

2019-2020 BUDGET QUESTION
Response to Request for Information

DEPARTMENT(S): Austin Public Health

REQUEST NO.: 46

REQUESTED BY: Garza

DATE REQUESTED: 8/23/19

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REQUEST: In the FY 2019-20 Proposed Budget, what is the overall spending to improve access to child care and early childhood education? Specifically, what is the funding status of each of the recommendations from the [High Quality Child Care and Pre-K 3 Report](#)?

RESPONSE:

Included in the attached table is an update on each of the recommendations from the High-Quality Child Care and Pre-K3 Report.

Recommendation #	Recommendation language	Status of recommendation (status as described in the 8/23/19 staff report to Council (http://www.austintexas.gov/edims/pio/document.cfm?id=325846); additional updates not in the report are in blue text	Funding status
Policy Rec. 1	Work with the Development Services Department and the Planning and Zoning Department to explore the current fee schedule and potential fee waivers that may be applied for expenses associated with opening, expanding, and/or operating high quality child care centers. This may involve multiple City departments for waivers that could be provided up front or retroactively. Also explore increasing the types of zoning categories where child care is a permitted use or consider implementing a waiver for the conditional use permit process and/or a fee waiver for conditional use permit fees for high quality child care centers. This process should include gathering input from high quality child care providers to determine what barriers they have faced when working with the City to open and/or expand. Additionally, during the CodeNEXT process, replace all references to "Day Care Services" with "Child Care Services."	On April 12, 2019, the Planning and Zoning and Development Services Departments sent Council a memorandum with recommendations which can be found at http://www.ci.austin.tx.us/edims/pio/document.cfm?id=317938 . Council direction is needed for staff to act on most of the recommendations provided.	Not funded. Refer to staff memo (http://www.ci.austin.tx.us/edims/pio/document.cfm?id=317938) for potential funding implications.
Policy Rec. 2	Develop a policy in consultation with the Office of Real Estate Services, Neighborhood Housing and Community Development, and other relevant City departments and community stakeholders to include the option and related price estimate for an affordable, high quality child care facility for RFPs [Request for Proposals], RFAs [Request for Applications], and other competitive processes that the City conducts to lease or develop space for projects such as affordable housing, office space, Parks facilities, and/or mixed use development. This should be considered when a quality child care facility is feasible as a partial use of project space and when located in areas where quality child care is needed. Additionally, any future City projects that will house a significant number of employees such as the space for the Development Services Department on the Highland Mall campus, the future headquarters for Austin Energy, the future headquarters for the Austin Police Department, and any other large facilities	Neighborhood Housing and Community Development worked with Austin Public Health to incorporate child care supports and provision of affordable high-quality child care into the application guidelines and analysis for the Rental Housing Development Assistance program and the Low-Income Housing Tax Credit Resolution program. The Office of Real Estate Services is working with the Strategic Facilities Governance Team on updates to the Facilities Request Form that departments are required to complete when requesting to renovate space or seeking additional space. Finally, on any new Request for Information (RFI)/Request for Proposal (RFP) for real estate needs, the solicitation will include a requested option for a high-quality child care facility, when applicable. Real Estate is working with APH on developing criteria for when this option would be required. No Council action is needed.	Not funded and no funding currently needed.
Funding Rec. 1	Leverage up to \$112,000 in State funding per classroom per year by investing in one-time startup costs associated with setting up new Pre-K 3 classrooms, including up to eight classrooms in Austin Independent School District and up to 3 classrooms in Pflugerville Independent School District. Continue to invest in the expansion of Pre-K 3 by exploring opportunities with these and other school districts for similar investments in future budget years (\$176,000 based on \$16,000 in one-time costs per classroom, with up to 32 children served per	The current draft of the FY2020 budget includes \$128,000 to cover start-up costs for up to 8 Pre-K classrooms in areas school districts. Staff will again reach out to area school districts, including Round Rock and Pflugerville ISDs, to assess their needs and readiness to accept start-up funds for Pre-K 3 classrooms in FY2020. No Council action is needed.	Funded at \$128,000 in ongoing funding.
Funding Rec. 2	Upon reconvening, members of the High Quality Child Care and Pre-K Work Group reviewed this recommendation and decided to withdraw the recommendation as described based on difficulties in recruiting teachers for a similar effort in the past. Instead, the Work Group now recommends shifting the dollars in this funding recommendation to a different use. The Work Group recommends allocating \$40,000 to provide \$2,500 in financial support for sixteen child care teachers in classrooms participating in a Pre-K partnerships between community child care centers and area school districts. The assistance could be used to forgive student loans or to pay for continuing education in the early childhood	This recommendation costs \$40,000 to implement and is not yet in the FY2020 budget. Update to APH staff memo sent to Council 8/23/19) (http://www.austintexas.gov/edims/pio/document.cfm?id=325846) However, since the early childhood community stakeholders in the Resolution workgroup made this recommendation, they have told APH that at this time this recommendation is not ready for implementation because there is not currently sufficient demand among teachers at child development centers participatin in the Pre-K Partnerships.	Not funded and no funding currently needed.
Funding Rec. 3	Invest in a partnership with the Austin Community College Child Care and Development Department to accelerate child care teachers though the CDA Preparation Certificate to improve quality of child care services for approximately 280 children (\$137,600 annually with 20 student participants).	At this time, APH does not suggest moving forward with this recommendation. No Council action is needed.	Not funded and no funding currently needed.

