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**STAFF:** Joe Frank  
Tess Heffernan

*Pre-taped staff presentation: available  
at [fcgov.com/clerk/agendas.php](http://fcgov.com/clerk/agendas.php)*

## **WORK SESSION ITEM FORT COLLINS CITY COUNCIL**

### **SUBJECT FOR DISCUSSION**

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The City of Fort Collins' Current and Potential Future Involvement in Early Childhood Care and Education.

### **EXECUTIVE SUMMARY**

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Increasingly, communities across the nation are recognizing the many “triple bottom line” benefits of accessible, affordable, and quality early childhood care and education. Quality child care benefits the social and financial needs of parents, the educational and development needs of children, the economy, and many other community development goals. City Council asked for more information to help clarify the direction that it would take in regard to the City’s role and potential strategies in regard to early childhood care and education. This issue is part of Council’s 2011/2012 Work Plan.

### **GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED**

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1. Does Council have any comments or questions about what the City is currently doing in the area of facilitating early childhood care and education in the community?
2. Compared to what the City is currently doing, does the Council want to consider maintaining, refocusing and/or expanding the City’s efforts in facilitating early childhood care and education services in the community?
3. If Council wishes to modify the City’s current efforts, what additional strategies should be added to the current program?

### **BACKGROUND / DISCUSSION**

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Increasingly, communities across the nation are recognizing the many “triple bottom line” benefits of accessible, affordable, and quality early childhood care and education to the social and financial needs of parents, the educational and development needs of children, to the economy, and to many other community development goals. Studies have shown the communities that champion high quality early childhood care and education reap immediate and long term rewards in economic vitality, civic participation, school success and public safety. Early childhood, commonly defined as the years between birth through eight years, is a critical time in human development.

There are numerous examples across the country where local governments demonstrate the important role they can play in ensuring adequate early childhood care and education programs by creating policies, identifying local resources, and working with developers and community partners. A list of “best practices” by local governments across the nation is provided in the attached report.

### **What’s Being Done in Fort Collins**

There are multiple public and private organizations, agencies and businesses involved in early childhood care and education. A detailed description of the roles and responsibilities is provided in the attached report (Attachment 1). Briefly, the key players and their respective roles are as follows:

- State of Colorado - licensing and financial assistance (Colorado Child Care Assistance Program (CCAP) – funding has been dropped and no new applications are being taken)
- Larimer County – inspections and financial assistance (administers CCAP)
- Early Childhood Council of Larimer County – leading non-profit that counsels families in finding child care; provides support and training of child care providers; raises awareness about issues impacting children; raises standards of early care and learning; etc.
- Pathways Past Poverty Child Care Access Committee – focuses on education of employees and employers
- Colorado State University Early Childhood Center – trains students for careers in childhood education; is a campus resource for early childhood education; and operates an early childhood center.
- Non-profit and for-profit child care facilities. In Fort Collins, there are approximately 33 child care centers; 124 family child care homes; 39 preschool child care facilities; and 34 school age child care facilities.
- Poudre School District – provides quality preschool; offers prenatal, infant, toddler, and developmentally disabled services; and partners with local child care centers.
- **City of Fort Collins – adopted childcare policies as part of *City Plan (2010)*; since 2002, has allocated nearly \$1.4 million of Community Development Block Grant Funds and Human Services Funds for child care services; has identified child care, in particular subsidized or free child care, as a priority need in the adopted *Consolidated Housing and Community Development Plan (2010)*; child care centers are listed as a permitted use in 23 of 28 zoning districts; and, City employees are provided child care benefits.**

### **Research Results**

City staff conducted a review of existing research, inventoried current roles and programs in Larimer County, conducted interviews with several local stakeholders, and collected information about “best practices” across the nation. A summary of the results of the research and interviews is provided in the attached report. Some key findings from this include:

- Research has clearly shown that early childhood care and education benefits the community (Source: Early Childhood Education for All, recommendations from a conference sponsored by Legal Momentum Family Initiative and the MIT Workplace Center, 2005). Some key findings include:

- Every dollar invested in quality early childhood care and education saves taxpayers up to thirteen dollars in future costs. The Perry Preschool Study followed participants in a high-quality program for more than 40 years and found that, as adults, they were less likely to be arrested, more likely to own a home, and more likely to be employed.
- Quality early childhood care and education prepares young children to succeed in school and become better citizens; they earn more, pay more taxes, and commit fewer crimes.
- There are potential short and long term actions and strategies that blend well with the traditional role and services of the City of Fort Collins.
- Child care contributes to the local economy by supporting parents and local employers.
- Accessible, affordable, and quality child care benefits the social and financial needs of parents and the educational and development needs of children.
- The location and availability of child care supports other community development principles and policies including community and neighborhood livability, sustainability, and transportation mobility.
- The largest gap is affordability. According to the U.S Census, low-income parents spend the largest percentage of income on child care or are forced to exit the regulated child care system and seek care in informal settings. The fact is that quality child care is expensive.
- The biggest barriers are state regulations.
- City partnerships are important to overcome challenges of improving the local child care system.
- The City organization could be a model for other employers in the community.

### **Potential Strategies**

Potential options that appear to be relevant and appropriate for the City to consider in addressing the above conditions are listed below. All of the actions listed will require some level of resources to study and implement. All of the actions are new and are not on any City department's current work program; any new work program actions would need to be evaluated in terms of their relationship to City policies in the City's adopted plans (e.g., City Plan; Consolidated Housing and Community Development Plan; and Economic Action Plan), their effectiveness in facilitating quality early childhood care and education, and impacts on current work program priorities and resources. City staff has provided an estimate of the order of magnitude of the resources required for each of the potential strategies, as follows:

- \$ - requires in-house staff time; minimal public process.
- \$\$ - requires more staff resources, time, and dollars for research and study; may need consultant services; may include deferral of current revenues; and, some more public process to implement.
- \$\$\$ - requires the most staff resources, time and dollars; may depend upon future BFO allocations, state or federal funding; and significant public process to implement.

