

Subject: Transition of Centre éducatif Pinocchio to a high needs area

File Number: ACS2025-CSS-GEN-009

Report to Community Services Committee on June 24, 2025

and Council 23 July 2025

Submitted on June 13, 2025 by Clara Freire, General Manager, Community and Social Services

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Ward: Rideau-Vanier (12)

Ward: Somerset (14)

Objet : Transition du Centre éducatif Pinocchio vers un secteur à besoins élevés

Numéro de dossier : ACS2025-CSS-GEN-009

Rapport présenté au Comité des services communautaires

Rapport soumis le 24 juin 2025

et au Conseil le 23 juillet 2025

Soumis le 2025-06-13 par Clara Freire, Directrice générale, Services sociaux et communautaires

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Quartier : Rideau-Vanier (12)

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REPORT RECOMMENDATION(S)

That the Community Services Committee recommend that Council:

- 1. Receive the business case and capital funding plan, as directed by Council, to facilitate the transition of the Centre éducatif Pinocchio to a high needs area as outlined in this report; and**
- 2. Approve the 1010 Somerset Street West location to transition the Centre éducatif Pinocchio that maintains and increases Francophone child care spaces to a high needs area; and**
- 3. Delegate authority to the Director, Children's Services, to negotiate, enter into, execute and amend agreements with the Conseil des écoles publiques de l'Est de l'Ontario (CEPEO) to facilitate the transition of the Centre éducatif Pinocchio Child Care Centre, as described in this report; and**
- 4. Direct staff to use the 1010 Somerset Street Capital Account to cover the expected costs to build two additional child care rooms should Provincial funding not be received by the Conseil des écoles publiques de l'Est de l'Ontario (CEPEO), as described in this report; and**
- 5. Reaffirm the City's 2021 commitment to direct staff to seamlessly transition these critical Francophone spaces, minimize impacts for families, work with the Centre éducatif Pinocchio landlord and a not-for-profit child care provider to maintain dedicated Francophone spaces and prioritize these spaces within directed growth strategies to ensure the spaces can remain within the Canada-wide Early Learning and Child Care (CWELCC) system, offering reduced fees for families.**

RECOMMANDATION(S) DU RAPPORT

Le Comité des services communautaires recommande ce qui suit au Conseil

- 1. recevoir l'analyse de rentabilité et le plan de financement des immobilisations, conformément aux directives du Conseil, afin de faciliter la transition du Centre éducatif Pinocchio vers un secteur à besoins élevés, comme il est indiqué dans le présent rapport;**
- 2. approuver l'emplacement du 1010, rue Somerset Ouest, pour la transition du Centre éducatif Pinocchio, qui maintient et augmente le nombre de places de services de garde francophones, vers un secteur où les besoins sont élevés;**

- 3. déléguer au directeur des Services à l'enfance le pouvoir de négocier, de conclure, d'exécuter et de modifier des ententes avec le Conseil des écoles publiques de l'Est de l'Ontario (CEPEO) afin de faciliter la transition du Centre éducatif Pinocchio, tel qu'il est décrit dans le présent rapport;**
- 4. demander au personnel d'utiliser le compte d'immobilisations pour le projet du 1010, rue Somerset, pour couvrir les coûts prévus de la construction de deux nouvelles salles de services de garde si le Conseil des écoles publiques de l'Est de l'Ontario (CEPEO) ne reçoit pas de financement provincial, comme il est expliqué dans le présent rapport;**
- 5. réaffirmer l'engagement pris par la Ville en 2021 de demander au personnel de procéder à une transition harmonieuse de ces places francophones essentielles, de minimiser les répercussions pour les familles, de travailler avec le propriétaire du Centre éducatif Pinocchio et un fournisseur de services de garde d'enfants sans but lucratif afin de maintenir des places réservées aux francophones et d'accorder la priorité à ces places dans le cadre de stratégies de croissance dirigées afin de s'assurer que les places peuvent demeurer dans le Système pancanadien d'apprentissage et de garde des jeunes enfants (SPAGJE) et que les familles puissent bénéficier de tarifs réduits.**

