces in Strathcona, and the Downtown Eastside more specifically, while also supporting the Healthy City Strategy goal of providing children with a good start.

Supporting new childcare in the DTES is a priority. In recent years, the DTES neighbourhood has experienced instability in its licensed childcare centres. In addition to the closure of the Waterside Child Development Centre, described above, the Phil Bouvier Family Centre operated by the Vancouver Native Health Society at 717 Princess Avenue closed in 2018. The Phil Bouvier Childcare Family Centre offered 24 licensed spaces for children between 18 and 36 months and 25 spaces for children 30 months to school age. These closures again highlight the need for the additional childcare spaces in the DTES.

Atira has identified that Seksik Early Care and Learning Centre is intended to be used by the tenants of the AHCA residential building, where the childcare will be housed, as well as the surrounding DTES community. As such, it is a childcare that will meet the unique needs of the DTES community and the families that attend the centre. Staff of the childcare will work to adapt activities to meet each child's developmental abilities and to provide children with inclusive, culturally sensitive and anti-biased programming. Atira has identified that the unique needs of the children that will attend Seksik may include:

- Poverty related challenges: poor nutrition, ill-health, dental problems, lack of clothing, inadequate housing, frequent changes in residence, and little access to transportation.
- Creating a safe social environment related to challenges such as: witnessing violence, concern regarding the safety of their parent(s) and neighbourhood, and drugs and alcohol use.
- Inter-generational impacts of trauma: residential school abuse, addictions, physical, sexual and emotional abuse; social, emotional and behavioural impacts, learning disabilities and developmental delays, Fetal Alcohol Syndrome (FAS), Fetal Alcohol Effects (FAE).
- Multi-cultural and immigration related challenges: language and cultural barriers, racism, isolation and social exclusion, speech and language difficulties, English-as-an-other language barriers

### Legal Agreement(s)

In order for the proposed grant funds to be released, the City and Atira will enter into a funding agreement (Appendix A). This funding agreement will be used to secure the childcare facility and outlines the following post-funding conditions:

- the childcare facility must be used to provide licensed, full-time childcare services on an ongoing, continuous basis for at least 20 years, without any change, reduction or discontinuance from the levels contemplated in the funding agreement; and
- in the normal course of operations, the number of children in daily group care must not fall below 90% of the maximum number of children permitted to receive group care under Atira's licence issued pursuant to the Community Care and Assisted Living Act (British Columbia).

The funding agreement will also require Atira to report to the City about its use and operation of Seksik Early Care and Learning Centre on an annual basis, or as otherwise may be requested by the City.

## Strategic Analysis

With bigger targets to achieve, the City will be aiming to create quality childcare spaces at a significantly faster pace than in the past. In addition, it is expected that one of the most significant challenges of meeting these targets will be identifying and securing new site opportunities suitable for childcare facilities. Offering granting opportunities to non-profit organizations, such as Atira, to develop and operate childcare centres provides a unique opportunity to facilitate the development of more childcare spaces in the city on sites that may not be otherwise accessible for childcare development. This is especially important in neighbourhoods such as the DTES, that may be underserved by childcare facilities and that may have higher rates of childhood vulnerability.

Table 1: City-facilitated childcare spaces approved cumulatively under the 2019-2022 Capital Plan (2020-Q2)

|                         | Spaces Approved Under<br>the 2019-2022 Capital Plan<br>(2020 Q2) | Spaces Approved Including<br>Seksik Early Care and<br>Learning Centre |
|-------------------------|--|---|
| 0 - 4 Childcare Spaces  | 138  | 162   |
| 5 - 12 Childcare Spaces | 173  | 173   |
| Total Spaces Approved   | 311  | 335   |

In addition to the 2019 – 2022 Capital Plan childcare targets, Seksik Early Care and Learning Centre will also help to achieve the 30-year childcare target set-out in the DTES Plan.