**1. Explore adding new policies in existing plans, such as *City Plan*, *Economic Action Plan*, and the *Consolidated Housing and Community Development Plan*, addressing topics such as:**

- Site child care facilities near employment centers, homes, schools, community centers, etc. (*City Plan*). \$
- Encourage and educate employers to support child care for their employees (*City Plan*). \$
- Encourage retention of existing and development of new child care facilities in neighborhoods (*City Plan* and *Economic Action Plan*). \$
- Incorporate child care and social services into affordable housing, activity centers, and transportation hubs (*City Plan* and *Consolidated Plan*). \$
- Give priority of local funding (CDBG/HSP) for child care services, particularly for low income families (*City Plan* and *Consolidated Plan*). \$
- Encourage partnerships that support early childhood care and education (*City Plan*). \$

**2. Explore actions that can increase the supply and affordability of child care, such as:**

- Seek federal grant opportunities for building new centers. \$\$
- Increase General Fund contributions to the City's Human Services Program Fund earmarked for child care services, particularly for lower income families. \$\$\$
- Remove any potential barriers to the construction of new centers in the Land Use Code; in particular explore barriers resulting from the City's "change of use" regulations. \$
- Create incentives for construction of new child care centers (particularly those serving low income families) such as currently provided for affordable housing projects, including priority processing, impact fee delay, development review fee waiver, administrative construction fee waiver, etc. \$ - \$\$
- Create incentives for existing child care facilities to provide sliding scale reduction to parents. The scale decides how much a family will pay based on their income, family size, and number of children in care. \$ - \$\$
- Create new Land Use Code regulations and/or incentives for siting facilities such as near transit and major employment centers. \$ - \$\$
- Prepare information, e.g., a planning guide for how to start a child care facility, addressing *Land Use Code* and building code requirements, funding opportunities, links to other child care resources, etc. \$ - \$\$
- Link transit hubs with child care facilities. \$ - \$\$\$
- Promote child care facilities in the City's Transit Oriented Development overlay zone and in the new planned unit development regulations (under construction). \$
- Make amendments to the Land Use Code such as adding child care centers to the list of permitted uses in the Neighborhood Conservation Low Density zone district subject to administrative review; and, in all four of the zone districts which permit child care centers

subject to review by the Planning and Zoning Board, make them subject to administrative review. \$

**3. Explore actions that the City of Fort Collins can take to provide leadership in building community support for early childhood care and education, such as:**

- Model ways for other employers in the community, such as conducting a survey of City employees regarding their need for child care services; explore expanded child care benefits; offer child care learning opportunities; and add a link in City Net for child care information. \$\$ - \$\$\$
- Partner with child care centers utilizing their facilities for City outreach and education activities. \$
- Monitor and advocate for early childhood care legislation and funding at the federal, state and local level; and, in particular with regard to easing unnecessary/overly restrictive state rules and regulations and licensing requirements. \$\$
- Expand duties of an existing board or commission to include early childhood care and education. \$
- Look for a community partner(s), such as the Early Childhood Council of Larimer County, to take the lead role for early childhood care and education in our community; provide child care information to the City, employers, employer organizations, and employees; conduct periodic survey families and analysis of demographic data to determine anticipated child care needs; and, monitor and advise the City on state and federal legislation. Consider City support and partnership opportunities, where appropriate, for instance underwriting events and studies. \$ - \$\$
- Collaborate with public and private organizations in the funding and potential construction of one to two new child care center facilities in “south Fort Collins” and in the Mason Corridor, primarily serving low income families. \$ - \$\$\$
- Add an indicator to the City Plan Monitoring program regarding early childhood care and education. \$
- Consider child care in the City’s disaster relief planning. \$\$
- Long term funding, such as a special sales tax (consider combining early childhood care and education, human services, and affordable housing). \$\$\$

**4. Explore actions that build in early childhood care and education in the City’s economic policies and actions, such as:**

- Imbed economic information about early childhood care and education in business and economic development marketing materials. \$
- Find opportunities to educate/inform development community about early childhood care and education, particularly low-income housing developers, and businesses employing low income persons. \$
- Utilize City financial incentives (e.g., tax increment financing,) to the provision of child care facilities. \$
- Find opportunities and partnerships (Chamber of Commerce, CSU, SBA, etc.) to incubate child care centers, such as business management and “back office” training to child care providers; and actions to foster the creation of a number of family child care homes. \$\$

**5. Explore actions that increase access to transit, such as:**

- Increase hours of operation and frequency so that parents can get their children to child care and still be at work on time. \$\$\$
- Collaborate with public and private organizations in the funding and potential construction of a new child care center facility in the Mason Corridor/BRT system, adjacent to future stations and transit centers, particularly facilities serving low income families. \$ - \$\$\$
- Federal and state transportation grant opportunities. \$\$ - \$\$\$

**ATTACHMENTS**

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1. Snapshot Report entitled “Sustainable Community Development: Early Childhood Care and Education” (2011), prepared by the Advance Planning Department
2. Powerpoint presentation

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# Snapshot Report

Sustainable Community Development:  
Early Childhood Care and Education





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# Snapshot Report

## Sustainable Community Development: Early Childhood Care and Education

October 18, 2011



Advance Planning  
281 North College Avenue  
Fort Collins, CO 80524

970-221-6376  
[fcgov.com/advanceplanning](http://fcgov.com/advanceplanning)



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# INTRODUCTION

The City of Fort Collins is committed to sustainability as a core value. Increasingly, communities across the nation are recognizing the many “triple bottom line” benefits of accessible, affordable, and quality early childhood care and education to the social and financial needs of parents, the educational and development needs of children, to the economy, and to many other community development goals. Studies have shown the communities that champion high quality early childhood care and education reap immediate and long term rewards in economic vitality, civic participation, school success and public safety. Early childhood, commonly defined as the years between birth through eight years, is a critical time in human development.

