

**RESOLUTION NO. 20181004-036**

**WHEREAS**, in order to support high-quality child care that is affordable in the City of Austin, the first step is to break down City barriers that have been identified as the biggest cost drivers of opening, expanding and/or operating these facilities; and

**WHEREAS**, according to the 2016 Austin Area Sustainability Indicators-Education and Children report, there is not enough space available in affordable, high-quality child care facilities. Specifically, the “child population 6 years and under with all available parents in the labor force has consistently surpassed the available capacity of child care facilities;” and

**WHEREAS**, child care costs account for a significant portion of a family’s budget. The Texas Department of Health and Human Services benchmarks affordable child care at no more than 10% of a family’s median income, or \$7,540 in 2014 for the Austin area. However, yearly tuition for infants, toddlers, and preschool aged children was above the affordable threshold, making high-quality child care out of reach for many working families; and

**WHEREAS**, a report by the think tank The Center for American Progress, mapped child care deserts across the country and brought national attention to child care deserts in Austin, including in some areas of our city where the largest populations of children from low income families live; and

**WHEREAS**, the Imagine Austin vision of “Complete Communities” involves creating communities that are more natural and sustainable, prosperous, livable, mobile and interconnected, educated, creative, and which value all Austinites; and

**WHEREAS**, the process to build a new child care center, or any new facility within the City of Austin can be very costly and the application and permitting process can take a significant amount of time to navigate; and

**WHEREAS**, in response to Council Resolution No. 20170928-057 the Child Care Working Group, which included significant stakeholder input, identified associated permitting fees from various City departments and limited zoning categories where day care services are allowed City-wide as one of the major barriers to opening, expanding, and/or operating high-quality child care centers in the City of Austin; and

**WHEREAS**, in the current Land Development Code, the way child care facilities are categorized is over complicated. They can fall into one of three categories under Civic Uses: Day Care Services (Commercial), Day Care Services (General), and Day Care Services (Limited), depending on the number of persons it serves; and

**WHEREAS**, a child care facility is considered a permitted use only with a Conditional Use Permit, or not considered a permitted use depending on the category of child care facility and the zoning category; and

**WHEREAS**, the Child Care Working Group report identified the Conditional Use Permit as a costly and burdensome barrier and the limited zoning categories where child care facilities are allowed as a restriction to access to affordable high-quality child care for Austin families; and

**WHEREAS**, the report also identifies “Child Care Services” as the accepted and widely used term in community plans and best practices for quality rating and certification processes; **NOW THEREFORE**,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

Council directs the City Manager to work with departments across the City, including, but not limited to, Development Services, Planning and Zoning, Austin Fire, Austin Water, and Austin Public Health and community partners, such as the United Way, to do the following:

1. identify the current fee schedule and potential fee waivers that may be applied to expenses associated with opening, expanding, and/or operating high-quality child care centers;
2. develop options for Council consideration on how fees such as annual fees for food service establishment permits, environmental inspections, or fire inspections could be fully or partially waived to reduce some of the operational burden after centers receive a quality rating through the National Association for the Education of Young Children, and/or obtain a 4-star rating through Texas Rising Star; and
3. develop options for Council consideration on how the City may be reimbursed for waived fees for centers that do not maintain or receive one of the above-mentioned quality ratings after a mutually agreed upon period of time; and
4. provide Council an estimate of the potential impact of such fee waivers on the Development Services budget as an enterprise fund, and the effect on other Development Services customers of foregoing such revenue; and
5. explore opportunities to collaborate with nonprofit organizations in helping high quality childcare facilities meet cost-of-service fee amounts.

**BE IT FURTHER RESOLVED:**

The Council further directs the City Manager to review the Land Development Code and provide recommendations to Council on how to:

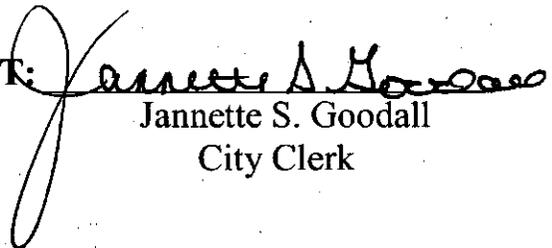
1. Increase the zoning categories where child care is a permitted use or consider implementing a waiver for the conditional use permit process and/or a fee waiver for conditional use permit fees for high-quality child care centers. The process should include gathering input from high-quality child care providers to determine what barriers they have faced when working with the City to open and/or expand child care centers.
2. Modify "Day Care Services" to create a separate zoning use classification for "Child Care Services".
3. Include sub-classifications within a new "Child Care Services" zoning use classification that are based on the number of children the facility will serve.

**BE IT FURTHER RESOLVED:**

The Council directs the City Manager to present a preliminary proposal at a Council work session no later than March 5, 2019, with any recommendations on the above topics for full Council consideration on March 21, 2019.

**ADOPTED:** October 4, 2018

**ATTEST:**

  
Jannette S. Goodall  
City Clerk