

Burlington Early Learning Initiative Spring 2018 Grant Guidelines

INTRODUCTION

The Burlington Early Learning Initiative aims to expand access to high-quality child care for Burlington children.

BACKGROUND INFORMATION

After several years of planning, in Fiscal Year 2018, the City of Burlington launched its Early Learning Initiative (ELI) with the short-term goal of expanding the number of high-quality child care opportunities available in Burlington for children ages birth to three, and the long-term goal of ensuring that all Burlington children have the opportunity to succeed regardless of family income level. The program seeks to address the fact that low-income Burlington children are disproportionately likely to be behind by the time they enter kindergarten, to experience a widening achievement gap in later grades, and are more likely to experience a range of negative outcomes later in life including reduced educational achievements, higher rates of chronic health problems, higher rates of incarceration and drug misuse, and lower lifetime earnings (*Burlington Beginnings White Paper*, Nordhaus, 2015).

To achieve the short-term goal, the City of Burlington is offering grants to increase the availability of high quality child care for infants and toddlers, through expanding or increasing the quality of existing child care, or starting new high-quality child care programs. Vermont Birth to Five (VB5), a project of the Permanent Fund for Vermont's Children, estimates that there are 608 infants and toddlers likely to need care living in Burlington, while there are an estimated 236 high-quality enrollment slots for children under the age of three in Burlington. VB5 will oversee and administer the grant program on behalf of the City of Burlington, with guidance from an advisory committee. The mission of VB5 is to ensure that every Vermont child has access to high-quality, affordable early care and learning by 2025.

GRANT INFORMATION

Purpose

The 2018 ELI grants will fund projects that increase the availability of high-quality infant and toddler child care slots by 2020 for children from Burlington families of all income levels.

Who Can Apply

- Organizations or agencies that currently operate or plan to operate a licensed child care program within the city of Burlington
- Currently registered family child care programs planning to expand to a licensed program within the city of Burlington
- Individuals planning to open a registered or licensed family child care home in the city of Burlington

Timetable for Grant Process

April 15, 2018 – Ongoing	VB5 Provision of Technical Assistance
April 27, 2018	Grant Guidelines Distributed

May 18, 2018	Letters of Intent Submission Deadline
May 25, 2018	Grant Application Due Date
June 7-8, 2018	Grants Reviewed by Advisory Committee
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1. Proposed projects must be located Burlington.
2. Applicants must serve or plan to serve children ages birth to three.
3. Applicants must be high-quality programs (defined by 4 or 5 stars in Vermont's STep Ahead Recognition System [STARS]) or have a clear plan to become high-quality (achieve at least 4 stars).
4. Applicants must enroll or plan to enroll children who receive funding through the Child Care Financial Assistance Program (CCFAP) in newly created child care slots at a threshold of at least 20%.
5. Applicants must have or plan to obtain Specialized Child Care status.
6. Applicants must have or plan to have an employee compensation package that meets the [Burlington Livable Wage Ordinance](#).

Grant Items Eligible for Funding

- Construction and capital improvements to public or commercial buildings to allow for additional infant and toddler care within the child care site. Family child care homes are not eligible to apply for major renovations or additions unless *flagged by child care licensing* as a need to meet health and safety requirements to serve infants and toddlers (i.e., egress for exit or stairway, or changes related to supervision improvements).
- Specific program quality improvement efforts to achieve 4 or 5 stars.
- Program changes/improvements to increase total number of infant and toddlers served at the program.
- Items needed to support early learning environments, physical health and the wellbeing of additional children served in newly created child care slots (e.g., cribs, changing tables, outdoor play equipment, literacy materials, learning toys, etc.).
- Training and compensation costs related to workforce development and expansion.
- Projects designed to improve business practices and develop sustainability plans (i.e., use of childcare management software, facilities planning, tuition scholarships, board development, wage and benefits planning, etc.).
- Expenses necessary to increase readiness for expansion of infant and toddler enrollment slots.

Grant Amounts

Applicants may apply for funds at the following levels:

- ❑ Licensed Center Based Early Childhood Programs may apply for up to \$50,000.
- ❑ Registered/Licensed Family Child Care Homes may apply for up to \$10,000.