Table 2: DTES Plan Childcare Targets

|   | DTES Plan 30-Year<br>Target<br>(by 2043) | Spaces Approved or Under Construction in the DTES | Spaces Approved or Under Construction Including Seksik Early Care and Learning Centre |
|---|--|---|---|
| 0 - 4 Childcare Spaces                      | 148                                      | 111   | 135   |
| 5-12 Childcare Spaces                       | 44                                       | 0   | 0   |
| Total Spaces Approved or Under Construction | 192                                      | 111   | 135   |

#### Financial

#### 2019-2022 Capital Plan

In the 2019-2022 Capital Plan, a total of \$75 million in City & Development funding (\$70 million) and Provincial funding (\$5 million) is earmarked toward the creation of 500 licensed spaces for children under five years old (full day childcare and preschool), and \$2.5 million toward 250 new spaces for children aged 5 to 12 years (school age care) with the expectation that additional funding could be leveraged from senior governments and non-profits.

In addition to the City & Development funding toward 750 spaces, the 2019-2022 Capital Plan includes 250 spaces for children under five years old to be delivered by development projects, totaling \$37.5 million in in-kind funding.

In 2020, \$28 million in Provincial government funding was added to the originally planned \$5 million in Provincial government funding in the 2019-2022 Capital Plan to increase the delivery

of new childcare spaces from 1,000 to approximately 2,300 by March 2024. Pursuant to the MOU, the Province committed to contribute \$11 million per year for the next three fiscal years to support the delivery of new childcare spaces.

Of the total \$33 million Provincial contribution in the 2019-22 Capital Plan, \$29 million supports investments in new childcare spaces for children under five years old (full day childcare and preschool), \$2.5 million supports investments for new childcare spaces for children aged 5 to 12 (school age care), and \$1.5 million supports investment for childcare planning and overhead.

The 2019-2022 Capital Plan Recalibration (RTS 13895) recommends that funding for childcare should be maintained with no reduction.

# Allocation of Provincial Childcare Contribution

In July 2020, Council approved a Project Delivery Plan for the first of three \$11 million instalments to be paid by the Province to the City pursuant to the MOU. In accordance with the MOU, the new childcare spaces to be delivered are to be secured and under construction by March 31<sup>st</sup>, 2024. The Project Delivery Plan acts as a project planning blueprint and reporting mechanism for how the Provincial childcare contribution is to be deployed. The Project Delivery Plan included Seksik Early Care and Learning Centre at 321 Princess Avenue, earmarking \$960,000 to the project, to be sourced entirely from the Provincial childcare contribution.

# DTES Plan Implementation Matching Grant

In addition to this report's recommendation of a capital grant of up to \$960,000 from the \$33 million Provincial childcare contribution, the General Manager of Planning, Urban Design and Sustainability will, in a separate report, be recommending a DTES Plan Implementation Matching Grant (RTS 13784) of \$50,000 for the Seksik Early Care and Learning Centre. This report will also be presented to Council on October 6, 2020.

Much like the capital grant recommended herein, the DTES Plan Implementation Matching Grant will be used to assist with the costs of interior and exterior alterations for the childcare facility.

#### CONCLUSION

Childcare has been and continues to be a top priority for the City. The COVID-19 pandemic highlighted the importance of the role played by childcare as an integral component in the economy. Approving a one-time childcare capital grant in the amount of \$960,000 to Atira for the delivery of Seksik Early Care and Learning Centre is a cost efficient and effective way of increasing the supply of much needed quality, licensed childcare spaces for children under the age of 5 in the city, and the DTES. Seksik Early Care and Learning Centre will also help to fill the gap left following the closure of the Waterside Child Development Centre, previously operated within the space that Atira now plans to occupy, and the nearby Phil Bouvier Childcare Centre.

In addition to this existing need for childcare, the DTES Plan notes that population and employment growth is expected to generate the need for an additional 444 childcare spaces by 2041. As such, facilitating the creation of new childcare spaces will only become more important as population, and thus childcare demand, grows.

Childcare centres such as Seksik Early Care and Learning Centre play an important role in decreasing child vulnerability and helping to ensure children have a good start in life. The City recognizes that children benefit from quality childcare and opportunities for play, learning and

connection that childcare centres such as Seksik Early Care and Learning Centre can offer. Children who face greater challenges in their life can benefit significantly from access to quality childcare. With this in mind, staff will continue to explore opportunities to support non-profit organizations to facilitate the provision of childcare on non-City owned sites, especially in strategic and underserved locations.