EXECUTIVE SUMMARY

Through this report and recommendations, the City has a unique opportunity to increase access to Francophone child care services in a high needs community, meeting the mandate for Municipal Child Care Centre services, supporting families experiencing systemic barriers and aligning with both the City's Strategic Plan and the Children's Services Child Care and Early Years Service System Plan. Access to culturally relevant French language child care strengthens community, helps preserve the French language and encourages future participation in French language education. By expanding these services, the City is helping ensure equitable access to high quality care for children, while also meeting our objectives of inclusivity, responsiveness and community well-being.

A Municipal Child Care Centre Review ([ACS2021-CSS-GEN-0008](#)) was completed and presented to Council in June 2021 as a result of the child care and early years sector undergoing a significant period of transformation, modernization and growth. The Centre éducatif Pinocchio, a Francophone Municipal Child Care Centre with 31 child care spaces, located at 111 Sussex Drive, did not meet the City's mandate listed in the Municipal Child Care Centre Review and staff were directed by Council in June 2021 to develop a business case and capital funding plan for the transition of this centre to a high needs area of the city.

To facilitate the transition of the Centre éducatif Pinocchio to a high needs area, City staff completed a comprehensive review (see Document 1) using several indicators to identify a new location and using evidence-based data (e.g. number of child care spaces to reach access target, neighborhood vulnerability, transit-oriented locations, New Affordable Housing Capital Plan 2020) in consideration of the availability of land and budget.

The assessments concluded that the Dalhousie neighbourhood¹ located in the Centretown West community, ranked as the highest for a Francophone Municipal Child Care Centre based on defined criteria. Based on the property assessment and analysis, the 1010 Somerset Street West property (Gladstone Village) scored the highest and is the preferred property location to facilitate the transition of the Centre éducatif Pinocchio Child Care Centre.

The 1010 Somerset Street West concept plan (ACS2024-SI-HSI-0026) approved by Council in December 2024, includes the allocation of land for the development of a new French-language elementary school. The Province of Ontario has a schools-first approach to child care and has provided the French language school board with capital funding to build the new school and three new child care rooms or 49 spaces. Children's Services is recommending that the existing two rooms or 31 spaces from the Centre éducatif Pinocchio be moved to the new school location.

From an operational perspective, the City would oversee three new rooms in addition to the existing two rooms at Pinocchio plus eight net new child care spaces (five rooms total). This will result in the creation of 57 net new Francophone child care spaces, for a total of 88 spaces, in a neighbourhood identified as having significant need. The alignment of services with the French school board targeted opening in September 2027 is an unprecedented opportunity for Children's Services and the City of Ottawa to

¹ As defined in the Children's Services Child Care and Early Years Service System Plan 2019-2023 (Appendix A – List of Neighbourhoods)

support families and caregivers with a facility that aligns to the City's mandate of serving families who face various barriers and systemic challenges while also preserving the French language, culture and cultural identity of the families served.

To support the addition of two child care rooms, a City investment of approximately \$1.4M may be required if Provincial funding is not secured. If needed, the 1010 Somerset Street Capital Account could be used to cover the expected costs to build the additional child care rooms. From an operational perspective, no additional municipal operating funding is anticipated, as the new Provincial cost-based funding formula is expected to cover the associated operational costs.

Subject to Council approval, City staff will prioritize the work on a transition plan to the new location, minimizing impacts for families and work with the Centre éducatif Pinocchio landlord and preferably a not-for-profit child care provider to maintain dedicated Francophone spaces, similar fee structure and seamlessly transition these critical Francophone child care services at the Centre éducatif Pinocchio location.

