

RESOLUTION NO. RES-2022-081

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH FIRST 5 SONOMA COUNTY COMMISSION FOR ADMINISTRATION OF THE CITY OF SANTA ROSA CHILDCARE SUPPORT PROGRAM FACILITY FUND AND CHILD COLLEGE SAVINGS ACCOUNT PROGRAMS

WHEREAS, for most families, childcare is essential in supporting parents' ability to work and further their skills through education; and

WHEREAS, quality childcare can be difficult to find and afford for many families, a fact made more pressing as a result of back to back community and economic stressors and shocks, and exacerbated most recently by the pandemic during which there was an additional loss of about 50% of the remaining area providers and a 60% reduction in available childcare spaces; and

WHEREAS, on October 27, 2020, City Council passed resolution RES-2020-177 allocating \$2,000,000 of CARES Act funding in the General Fund Reserve for a Childcare Support Pilot Program of which \$500,000 was leveraged using First 5 Sonoma County and Community Foundation Sonoma County funds to provide grants to 134 Santa Rosa based childcare providers, and \$100,000 was used to contract with 4Cs Sonoma County for the Childcare Initiative Project, leaving \$1,400,000 remaining to be put toward the Childcare Facility Fund no-interest revolving loan program; and

WHEREAS, on February 15, 2022, City Council passed resolution RES-2022-029 appropriating the American Rescue Plan Act (ARPA) and remaining PG&E settlement funds and approving the related spending plans; and

WHEREAS, included in that spending plan is the ARPA funded Santa Rosa Childcare Support Program in the amount of \$2,900,000 to be used for childcare facility grants, which augments the \$1,400,000 in General Fund monies used to seed the Santa Rosa Childcare Facility Fund; and

WHEREAS, also included in the spending plan is the Santa Rosa Child College Savings Account Program, also known as "baby bonds", in the amount of \$1,575,000; and

WHEREAS, the Santa Rosa Childcare Support Program seeks to stabilize and grow the childcare business sector, ensuring easy access to quality early childcare and education that is within families' financial means, thus providing essential support to the broader economy; and

WHEREAS, the goal of the Childcare Facility Fund is to award the \$2.9 million in ARPA allocation funds via grants in support of childcare facility development included in new housing or business construction, as well as rehabilitation of existing sites, and to leverage the previous Council allocation of \$1.4 million General Fund seed funding with other funding sources to be accessed through a no-interest revolving loan program as generally outlined in Exhibit A.1 to the Professional Services Agreement (attached as Exhibit A); and

WHEREAS, the goal of the Santa Rosa First 5 Futures Child College Savings Account Program is to provide as many children as possible aged birth to their fifth birthday access to two savings accounts: one established by First 5 Sonoma County with ScholarShare, a 529 college savings plan for the State of California, and the second account which can be established directly by a parent or guardian of the child with assistance from family resource organizations (see Exhibit A.2 to the Professional Services Agreement, attached as Exhibit A); and

WHEREAS, First 5 Sonoma County invests in Sonoma County’s youngest children by funding programs and services that promote, support, and improve the early development of children from the prenatal stage through age five using Proposition 10 funds from a statewide ballot initiative passed in 1998 that added fifty cents per pack to cigarettes and other tobacco products; and

WHEREAS, First 5 Sonoma is an independent public agency that has administered over \$90 million in grants across the county over the last 22 years, including leveraging and administering the City’s Child Care Resiliency Fund grant program in 2021 to distribute over \$1,000,000 to small childcare providers struggling with the impacts of the pandemic; and

WHEREAS, First 5 intends to continue leveraging their capacity as the lead agency for the City’s ARPA funds and General Funds directed at childcare, using Proposition 10 tobacco tax revenue to offset the administrative costs not covered by the 5% administrative cost allocation outlined in the Professional Service Agreement.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa approves and authorizes the City Manager or designee to negotiate and execute a Professional Services Agreement with the First 5 Sonoma County Commission for administration of the City of Santa Rosa Childcare Support Program Facility Fund and Child College Savings Account Programs, based on the current form of agreement attached hereto as Exhibit A, subject to approval as to form by the City Attorney, in an amount not to exceed \$5,875,000.

IN COUNCIL DULY PASSED this 26th day of April, 2022.

AYES: (5) Vice Mayor Alvarez, Council Members MacDonald, N. Rogers, Sawyer, Schwedhelm

NOES: (0)

ABSENT: (2) Mayor C. Rogers, Council Member Fleming

ABSTAIN: (0)

ATTEST: _____ APPROVED: _____
City Clerk Vice Mayor

APPROVED AS TO FORM: _____
City Attorney

Exhibit A – Form of Professional Services Agreement with First 5 Sonoma County Commission