




BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: First 5
Department No.:
For Agenda Of: October 5, 2021
Placement: Departmental
Estimated Time: 30 minutes
Continued Item: No
If Yes, date from:
Vote Required: None

TO: Board of Supervisors

FROM: Department Wendy Sims-Moten, Department Director - First 5 SBC
Director(s)
Contact Info: 805-884-8085 

SUBJECT: Child Care Relief and Recovery – American Rescue Plan Act (ARPA) Discussion

County Counsel Concurrence

As to form: N/A

Other Concurrence: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

- a) Receive and file information and a presentation from the Emergency Child Care Initiative (ECCI) regarding considerations for child care sector relief and recovery;
- b) Provide comments and/or direction to staff regarding participation in the development of a countywide strategy to address such emergency child care sector needs, and;
- c) Determine that the above actions are not a project under the California Environmental Quality Act (CEQA), because pursuant to sections 15378(b)(4) and 15378(b)(5) the recommended actions consist of organization, administrative, or fiscal activities of government that will not result in direct or indirect changes to the environment.

Summary Text:

The Board of Supervisors is being asked to consider allocation of ARPA funds for the Emergency Child Care Initiative (ECCI) as led by the Santa Barbara Foundation, to provide immediate relief to the child care sector and continue to develop a recovery plan for crisis management.

The pandemic has weakened child care programs which hinders parents' ability to return to work and impedes Santa Barbara County's economic recovery. Immediate child care relief grants are needed to help restore the sector so these essential programs can maintain operations. Due to restrictive and fluctuating pandemic protocols—lower capacity class sizes, extra staff required for maintaining reduced and separate groups, increased cleaning and PPE expenses—child care programs are struggling.

Moreover, there is a dire staffing shortage due to reluctance to re-enter the workforce or an exiting of the education field altogether. The recovery of other business sectors is dependent on the sustainability of child care. Since the beginning of the pandemic, a public-private collaborative effort has been paramount to maintaining the critical operation of child care to this point. It is now imperative that local governments join this recovery work by allocating ARPA funds to support this critical sector.

The Board of Supervisors is asked to consider the following:

- **Relief:** Allocate \$1.5 million to provide direct relief grants to the private child care sector, through the fiscal and programmatic lead of the Santa Barbara Foundation, in order to sustain current operations and temporarily maintain existing spaces during the pandemic and begin to rebuild spaces to pre-pandemic county-wide capacity.
- **Recovery:** Allocate \$500,000 for program management that will provide technical assistance and support to the private child care sector to establish and plan for sustainable operations, track the impact of funding and program capacities, and explore opportunities towards gathering and maintaining real-time, reliable data for decision making.

The relief and recovery grants are a multi-organization Emergency Child Care Initiative effort with Santa Barbara Foundation taking a leadership role as the fiscal agent and First 5 of Santa Barbara County and United Way Santa Barbara County serving in key support roles. Santa Barbara Children's Resource and Referral and the Santa Barbara County Child Care Planning Council will provide implementation of direct relief to local child care programs.

Background:

On June 1, 2021, the Board of Supervisors heard from County staff information on the eligibility requirements and possible uses of \$43.3 million in American Rescue Plan Act (ARPA) funds included in the FY 2021-22 Budget. The types of funds presented were both "restricted" to COVID response and recovery activities, to be used in compliance with the U.S. Treasury Department rules; and "discretionary," which has greater flexibility and is equal to the amount of revenue losses incurred. Staff presented various potential uses of both restricted and discretionary uses of ARPA funding, where a potential use of restricted funding was in response to the public health emergency and related economic impacts, and asked your Board for direction on potential ways to allocate funds. During the June 1 meeting, the Board directed staff to return with more information regarding a few focus areas, one of the areas being child care.

First 5 SBC is committed to working with our functional group partners within Health and Human Services to design a plan for response with the Office of Emergency Management to address child care sector needs during crisis. In addition, as part of our Engage Strategy, First 5 SBC actively participates in the Santa Barbara County Emergency Child Care Initiative (ECCI). ECCI started in partnership with United Way, the Santa Barbara Foundation, and several philanthropic partners to offer funding for emergency child care programs in response to the urgent need to provide safe child care facilities for essential employees in Santa Barbara County during the COVID-19 outbreak. This initiative originally sought to match employers with child care providers and provide funding to operate programs as well as provide support, guidance, and technical assistance to employers and child care providers. Since its inception, the Initiative has identified key gaps in the child care sector infrastructure in terms of communication, workforce resiliency, and the ability to gap fund in times of emergency. The ECCI is advocating for the County of Santa Barbara, local municipalities, and local education agencies that will

be receiving significant ARPA recovery funding to allocate a percentage of their awards towards relief and recovery strategies for the child care sector in Santa Barbara County.

Established in April 2020, ECCI is a public-private partnership of local philanthropic partners, County departments (First 5, Public Health, Behavioral Wellness), and early care and education supporting agencies. The consortium of local philanthropic partners has included The Natalie Orfalea Foundation and Lou Buglioli, Jane and Paul Orfalea through the Audacious Foundation, Linked Foundation, James S. Bower. Foundation, Ann Jackson Foundation, Zegar Family Foundation, Henry and Lola Monroe Foundation, Santa Barbara Foundation, and United Way of Santa Barbara County, as well as local early childhood education support organizations including Children's Resource & Referral and the Santa Barbara County Child Care Planning Council under the SB County Office of Education. The group originally was formed to support the establishment of emergency child care for health care providers and essential employees at the onset of the pandemic. ECCI became a trusted clearinghouse of key health and safety information for child care programs, government departments, and the community with the support of the Santa Barbara Foundation and their ongoing fiscal commitment towards this work. As a result, ECCI has led a coordinated response to the ever-changing needs of the pandemic in reference to the child care sector. Part of this response is the documentation of lessons learned through this latest crisis and the identification of a need to establish the integration of child care into the County of Santa Barbara's coordinated emergency response system.

Performance Measure:

PM #1 – Stabilization of the child care sector. ARPA funds will help reduce the revenue gap felt by child care providers to maintain operation and avoid further closures.

PM #2 – Enhanced infrastructure system will be available to support the child care sector in recovery efforts through technical assistance and specialized business support.

Fiscal Analysis:

ARPA funding for the allocation of \$2,000,000 is not requested with this Board Letter. Deliberations regarding prioritization of ARPA funding will occur at the Board of Supervisors meeting of October 19, 2021. Items discussed above for consideration are eligible for ARPA uses.

Key Contract Risks:

If the request is approved, assigned department can act as the grantor of the funds and will follow all state and county contract compliance protocols which currently exist. This would include a request of the grantee's annual audit and set invoicing and evaluation reporting protocols, as well as adherence to reporting and compliance requirements as set forth by the U.S. Treasury for use of ARPA funding.

Special Instructions:

The ECCI is led by the Santa Barbara Foundation and will act as fiscal agent.

Attachments:

Attachment A: ECCI Report: Rebuild Santa Barbara County's economy by investing ARPA funds in child care

Attachment B: ECCI PPT

Authored by:

First 5-W. Sims-Moten/M. Robertson/S. Viker

cc: CEO Office – T. Maus-Nisich/N. Parmelee