

THE CITY AND BOROUGH OF JUNEAU, ALASKA
Assembly Childcare Committee Meeting,
City Hall Room 224
Approved Minutes March 1, 2019

I. CALL TO ORDER

Chairman Loren Jones called the meeting to order at 12:13 pm

Members present: Loren Jones, Rob Edwardson, Wade Bryson, Erik Eriksen, Blue Shibler

Other Assembly and School Board members present: Mayor Beth Weldon

Staff present: Library Director Robert Barr

II. APPROVAL OF AGENDA

No changes, agenda approved.

III. APPROVAL OF MINUTES

No changes, minutes approved.

IV. AGENDA TOPICS

- a. Committee brainstorming** – ideas and potential solutions for addressing the problem statement and Mayoral charge

Mr. Jones discussed the committee's path forward and asked the committee to share their thoughts on the committee's next steps. Mr. Jones said he thought capacity was the biggest issue at this point.

Mr. Edwardson said that we're beyond the information collection stage and that the value from collecting additional information would be diminishing value. Mr. Edwardson said there are some avenues the committee can start exploring and that while we may not be able to solve the entire problem, we can start addressing it in parts.

Mr. Jones said the manager reminded everyone in a Chamber presentation yesterday that you can't have everything.

Ms. Shibler said we know what the problem is and we have some options for starting to fix the problem. Ms. Shibler shared some pros and cons, concerns and thoughts about Best Starts.

Pros:

- Will help programs provide better wages
- Will help programs purchase materials that will enrich environment
- Will bring up quality for existing programs.
- Structure – allows autonomy to each program on how to use those funds.
- With attachment to Learn & Grow, provides accountability measure for quality.

Concerns:

- Current infrastructure of childcare system is too far behind the model.
- Best Starts sets the bar too high from a capacity perspective.
- There are no L&G framework 3/4/5 levels yet – programs don't know what those standards are going to be and seems likely they won't roll out until October.
- Best Starts tying subsidies to these levels that providers are unaware of to date feels unsettling.
- Subsidies tied to individual employee training with high turnover.

Ms. Shibler said she is worried the infrastructure of current childcare system in Juneau may be too far behind for Best Starts in its current model. Mr. Shibler said that it could perhaps work to keep the structure, and say the higher subsidy amounts kick in at level 2.

Mr. Jones sought clarification on the Best Starts subsidy models and Ms. Shibler answered, level 1 = \$0, level 2 = \$100, level 3+ = highest amount.

Ms. Shibler recounted that it took existing childcare centers at least a year to get to level 2. Ms. Shibler said the model seems to work for quality, but expressed concern that it would not quickly address the capacity issue.

Ms. Shibler said some efforts may need to be made towards supporting startups, such as interest free loans and/or a JEDC partnership to help get new programs started.

Ms. Shibler said another option for providing subsidies could be tying them to a piece of the Learn and Grow framework called the environmental rating scale. Ms. Shibler said AEYC has the ability to do the rating work. Ms. Shibler also said the Hearts awards could be increased instead or in addition to address the wage side of the issue.

Mr. Jones asked about start-up costs and the pros and cons of startup loans vs grants.

Ms. Shibler said that to a degree depends on the amount of money available to address this problem.

Mr. Jones said there are a lot of unknowns from a budget perspective and that he thinks the committee should answer the question of what is needed, and then look at the budget realities after and make funding decisions afterwards.

Ms. Shibley said a loan with reasonable terms would be important over a grant to provide some accountability to a business owner. Ms. Shibley said going through the revolving loan program would help.

Mr. Bryson shared he was optimistic to hear others talk and that he was on a similar page. Mr. Bryson said he had a “Best Start light” concept in mind – utilizing some of the positive elements in a scalable manner. Mr. Bryson said that regardless of how the State budget works out, more than likely there will be an education issue we have to face. Mr. Bryson said the more kids that are in the school buildings, the better dollar efficiency we have from a facility cost perspective. Mr. Bryson spoke of utilizing classrooms inside of existing schools as childcare service spaces.

Mr. Jones said there are potentially empty classrooms in the schools. Mr. Jones said to be properly licensed – above 12 children – is a lot of effort. Mr. Jones said we’ve heard to be financially viable centers would need 70-80 children and there aren’t schools that have that kind of capacity available. Mr. Jones spoke about childcare licensing square footage requirements and the potential impacts on utilizing classrooms. Mr. Jones asked Mr. Bryson how he was thinking about it from a classroom & economic perspective.

Mr. Bryson said he was envisioning 1-2 classrooms being used per school.

Ms. Shibley said the number is 35 sq ft per child.

Mr. Eriksen said we need to look at the actual numbers before we can answer that question.

Mr. Bryson asked how the licensing body looks at what counts as a square foot.