There are numerous examples across the country where local governments demonstrate the important role they can play in ensuring adequate early childhood care and education programs by creating policies, identifying local resources, and working with developers and community partners.

City Council asked for more information to help clarify the direction that they would look to take in regard to the City’s role and potential strategies in regard to early childhood care and education. The purpose of this report is to provide background information on the subject, the role that local governments can play, and some policy and action strategy options to consider. This issue is part of their 2011/2012 work plan.

There are a variety of related issues regarding early childhood care and education not covered in this report and not connected to the traditional role, services and facilities that the City provides. The issues currently being addressed by other national, regional or local groups and organizations include: health, education and safety initiatives for children; early childhood teacher professional development; other family support activities; and, the pros and cons debate of institutional child care.

## Some Facts and Observations about Early Childhood Care and Education in Fort Collins, Larimer County and Nationwide

City staff conducted a review of existing research of early childhood care and education in Larimer County and conducted interviews with several local stakeholders. A summary of the results of the research and interviews follows:

1. In 2010, the Early Childhood Council of Larimer County (ECCLC) published a report entitled “Study of Projected Demand and Impact of Early Care and Education Services in Larimer County, Colorado”. A few key findings of that study included:

- The three top forms of child care were: child care centers (35%); family child care homes (32%); and relative/friend (13%). A child care center cares for children in large groups. Family child care homes offer care in the provider’s home and may have a total of six children, with two children under the age of two. Relative/friend child care often is provided by a grandparent, aunt or other relative/friend of the family. The other types of child care include before- or after-school programs; part-day preschool; and, nanny’s (in-home day care).
- 35% of parents with children under 12 use some form of care.

- 95% of parents need to go to work; 19% need child care to attend school.
- Over 76% of the children in child care are infants to 5 years old.
- Parents surveyed were mostly satisfied with the child care option they chose.
- Cost was the overall biggest challenge parents faced; other challenges included finding an open slot, hours of operation (18% of parents indicated a need for evening or weekend care), poor quality, changing work schedules and transportation.
- Lower income families had more children in child care than other income groups.
- 79% of families pay full cost; 13% receive some third party aid; and, 6% receive free care from a relative or friend.
- 75% of families report a lack of child care options for their children with special needs.
- 25% of child care users are single parents and custodial grandparents, yet they make up only 2.4% and .5%, respectively, of the general population.
- Two-thirds of businesses offer no child care benefits; and one-half don't believe any of their employees require child care benefits.
- One out of six employers indicated that their employees had child care issues. Yet parents reported absenteeism due to child care issues at a much higher rate than employers, meaning employers may not be fully aware of the reasons behind an employee's absences.
- 74% of parents said they would need to drop out of school or reduce working hours if child care were unavailable.
- Generally, current demand for child care space exceeds capacity reported by child care facilities, and open time slots and locations may not match the current demand.
- Enrollment rates are projected to increase and will exceed the 2010 capacity in future years; a 22.5% enrollment increase is projected by 2020.

2. Some other EECLC information:

- Full-time cost of care in child care centers varies by age from 0-12 months (\$13,898/yr) to 5-6 years (\$9,124/yr); the cost of family child care homes is slightly less.
- In 2009, child day care services in Larimer County represented an annual payroll of \$13.6 million and 820 jobs; the total financial impact was estimated at more than \$30 million annually.

3. A 2006 survey of economic developers and chamber of commerce leaders in the State of New York found that:

- 83% agree that child care should be part of economic development policy.
- 82% recognize that a lack of affordable, quality, convenient child care reduces worker productivity.
- 67% feel that businesses' ability to attract and retain workers is hurt by lack of quality child care.

4. Summary of information from City interviews conducted for this Study:

- State funding for the Colorado Child Care Assistance Program (CCAP) has been cut and the reimbursement rate dropped 7.5%; non-profit child care centers that offer sliding scale fees have waiting lists; and, for-profit child care centers who cannot afford sliding scale fees have openings they cannot fill.

- Between February 2007 and June 2008, five child care centers closed. All of them were located in Fort Collins. Four of the five served significant numbers of CCAP children. The fifth did not accept CCAP. Closures were due to a number of issues, but financial viability was a factor for several of them.
- In the summer of 2011, two child care centers closed, one in Fort Collins and one in Loveland. Both of these facilities served a significant number of CCAP children. Lack of financial viability appears to have been the primary reason for closure of both sites.
- Regulations from both the Colorado Department of Public Health and Environment and the Colorado Department of Human Services, create the biggest challenges for child care providers; particularly licensing requirements and health regulations; and more changes are forthcoming that while may be good for children will be costly for providers, particularly family child care homes.
- The City is a good place to do business, but some child care centers would like to partner with the City more. For example: partnering with the City's bicycle program; City staff making presentations to kids regarding City services and programs; use of volunteers; use of community gardens for growing food; and, more use of parks.
- Lack of transportation for lower income parents continues to be a significant problem; Transfort hours do not begin early enough or go late enough for many jobs; lack of Sunday service; and, often requires multiple transfers that results in parents who need to rely on public transit are unable to first drop off children and then get to work on time.
- Many part-time employed parents cannot find space in family child care homes because service providers cannot make it cost effective. If family child care home providers could take more children than currently allowed, this could ease the burden. However, staff does regularly hear complaints from neighbors of family child care homes (traffic, idling, etc.).
- There is some confusion amongst family child care home providers regarding City regulations of child care centers and family child care homes, particularly regarding limits on the number of children allowed in family child care homes.
- Most zone districts in the City allow child care centers, and most require a development review process, with neighborhood participation.
- A new child care center that is a change of use triggers building code and fire department regulations (in addition to the zoning regulations). This can be costly for opening new child care centers in existing development, for instance in the Downtown area.
- On-site child care in a business is probably not cost effective, except maybe for the very largest employers.
- Low income families, particularly single parent households, need the most personalized help finding affordable, quality, and convenient (location and hours of operation) child care; this means sliding scale fees, employer provided benefits etc., to bridge the cost gap.
- A lot of families are starting to split shifts - parents working night and day shifts - to share child care.
- The biggest need for early childhood care right now is for low income families, generally provided by non-profit providers. One non-profit provider remarked that they have a waiting list of 47 families; and, the for-profit providers said they could fill vacant slots if there were more subsidies.