The total grant pool is \$460,000. The City of Burlington expects to fund six to ten projects of a variety of sizes. Funding at higher levels than outlined above may be considered for exceptional project proposals as identified during consultation process between VB5 and prospective applicant. VB5 will bring recommendations for higher funding to the grant review committee for final recommendations to the Mayor.

The grant process is competitive and applications will be evaluated based on several criteria, including: amount of funds requested; number of new slots created; cost per new slot created; number of CCFAP children served; viability and sustainability of project; and prior experience of applicant.

How to Apply

- **Submit a Letter of Intent by May 18, 2018.** Candidates planning to apply for a grant must [submit a Letter of Intent](#).
- **Meet with a VB5 Project Consultant between April 16, 2018 and May 18, 2018.** A VB5 consultant must determine if the applicant and funding request meet the grant qualifications prior to an applicant submitting a grant application. Interested candidates can contact Didi Harris (didi@vermontbirthtofive.org) to schedule a meeting.
- **Submit Grant Application by May 25, 2018.** A link to an electronic grant application form will be provided to applicants who have submitted a letter of intent and been determined to meet the grant eligibility criteria.

APPLICATION CHECK LIST

- ✓ Submit a Letter of Intent
- ✓ Meet with VB5 consultant prior to completing grant application
- ✓ Complete entire application
- ✓ Project budget and narrative including other funding sources
- ✓ Estimate or bid for construction projects (if applicable)
- ✓ Prior years' financial statements
- ✓ Business plan



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www.burlingtonvt.gov/cedo

April 18, 2018

To: Community Development Neighborhood Revitalization Committee

From: Noelle MacKay, CEDO Director, Brian Lowe, Mayor's Office

Re: **Early Learning Initiative (ELI) Overview and Next Grant Round For Discussion**

This memo provides an update to the Community Development Neighborhood Revitalization Committee (CDNR) regarding the Burlington Early Learning Initiative (ELI). When the Council approved funding for the program in FY18, the Administration committed to updates prior to any grant expenditures. The City has completed its first round of seeking proposals for initiatives to expand low-income, infant and toddler high-quality child care opportunities in Burlington and awarded a grant to create four new slots with a \$14,000 grant.

We now have a draft of our next steps to make further grant allocations prior to the close of the fiscal year on June 30 and would like to provide an overview for discussion with the CDNR Committee. We want to incorporate your feedback into the grant guidelines that we hope to release shortly.

Background

Five hundred thousand dollars was included in CEDO's FY18 budget for an Early Learning Initiative to be used to provide capacity grants to Burlington child care institutions that provide high-quality care to children and commit to increasing the number of slots available for low income children ages birth to three. There is a well-documented shortage of child care within Burlington, and the Council's allocation followed substantial analysis and community feedback that ultimately focused on capacity needs. CEDO also plans to work over the next couple of years to leverage future non-City dollars to build on this investment and improve both health measures and kindergarten readiness, thus reducing future special education and other public spending over time and helping break the cycle of multi-generational poverty.

CEDO released a request for proposals in September 2017 for a third party to manage the grant application process and provide assistance to potential grantees. It was determined that this would be a more cost effective way to develop the grant criteria and measures, and provide technical assistance to applicants rather than have CEDO staff provide that support. Four applications were received and Vermont Birth to Five (VB5), an organization connected with the Permanent Fund for Vermont's Children, was awarded the competitive contract to assist CEDO and the Mayor's Office on this project. VB5 works to increase access to high-quality early care and learning statewide; they have an expert staff that can support the ELI program and subsidized the cost of the work to help the City preserve funding for the grants. The contract is for approximately \$30,000 and VB5 is providing an additional \$30,000 support to ensure the project's success. CEDO staff support of ELI is supported by remaining funds from an early grant that helped lay the foundation of the need and options for this program.