\* \* \* \* \*

# FUNDING AGREEMENT FOR SEKSIK EARLY CARE AND LEARNING CENTRE AT 321 PRINCESS AVENUE

| THIS A | GREEMENT dated October, 2020 (the "Effective Date"), |              |
|--------|--|--------------|
| BETWE  | EEN:   |              |
|        | ATIRA WOMEN'S RESOURCE SOCIETY                       |              |
|        |  | ("Atira")    |
| AND:   |  |              |
|        | CITY OF VANCOUVER                                    |              |
|        |  | (the "City") |

#### **BACKGROUND**

- A. Affordable Housing Charitable Association (Inc. No. S-0019578) ("AHCA") is the registered owner of those lands in the City of Vancouver, in the Province of British Columbia having a civic address of 321 Princess Avenue, legally described as PID: 016-302-401 Lot D Block 58 District Lot 196 Plan 22953 (the "Lands");
- B. Situate upon the Lands is a mixed-use development with 60 social housing dwelling units and residential amenity and storage on the main floor (the "Building");
- C. A non-profit childcare operated on the main floor of the Building in the area identified as the residential amenity space until it closed in August 2018 due to funding shortages. The space is now vacant and Atira has arranged a lease inprinciple with AHCA for 10 years plus two 5-year options to renew, including the right to renovate the space for the purpose of developing, and subsequently operating, the Childcare Facility. Atira has applied for and obtained a development permit and a building permit from the City of Vancouver (in its regulatory capacity);
- D. The City has agreed to provide a grant to Atira in the amount of up to \$960,000, to assist Atira in paying for the cost of the Work, subject to the terms of this Agreement;
- E. The aforementioned grant was approved by Vancouver City Council by resolution dated October 6, 2020.

**NOW THEREFORE** in consideration of the matters referred to in the foregoing recitals, the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged and agreed to by the parties), the parties hereby covenant and agree as follows:

- 1. **Definitions.** In this Agreement, the following terms shall have the following meanings:
  - (a) "Architect" means a person registered or licensed under the Architects Act as a member of the Architectural Institute of British Columbia:
  - (b) "Calculation Date" is defined in Section 5;
  - (c) "Capital Compensation Amount" is defined in Section 5;
  - (d) "Certified Professional" an Architect or Engineer who has been recognized as qualified as a Certified Professional by the City Building Inspector pursuant to the City's Certification of Professionals By-law No. 6203;
  - (e) "Childcare Facility" means a childcare facility consisting of a 223m<sup>2</sup> main childcare area and a 29m<sup>2</sup> storage and meeting area, which will provide full-time childcare space for 24 children between 0-5 years old, including 16 spaces for children 30 months to school age and 8 spaces for children 18 months to 3 years;
  - (f) "City Cash Contribution" means the cash amount of the grant to be paid by the City to Atira in accordance with Section 3;
  - (g) "City Conditions" means that:
    - i. Atira has provided to the City's Director of Facilities Planning and Development, copies of all final/approved drawings, plans and specifications for the Childcare Facility along with a final, tendered project budget and construction schedule, all of which are satisfactory to the City's General Manager of Real Estate and Facilities Management; and
    - ii. Atira has signed a binding lease with AHCA for 10 years plus two 5-year options to renew.
  - (h) "Construction Trust Account" means a separate trust account established by Atira into which the City Cash Contribution will be deposited for the purpose of funding the Work;
  - (i) "Contractor" is defined in Section 2(a);
  - (j) "Effective Date" is defined on the first page hereof;
  - (k) "Engineer" means a person registered under the Engineers and Geoscientists Act as a professional engineer;

