



# County of San Mateo

## Inter-Departmental Correspondence

**Department:** COUNTY MANAGER

**File #:** 19-229

Board Meeting Date: 3/26/2019

**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Michael Callagy, County Manager

**Subject:** Use of District-Discretionary **Measure K** Funds - Supervisorial District 1

### **RECOMMENDATION:**

**Measure K:** Adopt a resolution authorizing a one-time grant of district-discretionary **Measure K** funds, not to exceed \$50,000, to Child Care Coordinating Council (4Cs) for the Build Up for San Mateo County's Children Initiative to grow and improve the supply of child care and preschool facilities in San Mateo County, and authorizing the County Manager, or his designee, to execute the grant agreement.

### **BACKGROUND:**

**Measure K** is the half-cent general sales tax initially approved by San Mateo County voters in November 2012 and extended in November 2016 for a total of thirty years. The Board of Supervisors ("Board") and County staff have conducted study sessions and community outreach efforts to inform priorities for **Measure K** spending for FY 2017-19.

On May 16, 2017, the Board approved the FY 2017-19 Measure K allocation plan in which the County anticipates Measure K receipts of approximately \$81.6 million annually. The plan included \$7 million in one-time loans or grants each year during FY 2017-19, divided equally among the five supervisorial districts, for district-specific needs and projects. District 1 has submitted a request to use its district-discretionary **Measure K** funds as shown below and described in the Project Summary section of this memorandum:

District/Project	Amount
District 1 (Supervisor Dave Pine) - Child Care Coordinating Council (4Cs): Build Up for San Mateo County's Children initiative to grow and improve the supply of child care and preschool facilities in San Mateo County	\$50,000

This item is consistent with the criteria for district-discretionary **Measure K** funds approved by the Board in December 2018.

## **PROJECT SUMMARY:**

This is a request to authorize a grant to 4Cs and resulting grant agreement in an amount not to exceed \$50,000 for the Build Up for San Mateo County's Children Initiative ("Build Up" or "Build Up SMC") to grow and improve the supply of child care and preschool facilities in San Mateo County. The County Manager's Office will administer and manage the proposed agreement.

The Build Up SMC Initiative launched in 2017 to address the critical shortage of affordable, high-quality child care and preschool options. Leadership of the initiative is provided by First 5 San Mateo County, the County of San Mateo, the San Mateo County Office of Education, the Center for Early Learning at the Silicon Valley Community Foundation, and the Child Care Coordinating Council ("4Cs").

4Cs, a child care resource and referral agency, employs a full-time Build Up director to engage with multi-sector stakeholders, and a technical assistance coordinator (currently a part-time consultant; recruiting now for a full-time staff person) to provide technical assistance to programs looking to open or expand child care facilities. San Mateo County has a child care shortage crisis affecting families' economic opportunities, and children's learning during critical developmental stages. According to the 2017 San Mateo County Child Care and Preschool Needs Assessment, to meet demand the county needs 19,724 new spaces for children ages 0-12; of these, approximately 11,000 need to be subsidized for low-income working families. Available child care is a quality of life and workforce issue for residents and employers. The child care shortage causes working parents to choose between less-than-ideal arrangements or turning down employment opportunities. In recent years, programs in San Mateo County have turned down \$1 million annually in State support for subsidized early learning due to lack of facilities to house child care programs.

Measure K funds would contribute to addressing the critical shortage of child care and preschool spaces in San Mateo County, with a current focus on children ages 0-5. 4Cs would leverage the Measure K funding for the Build Up initiative with other public and private funding sources to increase the supply of quality child care and preschool in the County.

