



COUNTY OF HUMBOLDT

Legislation Text

File #: 24-890, **Version:** 1

To: Board of Supervisors

From: County Administrative Office

Agenda Section: Departmental

Vote Requirement: Majority

SUBJECT:

Update On Childcare Stabilization Fund Effort Funded by the American Rescue Plan Act (ARPA)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Receive a presentation from the Arcata Economic Development Commission (AEDC), which administers the Childcare Stabilization Fund Program

STRATEGIC PLAN:

This action supports the following areas of your Board's Strategic Plan.

Area of Focus: A Diverse, Equitable & Robust Economy

Strategic Plan Category: 2005 - Access to child care

DISCUSSION:

On May 10, 2022, your Board approved a professional services contract with AEDC to administer, in partnership with local childcare agencies, a childcare stabilization program, funded by the ARPA - State and Local Fiscal Recovery Fund (SLFRF). Since that time, AEDC and its partners have implemented significant parts of a grant and loan program, including:

- Granted funding to local childcare workers who worked during the pandemic, provided a hiring bonus to new employees,
- Begun work on 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 this program, which has a total value of \$4.85 million. The program is putting together program details on an education support program for students studying early childhood education, as well as a program to help parents with moderate incomes to pay the difference between the subsidy they currently receive and the total amount of care. AEDC and partners will present on program progress and next steps.

More information on the Humboldt Childcare Stabilization Fund can be found at humboldtchildcare.org.

SOURCE OF FUNDING:

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

FINANCIAL IMPACT:

Expenditures (3232120-200)	FY23-24	FY24-25 Projected*	FY25-26 Projected*
Budgeted Expenses		<u>\$242,825</u>	
Total Expenditures		<u>\$242,825</u>	

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

Funding Sources (3232120-200)	FY23-24	FY24-25 Projected*	FY25-26 Projected*
State/Federal Funds		<u>\$242,825</u>	
Total Funding Sources		<u>\$242,825</u>	

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

Narrative Explanation of Financial Impact:

The vast majority of funding for this program was paid to AEDC in FY 2021-22 from the county's Emergency Response Fund with an allocation from the ARPA SLFRF (3232-120200). The final 5% will be due and payable upon a final report submitted by AEDC after funds have been expended.

STAFFING IMPACT:

Narrative Explanation of Staffing Impact:

Staff remain engaged with AEDC and partners to help guide certain parts of the program, however, by having AEDC administer the 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:

AEDC, First 5 Humboldt, Changing Tides Family Services, Humboldt Child Care Council

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to receive this report. This is not recommended as the establishment of the Childcare Stabilization Fund represents one of the largest investments the Board made from ARPA funding, and your Board has not received an update on this program since it May, 2023.

ATTACHMENTS:

None

PREVIOUS ACTION/REFERRAL:

Meeting of: May 10, 2022, May 23, 2023

File No.: 22-497, 23-598