BACKGROUND

A Municipal Child Care Centre Review ([ACS2021-CSS-GEN-0008](#)) was completed and presented to Council in June 2021 as a result of the child care and early years sector undergoing a significant period of transformation, modernization and growth. The Centre éducatif Pinocchio, a Francophone Municipal Child Care Centre located at 111 Sussex Drive, did not meet the City's mandate listed in the Municipal Child Care Centre Review and staff were directed by Council in June 2021 to develop a business case and capital funding plan for the transition of this centre to a high needs area of the city. As directed by Council, a high needs area was defined by the [Child Care and Early Years Service System Plan 2019-2023](#). The Centre éducatif Pinocchio currently has two child care rooms with 31 dedicated Francophone spaces. Having access to French-language child care and early years services is important for Francophone families in Ottawa. These services develop a sense of belonging, foster community vitality, preserve the language and encourage attendance in French-language schools.

DISCUSSION

This report and business case outlines a unique opportunity to better meet the City's mandate for Municipal Child Care Centres, as well increase Francophone child care services for a high needs community in Ottawa. Through the business case and capital funding plan (see Document 1) staff are recommending facilitating the transition of Centre éducatif Pinocchio to a high needs area as defined by the Child Care and Early

Years Service System Plan 2019-2023, using evidence-based data and in alignment with the City's non-financial asset management strategy, consideration of availability of land and budget as outlined in the business case.

Relocation Review – Neighbourhood Assessment

To facilitate the transition of the Centre éducatif Pinocchio to a high needs area, City staff completed a comprehensive review using several indicators to identify a new location. As directed by Council, a high needs area was defined by the Child Care and Early Years Service System Plan 2019-2023, using evidence-based data (e.g. number of child care spaces to reach access target, neighborhood vulnerability, transit-oriented locations, New Affordable Housing Capital Plan 2020) in consideration of the availability of land and budget. Two categories of indicators were used to summarize the findings.

- Service Area and Neighbourhood Assessment
- Property Availability and Assessment

The Service Area and Neighbourhood Assessment was based on the qualitative and quantitative data presented in the Child Care and Early Years Service System Plan 2019-2023. This focused on the geographic areas of Francophone² child care capacity and neighbourhood vulnerability using the Canadian Neighbourhoods and Early Child Development socio-economic status index. Other indicators applied included the City of Ottawa Transit-Oriented Development Plans, the Affordable Housing Capital Plan 2020 and Official Plan. The qualitative and quantitative data was consolidated into a scoring matrix (Document 1, Appendix A: Service Area and Neighbourhood Assessment) to assess and identify geographic areas of the city to transition the services at Pinocchio.

The assessment concluded that the Dalhousie neighbourhood³ located in the Centretown West community, ranked as the highest for a Francophone Municipal Child Care Centre based on defined criteria. With the introduction of the new Corso Italia O-Train Station, the Dalhousie neighbourhood is anticipated to experience significant growth in population. The Corso Italia Station District Secondary Plan estimates an additional 7,000 residential units within its study area over time. It is expected much of

²The definition of Francophones according to the Child Care and Early Years Services System Plan 2019 – 2023, are persons whose mother tongue is French, plus those whose mother tongue is neither French nor English but have a particular knowledge of French as an official language and use French at home.

³ As defined in the Children's Services Child Care and Early Years Service System Plan 2019-2023 (Appendix A – List of Neighbourhoods)

the growth will come with the building out of the 1010 Somerset Street West project, which includes a high portion of affordable housing units.

The Property Availability and Assessment aligned with the non-financial asset management strategy whereby City staff searched properties that were owned or accessible to the City of Ottawa, as opposed to open market/real estate-based searches that would require immediate capital funding and authority to initiate. The search was focused on properties that would be readily available within the next five years and would meet Provincial licensing requirements. Staff consulted with Recreation, Cultural and Facility Services, Affordable Housing, Housing Solutions and Investment Services (formerly Corporate Real Estate Office) and Ottawa Community Housing Corporation to locate and assess available properties that would meet the requirements to provide child care services and align with Council's direction. Staff assessed property viability with the lens of child care licensing, cost, timeline to completion, land appropriateness, what would best serve the community, City's mandate and assisting with the transition plan.