5. Other information:

- Children who have received high quality child care score higher on tests of both cognitive and social skills in their early teens than children in low quality care. (Source: Rhode Island KIDS Count [2005])
- Families at all income levels have difficulty accessing infant and toddler care; care for sick children; and, care offered during non-traditional hours (Source: Pathways Past Poverty Child Care Access Committee Position Statement [2008]).

## What are the “Best Practices in Early Childhood Care and Education by Local Governments Across the Nation?”

Many local governments are concerned with the health of their communities and regions, and regularly confront issues that affect families. The issue of early childhood care and education is drawing growing concern and action by many communities. The following is a sampling of actions by local governments across the nation.

1. Local actions and strategies to increase the supply of early childhood care and education facilities:

- Watsonville, CA, integrated child care facilities into its downtown bus station. This enables parents to efficiently drop off their children via public transportation.
- Delano, CA, requires a child care needs assessment for new development projects.
- White Plains, NY, expanded the number of zone districts allowing child care facilities.
- San Diego, CA, allows child care centers “by right” in all non-residential zones.
- San Mateo, CA, prepared a step by step permitting guide for new child care facilities.
- Riverside, CA, has expedited fast-track permitting of child care centers.
- Some cities have worked with affordable housing and private developers to incorporate child care facilities into development plans.
- In Salinas, CA, a new affordable housing project was designed so that all the homes could facilitate the provision of family child care.
- San Mateo County, CA includes onsite child care as one of many traffic mitigation measures available to large development projects.
- Many cities have included child care policies in their comprehensive plans, such as:
  - Requiring mitigation if a significant impact (upon child care) by large, new development is identified (Alameda County, Ca).
  - Siting of child care facilities near employment centers, homes, schools, community centers, etc (Union City, CA).
  - Encouraging employers to support child care for their employees (City of Taft, CA).
  - Encouraging retention of existing and development of new child care facilities in neighborhoods (City of Los Angeles, CA).
  - Incorporating child care and social services into affordable housing (City of Fairfield, CA).
  - Preparing a joint public/private child care master plan (Port Hueneme, CA).

2. Local actions and strategies in building community partnerships for early childhood care and education by the broader community:

- In Santa Monica, the City and the Santa Monica College designed and built an early childhood care and education center in its new Civic Center. It will also serve as a learning laboratory for the college's early childhood education students.
- Fairfax County, Virginia, committed to ensure that designated space for school-age child care was included in every new and renovated school, using general obligation bonds to fund construction.
- The City/County of Denver recently announced READY KIDS DENVER, which calls on the City to take a leadership position and act as a focal point for a public/private effort on early childhood care and education, looking at what services already exist, the gaps, and how to direct existing resources to better meet the needs.
- Shady Grove, Maryland built a child care facility as part of a new Metro station, in a public/private partnership that involved 11 funders and the school district.

3. Actions and strategies that build early childhood care and education into local economic development and funding activities and strategies:

- The City of South San Francisco built a 100-student child care center in an office park to help retain and grow its significant biotech industry. The redevelopment agency used \$2.7 million of bond funds to construct the facility and then leased it to a non-profit operator.
- In San Jose and San Mateo County, CA, a joint public/private partnership funds family child care home business development projects.
- Several cities support consortia of family child care centers providers to help them access economies of scale in purchasing and management.
- Some cities provide community outreach regarding tax credits and subsidies for families.
- The City of San Jose, CA made \$1.5 million of redevelopment funds available to child care developers through a Request for Proposal process.
- In Minneapolis, MN, a community based strategy sets up an early childhood care and education incubator for the creation of a number of small child care businesses.
- Kern County, CA eliminated its building permit fee for child care facilities.
- Livermore, CA (as well as many more CA cities and counties) instituted a developers impact fee to fund community facilities including child care and senior centers and facilities for the disabled.
- Federal CDBG funds commonly subsidize child care operations or facility construction and renovation for low-income populations.
- Some cities have used transportation dollars, such as Congestion Mitigation and Air Quality funds, to study and build child care facilities at transit stops, park-n-ride locations and other alternative transportation hubs.
- The City of Aspen is among a handful of communities in the country that funds quality child care through a dedicated sales tax. Aspen's Kids First programs and services are funded through a .45% sales tax (also includes affordable housing), with a focus on supporting infant and toddler programs with operating funding; funding quality improvements and capital improvements for all licensed child care in Pitkin County; direct financial aid to working families; and, funding for professional development, retention and reward of teachers. The Kids First program is a department of the City.

