

THE CITY AND BOROUGH OF JUNEAU, ALASKA

Assembly Childcare Committee Meeting,

Assembly Chambers

Approved Minutes February 8, 2019

I. Call to Order

Chairman Loren Jones called the meeting to order at 12:15 pm

Members present: Loren Jones, Michelle Hale, Rob Edwardson, Bridget Weiss, Erik Eriksen, Blue Shibler, Wade Bryson

Other Assembly and School Board members present: School Board President Brian Holst

Staff present: Library Director Robert Barr

II. Approval of Agenda

No changes, agenda approved.

III. Approval of Minutes

Hearing no objection, the minutes of the January 25, 2019 meeting were approved as presented.

IV. Agenda Topics

a. Discussion on panel presentations from 1/11 and 1/25 meetings

Mr. Jones recapped from the last meeting that some committee members expressed wanting to discuss the information presented in the prior meetings with the rest of the group. Mr. Jones said this meeting was set aside for that purpose and invited committee members to share what they've heard and where their thoughts are currently. Mr. Jones also said he'd like to get into a next steps discussion afterwards.

Mr. Edwardson said after the panels he views that the major issues around childcare in Juneau have not changed since the 1990s. Mr. Edwardson spoke about the issues of availability, quality, and shared that he is aware of individuals who have left town in the prime of their careers due to lack of childcare. Mr. Edwardson expressed that last year he was a supporter of the Best Starts model and that he continues to support that model. Mr. Edwardson said that whichever solution the committee ends up recommending, it needs to be equitable particularly to parents on the lower end of the economic spectrum.

Mr. Eriksen shared some common threads that he has noticed over the meetings/panel presentations. Mr. Eriksen discussed one set of common threads as barriers, including:

- Facility space – high initial investment, long term commitment, and high capital costs sometimes due to regulatory requirements
- Workforce development – recruit/retaining quality employees, cost of living outpacing wages/benefits
- Operating reserve – cash flow issues, timing of payment having a deleterious impact on business operations, impact on startup
- Startup – regulatory process, inspection process, having to be fully staffed/operational without revenue for the purpose of inspection
- Regulation – administrative requirements, child ratios, time/processes going to labor not directly related to childcare

Mr. Eriksen discussed another set of common threads as suggestions from the panelists, including:

- Facility space – provision of public facility space, sharing existing facilities, partnering with other agencies/private owners to provide spaces
- Review of innovative technology – opportunities to reduce administrative costs through apps/online applications/training
- Workforce development resources – business plan workshops, templates for business start-up, common policies/procedures
- Reduction of regulatory burdens
- Reduction of parental financial burden

Mr. Eriksen said the thread presentation was very informative. Mr. Eriksen said that presentation made it clear to him that it is not easy to achieve some of the higher aspirations of high quality childcare and that the thread program exists to help people get there. Mr. Eriksen said it didn't sound realistic for childcare businesses to start at the top of that thread range. Mr. Eriksen said he appreciated the panelists and that he is aware there are many other stakeholders out there that the committee hasn't yet heard from, including the school district, regulatory agencies, and other childcare business models. Given this, Mr. Eriksen said he thought the committee needs to be cautious to avoid being too narrow in its next steps. Mr. Eriksen said he is looking forward to the next part of the meeting and starting to brainstorm potential solutions.

Ms. Shibler said there are technology solutions out there to help with the administrative burden. Ms. Shibler said that the workforce trainings offered through the University are very helpful and valid. She added that childcare workers in the field can go to those classes in the evenings or online and that they are able to go on a waiver – meaning if they receive a C or higher, they are free to the provider/employee. Ms. Shibler said that one of the major licensing challenges highlighted by one of the panels was an outlier and that the specific regulator who was responsible for that instance is no longer employed by the regulatory agency. Ms. Shibler added that the State payment timeliness issue is improved as well, but that it is still reimbursement based rather than pre-pay. Self-pay parents pre-pay, and the grant to the State requires a reimbursement structure, and Ms. Shibler does not see this issue changing without federal changes. Ms. Shibler added that there is a group of childcare center directors in Juneau that are meeting with the legislative delegation and other HSS

officials to bring up these issues. Ms. Shibler said the Childcare Program Office (CPO) is very Anchorage centric and that there are not good relations between that office and Juneau providers. She added that this office is telling legislators that there is a Juneau working group trying to refute that Juneau has a higher than average need for infant and toddler care. Ms. Shibler said they are saying the demand in Juneau is downtown and that programs in the Valley are closing due to low demand. Ms. Shibler said she is not sure where the CPO got their information and said that no one from Juneau is on their Juneau working group that she knows of. Ms. Shibler said the numbers the CPO are providing to the state delegation are contradicting the data we have from national and state reports.

