



COMMUNITY & ECONOMIC DEVELOPMENT OFFICE

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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.

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. 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.

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 27, 2018	Grant Guidelines Distributed
May 18, 2018	Letters of Intent Submission Deadline

April 15, 2018 – Ongoing	VB5 Provision of Technical Assistance
May 25, 2018	Grant Application Due Date
June 7-8, 2018	Grants Reviewed by Advisory Committee
May 10, 2018	Committee Proposes Recommendations to Mayor
June 18, 2018	Mayor Proposes Grant Allocations to City Council
June 19, 2018	Applicants Notified Via Email of Grant Awards
June 22, 2018	Formal Grant Award Letters Sent to Grantees
June 29, 2018	Grant Payments Distributed

Proposal Eligibility Requirements

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%. 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](#).

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 (i) improve business practices or (ii) develop sustainability plans to facilitate expansion or the preservation of existing infant and toddler slots/services (i.e., use of childcare management software, facilities planning, tuition scholarships, board development, wage and benefits planning, professional development 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 \$150,000.
- Registered/Licensed Family Child Care Homes may apply for up to \$15,000.

The total grant pool is \$460,000. The City of Burlington expects to fund 4 to 6 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