Ms. Shibley said there’s 35 sq ft required per child no matter the age and then there are maximum group sizes per room: no more than 10 infants, 12 toddlers, or 20 preschoolers per room. Ms. Shibley said the furniture is subtracted, crib space wouldn’t count. Ms. Shibley said there is an additional need of 75 sq ft of outdoor space with the appropriate play equipment. Ms. Shibley said the play equipment that the schools currently have is probably not rated for the 0-5 age demographic.

Mr. Eriksen said when looking to answer the capacity question, the first step is looking for additional facility space. Mr. Eriksen said it seems natural to look at space that is already in the public domain as a starting point and that is why we’re gravitating towards the school district.

Mr. Bryson said he wasn’t envisioning infants in the school district so much as 3-4 year olds. Mr. Bryson said one reason he likes that is that it helps with pre-school & kindergarten readiness. Mr. Bryson spoke about the economic benefits & efficiencies of having children in childcare settings in the schools as being beneficial to the school district as well. Mr. Bryson said he was concerned about subsidizing payrolls and said he would have an equity concern about subsidizing one group of workers’ payrolls and not another group in a different industry. Mr. Bryson said he thought this

would be a sticking point for those who would be opposed of putting public funds into this problem. Mr. Bryson said he sees the payroll subsidization issue as a slippery slope.

Mr. Bryson said he thought small grants for startups rather than loans could work well due to cash flow issues that childcare businesses encounter. Mr. Bryson said another idea he had was to possibly use property tax abatements for in-home care providers.

Mr. Jones said he is not sure if State law allows for that and that for federal purposes an in-home provider already has the ability to parse out part of their home for business use. Mr. Jones said as a municipality we can do certain things with property tax if the State allows for it.

Mr. Edwardson said he wasn't sure where the difference was between the city putting money into someone's pocket or the city allowing people to keep money. Mr. Edwardson said if a childcare business is similarly situated to a food business, he didn't see the difference between a direct subsidy and an abatement – if it came out to be the same amount of money.

Mr. Bryson shared a scenario of a family thinking through the creation of an in-home childcare provider. Mr. Bryson agreed with Mr. Edwardson that it is a bit apples to oranges issue, but due to perception, people might be more frustrated about apples and less frustrated about oranges, even though they're much the same thing.

Ms. Shibler said we shouldn't lose focus that the biggest capacity issue is in the infants/toddlers age group. Ms. Shibler said the Kinder Ready program has somewhat hurt the bottom line of other local centers as they've lose their preschool aged children, which help to pay for infant/toddler age care since you can have more preschoolers per teacher. Ms. Shibler said she didn't think it was out of the range of possibility to picture infants and toddlers inside of schools. Ms. Shibler said the Kinder Ready programs are exempt from licensure because they have certified teachers, who cost more than a private childcare center can pay their care providers.

Mr. Jones said the center at the legislature and federal buildings are rent subsidized and no property tax. Mr. Jones said Montessori is a non-profit and he thinks we exempt them from property tax and that their lease is at less than fair market value. Mr. Jones said the property tax idea may well work better for home care than center care since many of them already enjoy property tax exemptions. Mr. Jones said as Mr. Eriksen said, if we're looking at public facilities, we can help with less than fair market value leases to non-profits.

Mr. Bryson said Ms. Shibler changed his thinking. Mr. Bryson said he thought every 3-4 year old we removed from the community care pool would help the situation in centers but that he now understands those are the most profitable kids.

Mr. Jones spoke about the hours of care that children receive in different situations, emphasizing that the some of the State and JSD programs provide less than full-day care.

Mr. Bryson outlined a scenario where a childcare provider was operating in 2 JSD classrooms and asked if that was possible.

Mr. Jones said yes, that is certainly possible and feasible, and gave examples where related scenarios were currently active.

Ms. Shibler said and it would ideally include infants/toddlers, not just preschoolers.

Mr. Eriksen said you could use demographics and needs to come up with the space to figure out how it would work.

Mr. Jones said there was a study some time ago that identified usable space in the school district. Mr. Jones said there was a lot of space that they identified as unused that JSD disputed. Mr. Jones said it's possible to have a different viewpoint on what constitutes an empty classroom from an architect's viewpoint, an assembly member's viewpoint, and the school district's viewpoint. Mr. Jones said the committee isn't going to go figure out the details of the school district space option on a per school basis, but that figuring that out could be a recommendation the committee could make. Mr. Jones said he is also trying to think about some potentially vacant city owned buildings.

Mr. Eriksen agreed the committee had received a lot of information and said the question for him was is childcare a higher priority and should the city be focusing on it more – since it already supports it some. Mr. Eriksen said we appear to be in an emergency/crisis situation and that sometimes in those types of situations you see more successful outcomes due to the heightened level of focus.

