

5. ST ALBANS PRESCHOOL

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The purpose of this report is to seek approval for funding to provide an improved preschool facility to replace the St Albans Educare Centre building at 3 Thames Street, area by providing information on:

- Needs analysis
- Alternative options
- Funding options

and to,

- Allow sign off on the project to date and the elimination of some options reviewed. This in turn will allow the project to proceed on the preferred option, to provide a suitable childcare facility in the St Albans area.

BACKGROUND

The current St Albans Educare Centre is located at 3 Thames Street, St Albans and has been in operation since 1986. The preschool is licensed for a maximum of 35 children. In August 1998 the St Albans Educare Preschool applied to the Shirley/Papanui Community Board for funding to provide a staff tearoom, essential storage and the installation of a window in the wall of the sleeping room to ensure that staff can be observed from the main play area at all times, as per the Ministry of Education Regulations 1990. In addition, the preschool applied for funding from the Shirley/Papanui Community Board to renovate the kitchen area and to provide a small outside play area laid out in artificial grass.

Since that application there were subsequent changes to the Ministry of Education regulations that provided for separate areas to be established for under two year olds for both play and rest purposes and a requirement on childcare facilities to provide suitable plumbing facilities for washing sick or soiled children. Subsequent to these findings the Community Board withheld the initial funding approval for the purchase of a relocatable building to house the staffroom and storage area. The Community Board resolved to apply the funding to essential alterations in sleeping arrangements as a priority. These alterations were completed. However, it is apparent that the facilities are not ideal for staff or children.

The site area of 3 Thames Street is 599m² and is the smallest sized site of all Council community preschools. Given the requirement for on-site parking, the poor state of the existing facility and the need for more space, the Property Unit has reviewed the options available to provide a replacement preschool facility in the St Albans area. These findings are summarised in this report.

NEEDS ANALYSIS

A needs analysis report was commissioned by the Papanui Advocacy Team (Sue Cobb Report) dated October 1999. This report confirms the requirements of the Ministry of Education regulations and concluded that the dwelling did not comply with these regulations.

The report also confirms that the preschool is well supported by parents and at the time of the report the St Albans Preschool had a waiting list of 20 children. The report further states that *"the area has pockets of high density under 5 population, a high number of single parents, a high number of households on low incomes and high numbers of households without a car. Although the Shirley Ward is well served by Early Childhood Education (ECE) facilities overall, these are different services, many being private centres for working parents, and others being weekly playgroups where parent attendance is essential."*

A full copy of the report is available from the Community Advocate or Property Planner.

COUNCIL POLICY

Extracts from the Christchurch City Council Policy Register regarding Childcare Services:

....the overall policy objective of the Council may be summarised as follows:

To facilitate the provision of, and access to, quality, affordable childcare in the city, especially casual, not-for-profit childcare.

Eligibility for Assistance

To be eligible for Council assistance, community creches should be community managed, and should operate on a not-for-profit, casual use basis. ("Not-for-profit" means that no member of the group/society makes financial gain from the profits of the creche's operation. Any profits are directed back into the service so that users gain the benefits. 'Casual use' means that the centre maintains an open roll, with equitable attendance opportunities for all.)

1. *Advisory Support and Accommodation Assistance for Existing Community Creches*

These forms of support will be available to creches that meet the criteria outlined above, subject to the annual survey referred to in 6.0, demonstrating a continuing need for the assistance and service.

2. *Financial Assistance in Addition to Accommodation*

The following factors will be considered in assessing requests for financial assistance:

- socio economic status of the area
- ability of the local community to fundraise
- availability of other options for assistance and funding, including user charges

3. *Accommodation Assistance for New Creches, Relocation of Existing Creches or Establishment of Sole-use Facilities*

The following factors will be considered in assessing requests in these categories:

- local pre school population
- location and types of other pre school services
- suitability of existing or alternative premises
- support of the local community
- socio economic status of the area
- ability of the local community to fundraise
- availability of other options for assistance and funding, including user charges

ALTERNATIVE OPTIONS

Five possible options were reviewed:

1. Altering the existing site.
2. Redevelopment of 278 Westminster Street.
3. Acquisition of neighbouring property in conjunction with 3 Thames Street.
4. Acquisition of another site.
5. English Park/Edgware Pumping Station and Pool.
6. St Albans School

Option 1 – Existing Site

This option is essentially to demolish the existing facility at 3 Thames Street and construct a new facility on the same site:

Advantages	Disadvantages
<ul style="list-style-type: none"> • No site acquisition required. • No change of use on the current site. 	<ul style="list-style-type: none"> • Educare Centre would need to close during demolition and construction period. • Risk of losing existing clientele. • Ramp up time for establishment of new clientele. • Existing site remains small for this facility and ability to resolve number of current problems is questionable. • Likely result of pursuing this option is that it will not fully resolve current problems with site and building layout. • Demolition costs plus loss of existing asset

Summary of Costs

Site Acquisition	-
Fees	\$53,913
Construction Costs	\$366,200
Holding Costs	\$4,578
TOTAL COSTS	<u>\$424,691</u>

Option 2 – Redevelopment of 278 Westminster Street (Ex Westminster Street Depot House – Currently held as potentially Surplus Property)

Advantages	Disadvantages
<ul style="list-style-type: none"> • Good corner site already owned by the Christchurch City Council • Possible to utilise existing Christchurch City Council yard and land for car parking to meet consent requirements. • Allows building to cater for 40 children. • Allows excellent outdoor play area parking and access can be provided by utilising existing under-utilised Council owned land. • Opposite park environment. • Cost effective option. 	<ul style="list-style-type: none"> • Requires relocation away from existing facility. • Future options for balance of Christchurch City Council yard currently unknown. • Current expansion of Christian Childcare Centre close to proposed site. • Site acquired under section 32 of the Public Works Act 1928. • Outside preferred location boundary.