First Round of the Grant Program:

In November 2017, VB5 opened the [grant program](#) with a letter of interest due December 1, 2017, and information sessions and one-on-one meetings followed by a full grant proposal due January 12, 2018. The goal of the program is to increase the availability of high-quality child care for infants and toddlers, through expanding or increasing the quality of existing child care, or starting new high-quality child care programs. Following substantial community feedback, we decided to provide funding that supported increasing the number of slots because we knew that Burlington does not have enough capacity. We considered providing scholarships in this first year, but decided that we wanted to first increase the supply of child care, otherwise it would not be equitable or true to the intent of providing high-quality child care to all of Burlington.

The City pulled together a Grant Committee made up of representatives from the University of Vermont Medical Center, Burlington School District, United Way, ECHO and other experts in the field. The City and VB5 intended to make awards in late January. However, at the time of this deadline, while there were four active parties, there was a clear need for additional time to ensure their respective financial and program projections had strong Board and partner support. As a result, the deadline was extended until March 15 in order to allow additional time for applicants. CEDO, the Mayor's Office and VB5 also used the additional time to gather information from programs that considered applying but ultimately chose not to do so (the results of those discussions are described in the following section).

As of March 15, the City received a complete proposal from the Full Circle Preschool at the Ohavi Zedek Synagogue. They requested \$14,000 for bathroom renovations that would allow them to increase their number of infant slots this year by four. The City, working with VB5, thought that this modest investment should move forward and not miss several months of work. Thus, CEDO brought a request to City Council to award the Full Circle Preschool these funds which would include all the grant criteria outlined in the application process. City Council approved that request at their March 26 meeting and grant award documents have been executed with the Full Circle Preschool.

Second Round of the Grant Program

During the first months of 2018, CEDO, the Mayor's Office and VB5 reached out and had conversations with different centers focused on specific challenges they were having that may have resulted in not seeking funding from this program. As the goal of ELI is to expand the number of high-quality slots available to low to moderate income families, it was important to identify some of the barriers to expansion. From these discussions, challenges identified include:

- the relatively high cost of space,
- difficulties with providing a livable wage,
- the short one-year capital investment timelines in the first round of the grant program; and
- workforce shortages.

As a result of this learning, the City plans to release a follow on grant application this spring, with the intent of addressing these barriers to the greatest extent possible. The primary changes to this application, as drafted, will include extending the timeline for capital investments to 2020, and an expansion of the allowable uses of grant funds to include planning grants focused on sustainable expansion (e.g. use of child care management software, facilities planning, etc.) and business strategy support. These drafted grant guidelines for the Spring 2018 application are attached for your review. We appreciate your review of these proposed modifications and look forward to your feedback on the guidelines during your April meeting.

To have this round of awards confirmed by the end of the fiscal year, a tight timeline is required, and it is critical that this be balanced with providing adequate time for both collecting and incorporating CDNR input as well as adequate time for applicants to develop strong proposals. To balance these needs, VB5 will begin engaging with potential applicants now, letting them know that the grant announcement and guidelines will be released by the end of April. Applicants will be asked to submit a letter of intent and meet with a VB5 consultant to determine if grant qualifications are met in early May before submitting a complete grant application by May 25.

As with the first round of applications, the City and VB5 will pull together a Grant Committee to meet and review applications in early June. To maintain consistency and continue to incorporate CDNR input, it is our hope that the CDNR Chair will serve on this Committee. Recommendations on grant awards will then be made to the Mayor and to City Council for vote in June.

FY 19 Grant Considerations

Looking forward, if City Council approves the FY 19 budget, we will have funding for future grant rounds. For these rounds, we are considering the inclusion of scholarships, which would aim to support and maximize the Child Care Financial Assistance Program (CCFAP) by providing scholarships that meet the gap between funding and cost. To evaluate this additional component, we would engage stakeholders in a focused meeting series to make sure the new element of the program met the needs of providers in the community and was based on the best practices and successes documented in other cities and in the research that informs Burlington's Early Learning Initiative. CEDO would engage CDNR early in that discussion following FY19 budget decisions.

If you have any questions in advance of our discussion, certainly feel free to contact me.



