

**2016 Seattle City Council Statement of Legislative Intent**

**Ready for Notebook**

Tab	Action	Option	Version
76	2	A	1

**Budget Action Title:** Requesting the Executive identify policy direction, steps forward and sources of funding for a viable, privately operated childcare facility on the City's downtown Civic Center campus

**Councilmembers:** Bagshaw; Burgess; Godden; Harrell; Licata; O'Brien; Okamoto; Rasmussen; Sawant

**Staff Analyst:** Bailey Bauhs; Tony Kilduff; Lish Whitson

Date		Total	SB	BH	JO	TR	NL	TB	JG	MO	KS
	Yes										
	No										
	Abstain										
	Absent										

**Statement of Legislative Intent:**

Council requests that the Department of Finance and Administrative Services (FAS) create an interdepartmental team (IDT) which will include the Central Budget Office, the Human Services Department, the Department of Early Learning and Education, and other appropriate departments. The IDT will evaluate the questions listed below relating to developing a privately-operated childcare center on the City's Civic Center campus. In addition, the IDT will assess hiring and managing a contractor to estimate the costs of preparing an identified space for a childcare center, and will prepare the financial estimates surrounding the buildout and ongoing operational costs of a municipal campus childcare facility.

This proposal envisions a childcare center on the Civic Center campus that will support the City's gender pay equity, quality pre-Kindergarten, social justice, and affordability goals.

The IDT report should be completed and presented to Council no later than May 31, 2016.

This IDT evaluation should address the following:

- 1) City resources (including Pre-k Levy dollars, childcare incentive zoning bonus dollars, and FAS capital improvement dollars) available to prepare a designated childcare site for buildout, perform the tenant

improvements necessary to a childcare buildout, and sustain longer-term operations and maintenance costs;

- 2) The process, timeline, and estimated costs to develop a municipal campus childcare center downtown and contract with an operator (utilize appropriation in green sheet 76-1-A;
- 3) Answers to the policy questions surrounding the development of a childcare center including but not limited to:
  - a) How many childcare centers are in the Seattle downtown core, how many are planned for development, and is there demand for a childcare center in or near the City of Seattle downtown campus?
  - b) What opportunity costs do the development of a childcare site on City property present? How can these opportunity costs be mitigated? This could include but is not limited to: forgone revenue from outside tenants and foregone space for other City functions. How would a childcare facility change recruiting and retention for the City of Seattle? What opportunity costs does the use of different funding sources present?
  - c) Is a downtown childcare center independently financially viable? Can an independently financially viable downtown childcare center meet City of Seattle access and affordability objectives? What range and composition of subsidy (rent or operations) might be necessary from the City of Seattle to see an accessible *and* financially viable downtown childcare center? What types of subsidies do other childcare centers in the downtown area receive?
  - d) Is available space viable (utilize appropriation for site feasibility assessment from green sheet 76-1-A)? If not, where else might a childcare space near the City of Seattle downtown campus be developed? What other spaces are available? What would these spaces cost?
  - e) Should a childcare center on City property be available to the public or just City employees? Should there be income requirements and for what portion of the childcare slots?
  - f) What number of classrooms serving which ages should be developed?
  - g) What process should be utilized to bring on an operator? What criteria would be utilized to decide on an operator?

Funding, operations, and policy choices for Council to consider. For example, what costs per childcare space would exist at which subsidy levels, and what are the policy implications of these options?

**Responsible Council Committee(s):** Parks, Seattle Center, Libraries and Gender Pay Equity

**Date Due to Council:** May 31, 2015