## What's Being Done in Fort Collins?

There are multiple public and private organizations, agencies and businesses involved in early childhood care and education as follows:

1. State of Colorado. The Colorado Department of Human Services (CDHS) licenses child care operations caring for more than two unrelated children; the State of Colorado requires child care centers and family child care home providers to be licensed; the State does not license in-home (nannies) caregivers or relative/friend care. The CDHS Division of Child Care is the lead agency on the Colorado Child Care Assistance Program (CCAP). CCAP provides financial assistance to low-income families that are working, searching for employment or in training, and families that are enrolled in the Colorado Works Program and need child care services to support their efforts toward self-sufficiency. Effective March 1, 2010, enrollment in the program was suspended. There is a waiting list of new applicants. CCAP is administered through county departments of social/human services. Counties set eligibility for families, but must serve families that have income of 130% or less of the federal poverty guideline and may not serve families that have incomes over 225% of federal poverty level.
2. Larimer County provides the following child care services:
  - Sanitation and safety - inspects operations of seven or more children; evaluates compliance with applicable regulations; and provides education and resource materials.
  - Administers the Colorado Child Care Assistance Program (CCAP) for Larimer County residents.
3. Early Childhood Council of Larimer County (ECCLC) is the leading non-profit organization that convenes professionals, families and policy makers to raise awareness about issues impacting children from birth to age eight. More specifically, the ECCLC:
  - Provides a foundation of support and helps connect families to essential resources.
  - Assists families in navigating the child care system, providing information about quality care and connecting families to child care options that meet their needs.
  - Supports business by helping employees find and maintain child care.
  - Raises standards of early care and learning.
  - Connects providers to professional growth opportunities.
  - Focuses on the interests and challenges affecting the provider's ability to meet the evolving need of children.
  - Provides support and training of child care providers.
4. Pathways Past Poverty (P3) Child Care Access Committee is a subset of P3, currently focusing on education of employers and employees. The Committee is planning three business summits this fall to discuss child care as a workforce issue and plans to host a community forum in the spring.

4. Colorado State University (CSU) Early Childhood Center (ECC) has a three-fold mission:

- 1) Train students for careers in early childhood education and programming.
- 2) Provide a nurturing environment that utilizes evidence-based best practices to support the development of young children and their families.
- 3) Serve as a campus resource for research and discovery into child and family development and early childhood education.

CSU currently operates an early childhood center and is expanding into new space in Washington School. The new space will enable them to expand from a preschool-only program to a full-age, full week, year around program; with slots for 100 FTE children, primarily for CSU students, faculty and staff, and, as space permits, children from the rest of the Fort Collins community.

6. Non-profit and for-profit child care facilities. In Fort Collins, there are approximately 33 child care centers; 124 family child care homes; 39 preschool child care facilities; and, 34 school age child care facilities (Source: ECCLC, 2010).

7. Poudre School District (PSD) provides services and support to families who meet the federal Early Head Start eligibility requirements (low income, looking for a job, or teen mothers who are in school). Quality preschool, both no cost and tuition based, is available through PSD's Early Childhood Program for children ages three to five years old, in 20 elementary schools. PSD offers prenatal, infant and toddler services (birth to age three), including prenatal parent education support; home visits; educational, hearing and vision screenings; socialization opportunities; and, partnerships with local child care centers. PSD also provides developmentally appropriate early child education; family services; referrals; and, parenting education classes.

8. City of Fort Collins (CFC)

- CFC *City Plan* (2010) Policies:
  - Child care is indirectly addressed in the Economic Health Chapter, in the paragraph entitled "human" on page 18 of the Economic Health Chapter, under the umbrella of "self sufficiency" and "services and infrastructure that contribute to their quality of life".
  - The Community and Neighborhood Livability Chapter directly mentions child care as a "supporting use" in all neighborhoods, including: Urban Estate Neighborhoods (LIV 27.3, page 78), Low Density Mixed-Use Neighborhoods (LIV 28.2, page 79); and, Medium Density Mixed-Use Neighborhoods (LIV 29.2, page 80). Child care as a "supporting use" is mentioned in all of the "Districts", including: Downtown District (LIV 33.6, page 86); General Commercial Districts (LIV 34.2, page 87); Community Commercial Districts (LIV 35.2, page 88); Neighborhood Commercial Districts (LIV 36.1, page 89); Employment District (LIV 38.1, page 91); and, the Industrial District (LIV 39.1, page 92).
  - Child care is also indirectly addressed in the policies for neighborhood schools in regard to coordinating with the school districts in the use of schools by "providing opportunities such as...neighborhood...services" (LIV 24.2, page 76).
  - The topic of early childhood care and education is directly addressed in the Safety and Wellness Chapter, including: "background" section (page 102), as follows:
    - “Access to community services, including education and early care, can have a positive impact on the economic vitality of the community through increased

- workforce productivity and well-being, as well as providing benefits to the community as a whole.”
- Early childhood care is indirectly mentioned under the umbrella of human services in the policy - “Coordinate with Health and Human Service Providers” (SW2.5, page 105) as follows:
    - “Rely on health and human service organizations to provide community health and human services, and focus on improved communication, education, accessibility, and collaboration in order to enhance overall physical and mental health, safety, and wellness of the community. Allocate funds to the Human Services Program to assist local human service providers.”
  - And, “Consider the location of and Transportation to Health and Human Services” (SW2.6, page 105), as follows:
    - “Encourage health and human service providers to carefully consider locations of new facilities and transportation implications, provide transportation to services, and coordinate with the public transportation system.”
  - The topic is also indirectly addressed under the umbrella of human services in the High Performing Community Chapter, including: the policies promoting “a learning community” (HI 2, page 116); and, collaboration with public, private and non-profit organizations (HI 4, page 117; HI 4.5, page 118).
  - Child care is indirectly addressed under the umbrella of human services in the Transportation Chapter, including: the policy for “access to Health and Human Services” (T 10.7, page 128); and, “safety of school age children” (T12.7, page 129).
- CFC Competitive Process Funding. Since 2002, the City has allocated nearly \$1.4 million of Community Development Block Grant Funds (CDBG) and Human Services Program (HSP) funds for child care services. Services and programs funded included sliding scale fee tuition assistance; after-school and school-break child care and youth activities; and nutritious meals, representing 14,490 child slots in these programs. The funding for child care represents approximately 35% of the total CDBG and HSP funds. See attached chart entitled “HSP and CDBG Child Care Funding History”.
  - CFC *Consolidated Housing & Community Development Plan: FY2010-2014* (2010). This Plan, required by HUD, describes an estimate of need and defines how the City anticipates it will spend its federal funds on such things as affordable housing, and public facilities and services. Child care falls under the category of public facilities and services; and is identified as a high priority “community development needs”. One of the unmet needs identified in the Plan is subsidized or free child care, particularly for very-low-income households.
  - CFC *Land Use Code*. Child care centers (six or more children) are permitted in every zone district except the Neighborhood Conservation Low Density District, Residential Foothills District, Rural Lands District, River Conservation District, and Public Open Lands District. Ten of the eighteen zone districts that permit child care centers require administrative review (hearing officer) of new child care centers; four zone districts require staff review; and, four zone districts require Planning and Zoning Board approval. Family child care homes, relative/friend care, etc., are not regulated by the *Land Use Code*.
  - CFC Employee benefits.

