



# COUNTY OF HUMBOLDT

For the meeting of: 6/3/2025

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File #: 25-730

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**To:** Board of Supervisors

**From:** County Administrative Office

**Agenda Section:** Departmental

**Vote Requirement:** Majority

**SUBJECT:**

Update on Childcare Stabilization Fund Effort Financed by the American Rescue Plan Act

**RECOMMENDATION(S):**

That the Board of Supervisors:

1. Receive a presentation from North Edge Financing, which administers the Childcare Stabilization Fund Program.

**STRATEGIC PLAN:**

The recommended actions support the following areas of the Board of Supervisors Strategic Plan:

Area of Focus: A Diverse, Equitable & Robust Economy

Strategic Plan Category: 2005 - Access to child care

**DISCUSSION:**

On May 10, 2022, the Humboldt County Board of Supervisors ("Board") approved a professional services agreement with North Edge Financing, formerly known as Arcata Economic Development Commission, to administer, in partnership with local childcare agencies, a childcare stabilization program, funded by the American Rescue Plan Act - State and Local Fiscal Recovery Fund. Since that time, North Edge Financing and its partners have implemented significant parts of the Childcare Stabilization Fund Program, including, without limitation:

- Granted funding to local childcare workers who worked during the pandemic and provided a hiring bonus to new employees; and
- Created tools to allow providers to report information to the state more efficiently, and most recently opened a forgivable loan program to improve and transition centers and homes from preschool to infant/toddler care.

Additional steps have been taken in Childcare Stabilization Fund Program, which has a total value of Four Million Eight Hundred Fifty Thousand Dollars (\$4,850,000.00). The Childcare Stabilization Fund Program's most recent efforts have centered around helping parents with moderate incomes to pay the difference between the subsidy they currently receive and the total amount of care. North Edge Financing and its partners will present on the progress of the Childcare Stabilization Fund Program and next steps.

More information on the Humboldt Childcare Stabilization Fund Program can be found at [humboldtchildcare.org](http://humboldtchildcare.org).

**SOURCE OF FUNDING:**

American Rescue Plan Act - State and Local Fiscal Recovery Fund (3232120-200)

**FINANCIAL IMPACT:**

<b>Expenditures (3232120-200)</b>	<b>FY25-26 Projected*</b>
Budgeted Expenses	\$242,825.00
<b>Total Expenditures</b>	<b>\$242,825.00</b>
<b>Funding Sources (3232120-200)</b>	<b>FY25-26 Projected*</b>
State/Federal Funds	\$242,825.00
<b>Total Funding Sources</b>	<b>\$242,825.00</b>

*\*Projected amounts are estimates and are subject to change.*

The vast majority of funding for the Childcare Stabilization Fund Program was paid to North Edge Financing in fiscal year 2021-2022 from the County of Humboldt's Emergency Response Fund with an allocation from the American Rescue Plan Act - State and Local Fiscal Recovery Fund (3232-120200). The final five percent (5%) will be due and payable upon a final report submitted by North Edge Financing after funds have been expended.

**STAFFING IMPACT:**

Staff remain engaged with North Edge Financing and its partners to help guide certain parts of the Childcare Stabilization Fund Program, however, by having North Edge Financing administer the Childcare Stabilization Fund Program they are able to expend funds more quickly and staff do not have to engage in writing contracts and other administrative tasks related to granting funding to individuals and businesses.

**OTHER AGENCY INVOLVEMENT:**

North Edge Financing; First 5 Humboldt; Changing Tides Family Services; and the Humboldt Child Care Council

**ALTERNATIVES TO STAFF RECOMMENDATIONS:**

The Board may choose not to receive this report. However, this alternative is not recommended as the establishment of the Childcare Stabilization Fund Program represents one of the largest investments the Board has made from American Rescue Plan Act funding, and the Board has not received an update on this program since it May, 2023.

**ATTACHMENTS:**

None

**PREVIOUS ACTION/REFERRAL:**

Meeting of: 5/21/2024

File No.: 24-890