Ms. Shibler said she wanted to echo much of what Mr. Edwardson said and that there is a need for funding this industry in our community. Ms. Shibler said the issues have not improved over the years. She added that the centers that have been able to stay open over the years have all had operating subsidies of some variety. Ms. Shibler said that new businesses have significant hurdles with startup costs as well. Ms. Shibler said centers receive a grant from the State via the Federal block grant and that eligibility for the grant requires 5% enrollment by families on assistance. Ms. Shibler said it can be challenging to get those kids as they don't tend to show up on wait lists. Ms. Shibler said she does think it is an important requirement, but that it poses a challenge.

Ms. Hale said the City does have a lobbyist and that it may be helpful to involve them with State issues. Ms. Hale said she had a lot of conversations with people during her campaign and that most of them have strong opinions about childcare. She said those opinions are based on lots of different things and provided examples. Ms. Hale said she views communicating the actual need around these issues today is important and she referenced the video shown during the thread presentation last meeting. Ms. Hale said that the relative consensus of this committee is that some action is needed and that communicating the reasons why will matter. Ms. Hale provided an analogy to homeless services provided by the Glory Hall and referenced a presentation she attended that demonstrated what would be a much higher cost to the City if the City took on those services independently of the Glory Hall. Ms. Hale said the Best Starts model similarly uses existing infrastructure and existing programs such as AEYC and Learn&Grow.

Mr. Bryson said he is in agreement that nothing has changed and that the childcare situation has deteriorated over the years. Mr. Bryson said it has become a cost recovery issue. He said 70% cost recovery rate is considered good for some city facilities. Mr. Bryson said that when looking at childcare, it's clear they aren't getting to 100% cost recovery, which means closing in the private sector. Mr. Bryson said he's learned the solutions for 0-3s are different from 4-5s. Mr. Bryson said he is wary of having only the option of the highest and best childcare option. Mr. Bryson spoke about facility costs being too high for the amount of revenue that the business brings in. He spoke of base-level childcare positions as being entry level positions similar to other entry level positions around town in terms of education level and wage level. Mr. Bryson spoke about an adult with basic qualifications and limited experience making a choice between two different entry level positions, one of them being childcare, and said he would hesitate to subsidize one because they chose childcare over another entry level job; e.g., food service. Mr. Bryson said he liked the idea of start-up

templates & ready to go business plans. Mr. Bryson said he agreed with Ms. Hale on how she described public communication needs. Mr. Bryson spoke about the need for a multi-pronged approach to solutions due to the variety of family circumstances & needs that exist.

Ms. Weiss spoke about the continuum of different needs and educational environments that exist for children aged 0-5. Ms. Weiss said the Best Starts focus has been on 0-5, as well as recognizing that when a child reaches 5, their needs don't go away but instead change to sustaining the gains made during the 0-5 years. Ms. Weiss spoke about a variety of funding sources the school district currently utilizes to support preschoolers within the district via the Kinder Ready program. Ms. Weiss noted that all of those funding sources are vulnerable to reductions and/or eliminations. Ms. Weiss said the program has increased from 1 to 3 classrooms this year, in part due to CBJ support. Ms. Weiss spoke about other JSD programs, including an integrated preschool program and a Montessori pre-k/kindergarten classroom. Ms. Weiss shared that she has a strategic planning meeting planned involving the teachers/paraprofessionals involved in the district's pre-k programs along with community partners.

Ms. Shibler asked if the district programs were licensed.

Ms. Weiss said some are, some are not. She said the Montessori program is and the others are not. Ms. Weiss noted that space is a challenge within the district as well and it can be challenging to find an available classroom. Ms. Weiss noted the district does provide some space to Head Start at the Gastineau and Mendenhall River schools. Ms. Weiss also said that sharing space provides opportunity for interesting collaboration, noting as an example that MRCS has integrated pre-k, Head Start, and Kinder Ready.