Preferred Property Location

Based on the property assessment and analysis, the 1010 Somerset Street West property scored the highest and is the preferred property location to facilitate the transition of the Centre éducatif Pinocchio Child Care Centre. Alternative options had constraints such as not meeting the requirements or not having capacity to hold licensed child care, timelines for development did not align with Children's Services needs or required significant capital funding.

The City of Ottawa has developed the [concept plan](#) for an integrated and sustainable community hub at 1010 Somerset Street West, located between the neighbourhoods of Little Italy, Hintonburg and Chinatown. Council approved this report in December 2024 (ACS2024-SI-HSI-0026). Anchored by the Plant Recreation Centre and the Corso Italia Light Rail Transit station, the intention is to integrate this community hub, called Gladstone Village, with the residential development by Ottawa Community Housing to the immediate south. The locational attributes provide the City with the unique opportunity to deliver on core objectives contained in the New Official Plan (2021) and the Corso Italia Secondary Plan in both intensification and Transit-Oriented Development objectives at Light Rail Transit stations.

The concept plan includes the allocation of land for the development of a new French-language elementary school. The Province of Ontario has a schools-first approach to

child care and has provided the French language school board with capital funding to build the new school and three new child care rooms or 49 spaces. Children's Services is recommending that the existing two rooms or 31 spaces from Pinocchio be moved to the new school location. This strategy aligns with the non-financial asset management strategy, by avoiding the capital cost of a new City-owned asset, allowing the City to continue delivery of the service.

From an operational perspective, the City would oversee three new rooms in addition to the existing two rooms at Pinocchio plus eight net new child care spaces (five rooms, and a total of 88 Francophone spaces). The alignment of services with the French school board targeted opening in September 2027 is an unprecedented opportunity for Children's Services and the City of Ottawa to support families and caregivers with a facility that follows the City's mandate of serving families who face various barriers and systemic challenges while also preserving the French language, culture and cultural identity of the families served. To ensure this location is available for Council consideration, Children's Services has secured a Memorandum of Understanding (MOU) between the City of Ottawa and Conseil des écoles publiques de l'Est de l'Ontario (CEPEO) to allow first right of refusal on the child care facility that will be incorporated within the school.

Capital Funding Plan

As part of the Memorandum of Understanding, the School board will seek additional Provincial funding to build two additional child care rooms in order to transition the existing 31 spaces from Pinocchio to this location. Should Provincial funding not be awarded or available, the City would be required to provide a one-time contribution to cover the expected costs. Within the concept plan report (ACS2024-SI-HIS-0026) Council approved the net sale proceeds from the disposal of land being sold to the School Board, be allocated into the 1010 Somerset Street Capital Account to fund the continued planning, design work and advance site works. If needed, these funds could be used to cover the expected costs to build the additional child care rooms to ensure our existing spaces can be moved to this location.

It is estimated that the cost of adding space to accommodate two additional rooms would be approximately \$1.4M with a factor built in to address the cost of construction. For context, a preliminary budget estimate completed in 2020 to build a stand-alone 7500 square foot LEED certified 62 space child care facility would require \$10.1M in capital funding which excludes the cost of land acquisition.

From an operational perspective, the City would be required to operate the three new rooms in addition to two rooms being built to transition our existing spaces. In total, there would be 88 spaces at this location which would also potentially include Francophone infant care which is in high demand. This would align to the City's Service Plan priorities to increase and optimize capacity and flexibility, with priority for underserved communities, younger children and part-time care.

This would require an additional 14 Full Time Equivalents (FTE's), to operate 57 additional spaces. As the new Provincial cost-based funding formula for 2025 was just recently released, it does provide challenges for staff to provide concrete financial planning information at this time, including the need to perform a value-for-money audit on Municipal services as part of the 2024 Provincial Guidelines. The Provincial formula includes benchmarks to be better representative of costs, including legacy top-up funding to fully cover historic costs, a growth top-up, and an amount in lieu of profit / surplus. At this time, staff do not anticipate requiring additional Municipal contributions. The City will further assess the new funding model and complete the required Provincial value-for-money audit and include any operational funding impacts in a subsequent budget.