- (I) "Payment Request" is defined in Section 2(c);
- (m) "Post-Funding Conditions" is defined in Section 5;
- (n) "Project Manager" shall have the meaning ascribed to it in Section 2(a);
- (o) "Work" means the construction of the Childcare Facility.
- 2. **Management of Work**. Atira will be responsible for the overall management and completion of the Work and in connection therewith:
  - (a) Atira confirms that it has retained a Certified Professional, a general contractor ("Contractor") and a project manager ("Project Manager") who will assist Atira with the overall planning and execution of the Work;
  - (b) Atira will establish and administer the Construction Trust Account and will be responsible for maintaining a builders lien holdback account in accordance with the requirements of the *Builders Lien Act* (British Columbia), and for complying with all requirements of that Act;
  - (c) Atira will consult with the City in its management of the Work, and will provide the City with a reasonable opportunity to review all requests for payment and supporting documentation submitted by the Contractor, Certified Professional and Project Manager (each a "Payment Request");
  - (d) Atira will NOT pay out any Payment Request until the City's Director of Facilities Planning and Development (or her designate) has first provided written approval to Atira to pay out such amount; and
  - (e) upon request by the City, Atira will promptly provide an accounting of the Construction Trust Account and/or Payment Requests to the City, and Atira will provide a final close out report including the project actual spend, with supporting documentation.

- 3. City Cash Contribution. Subject to the waiver or satisfaction of the City Conditions, the City will pay the cash sum of \$960,000 (the "City Cash Contribution") to Atira, and Atira will deposit the same into the Construction Trust Account. The City Cash Contribution will only be used for the purpose of carrying out the Work and for no other purpose.
- 4. Return of City Cash Contribution. If the Work has not commenced within twelve (12) months of the payment by the City of the City Cash Contribution, or if the Work has commenced but then has been unreasonably delayed for twelve (12) consecutive months since the commencement of Work, as determined by the City acting reasonably, or if Atira spends any of the City Cash Contribution in any way that is in contravention of this Agreement, or if there is any amount remaining after the Work has been completed, then Atira will return the City Cash Contribution (or balance then remaining) to the City upon demand.
- 5. **Post-Funding Conditions**. Following the completion of the Work and issuance of the final occupancy permit for the Childcare Facility:
  - (a) the Childcare Facility must be used to provide licensed, full-time childcare services on an ongoing, continuous basis for at least twenty
     (20) years from the Effective Date, without any change, reduction or discontinuance from the levels contemplated in this Agreement; and
  - (b) in the normal course of operations, the number of children in daily group care must not fall below 90% of the maximum number of children permitted to receive group care under Atira's licence issued pursuant to the *Community Care and Assisted Living Act* (British Columbia),

(together, the "Post-Funding Conditions").

If Atira is in default of either or both of the Post-Funding Conditions, then, unless otherwise agreed in writing between the parties, Atira will pay to the City an amount (the "Capital Compensation Amount") equal to the City Cash Contribution remaining undepreciated as of the date that Atira was first in default of such Post-Funding Condition (the "Calculation Date") as set forth in Schedule A. Determination of default and Calculation Date will be made by the City acting reasonably.

6. **Reporting.** Atira will report to the City about its use and operation of the Childcare Facility on an annual basis, by no later than December 31<sup>st</sup>, or as frequently as may otherwise be requested by the City. Atira will ensure that such reports contain fulsome and accurate information that will assist the City in making the determinations set out in Section 5 above.

# 7. Notices.

(a) Any notice or communication required or permitted to be given under the Agreement will be in writing and will be considered to have been given if delivered by hand or transmitted by facsimile or email transmission to the address, fax number or email address of each party set out below:

i. if to the City:

City of Vancouver 453 West 12th Avenue Vancouver, BC V5Y 1V4

Attention: General Manager of Real Estate and Facilities

Management and General Manager of Arts, Culture

and Community Services

Email: nick.kassam@vancouver.ca;

danica.djurkovic@vancouver.ca;
sandra.singh@vancouver.ca

ii. if to Atira:

Atira Women's Resource Society 201-190 Alexander Street Vancouver, BC V6A 1B5

Attention: Development Coordinator Email: saoirse\_horgan@atira.bc.ca

or to such other address, fax number or email address as a party may designate in the manner set out above.

- (b) Notice or communication will be considered to have been received:
  - if delivered by hand, during business hours on a business day, upon receipt by a responsible representative of the receiver, and if not delivered during business hours, upon the commencement of business on the next business day; and
  - ii. if sent by facsimile transmission or email, during business hours on a business day, upon the sender receiving confirmation of the transmission, and if not transmitted during business hours, upon the commencement of business on the next business day.