CITY OF BURLINGTON, VERMONT
**CITY COUNCIL COMMUNITY DEVELOPMENT &
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c/o Community & Economic Development Office
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Councilor Brian Pine, Chair, Ward 3
Councilor Adam Roof, Ward 8
Councilor Karen Paul, Ward 6

Thursday, April 26th, 2018
5:30 –7:00 PM

Burlington Public Works Department- Conference Room - 645 Pine St.

Proposed Draft Agenda

1. Review Agenda (5 minutes)
2. Public Forum (10 minutes)
3. Early Learning Initiative – Update and discussion of the next funding round (60 minutes) Presentation by CEDO and VB5
4. Plans for May Meeting (10 minutes)

TO: Community Development & Neighborhood Revitalization Committee
FROM: Sarah Adams-Kollitz, Burlington Children's Space
DATE: April 26, 2018

Thank you for seeking community feedback on the Mayor's Early Learning Initiative, I'm sorry I can't be here in person.

For ten years I have been the executive director of the Burlington Children's Space in the Old North End. BCS opened in 1984 with assistance from the City, and moved into its current facility, the McClure Multi Gen Center, in 1998, again with support from the City, in particular CEDO. We take great pride in providing high quality education that encourages children and families to engage with their community in positive ways.

We provide full time, year-round early education programming for 54 children from 6 weeks to 5 years old. We have an outstanding nutrition program that includes meals, nutrition and gardening curriculum, family dinners, and weekly take home food bags for any family in need. In partnership with the Howard Center, we provide therapeutic child care and family support for children who have experienced trauma. Head Start staff provide home visiting, health screening, and parent education to 22 eligible infants, toddlers, and preschoolers. Thanks to all of these partnerships, and the dedication of its teaching staff, BCS is able to provide a place of high quality learning and security for children from diverse backgrounds, many of whom have not been successful in other programs. 40% of BCS's children qualify for a state subsidy and another 20-30% qualify for BCS's sliding scale for tuition. BCS has a long history of advocating for the rights of young children and their families.

Beginning with Miro Weinberger's election in 2012, and the inception of the Mayor's Early Learning Initiative in 2015, BCS has engaged in the process out of conviction to the sustainability of the future of early childhood education in Burlington, Vermont. At times, it has felt like our opinions, or those of our colleagues, were heard. Yet, the work group was terminated, the original model discarded, and the funding has not made its way into the community.

We have met with the Mayor, encouraged other knowledgeable early education leaders to participate in the project, and spent countless hours trying to leverage this funding to increase the to benefit the whole community. We have tried to take a big picture view, but the work is particularly urgent for BCS for several reasons:

- BCS serves low income infants, toddlers, and preschoolers who receive a child care subsidy from the State of Vermont. The rates for these subsidies have not been updated since 2008. Because of its quality rating, BCS receives the highest subsidy rate, but still loses over \$15,000 per year per infant and toddler, with few other sources of income to fill the gap. For families on the sliding scale, the losses are even

greater. The cost of providing wrap around services, especially for low income infants and toddlers, is becoming unaffordable to BCS.

- BCS's budget is roughly 1/3 subsidies 1/3 tuition paid by families, and 1/3 grants. In the past BCS has been successful in leveraging over \$340,000 a year in grants to make up the difference between subsidy/tuition and its costs. Private funders have grown tired of propping up an inadequate early childhood system and very few grants are available for operating funds. BCS cannot continue to cover its costs without sustained public investment.
- BCS teachers are highly qualified and trained specifically to work in a therapeutic environment, yet half don't meet livable wage requirements. In the first 4 months of 2018, BCS has lost three dedicated teachers, with very few applicants applying for open positions.
- This year marks BCS's 20th year in the McClure center. Under an agreement with CHT and the City, BCS will have an opportunity to pay off its mortgage and purchase the building. BCS's Board, financial advisors, and long time supporters have been planning for this transition for over 3 years. At one time we had hoped the ELI model would be running by this time, providing subsidies to eligible students to offset some of the shortfall from the State. In 2017 the Board determined that expansion was not feasible and that the open space in the building should be rented or sold to offset the cost of deferred and upcoming maintenance. In 2018 BCS is reconsidering whether it is advisable to take on the responsibility of owning an aging building when revenue is so uncertain.