Funding Rec. 4	Economic Development Department and Austin Public Health should work with United Way for Greater Austin, Early Matters Greater Austin, and other community partners to understand and define the needs for a consultant to study potential incentive programs and public private partnerships that could be effectively implemented in Austin around quality child care (Estimated \$75,000 for consultant cost)	The final consultant report with recommendations entitled <i>Childcare & Economic Development in Austin</i> from TXP was submitted to Council on 8/23/19 as an attachment to the APH staff response to Council Resolution 20190411-020. Council may choose to act on the recommendations detailed in the consultant's report. In reviewing the report, staff identified the following TXP, Inc. recommendations as priorities: <ul style="list-style-type: none"> • Subsidize cost of child care for graduates of City of Austin-funded job training programs, at approximately \$1.5 million annually. (Rec. #3 on p.22-23 of TXP report) • Expand City staff capacity on Early Childhood (Rec. #7 on p.26 of TXP report) 	\$75,000 for temporary personnel has been included in APH's FY20 budget. The recommendations outlined in the TXP report are not funded. It would cost approximately \$1.5 million annually to implement TXP recommendation #3.
Policy and Funding Rec. A	Work to increase the community's capacity to provide affordable, high-quality child care services by entering into formal discussions with AISD to use underutilized classrooms in elementary schools. Consider City investments in expenses related to minor capital improvements and/or ongoing costs associated with agreements with child care providers to provide high quality affordable child care services to City employees, AISD employees, and/or community members including families with children that qualify for child care subsidies.	This recommendation is not yet ready for action as it is pending further progress by AISD on its school change process. No Council action needed at this time.	Not funded and no funding currently needed.
Policy and Funding Rec. B	Continue to support the Income-Eligible Child Care Assistance program available for City employees. To reach more employees and be more impactful, consider raising the family income level required to qualify, setting the assistance level at a tiered rate to correspond with the higher cost for services per child at younger ages, and/or raising the financial assistance rate overall for all children.	Improvements made in FY19 and no Council action needed at this time.	Not funded and no funding currently needed.
Policy and Funding Rec. C	Initiate and allocate funding for a planning process to develop a Coordinated Early Childhood Enrollment and Resources and Referral System among high quality child care providers in the community, Workforce Solutions Capital Area, AISD and neighboring school districts, and Child Inc. This system should make families aware of all the early learning options available to their children that fit their families' needs and location, including high quality child care, child care subsidies, free public Pre-K 3 and Pre-K 4, tuition-based public Pre-K, Early Head Start and Head Start. Furthermore, this system would facilitate the most efficient allocation of limited resources by increasing enrollment in public Pre-K which allows school districts to leverage state funding to serve more children and, in turn, increase the availability of child care subsidies and spaces in Early Head Start for infants and toddlers.	This project is still currently in the planning phase and is receiving support from the Office of Design and Delivery. Through the Sorenson Impact Center, the J.B. and M.K. Pritzker Family Foundation awarded APH matching funds to hire a Pritzker Fellow for two years starting in September 2018 to focus on developing a plan for a Coordinated Enrollment System for early childhood programs. The Fellow is working with partners to design a system that includes child care subsidies, public Pre-K, Early Head Start, and Head Start. In addition to those key partners, Travis County Health and Human Services and United Way for Greater Austin are also deeply engaged in planning this system. No Council action is needed at this time.	Not funded and no funding currently needed.
Policy and Funding Rec. D	Develop a policy that would achieve higher quality in existing child care provider facilities and/or more high quality child care slots available for children that qualify for subsidies by covering the gap in payment that providers experience for each high quality subsidized slot.	This recommendation has an estimated budgetary impact of approximately \$1,523,312. If Council chooses to approve funding for this recommendation, further staff consultation with early childhood stakeholders would be useful to plan the details of structure and implementation. For example, it may be possible to structure the funding in such a way that at least a portion of the funding to centers is used to improve teacher compensation in these high-quality child care centers serving children on child care subsidies. Council direction would be needed to move this recommendation forward.	Not funded.

Policy and Funding Rec. E	Pursue creation of City-owned or leased facilities for high-quality affordable child care, which should include options for contracted and City-run high quality child care services at the facility.	Would require Council action, but is not ready for immediate action. Pending staff update in Fall 2019.	APH is in the final stages of working with the Office of Real Estate Services to determine a cost estimate for including a child care center on a property the City is leasing at Bergstrom Tech. APH also has proposed a High Quality Childcare Center in the Dove Springs Public Health Facility, estimated to open in Spring 2023.
Policy and Funding Rec. F	Explore options for the Parks and Recreation Department to expand existing programs and/or create new enrichment programs for children 3-5 years old that comply with quality standards. This programming should explore opportunities to collaborate with community partners and providers.	The High Quality Child Care and Pre-K Work Group members recognize the limitations on PARD expanding services for young children. Given those limitations, the Work Group recommends that PARD ensure the existing enrichment services provided for 3 to 5 year olds are high quality, age appropriate, and that the teaching staff providing the services are highly qualified. There is no Council action needed.	Not funded and no funding currently needed.
Policy and Funding Rec. G	Explore options to alleviate tax burdens for quality child care centers through tax abatement and/or leasing City-owned property for child care centers.	The final consultant report and recommendations from TXP (referred to in Funding Recommendation 4 on this table) entitled <i>Childcare & Economic Development in Austin</i> was submitted to Council on 8/23/19 as an attachment to the APH staff response to Council Resolution 20190411-020. Council may choose to act on the recommendations detailed in the consultant's report.	Not funded. Refer to pages 21-22 in the TXP report for more detail on the consultant recommendation specific to alleviating tax burdens for child care centers.