Summary of Costs

Site Acquisition	-
Fees	\$53,913
Construction Costs	\$366,200
Holding Costs	\$4,578
TOTAL COSTS	<u>\$424,691</u>
Less: sale of 3 Thames Street (net of agent fees)	\$118,800 (estimated)
	<u>\$305,891</u>

Utilising the existing Christchurch City Council owned land does not require the purchase of any additional land.

There is an existing Christian Preschool at 160 Westminster Street which has recently applied for consent to expand its existing facility. The St Albans Preschool has firmly advised that this option would not be suitable because the location is outside the preferred boundaries.

Option 3– Acquisition of Neighbouring Property in Conjunction with 3 Thames Street

Advantages	Disadvantages
<ul style="list-style-type: none"> • Allows good utilisation of a double site. • Good opportunity for an on-site car parking and large outdoor play area. • No change to location. • Can build new building while existing remains functional. 	<ul style="list-style-type: none"> • Need to acquire neighbouring property. • Not currently on the market. • Will be disruption during construction phase. • Cost

Summary of Costs

Site Acquisition	\$161,600
Fees	\$54,488
Construction Costs	\$371,200
Holding Costs	\$4,640
TOTAL COSTS	<u>\$591,928</u>

(Note this site came on the market in December but has since been sold.)

The likely result of pursuing this option is to successfully meet the requirements for this facility. However there is significant cost attached to this option and the issue of acquiring the neighbouring property would make this an unlikely option.

Option 4– Acquisition of Another Site

Advantages	Disadvantages
<ul style="list-style-type: none"> • Similar location can be sought. • Able to provide on-site car parking. • Existing facility can remain functional during construction phase. 	<ul style="list-style-type: none"> • Requires acquisition of a new site. • Cost. • Dwelling will not be purpose built.

Summary of Costs

Site Acquisition	\$161,600
Fees	\$54,488
Construction Costs	\$371,200
Holding Costs	\$4,640
TOTAL COSTS	\$591,928
Less: sale of 3 Thames Street (net of agent fee)	\$118,800
	<u>\$473,128</u>

Significant time and cost may be involved to find a suitable site. This option has been priced out as the same as option 3 as it is assumed that the dwelling on site will not suit. A suitable site area would also be required. This may result in the need to acquire two properties.

Option 5 – English Park/Edgware Pool and Pumping Station Site

The English Park option was raised by the Chairman of the Property and Major Projects Committee. Following preliminary discussions it appears access to use the facilities will be limited as they are fully utilised and may not be available. With respect to the land, the proposed wetlands and landscaping plan may not be conducive to the crèche layout. However this option requires further consideration. The cost of this option is expected to be similar to the cost for options 1 and 2. Once again, this cost can be offset by the sale of 3 Thames Street.

The Edgware pumping station and pool site may also be an alternative option. It is located along Edgware Road not far from English Park and St Albans School. The cost of this option will be around \$424,691 also.

Option 6 – St Albans School

This option may be available in the form of a lease of a portion of the school's land. An approach to the school has yet to be made. The costs of this option would be similar to options 1, 2 and 5 except there will be an ongoing lease charge.

The costs of each option are summarised in the table following:

Option	Cost
Option 1	\$424,691
Option 2	\$424,691
Option 3	\$591,428
Option 4	\$591,428
Option 5	\$424,691
Option 6	\$424,691

Please note that the costs of option 2, 4, 5, and 6 can be offset by the sale of 3 Thames Street land and buildings at an estimated value of \$130,000 (less sale fees). It is important to obtain the full \$424,641 to construct the new facility prior to selling 3 Thames Street to avoid the closure of 3 Thames Street and the loss of clientele.

FUNDING

The 2002/03 pink page budget submission has a request for funding of \$450,000 that has be offset by budget substitution, thus giving an overall nil effect on rating requirements.

FUNDING OPTIONS (OTHER THAN THE COUNCIL)

Ministry of Education

Early Childhood Discretionary Grants Scheme. There are three pools of funding, as follows:

1. General Funding Pool Building Project/Health and Safety
2. Maori Funding Pool Building Project
3. General and Maori Pool Planning Grant

Other options include community grants and the Lotteries Board.

The St Albans Preschool Committee is very supportive of this project and will be seeking funds from these organisations. This funding will initially cover the costs of landscaping and equipment, the costs of which fall outside this project and then any additional funding offset against the project.

Budget Substitution

As part of the 2002/03 budget request substitution of \$450,000 has been presented from the Property Unit's contingency for asset improvements and is offered.

Alternative Means to Reduce Costs

Using Council-owned land to accommodate the preschool building significantly reduces the project costs. 278 Westminster Street is not the preferred location for the preschool. However, if English Park or the Edgeware Pool site could be used then total project costs will be minimised.

CONCLUSION

A number of options have been investigated to date. It is important to focus on the most viable option in terms of cost, location and the least disruptive option for staff, parents and children of the preschool.

The high cost of purchasing land and constructing a new facility dictates the need for the preschool to be located on existing Council land.

This report is also being submitted to the 6 March meeting of the Shirley/Papanui Community Board. The Board's recommendations to this Committee will be tabled.

- Recommendation:**
1. That funding of \$450,000 be made available for the project to allow design and construction work to proceed and for the preschool committee to continue to fundraise in an effort to offset and reduce this amount.
 2. That, subject to 1 above, the Council approve in principle the use of English Park, the Edgeware Pool/Pumping Station site, or St Albans School as alternative location options for the property unit to pursue layout designs.

Chairman's

Recommendation: That funding of \$450,000 be approved, on the proviso that alternative pre-school facilities are provided on a Council-owned site.