BCS's story is not unique. In a recent meeting with the Mayor and representatives of VB5, directors from Pine Forest, Trinity, The Family Room, King Street and Sara Holbrook outlined how demands from the State, needs of families and the cost of benefits have all increased while subsidies and tuition have not kept pace. All of these directors urged the Mayor to reconsider his prioritization of expansion over subsidies for low income children in qualified programs.

Over the course of the past 4 years, BCS has tried to work with the Mayor to help him understand the fragility of the existing system as well as the incredible potential for an investment in early education by the City. We have been reluctant to publicly criticize the Mayor's efforts, because the community so desperately needs increased public support for early education. We don't want to jeopardize the funding, we want to see it continue and increase.

It has been very difficult to get him to understand that expansion can't occur on a crumbling foundation or to acknowledge the financial struggles of existing programs doing the work he seeks to expand. The recent VB5 grant guidelines show that expansion has been prioritized over stabilizing existing programs; very few programs, especially those with a history serving the target population, have applied.

Over the course of this project, BCS has gone from optimistic to desperate. BCS has continued to meet the needs of children and families with a dwindling budget, while the ELI funds have gone unused.

In preparation for a recent meeting with the Mayor, I reread his January 2015 press release announcing his commitment to investing in early education. The model he proposed was optimistic, but based in research. The process he outlined was collaborative, but not impossible. Somewhere along the way that original vision was lost. Expansion was prioritized over quality services and sustainability. The needs of children and families were forgotten. The very programs doing the work of the project were ignored in favor of out of state consultants and a revolving set of advisors.

We encourage you to consider the original outline, to help the City reinvest in a collaborative process that considers the perspectives of professionals currently doing the work the City seeks to validate and encourage, and prioritize stability over uncertain growth. Most importantly, we encourage you to move this process along to address the very real struggles of children, families, teachers, and the community.

Thank You,
Sarah Adams-Kollitz



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May 1, 2018

To: Community Development Neighborhood Revitalization Committee
From: Noelle MacKay, CEDO Director; Brian Lowe, Acting CIO (representing the Mayor's office); Sherry Carlson and Didi Harris, VB5

Re: **Follow up from CDNR Committee Meeting Discussion on the ELI**

Thank you so much for meeting with us and allowing this time for discussion of the Burlington Early Learning Initiative (ELI). We very much appreciate your feedback, and in particular the strong support for the Administration's decision to accelerate implementation of the scholarship component of the program, which would focus on mitigating the gap between the Child Care Financial Assistance Program (CCFAP) funding and the true cost of care. We wanted to provide this follow up to outline how we modified the application based on input from the meeting and our next steps for the FY19 grant program.

We were pleased to hear that while operating funds are very important to early childcare providers, there was broad consensus that a strategic focus on scholarships could help mitigate some of the acute operational needs centers face. As noted repeatedly during the discussion, City funds alone cannot close the gap in funding between CCFAP support and the true cost of care. A strategic focus on scholarships alongside capacity growth (which we heard some continued support for at the meeting and have also heard privately), and demonstrable progress across those dimensions, could help leverage additional money (philanthropic, corporate, etc.) to benefit Burlington children and organizations. As we look forward to the FY19 implementation of the ELI, we are optimistic that this approach will begin to move the needle in providing increased high-quality childcare to Burlington children most in need.

We also heard emphasized the need to shore up existing providers and to address issues in our existing system so no current capacity is lost. This is very much aligned with what we learned in the conversations we had with different centers focused on specific challenges they were having that may have resulted in not seeking funding in the first round of grants.

Grant Application Modifications

Based on the feedback from the community as well as the CDNR Councilors, we made the following modifications to the grant guidelines for the second round of FY18 funding:

- Raised the grant award threshold from \$50,000 to \$150,000 for center-based programs, and from \$10,000 to \$15,000 for home providers.
- Expanded the use of planning grants to further support existing programs by allowing for the development of plans to facilitate expansion or the preservation of existing infant and toddler slots and services.
- Opened the eligibility requirements to those applicants for sustainable planning grants intended to preserve existing spaces or services not enrolled in CCFAP.

- Extended timeframe for capital projects to two years.

