



COUNCIL AGENDA: 8/18/2020  
FILE: 20-871  
ITEM: 3.5

# Memorandum

**TO:** CITY COUNCIL

**FROM:** Councilmember Sylvia Arenas  
District 8

**SUBJECT: SEE BELOW**

**DATE:** August 17, 2020

Approved

Date

*Sylvia Arenas*

*8/17/2020*

**SUBJECT: COMMUNITY AND ECONOMIC RECOVERY AND CORONAVIRUS RELIEF FUNDS FOR LOCAL ASSISTANCE EFFORTS**

## **RECOMMENDATION**

1. Accept staff report and supplemental, with the following:
2. Direct the City Manager to include in their negotiations with First 5 efforts to ensure that families will receive subsidized childcare directly. Staff should include in their discussions:
  - a. Asking for consideration of ways to utilize the funding to create additional subsidized childcare slots at providers
  - b. Efforts to effectively allocate existing state sponsored subsidized care slots into communities most effected by the current crisis
  - c. Ways to ensure that providers receiving city funds are serving families in need
3. Direct the City Manager to return to Council on August 25<sup>th</sup> with an updated plan that incorporates community focus group feedback by allocating funding to direct support to families needing subsidized childcare. Include in this plan:
  - a. Updates on ways that the First 5 contract can be improved to better support families in need
  - b. A spending plan that allocates the remaining \$2 million in Local Assistance CRF funds to support free childcare for families in crisis. This should include:
    - i. Providing sufficient funding to make the PRNS/Library/school partnered school-aged childcare fall strategy free for referred students.
    - ii. Funding to restart PRNS's license-exempt recreation preschool, and to make it free for families referred by appropriate social service agencies.
    - iii. Funding to support subsidized slots in other appropriate license exempt programs identified by the administration, and/or other fiscally efficient strategies to maximize this investment in childcare.

## **BACKGROUND**

On May 28<sup>th</sup>, I submitted a budget request for \$30 million dollars to help San Jose families survive this crisis, by ensuring they have access to affordable childcare. When we were considering this budget decision we weren't certain that all schools would be closed for the rest of the year, as they are now. Parents now have to contend with the additional childcare burden this extended school closure has created.

Back in May, I proposed three ways to support families with childcare: 1) free slots in PRNS based programs, 2) expanding those programs, and 3) keeping home child care providers open by providing them financial support.

In the budget process, as a Council, we allocated \$2.5 million towards #3, but not one Coronavirus Relief Fund dollar to either #1 or #2, or any other method of directly helping families in crisis pay for childcare.

Yes, you have read correctly, not one dollar of San Jose Coronavirus Relief Funds has currently been dedicated or budgeted to help families afford childcare. Upon our request, the Housing Department was able to fund a small program using CDBG funds, but as a council we have simply failed to direct CRF dollars to this crisis.

And our community has noticed. In the community focus group held on how to spend our Coronavirus Relief Funds, childcare was the ONLY high-priority item for community participants that the Council has not dedicated CRF dollars towards.

Supporting home based childcare providers is important work – and as a city we will benefit from fewer of them shutting down permanently – but it does nothing for families that are currently on the brink.

You may not know them, but right now there are single parents across San Jose trying to figure out how they'll keep their job and afford additional childcare because of school closures. Most families couldn't afford license childcare before the pandemic and so they utilized after school programs instead. That option is no longer available.

These parents have jobs, many as essential service workers, but their salaries won't pay for childcare and rent. They will lose those jobs if they don't quickly find childcare solutions. We can help these families with childcare now, or we can try to provide enough rental assistance later to prevent homelessness. Let's act today.