Recommendations

Staff recommend Council approve the 1010 Somerset Street West location to facilitate the transition of Centre éducatif Pinocchio, that maintains and increases Francophone child care spaces to a high needs area. To facilitate this transition, staff recommend that Council delegate authority to the Director, Children's Services, to negotiate, enter into, execute and amend agreements with the Conseil des écoles publiques de l'Est de l'Ontario (CEPEO). That Council direct staff to use the 1010 Somerset Street Capital Account to cover the expected costs to build two additional child care rooms should Provincial funding not be received by the school board. Finally, staff recommended Council reaffirm the City's 2021 commitment to direct staff to seamlessly transition these critical Francophone spaces, minimize impacts for families, work with the Centre éducatif Pinocchio landlord and a not-for-profit child care provider to maintain dedicated Francophone spaces and prioritize these spaces within directed growth strategies to ensure the spaces can remain within the CWELCC system offering reduced fees for families.

These recommendations will ensure that the City's Municipal Child Care Centres will align to the City's mandate and remain a leading model in offering access to high quality, affordable, and responsive services.

Next Steps

Following Council's consideration and approval, staff will further develop the partnership with the CEPEO school board and begin to develop a detailed transition plan to minimize impacts and seamlessly transition services. It is anticipated that construction of the child care spaces will be completed for September 2027. Aligning the transition to the school year calendar will help existing families who are often entering school. Engagement and communications will occur with families and stakeholders in advance to ensure supports are provided throughout the transition period to assist them in a seamless transition or finding alternate care.

FINANCIAL IMPLICATIONS

The relocation of Centre éducatif Pinocchio to a high needs location, at 1010 Somerset Street West will require building two new rooms at an expected cost of \$1.4M. The school board will be seeking additional Provincial funding to cover these costs and if successful there will be no financial impact to the City. Should Provincial funding not be awarded or available, the City would be required to provide a one-time contribution, and staff would be directed to use the future net proceeds from the sale of land to the School Board, which will be allocated to the 1010 Somerset Street Capital Account.

From an operational perspective, the City would be required to operate three new rooms in addition to two rooms being built to transition the existing spaces. This would increase operating costs, including an additional 14 Full Time Equivalents (FTE's). It is anticipated that the Provincial cost-based funding model will cover 100% of the increase in operational costs and there will be no additional Municipal contribution required.

LEGAL IMPLICATIONS

There are no legal impediments to the implementation of the report recommendations.

COMMENTS BY THE WARD COUNCILLOR(S)

Councillor Troster, Sommerset Ward 14, is aware of this report.

Councillor Plante, Rideau-Vanier Ward 12 advised - The Parents of Pinocchio have been engaged on this issue since 2023 and have expressed concerns with some of these findings (e.g. the Sussex location being "In New Edinburgh" for example). It would have been beneficial for the Lowertown Community Resource Centre or Ottawa Community Housing to be engaged early on to help mitigate concerns that low-income

families were not accessing the location, as they are both located in Lowertown and have a great network of families with high needs already identified.

I also want to caution against using third parties to provide Francophone services. I understand there are nuances with the new federal funding that are relevant, but we have had a lot of instability with non-profit daycares such as the Sandy Hill Daycare closure and re-opening, the loss of Bernadette and the eviction of the Vanier Co-Op Daycare. The community of Lowertown already has very high needs and to ensure the long-term viability of Francophone services they must be provided by the government.

I am happy staff have worked with my and Councillor Troster's office on a plan to bring back options to open a third Francophone daycare and look forward to the planning steps ahead.

CONSULTATION

As directed by Council, a high needs area definition included the Child Care and Early Years Service System Plan 2019-2023. In the fall 2018, Children's Services engaged and consulted with over 2,000 families, child care service providers, other community stakeholders and City of Ottawa staff on this plan. The consultation findings and the Service System Plan were used to inform and guide the evidence based decisions for this report.