The revised guidelines were posted and shared on Friday, April 27.

FY19 Grant Program

We found Councilor Roof's framing of the three main issues—lack of supply, affordability, and provider funding—to be helpful in highlighting the need for the ELI to include both capacity grants and scholarships. We are grateful for this expressed support of the Administration's interest in including scholarships in the FY19 round of grant funding. By tying these scholarships to the CCFAP, we can target those children most in need. By continuing to provide capacity funding simultaneously, we see great opportunity to address all three of these main issues and have a measurable impact on increasing the availability and affordability of high-quality childcare, while ensuring that existing capacity is not lost.

Again, we appreciate your feedback and support of this iterative process of creating an ELI that truly benefits our most vulnerable children. If you have any questions, certainly feel free to contact me.

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To achieve the short-term goal, the City of Burlington is offering grants to increase the availability of high quality child care for infants and toddlers, through expanding or increasing the quality of existing child care, or starting new high-quality child care programs. The City of Burlington will also consider grants toward developing support strategies that preserve existing infant and toddler slots and services. Vermont Birth to Five (VB5), a project of the Permanent Fund for Vermont's Children, estimates that there are 608 infants and toddlers likely to need care living in Burlington, while there are an estimated 236 high-quality enrollment slots for children under the age of three in Burlington. VB5 will oversee and administer the grant program on behalf of the City of Burlington, with guidance from an advisory committee. The mission of VB5 is to ensure that every Vermont child has access to high-quality, affordable early care and learning by 2025.

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4. Applicants must enroll or plan to enroll children who receive funding through the Child Care Financial Assistance Program (CCFAP) in newly created child care slots at a threshold of at least 20%. Applicants for sustainable planning grants intended to preserve existing spaces or services do not need to be enrolled in CCFAP, but must be willing to assess whether such funding could benefit the program; sustainable planning grant funding can be used to establish CCFAP access as well.VB5 will provide technical assistance related to CCFAP.
5. Applicants must have or plan to obtain Specialized Child Care status.
6. Applicants must have or plan to have an employee compensation package that meets the [Burlington Livable Wage Ordinance](#).

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Councilor Brian Pine, Chair, Ward 3

Councilor Adam Roof, Ward 8

Councilor Karen Paul, Ward 6

Attendance: Committee Members: Chair Brian Pine, Councilor Karen Paul, Councilor Adam Roof; Councilor Dave Hartnett, Councilor Jane Knodell;
City staff: Noelle MacKay Stephanie Morse, Brian Lowe and Ian Jakus;
Consultant, VB5: Sherry Carlson;
Public: Katy Wallace, Charles Winkleman, Laura Hale, Katie Jickling, Kyle Dodson, YMCA,

Thursday, April 26th, 2018

5:30 –7:00 PM

Burlington Public Works Department- Conference Room - 645 Pine St.

Draft Meeting Minutes

Meeting called to order a 5:45 PM.

1. Review Agenda (5 minutes)

Adam Roof moves to adopt the agenda, Brian Pine seconds.

2. Public Forum (10 minutes)

Chair Brian Pine asked for a point of clarification about the role of CDNR in the Early Learning Initiative (ELI).

Noelle MacKay explained that we hope to get CDNR's input and feedback on grant guidelines before posting.

Katy Wallace a resident of Ward 5 and a board member of the Janet S Munt Family Room a parent/child center in existence for 30 years. The organization helps with children Birth to 6 many of whom have experienced adverse childhood experiences (ACES). The Family Room is to provide this treatment for families not able to access full time child care, including parents who are learning English and there are no fees. Katy explained that this service is extremely important in mitigating the negative impacts of

The programs and services of the City of Burlington are accessible to people with disabilities.

For accessibility information, call 865-7144. For questions about the meeting,

contact Gillian Nanton at Gnanton@burlingtonvt.gov

ACES down the road that the city will pay for one way or the other. Katy explained that under the current criteria the Family Room is not able to apply; they cannot even hire one staff person for \$50,000.