#### 8. Miscellaneous.

- (a) The City will have no responsibility or liability for the Work and Atira hereby releases, indemnifies and saves harmless the City with respect to any actions, causes of action, suits, demands or claims whatsoever arising directly or indirectly out of the Work.
- (b) No party will make any public announcement of the transactions provided for or contemplated by this Agreement including, without limitation, the assistance provided by the City, unless the form and

- substance of the announcement are mutually agreed upon by each party, which agreement will not be unreasonably withheld or delayed.
- (c) Atira acknowledges that the City Cash Contribution provided in connection with the Work does not in any manner constitute a representation or warranty as to the present or anticipated condition or value of the Building.
- (d) The parties will execute and deliver all other appropriate supplemental agreements and other instruments and take any other action to the extent reasonably necessary, to give full effect to this Agreement and to make this Agreement legally effective, binding and enforceable.
- (e) No party may assign this Agreement without the prior consent of the other parties.
- (f) This Agreement will bind and benefit each of the parties including their respective successors and permitted assigns.
- (g) Each party will pay any expense it incurs in authorizing, executing, and performing this Agreement and any transaction contemplated by it, whether or not that transaction is completed, including any fee and expense of its legal counsel or other consultants or advisors.
- (h) Neither the execution of this Agreement nor the performance by a party of any of its rights and obligations under this Agreement will create any partnership between the parties.
- (i) This Agreement may be signed by original, by facsimile or other electronic scan and executed in any number of counterparts, and each executed counterpart will be considered to be an original. All executed counterparts taken together will constitute one agreement.
- (j) This Agreement constitutes the entire agreement between the parties and there are no representations or warranties, express or implied, statutory or otherwise and no agreements collateral to this Agreement other than as expressly set out or referred to in this Agreement.
- (k) This Agreement will be governed by and construed in accordance with British Columbia law and applicable Canadian law and will be treated in all respects as a British Columbia contract.

(I) If a party is more than one person or entity, every representation, covenant and agreement on the part of the party to be observed and performed by that party will be the joint and several representation, covenant and agreement of each person or entity comprising the party.

TO EVIDENCE THEIR AGREEMENT each of the parties has executed this Agreement as of the date first appearing above.

| ATIRA WOMEN'S RESOURCE SOCIETY     | CITY OF VANCOUVER    |  |
|------------------------------------|----------------------|--|
| By:                                | Ву:                  |  |
| Janice Abbott Authorized Signatory | Authorized Signatory |  |
| Authorized Signatory               | Authorized Signatory |  |

\*\*this is a signature page of a Funding Agreement between Atira Women's Resource Society and the City of Vancouver for Seksik Early Care and Learning Centre at 321 Princess Avenue\*\*

SCHEDULE "A"

DEPRECIATION TABLE FOR CAPITAL COMPENSATION AMOUNT

| Calculation Date (Within | Total Depreciation of City | Capital Compensation |
|--------------------------|----------------------------|----------------------|
| 20 Number of Years from  | Cash Contribution          | Amount               |
| Effective Date)          | (percentage to be          |                      |
|                          | deducted from City Cash    |                      |
|                          | Contribution)              |                      |
| 1                        | 5.00%                      | 960,000              |
| 2                        | 5.00%                      | 912,000              |
| 3                        | 5.00%                      | 864,000              |
| 4                        | 5.00%                      | 816,000              |
| 5                        | 5.00%                      | 768,000              |
| 6                        | 5.00%                      | 720,000              |
| 7                        | 5.00%                      | 672,000              |
| 8                        | 5.00%                      | 624,000              |
| 9                        | 5.00%                      | 576,000              |
| 10                       | 5.00%                      | 528,000              |
| 11                       | 5.00%                      | 480,000              |
| 12                       | 5.00%                      | 432,000              |
| 13                       | 5.00%                      | 384,000              |
| 14                       | 5.00%                      | 336,000              |
| 15                       | 5.00%                      | 288,000              |
| 16                       | 5.00%                      | 240,000              |
| 17                       | 5.00%                      | 192,000              |
| 18                       | 5.00%                      | 144,000              |
| 19                       | 5.00%                      | 96,000               |
| 20                       | 5.00%                      | 48,000               |