- The City of Fort Collins has contracted with Family Care Connections, Inc. to provide employees with 100 hours per year of child care when other child care options fall through and the employee needs to be at work. Employees pay a co-pay and the hourly cost is subsidized by the City.
- The City provides child care referral services through its Employee Assistance Program Provider, Managed Health Network (MHN). Care consultant's help employees assess child care needs, understand service options and costs, identify and evaluate child care options and special needs resources, and connect with child care providers.
- Employees may take sick leave to take care of an ill child, to attend medical appointments, or when an employee adopts a child or receives a foster child.
- Employees may take Parent Academic Activities Leave for academic activities.
- The City offers Flexible Spending Accounts for Dependant Care expenses.
- The City allows the use of flexible schedules and hours for child care where such schedules reasonably coincide with the needs of the department and the public.

## Potential Options for Future City Role, Actions and Strategies

Some key findings that should be considered in the City's future policies and actions related to early childhood care and education includes:

- Research has clearly shown that early childhood care and education benefits the community (Source: Early Childhood Education for All, recommendations from a conference sponsored by Legal Momentum Family Initiative and the MIT Workplace Center, 2005). Some key findings include:
  - Every dollar invested in quality early childhood care and education saves taxpayers up to thirteen dollars in future costs. The Perry Preschool Study followed participants in a high-quality program for more than 40 years and found that, as adults, they were less likely to be arrested, more likely to own a home, and more likely to be employed (Schweinhart et al, 2005).
  - Quality early childhood care and education prepares young children to succeed in school and become better citizens; they earn more, pay more taxes, and commit fewer crimes.
- There are potential short and long term actions and strategies that blend well with the traditional role and services of the City of Fort Collins.
- Child care contributes to the local economy by supporting parents and local employers.
- Accessible, affordable, and quality child care benefits the social and financial needs of parents and the educational and development needs of children.
- The location and availability of child care supports other community development principles and policies including community and neighborhood livability, sustainability, and transportation mobility.
- The largest gap is affordability. According to the U.S Census, low-income parents spend the largest percentage of income on child care or are forced to exit the regulated child care system and seek care in informal settings. The fact is that quality child care is expensive.
- The biggest barriers are state regulations.
- City partnerships are important to overcome challenges of improving the local child care system.
- The City organization could be a model for other employers in the community.

Potential options that appear to be relevant and appropriate for the City to consider in addressing the above conditions are listed below. All of the actions listed will require some level of resources to study and implement. All of the actions are new and are not on any City department's current work program; any new work program actions would need to be evaluated in terms of their relationship to City policies and goals in the City's adopted plans (e.g., *City Plan*; *Consolidated Housing & Community Development Plan*, and, *Economic Action Plan*, their effectiveness in facilitating quality early childhood care and education, and impacts on current work program priorities and resources. City staff has provided an estimate of the order of magnitude of the resources required for each of the potential strategies, as follows:

\$ - requires in-house staff time, minimal public process.

\$\$ - requires more staff resources, time, and dollars for research and study; may need consultant services; may include deferral of current revenues; and, some public process to implement.

\$\$\$ - requires most staff resources, time and dollars; may depend upon future BFO allocations, state or federal funding; and, significant public process to implement.

1. Explore adding new policies in existing plans, such as *City Plan*, *Economic Action Plan*, and the *Consolidated Housing & Community Development Plan*, addressing topics such as:

- Site child care facilities near employment centers, homes, schools, community centers, etc. (*City Plan*). \$
- Encourage and educate employers to support child care for their employees (*City Plan*). \$
- Encourage retention of existing and development of new child care facilities in neighborhoods (*City Plan* and *Economic Action Plan*). \$
- Incorporate child care and social services into affordable housing, activity centers, and transportation hubs (*City Plan* and *Consolidated Plan*). \$
- Give priority of local funding (CDBG/HSP) for child care services, particularly for low income families (*City Plan* and *Consolidated Plan*). \$
- Encourage partnerships that support early childhood care and education (*City Plan*). \$

2. Explore actions that can increase the supply and affordability of child care, such as:

- Seek federal grant opportunities for building new centers. \$\$
- Increase General Fund contributions to the City's Human Services Program Fund earmarked for child care services, particularly for lower income families. \$\$\$
- Remove any potential barriers to the construction or new centers in the Land Use Code; in particular explore barriers resulting from the City's "change of use" regulations. \$
- Create incentives for construction of new child care centers (particularly those serving low income families) such as currently provided for affordable housing projects, including priority processing, impact fee delay, development review fee waiver, administrative construction fee waiver, etc.. \$-\$\$
- Create incentives for existing child care facilities to provide sliding scale reduction to parents. The scale decides how much a family will pay based on their income, family size, and number of children in care. \$-\$\$