Ms. Shibler said one of the reasons why the State is claiming the need in the Valley has been declining is because some of the centers have been losing their 3, 4, and 5 year olds to district programs. Ms. Shibler asked if it would be possible for those same types of programs to be provided via a childcare center instead. Ms. Shibler asked what an entry level paraprofessional in a district program would make.

Ms. Weiss noted that the wage for an entry level paraprofessional starts at \$18.69/hr.

Ms. Shibler said that she loses employees to the school district due to the pay discrepancy.

Ms. Weiss said one of the next steps she want to take is to explore how the district can partner more with community organizations and grow their participation as an engaged part of the childcare solution.

b. Discussion on next steps and outline of final committee meeting schedule - review Jones memo handed out at 1/25 meeting

Mr. Jones said in his memo, he covered many of the topics raised generally rather than specifically, with a few exceptions. Mr. Jones said committee members have generally identified all of the same problems, even though all may not have the same solutions. Mr. Jones said he was hoping that on 2/15 the Best Starts group could come present on their proposal and how it addresses the problems identified thus far in the committee's work.

Mr. Jones said that whatever the City ends up doing, it may be that due to cost issues we're only able to deal with two of three of the issues we've identified rather than all of them. Mr. Jones said he has had some conversations with in-home providers who are concerned that they are being ignored. Mr. Jones said that when he looks at the broader capacity issues that we face, it's hard to see that being addressed by more in-home providers. Mr. Jones referenced a business model provided at an earlier meeting which spoke to the number of enrolled children necessary to be financially viable.

Mr. Jones said he was hoping that between 2/15 and 3/1 he could begin a draft document outlining the problems and some potential solutions, and then the committee could begin the process of group editing.

Mr. Edwardson said that if fierce opponents exist around this topic, the committee should invite the best informed of them to speak to the committee as well.

Mr. Jones said that he has given this some thought and that he had spoken with Max Mertz, whose name came up a couple of times to him as a possible opponent. Mr. Jones said he didn't think Mr. Mertz was as much of an opponent as some had thought, as he had started the childcare center at the federal building with his wife and later helped them incorporate into a non-profit. Mr. Jones said he has some questions about the economics and numbers. Mr. Jones said that he is not sure there is an organized group out there that has strong opposition to addressing the childcare problem. Mr. Jones said he thinks the committee has struggled with the public outreach part, but that he views the public outreach needs to come after some potential solutions have been identified in order to facilitate good public communication and public input.

Mr. Eriksen said he is uncertain about how things are going to proceed. Mr. Eriksen said that there seems to be an array of opportunities to address this problem and that some of the value in communicating about this at the end will be noting that we considered those opportunities. Mr. Eriksen said he was interested in having a discussion around a list of opportunities and that he is unsure how that list is going to get generated.

Mr. Jones said he plans to review minutes, listen to Best Starts, going back through the material the committee has generated, and review and expand the memo he provided at the last meeting. Mr. Jones said he would then work to honestly represent what the committee has said to date, get that on paper, and then have the committee collectively react to that start and move on from there.

Mr. Eriksen said he is wanting to prevent the comment of, at the end of the day, "did you think of this?" where the committee didn't consider that particular idea.

Mr. Jones said that he agreed to an extent, and noted that if that occurs, it may appropriately take us down a different path. Mr. Jones said that at the end of the day the final product will be the committee's report.

Ms. Hale spoke about the need to communicate clearly how education is defined and what it means in the context of early childcare education. Ms. Hale referred to Mr. Erikson's

comment early in the process that recognized that the education component was part of a continuum and not turning childcare into school.

Mr. Jones agreed and referred back to the education definition in the committee's problem statement. Mr. Jones spoke of evaluation and metrics needing to go along with whatever contribution the committee and eventually the assembly ends up making towards this problem. Mr. Jones said he is hoping to have a starting spot rather than an ending spot for the March 1st meeting.

Mr. Jones said the meeting on 2/15 will be the Best Starts proposal and Q&A from the committee to them and located in the Assembly Chambers.

V. **Adjournment**

There being no further business, the meeting was adjourned at 1:32p.m.