The Build Up Initiative, through 4Cs, has received contributions towards three years of startup operational funding from First 5 San Mateo County, San Mateo County's Human Services Agency, the Heising-Simons Foundation, the San Bruno Community Foundation, and the Jacques M Littlefield Foundation. However, 4Cs has identified a gap of \$50,000:

	<b>2018-19</b>
<b>REVENUE</b>	
First 5 SMC Build Up Support	\$65,363
Human Services Agency	\$19,500
Heising Simons Foundation	\$45,076
Jacques M Littlefield Foundation	\$125,000
San Bruno Foundation	\$14,740
<b>TOTAL REVENUE</b>	<b>\$269,679</b>
<b>EXPENSES</b>	
Director - Salary & Benefits	\$105,165
Technical Assistant Coordinator - Salary & Benefits	\$47,076

Operations (i.e. occupancy, mileage, phone, etc.)	\$57,835
Marketing/Website	\$3,000
Communications/Planning Consultant	\$44,363
Technical Assistant Consultant	\$8,000
Fundraising/Finance Consultant	\$20,000
Employer-Sponsored Care Consultant	\$19,500
GIS Mapping	\$14,740
<b>TOTAL EXPENSES</b>	<b>\$319,679</b>
<b>SURPLUS/DEFICIT</b>	<b>-\$50,000</b>

In the 2018-19 Fiscal Year, the Build Up initiative has total operating expenses in the amount of \$319,679. This includes salaries and benefits, as well as program operations, for two full-time employees - an Initiative Director and a Technical Assistance ("TA") Coordinator. The role of the TA Coordinator has been filled by a TA Consultant during initial startup, but 4Cs is now recruiting for a full-time TA Coordinator. Build Up also engages three consultants to focus on communications/planning, fundraising/finance, and employer engagement. Lastly, funds are spent on marketing/website and a GIS mapping project.

Proposed allocation of funding support, including Measure K funds:

	<b>First 5 SMC</b>	<b>Human Services Agency</b>	<b>Heising Simons Foundation</b>	<b>Jacques M Littlefield Foundation</b>	<b>San Bruno Community Foundation</b>	<b>Measure K</b>
Director - Salary & Benefits				\$90,165		<b>\$15,000</b>
TA Coordinator - Salary & Benefits			\$33,076			<b>\$14,000</b>
Operations (i.e. occupancy, mileage, phone, software, etc.)			\$4,000	\$34,835		<b>\$19,000</b>
Marketing/Website	\$1,000					<b>\$2,000</b>
Communications/Planning Consultant	\$44,363					
TA Consultant			\$8,000			
Fundraising/Finance Consultant	\$500	\$19,500				
Employer-Sponsored Care Consultant	\$19,500					
GIS Mapping					\$14,740	

### **Total Measure K Request: Not to Exceed \$50,000**

The release of funds will be contingent on the execution of an agreement providing for the County's confirmation of the expenditure of funds during FY 2018-19 for the purposes stated herein. The County will disburse the funds to the following organization for the purposes described above:

David Fleishman, Executive Director

**PERFORMANCE MEASURES:**

<b>Description</b>	<b>Target</b>
Fully fund Build Up Initiative Director in FY 18-19 to direct the Build Up Initiative, in coordination with Build Up staff, consultants, partners, volunteer community advocates, and a high level, cross-sector Advisory Body.	June 2019
Fill the Build Up Initiative Technical Assistance Coordinator position in FY 18-19 to provide technical assistance to child care and preschool program operators seeking to expand or open new programs in San Mateo County.	June 2019
Fully Fund Operations in FY 18-19 (i.e. occupancy, mileage, phone, software, etc.) that support the engagement of local government, philanthropy, and businesses to support the creation and expansion of child care facilities.	June 2019
Update the Build Up Initiative website and marketing material to support efforts to grow and improve the supply of early care and education facilities.	June 2019

County Counsel has reviewed and approved the agreement and resolution as to form.

Funding for the 4Cs Build Up SMC Initiative contributes to the Shared Vision 2025 outcome of a Collaborative Community by improving the supply of child care and preschool facilities in San Mateo County and by promoting regional solutions, with informed and engaged residents, and approaching issues with fiscal accountability and concern for future impacts.

**FISCAL IMPACT:**

There are sufficient **Measure K** funds for this specific FY 2018-2019 **Measure K** request. These funds are budgeted in the Non-Departmental Services FY 2018-19 Adopted Budget.