- Create new *Land Use Code* regulations and/or incentives for siting facilities such as near transit and major employment centers. \$-\$\$
- Prepare information, e.g., a planning guide, for how to start a child care facility, addressing *Land Use Code* and building code requirements, funding opportunities, links to other child care resources, etc.. \$-\$\$
- Link transit hubs with child care facilities. \$-\$\$\$
- Promote child care facilities in the City's Transit Oriented Development overlay zone and in the new planned unit development regulations (under construction). \$
- Make amendments to the *Land Use Code* such as adding child care centers to the list of permitted uses in the Neighborhood Conservation Low Density zone district subject to administrative review; and, in all four of the zone districts which permit child care centers subject to review by the Planning and Zoning Board, make them subject to administrative review. \$

**3. Explore actions that the City of Fort Collins can take to provide leadership in building community support for early childhood care and education, such as:**

- Model ways for other employers in the community, such as conducting a survey of City employees regarding their need for child care services; explore expanded child care benefits; offer child care learning opportunities; and add a link in City Net for child care information. \$\$-\$\$\$
- Partner with child care centers utilizing their facilities for City outreach and education activities. \$
- Monitor and advocate for early childhood care legislation and funding at the federal and state level; and, in particular with regard to easing unnecessary/overly restrictive State rules and regulations and licensing requirements. \$\$
- Expand duties of an existing board or commission to include early childhood care and education. \$
- Look for a community partner(s), such as the ECCLC, to take the lead role for early childhood care and education in our community; provide child care information to the City, employers, employer organizations, and employees; conduct periodic survey and analysis of families and demographic data to determine anticipated child care needs; and, monitor and advise the City on state and federal legislation. Consider City support and partnership opportunities, where appropriate, for instance underwriting events and studies. \$-\$\$
- Collaborate with public and private organizations in the funding and potential construction of one to two new child care center facilities in "south Fort Collins" and in the Mason Corridor, primarily serving low income families. \$-\$\$\$
- Add an indicator to the City Plan Monitoring program regarding early childhood care and education. \$
- Consider child care in the City's disaster relief planning. \$\$
- Long term funding, such as a special sales tax (consider combining early childhood care and education, human services, and affordable housing). \$\$\$

**4. Explore actions that build in early childhood care and education in the City's economic policies and actions, such as:**

- Imbed economic information about early childhood care and education in business and economic development marketing materials. \$
- Find opportunities to educate/inform development community about early childhood care and education, particularly low-income housing developers, and businesses employing low income persons. \$
- Utilize City financial incentives (e.g. tax increment financing) to the provision of child care facilities. \$
- Find opportunities and partnerships (Chamber of Commerce, CSU, SBA, etc.) to incubate child care centers, such as business management and "back office" training to child care providers; and, actions to foster the creation of a number of family child care homes. \$\$

**5. Explore actions that increase access to transit, such as:**

- Increase hours of operation and frequency so that parents can get their children to child care and still be at work on time. \$\$\$
- Collaborate with public and private organizations in the funding and potential construction of a new child care center facility in the Mason Corridor/BRT system, adjacent to future stations and transit centers, particularly facilities serving low income families. \$-\$\$\$
- Federal and state transportation grant opportunities. \$\$-\$\$\$

**Attachment**

HSP and CDBG Child Care Funding History

HSP & CDBG Childcare Funding History

Funding Year	B.A.S.E. Camp-Sliding Scale	# Served	Boys & Girls Club-After-School	# Served	Childcare Collaborative	# Served	Family Center-Sliding Scale	# Served	Food Bank-Kids Café	# Served	Respite Care-Sliding Scale	# Served	Springfield Court-Sliding Scale	# Served	Sunshine School	# Served	UDCC/Teaching Tree-Scholarships	# Served	Total to Childcare	Total HSP & CDBG Funds Available	% to Childcare	Total # Served by Year
2011	\$57,000	135	\$18,644	475			\$30,000	28	\$21,000	1,225	\$30,000	33					\$60,000	60	\$218,540	\$689,455	31.70%	1,956
2010	\$54,200	216	\$17,458	913			\$20,500	20	\$21,667	1,620	\$22,500	34					\$51,500	49	\$190,628	\$567,959	33.56%	2,852
2009	\$60,831	183	\$18,309	1,245			\$20,000	24	\$27,959	1,725	\$25,000	45					\$54,367	68	\$209,688	\$641,529	32.69%	3,290
2008	\$48,000	131	\$11,520	1,118			\$20,000	46	\$22,167	1,504	\$25,000	42					\$54,000	53	\$183,528	\$598,643	30.66%	2,894
2007	\$35,506	156							\$14,719	1,092	\$20,000	40	\$20,000	23			\$54,000	47	\$145,536	\$493,023	29.52%	1,358
2006	\$33,815	164							\$15,472	830	\$20,000	46	\$28,400	30			\$60,500	51	\$159,257	\$496,964	32.05%	1,121
2005	\$19,685	126					\$7,750	62			\$10,000	25	\$15,000	28			\$23,500	42	\$76,176	\$173,113	44.00%	283
2004	\$19,685	134									\$7,500	27	\$17,500	35	\$14,000	16	\$25,500	49	\$84,397	\$200,850	42.02%	261
2003					\$66,519	243							\$15,000	32					\$81,794	\$210,860	38.79%	275
2002					\$63,193	200													\$63,393	\$194,506	32.59%	200
	\$328,722	1,245	\$65,931	3,751	\$129,712	443	\$98,250	180	\$122,984	7,996	\$160,000	292	\$95,900	148	\$14,000	16	\$383,367	419				14,490