Charles Winkleman is a former preschool teacher in Burlington, and currently works in Winooski. He requested this grant does not get voted out of committee. He explained there is a significant labor shortage in the childcare field in Burlington and that qualified people are leaving. He does not believe the concerns of the early childhood community have been adequately included in the ELI. He would like to see in the grant proposal something that would address sustainability in early childhood education so that staff don't leave the city and can establish long term relationships with the families.

Laura Hale has spoke to many childcare providers and most want only to talk off the record because they are also in need of funding. What came up repeatedly is that the challenges that childcare providers are facing is more than just expansion Sarah Adams Kollitz Director of the Burlington Children's Space and Lisa Pollander Director of Sara Holbrook Community Center both spoke on the record. She stated that CCFAP childcare subsidies are stuck at 2008 market rates, causing programs to make up the difference of the actual cost of care. Most providers do not have a healthy ratio of full tuition paying families and most programs she spoke with said there was no way they could consider expanding at this time. The cost of doing so is near \$25,000 per child so a \$50,000 grant to expand is not enough. The providers she spoke with were asking for year over year funding for operational costs as well as advocacy for more child care subsidy from the state. Laura then read a written statement from Sarah Adams Kollitz who could not attend (Included as a separate document posted online) See link: <https://www.burlingtonvt.gov/sites/default/files/Agendas/SupportingDocuments/4.26.18%20Statement%20from%20BCS.pdf>

3. Early Learning Initiative – Update and discussion of the next funding round. Presentation by CEDO and VB5.

Noelle MacKay Director of CEDO introduced Brian Lowe who has transitioned to the Chief Innovation Officer for the City but will continue to work on the project and Stephanie Morse from CEDO who will be supporting the project and Sherry Carlson from VB5. Didi Harris is the lead for VB5 on the project but could not attend the meeting.

Brian Lowe responded to the public comments explaining that the \$50,000 threshold being too low is good criticism and that we might consider raising that, and agreed there should be more advocacy for increased funding from the state. He addressed the fact that the goal was for strategic investments to leverage additional funding and that down the road scholarships to help fill the gap in funding between CCFAP and the true cost of care would have a similar effect as operational funding. He clarified that the public funding for ELI was only allocated in the FY 18 budget; the money from the Permanent Fund and an anonymous donor did not go through the City and funded the majority of the work to date.

Noelle MacKay discussed the background of the effort over the past year and that it was intended for the initial focus on expansion to be followed on by the scholarship model. Based on past experience with grant programs she expressed concern that programs become dependent on operational funding, which is then only available on a limited basis and may not address all the needs in the of providers.

Sherry Carlson from VB5 discussed why they applied to work on the ELI, based on their past work for the state with the Make Way for Kids program. That program with similar criteria to the ELI created 400 new slots for childcare through a range of strategies such as examining tuition structures, coming together with other small programs to reduce overhead, and working with employers to get support, either

scholarships for their employees or other program support. Sherry expressed an understanding for the difficulties in operational budgets that are so prevalent, and believes a well-developed scholarship model will help fill the gap but also want to recognize that it's really hard to wait when the needs are urgent.

Sherry continued to summarize the efforts over the past year, through the grant application process which lead to the grant award to Full Circle Preschool that will add 4 infant toddler slots. She explained that there are many benefits beyond the grant that affect all 20 slots such as their application to the Vermont STARS program, they are working to be recognized as specialized care providers, and they are also working with VB5 to learn about the childcare assistance program. Sherry discussed some of the lessons learned and additional resources requested throughout the initial round; additional time was needed for expansion past one year, funds needed to support tuition scholarships, facility expansion planning, wage benefits, workforce recruitment and business planning for expansion projects. ELI has identified 3 or 4 projects on the horizon that could expand infant and childcare spots in the next few years. The strategy would look to provide funding to shore these programs up as they are looking to expand. This is similar to the strategy employed by The Reinvestment Fund in Philadelphia.

Brian Pine felt that if the money is not able to be utilized by organizations that are lacking stability that he is concerned the goal is only to setup to get more money. Brian doesn't believe this committee has authority other than to give advice. He pointed out that capacity money is something the Housing Trust Fund (HTF) has done for CHT in terms of support for core operating expenses so they could seek more funding. Brian stated he is not convinced that providing solid operational funding wouldn't help with this issue.