Mr. Eriksen spoke about the need for a range/scalable level of solutions from the big and lofty to the minimal with options in the middle. Mr. Eriksen also spoke about building community consensus around the range of solutions and that it is part of the role of the committee to help do that. Mr. Eriksen said he thought the community could get behind the idea of building more childcare capacity. Mr. Eriksen said he thinks very highly of the people who have brought solutions forward. Mr. Eriksen said he feels like additionally there are a body of people who may struggle with understanding and being comfortable with the model. Mr. Eriksen said, in reference to the model, that there is an input and desired output, but that the stuff in the middle is somewhat fuzzy due to the model. Mr. Eriksen said this is not necessarily bad, but that it makes it harder for people to understand. Mr. Eriksen said he gravitates towards a facility based solution for the sake of growing capacity. Mr. Eriksen said taking a capacity-focused approach is a more direct approach which might make it easier for people to understand and accept. Mr. Eriksen provided an analogy between employee United Way donations with one body of employees supporting United Way directly, and another body of employees preferring to make direct contributions to programs or services. Mr. Eriksen said we should have an additional solution/option on the table that starts with facility space in addition to Best Starts.

Mr. Edwardson spoke about building a variety of models – in home, small center, ideal/large center – that included the details of proposed business cases and solutions so that when the committee is discussing details, it doesn't need to re-learn or re-analyze information that they already know.

Mr. Eriksen said there are a lot of people out there asking whether the schools can fit some childcare services so we need to answer that. Mr. Eriksen said another option that comes to mind is the Juneau Christian Center facility.

Ms. Shibler said based on information from a year ago, they were not looking to bring a new operator on board, but that things could have changed. Ms. Shibler said that center was at one point licensed for 90 children but they were unable to operate due to workforce retention challenges. Ms. Shibler said if we get to a point where we figure out that we don't have public space, then we're back to figuring out private/commercial spaces.

Mr. Eriksen asked how we can go about figuring out the school-based space options.

Mr. Jones said there are two options, the committee can try to figure it out – not sure if the committee can do that. Mr. Jones said another option is for the Assembly to tell manager to go figure it out. Mr. Jones spoke about possibly structuring a report that involved staging of options to enable decision making at the end of each stage, based on the analysis gathered in each stage. Mr. Jones said none of the current space being used for Kinder Ready / Head Start is licensed childcare.

Mr. Eriksen said it seems like there exists a problem statement we could charge an engineering/architectural staff to evaluate, e.g. we have the need for X number of spaces, does there exist public facility space around town to meet that need.

Mr. Bryson spoke about the possibility of a senior/child joint care facility where the seniors could assist with the childcare. Mr. Bryson also spoke about the possibility of an educational program for high schoolers that involved assisting with childcare.

Ms. Shibler said that exists at the Pioneer home.

Mr. Jones said there is some practicality for that down south. Mr. Jones said there are licensing complications but that all of this has been worked out in other locations. Mr. Jones said the school district does have some peer support programs in place. Mr. Jones said he is curious about how more of this might work here as well.

Mr. Eriksen said there are groups of people that may not need a full living wage – such as seniors or high schooler students – and feels like there is lots of interest in solving this problem in the community right now. Mr. Eriksen said by solving the space problem, we might see innovative RFPs.

Ms. Shibler said she agrees with that, but doesn't want the committee to lose sight that the programs currently operating also need support. Ms. Shibler said she thinks it is okay to say in our

community that childcare work is more important than other types of work/industries because it is more important to our community and doing nothing is hurting our community.

Mr. Eriksen said he agrees, and that he has heard there is a group of people in the community who are willing to pay more, but they can't find space. Mr. Eriksen said there is an opportunity for higher wages given that there are parents who are willing to pay more.

Mr. Bryson said we have existing childcare facilities that are struggling, and if we improve childcare for existing facilities, it will give more options/better outlook for start-up facilities.

Mr. Jones said that he met with Bridget and spoke some about using school spaces and the school acting as fiscal agent. Mr. Jones said they spoke of a number of potential coordination issues including facility maintenance, accountability issues, the seasonality of school needs/childcare needs, and associated costs.

Mr. Jones said he has pages of notes and he is hoping to write up a draft report for the committee by Thursday that the committee can start to review.

Mr. Eriksen said one thing he hadn't heard yet today was that just like how different age kids have different needs, there are also varying needs out there for parents based on their unique situations. Mr. Eriksen said he doesn't want to lose sight that part of the problem is not losing those parents who are in challenging situations.

Mr. Jones spoke about a model the school district currently employs to help main stream some special needs students.

Mr. Eriksen asked if the committee needs to start thinking at this point about public awareness.

Mr. Jones said his thinking at this point is that if we can get to an 80% point on the report, then we will have good things in mind for what we can pose to the public. Mr. Jones said we struggled early on regarding what we would ask because we didn't know where we were going, so makes sense to get a draft sense of where we're going, then start asking. Mr. Jones said the committee needs to get some knowledge from the community before we can go back to the assembly.

V. ADJOURNMENT

Adjourned 1:31 pm.

Note: Agenda packets are available to review online at <https://juneau.org>

ADA accommodations available upon request: Please contact the City Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape of the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, email: city.clerk@juneau.org.