# Served = the number of unduplicated children served for that grant year  
 The numbers served reported for 2011 are anticipated numbers  
 The numbers served for 2010 reflect reporting as of 7/31/2011

**Total Number Served = 14,490**

- Notes
1. Childcare Collaborative was made up of BASE Camp, United Day Care Center (now Teaching Tree), Respite Care and Sunshine School. Disbanded 2003/2004
  2. Springfield Court - out of business 2007/2008
  3. Sunshine School - out of business 2005/2006

HSP & CDBG Childcare Funding History

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# Early Childhood Care and Education

## City Council Work Session

### October 25, 2011



1



## GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ADDRESSED

- Does Council have any comments or questions about what the City is currently doing in the area of facilitating early childhood care and education in the community?
- Compared to what the City is currently doing, does the Council want to consider maintaining, refocusing and/or expand the City's efforts in facilitating early childhood care and education services in the community?
- If Council wishes to modify the City's current efforts, what additional strategies should be added to the current program?

2



## Research – Early Childhood Care and Education

- Commonly defined as birth through eight years; a critical time in human development.
- Quality early childhood care and education results in:
  - children succeed in school
  - become better citizens
  - earn more
  - pay more taxes
  - more likely to be employed
- Local governments across the nation playing roles in facilitating accessible, affordable and quality care and education.



3

City of  
Fort Collins

## Background

- “Triple bottom line” benefits
  - Social and financial needs of parents
  - Educational and development needs of children
  - Improves the economy
  - Other community development goals



4

City of  
Fort Collins

## Research – A few key findings

- The biggest problem is affordability...particularly, low income families
- There are important roles that local governments can play; roles that blend well with traditional services.
- City partnerships are important.
- The City organization could be a model.



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City of  
Fort Collins

## What's Being Done in Fort Collins?

- State of Colorado – licensing; Child Care Assistance Program funding (CCAP).
- Larimer County – Sanitation/Safety inspections; administers CCAP.
- Early Childhood Council of Larimer County (ECCLC) – leading agency. Connects families to resources; raises standards; connects providers to resources.
- Pathways Past Poverty – Child Care Access Committee; raising employer awareness.

6

City of  
Fort Collins

- Colorado State University's Early Childhood Center - train students; operates a child care learning center
- Non-profit and for-profit providers; 33 child care centers; 124 family care homes; 39 preschool facilities
- Poudre School District – Early Childhood Program in 20 elementary schools; and, prenatal, infant and toddler services

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- City of Fort Collins
  - Adopted policies – *City Plan* and *Consolidated Plan*.
    - Child care is a high priority community development need
  - Competitive Process – since 2002, has allocated \$1.4 million for child care services
  - Land Use Code – child care centers are a permitted use in 23 of 28 zoning districts

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- As an employer, the City of Fort Collins provides:
  - 100 hours per year of child care when other child care options fall through.
  - Child care referral services.
  - Sick leave to care for children.
  - Leave for academic activities.
  - Flexible Spending Accounts for Dependant Care expenses.
  - Flexible schedules and hours for child care.

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## Potential Strategies to Explore

- 32 potential actions:
  - None are on any current work program.
  - All require some level of staff resources .
  - Some require future budget allocation .
  - Some require further Council action; others administrative.
  - Some can be done relatively quickly (one-year); others will take more time (2-5 years).

10



## Resource Estimates of Potential Strategies

- Resource estimate:
  - \$ - requires in-house staff time
  - \$\$ - requires more staff resources, time, and dollars for research, study and public process
  - \$\$\$ - requires most staff resources, time and dollars
    - may depend upon future budget allocations, state or federal funding
    - needs more public process

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## Highlights of Strategies

1. Explore adding new policies in existing plans
  - *City Plan* (\$)
    - Siting
    - City partnerships
  - *Economic Action Plan* (\$)
    - Encouraging employers to support child care
  - *Consolidated Plan* (\$)
    - Priority for future funding

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## Highlights of Strategies

### 2. Explore actions that increase the supply and affordability of child care

- Increase local funding for sliding scale fees (\$\$\$)
- Remove barriers in codes (\$)
- Prepare planning guide (\$-\$\$)
- Offer process and development fee incentives (\$-\$\$)
- Siting standards (\$-\$\$)

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## Highlights of Strategies

### 3. Explore actions wherein the City of Fort Collins plays a leadership role in building community support

- City as a model for other employers (\$-\$-\$-\$)
- Partner in construction of 1-2 new facilities in south Fort Collins (\$-\$-\$)
- Monitor legislation at federal and state level (\$\$)
- Find a community partner who can play leadership role (ECCLC?) (\$-\$\$)
- Long term funding (\$\$\$)

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## Highlights of Potential Strategies

4. Explore actions that builds childhood care and education in the City's economic policies and programs.
  - Incorporate info in marketing materials.
  - Utilize existing City financial incentives.
  - Find opportunities to partner with other organizations to provide training on opening new family care homes.

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## Highlights of Potential Strategies

5. Explore actions that increase access to transit
  - Increase hours of operation (\$\$\$)
    - (earlier in morning; later at night; and Sundays)
  - Partner in construction of a new child care center in the Mason Corridor (\$-\$\$\$)



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## GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ADDRESSED

- Does Council have any comments or questions about what the City is currently doing in the area of facilitating early childhood care and education in the community?
- Compared to what the City is currently doing, does the Council want to consider maintaining, refocusing and/or expand the City's efforts in facilitating early childhood care and education services in the community?
- If Council wishes to modify the City's current efforts, what additional strategies should be added to the current program? Does Council have any feedback about what the City is currently doing to facilitate early childhood care and education in the community?

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## Early Childhood Care and Education City Council Work Session October 25, 2011



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