Staff consulted with the Planning, Development and Building Services department, Recreation, Cultural and Facility Services, Affordable Housing, Housing Solutions and Investment Services (formerly Corporate Real Estate Office), and Ottawa Community Housing Corporation to locate and assess available properties that would meet the requirements to provide child care services and align with Council's direction. Staff assessed property viability with the lens of child care licensing, cost, timeline to completion, land appropriateness, what would best serve the community, City's mandate and assisting with the transition plan.

ACCESSIBILITY IMPACTS

The City is committed to meeting its obligations under the *Accessibility for Ontarians with Disabilities Act* (AODA), 2005. In the area of Children's Services, this includes but is not limited to, training, customer service standards, the built environment and accessible child care rooms. Children's Services will work in consultation with the future landlord at 1010 Somerset Street West to ensure Municipal Child Care facilities adhere to AODA standards and the City's Accessibility Design Standards (ADS).

ASSET MANAGEMENT IMPLICATIONS

There are no direct asset management implications associated with this report.

DELEGATION OF AUTHORITY IMPLICATIONS

Staff recommend Council approve the 1010 Somerset Street West location to facilitate the transition of the services of the Centre éducatif Pinocchio to a high needs area and delegate authority to the Director, Children's Services, to negotiate, enter into, execute and amend agreements with the Conseil des écoles publiques de l'Est de l'Ontario (CEPEO) to facilitate the transition of the Centre éducatif Pinocchio Child Care Centre.

ECONOMIC IMPLICATIONS

There are no significant economic implications of the recommendations in this report.

Child care and early years services play an important role in children's development and provide valuable supports to families with young children. Investing in these programs is essential for the well-being of children and families and that of the entire community. Through this transition to 1010 Somerset Street West, the City is increasing access to affordable, quality Francophone child care and early years services. This contributes to higher levels of employment, economic prosperity and social benefits especially at a time where costs are rising due to inflation and pressures on household incomes.

INDIGENOUS, GENDER AND EQUITY IMPLICATIONS

Municipal Child Care Centres offer a diverse and inclusive environment and programming that benefits the learning and early development of children. All children are given equitable access to care and programs regardless of their religious or cultural background, spoken language, or stage of development. The City's mandate for Municipal Child Care Centres is to serve families who face various barriers and systemic challenges in areas of the city where there is insufficient child care spaces to meet demand and no other child care service providers can shift their services offerings.

Through this transition to 1010 Somerset, the City is increasing Francophone access to affordable, quality child care and early years services and meeting the City's mandate for Municipal Child Care Centres to serve priority populations.

RISK MANAGEMENT IMPLICATIONS

There are risk implications associated with this report, related to potential service disruptions caused by a re-location of Pinocchio Child Care Centre in 2027. Staff will

develop a detailed transition plan to minimize impacts on children and families which includes working with the current landlord and an alternate child care provider to maintain and seamlessly transition these critical Francophone child care services at 111 Sussex Drive.

The City of Ottawa has completed the concept plan for the integrated and sustainable community hub at 1010 Somerset Street West and now advancing the design and advanced site works. There are unknowns surrounding certain site details that are beyond Children's Services direct control, however, staff are committed to collaborating closely with stakeholders to mitigate potential challenges.

TERM OF COUNCIL PRIORITIES

Transitioning the Centre éducatif Pinocchio to the 1010 Somerset Street West location would ensure alignment with the City's mandate for Municipal Child Care Centres to serve families who face various barriers and systemic challenges. This is supported through the 2023-2026 Term of Council Priorities, under the priority called, a city that has affordable housing and is more livable for all. This priority includes, licensed child care and early years services, including consideration for Francophone, Indigenous Peoples and families facing barriers. This work is also aligned with the Council approved Child Care and Early Years Service System Plan 2019-2023.

SUPPORTING DOCUMENTATION

Document 1: Children's Services Business Case: Transition of the Centre éducatif Pinocchio to a high needs area

DISPOSITION

The Director, Children's Services will oversee the completion of tasks required in order to implement Council's direction, as detailed with the recommendations of this report.