Laura Hale said because this is public money, the programs that serve the most vulnerable need public funding, and they especially cannot use the strategic funding dollars. Laura believes that some of the money should be set aside for the programs that cannot sustain themselves, and that it was completely fine if this operational support is in the form of scholarships.

Councilor Adam Roof summarized there are really three issues at play here - the issue of a mismatch between supply and demand (not enough slots), affordability (families cannot afford it), and organizations (a funding issue) with a small amount of money to address all of these issues. Councilor Roof provided his feedback that the \$50,000 minimum needs to be increased to at least \$100,000. He supported accelerating the scholarship phase as a way to address the affordability and funding issue. He suggested the strategic funding overlap with when the scholarship funding begins.

Sherry Carlson pointed out that the current grant application allows for amounts greater than \$50,000.

Councilor Karen Paul stated that if Burlington Children Space is barely hanging on then they can't grow. If they close, and we lose current positions, then we are trying to make up for positions that are lost. She expressed concern over the lack of adequate state funding and the need to make up that gap. She felt that the original group of stakeholders that was composed of various childcare providers should be reconvened.

Brian Lowe responded that there were differing opinions of the various stakeholders involved. The strategic investment model was selected because of the feedback the City Team received. It does feel like moving back toward the scholarship model might be the focus, even while keeping the capacity funding as an option. Brian clarified that the goal is to get back to City Council before FY18 closes to expend more of those funds before getting an allocation next year.

Charles Winkleman said he is concerned that phase 1 negatively affects phase 2. There seems to be many goals for phase 1 without a clear path to phase 2 that would be scholarship focused. He asked if the goal was to create spots for low income children or just creating spots for any children.

Councilor Karen Paul expressed concern about the funds not being spent, similar to Penny for Parks in the past, and that it should be made easier, at least for this year.

Kyle Dodson stated that for the YMCA they can subsidize the infant toddler care where other providers don't have the ability to do that. There is an opportunity there for the YMCA to utilize the ELI funds for expansion as they are planning for a new facility.

Jane Knodell stated that she is no longer on the board of the Family Room, so she has no conflict of interest and will be able to vote on this at City Council. She said the mistake made with ELI was that the goal was to create more slots and to be opposed to operating assistance. She stated that she will not vote for a budget that doesn't include provisions for the ELI to serve the most vulnerable people in our community because these are public dollars.

Kyle Dodson said that any funding for operational expenses should be sustainable and committed for some time. Often times pilot programs leave a huge hole when the funding ends.

Councilor Dave Hartnett said that we cannot allow the achievement gap to continue to grow and that there should be urgency in addressing it. Typically the children who will have ongoing difficulties and needs can be identified at a young age, and could be addressed earlier to the benefit of the schools. He said he supported ELI because it was strategic in nature. However we do it, this is public money and someone needs to be held accountable.

Adam Roof stated that the way that good programs come into existence is through iterative processes. It's completely reasonable to say that the first round went and there need to be adjustments. He suggested the administration define how the scholarship program will operate for the FY 19 budget.

Noelle MacKay responded to councilor Hartnett that we've only had a year to set up a brand new grant program. Whatever is not spent this year will go out with a scholarship model with a mix of some capacity and planning grants. She asked for understanding on the fact that CEDO and VB5 have only recently been involved.

Brian Lowe acknowledged that CEDO and VB5 just got this charge now, but that there was a much longer process. He said that he heard we should prioritize the scholarship model but not lose the capacity building aspect of the program. The city can't solve this problem but the goal is to mitigate the gap between state funding and the true cost of care. He stated that the earliest the recommendations for the next grant awards would be to bring it to the council would be June 18th.

Councilor Adam Roof moved that CDNR committee requests to prioritize a scholarship model that may help to address operational support and that the ELI provides a report for the CDNR committee in June.

Karen Paul seconded the motion with unanimous approval.

4. Plans for May Meeting (10 minutes)

Need to discuss Consolidated Plan in late May or early June. Date to be decided.
The meeting was adjourned at 7:40