



## BOARD/COMMISSION RECOMMENDATION

### Early Childhood Council

#### 20250212-002: Budget Recommendation Regarding Current Early Childhood Investments

WHEREAS, in the City of Austin, 32% of children under age 6 live in households with low income; and

WHEREAS, 94% of the children in households with low income under age 6 are children of color; and

WHEREAS, decades of research prove that disadvantages begin the moment children come into the world because children born into poverty and children of color are disproportionately born early, at low weight, or with chronic illnesses, and are less likely than their peers to be ready for, or successful at school; and

WHEREAS, current City investments in early childhood programs align with the goals and strategies of the Austin/Travis County Success By 6 Strategic Plan – a robust, data-driven community strategic plan designed to coordinate efforts, improve child and family outcomes as well as build more efficient and coordinated systems for equitable access; and

WHEREAS, many of the federal, state, and local economic recovery funds invested in early childhood systems and programs have expired or are expiring in 2025; and

WHEREAS, Child Care Scholarship programs through Workforce Solutions Capital Area are at capacity, no new funding is available at this time, and as of December 2024, the estimated amount of time a family applying for a scholarship at that time will likely remain on a waitlist before they could expect to be outreached for enrollment is 24 months; and

WHEREAS, the City of Austin's recently announced Infrastructure Academy is intended to expand the region's skilled trade sector and access to childcare is an obstacle for the existing workforce, including the skilled trades; and

WHEREAS, the Early Childhood Council has had input from the community's Success By 6 Coalition (SX6) and GO! Austin/iVAMOS! Austin (GAVA), all calling for significantly increased local government investment in the Childcare sector.

NOW, THEREFORE, BE IT RESOLVED that the Early Childhood Council recommends that the City of Austin **maintain all current investments** in early childhood programs and infrastructure, including but not limited to:

- **Sustaining investments:** Maintain FY25 budget levels for FY26 (subject to other recommendations below) for the projects, programs, and agencies listed below:

| Agency                                           | Program Name                                                                             | FY25 Amount |
|--------------------------------------------------|------------------------------------------------------------------------------------------|-------------|
| Mainspring Schools                               | Mainspring Magic Quality Investment Project                                              | \$71,400    |
| Rise Child Development Center                    | Childcare for Black Mothers                                                              | \$142,933   |
| Workforce Solutions Capital Area Workforce Board | Quality Childcare Collaborative (QC3) (includes Continuity of Childcare System Services) | \$1,174,121 |
| KinderCare                                       | KinderCare at Bergstrom Tech                                                             | \$304,188   |
| Ginsberg Kershner & Associates                   | Early Childhood Consulting                                                               | \$75,000    |
| Raising Austin dba Together 4 Children           | Childcare Leadership Academy                                                             | \$351,270   |
| Any Baby Can                                     | Ready Families Collaborative+                                                            | \$1,710,551 |
| Austin Child Guidance Center                     | Infant & Early Childhood Services                                                        | \$145,488   |
| VinCare Services of Austin                       | Quality Care for Children Overcoming Homelessness                                        | \$95,760    |
| Todos Juntos                                     | Early Childhood Education Program                                                        | \$637,823   |
| Local area school districts                      | Pre-K Classroom Start-Up Funds                                                           | \$134,400   |
| Salvation Army                                   | Passages                                                                                 | \$160,000   |
| Austin Public Health                             | Maternal Infant Outreach Program (DSRIP)                                                 | \$568,285   |
| Austin Public Health                             | Family Connects                                                                          | \$1,246,935 |
| Austin ISD                                       | Teen Parent Childcare                                                                    | \$343,478   |
| Child Incorporated                               | Early Head Start                                                                         | \$414,830   |

**APH and EDD Staff:** Sustain the APH and EDD staffing budget for childhood programs and services and add one FTE to the newly organized childcare support in the Economic Development Department.

**Cost of Living Adjustments (COLA):**

- Maintain the 5% adjustment made to the social services programs budgets for FY25. Make that 5% adjustment a permanent base for the program budgets, eliminating the need to remove it and re-base the numbers each year.
- Add a COLA in FY26 (in addition to the 5% referenced directly above) commensurate with inflation adjustments the City of Austin used. Commit to annual COLA adjustments for all service provider contracts.

**Fee Waivers:** Reauthorize all fee waivers previously granted and approved by the City Council to qualifying childcare centers. Make these a permanent budget commitment to avoid reauthorization each year.

**PreK Classroom Start-up Funds:** Fund an additional \$36,266 to bring the total funding to \$170,666 to maintain eight start-up classrooms per year. Without that money, start-up classrooms are reduced by two classrooms.

**Family Connects Program:** Fund an additional budget (preliminary estimates are \$170,000) to top off the balance of ARPA funds, which will expire by June 30, 2026. Without that funding, the program will lose 560 clients.

**Afterschool and Summer Programs:** Maintain all programs currently funded by the City of Austin.

**Implement a comprehensive network and resource hub for home-based providers:** Maintain city matching funds of \$75,000 for the Building Comprehensive Networks implementation grant from Home Grown.

**ARPA Roll-Off:** Recommend the City Council to direct APH and EDD to work alongside SX6 and GAVA to:

- Evaluate the early childhood programs and number of residents impacted by the end of ARPA funding,
- Share with the ECC and the community the evaluation findings and
- Develop a set of recommendations by the end of FY26 with any additional early childhood investments that may be necessary to fill the gap after all ARPA funding ends.

Date of Approval: February 12, 2025

Record of the vote: The recommendation was approved on Member Hedrick's motion, Member McCollum's second, on a 7-0 vote. Chair McHorse and Vice Chair Hamilton recused from this item due to conflict of interest.

Attest: \_\_\_\_\_



*Caitlin Oliver, staff liaison*