Program Purpose: To provide subsidy payments on behalf of parents who have children enrolled in the Early Childhood and Out-of-School Time Services (ECOSTS) Program (Subsidy Program), to licensed childcare providers who are located in the City of Dallas. To promote stability for these low-to-moderate-income parents by reducing the costs of childcare to enable them to strive for self-sufficiency.

Eligible Beneficiary Participants (Parents of the Subsidy Program): Parents who participate in the City's ECOSTS program must be low-to-moderate-income working parents who work a minimum of 30 hours a week and/or parents who are attending school full-time, including teen parents who are full-time high school students (The ECOSTS Program pay 100% for teen parents). See below list of all eligibility requirements for parents.

- 1. Applicant must apply for ChildCareGroup Assistance Program and be placed on their waiting list prior to applying for the ECOSTS. Parents must remain on the waiting list until they're enrolled in the ChildCareGroup Assistance Program.
- 2. Applicant must be a resident of the City of Dallas with a total family income that does not exceed 80% of the area median family income for the Dallas Standard Metropolitan Statistical Area, adjusted for household size, as determined annually by the Department of Housing and Urban Development. All income of the family, including child support, SSI payments and social security must be declared and must meet the income guidelines by household size.
- 3. Applicant must have legal custody of any child receiving ECOSTS Program support.
- 4. Children from birth through age 12 are eligible to participate in the ECOSTS Program. Must provide Social Security Cards for all children in the family and Immunization Records for children enrolled in the program.
- 5. All adults (ages 18 and over) in the family must be either working at least 30 hours per week or attending school at least 12 credit hours per week. Persons attending school still must meet income guidelines based on income and household size.
- 6. All adults (ages 18 and over) in the family must provide a valid Driver's License or Identification and Social Security Card or Birth Certificate

NOTE: Parents will be given the ECOSTS Policies and Procedures for Parents (Subsidy Program) at the time of enrollment into the program.

ECOSTS Subsidy Program: The ECOSTS – Subsidy Program pays established amounts per child directly to contracted childcare providers for childcare services for working parents whose income falls in the low-to-moderate-income range of HUD Area Median Family Income (AMFI) eligibility. These amounts, outlined in **Attachment 1** effective October 1, 2025, and are updated every two years.

Every two years a market analysis is performed to determine the right amount of subsidy that should be provided in each age group category. The following documents are used to determine if the rates should be increased:

- 1. The most current Texas Child Care Market Rate Survey, that is conducted for the Texas Workforce Commission.
- 2. The last two years of childcare rates of the current ECOSTS Providers.

These documents will show the average rate increases. The data is broken down into four different categories:

- 1. Infant 0 -11 months and 12-17 months
- 2. Toddler 18 -23 months and 2 years
- 3. Preschooler 3-5 years
- 4. School Age 6-13 years

This market analysis is conducted during the summer before the rate increase go into effect at the beginning of the fiscal year (October 1).

Attachment 2 illustrates HUD Area Median Family Income (AMFI) range 80% and below as of June 1, 2025. These numbers are updated by HUD each year and will be used by the program to determine income eligibility.

Ineligible Participants:

- 1. Parents who are not signed up with the ChildCareGroup Assistance Program
- 2. Parents who do not reside in the City of Dallas
- 3. Parents who are not working a minimum requirement of 30 hours or not attending school full-time
- 4. Teen parent who is not attending High School
- 5. Parents are not 80% or below Area Median Family Income (AMFI), as defined by HUD

Eligible Beneficiary Participants (Parents of the Homeless Children and Children with Special Educational and Physical Needs): The below families can qualify for this program.

Homeless Children - Families who are homeless and are living in a shelter in the City of Dallas or living in their car. Families must have a letter from the homeless shelter stating that they reside in the shelter.

Children with Special Educational and Physical needs - Families must reside in the City of Dallas and have a child who has various special needs, such as: physical challenges, seizure disorders, heart conditions, hearing and vision loss, brain injuries, lung disorders, Autism, Down Syndrome and learning disability.

NOTE: This program will be administered through a subrecipient contract. Funds received from the City for this program can only be used for salaries and benefits for staff.

Ineligible Participants:

Homeless Children:

- 1. Families who are not homeless
- 2. Families who live in shelters that are not located in the City of Dallas

Children with Special Educational and Physical Needs:

- 1. Families who do not have children that with special needs as listed above
- 2. Families who do not reside in the City of Dallas
- 3. Families are not 80% or below Area Median Family Income (AMFI), as defined by HUD

Eligible Provider Participants (Childcare Providers): Providers that participate in the City's ECOSTS Child Care subsidy program must meet the following qualifications:

- 1. Be officially registered with the State, physically located, and operating in the City of Dallas
- 2. Be licensed by the Texas Department of Family and Protective Services (TDFPS)
- 3. Be registered with sam.gov
- 4. Meet all insurance requirements
- 5. Be in good standing with Texas Secretary of State
- 6. Have a current and good standing monitoring report with the Texas Health and Human Services Department
- 7. Not be suspended or debarred from participating in federal contracts

NOTE: Providers will be given the ECOSTS Policies and Procedures for Providers (subsidy program) at the time of contract execution.

Ineligible Participants (Childcare Providers):

- 1. Provision of Service not within Dallas
- 2. Not registered on Sam.gov upon contract execution
- 3. Not in compliance with insurance requirements
- 4. Not in good standing with Texas Secretary of State
- 5. Not an official license provider

Eligible Uses of Funds: Assistance must be used for subsidy payments and salary and benefits for one full-time employed (ECOSTS Subsidy Program Only).

Funding must be used for salaries and /or benefits (ECOSTS Homeless Children and Children with Special Educational and Physical Needs Only).

Funding

The program will utilize Community Development Block Grant (CDBG) funds. This program statement may be amended by the City Manager or designee to include amendments as appropriate to meet funding requirements or guidance from HUD.

That each individual contract with a fully-licensed childcare provider (ECOSTS Subsidy Program) may exceed \$50,000.00, but at no point shall the total amount of the contracts aggregate the total authorized and appropriated by the City Council. The subrecipient contract(s) cannot exceed \$100,000.00.

ATTACHMENT 1

FY 24-25 SUBSIDY PAYMENT CHART

Weekly Payment
\$175.00
\$150.00
\$125.00
\$100.00

U.S. Department of Housing & Urban Development (HUD) FY 2025 Income Limits Summary Apilicable to CDBG & NSP Programs (Effective June 1, 2025)

FY 2025						Persons	Persons in Family			
Income Limit Area	Median Family Income	FY 2025 Income Limit Category	1	2	3	4	9	9	2	80
Dallas,		Very Low (50%) Income Limits (\$)	41,100	41,100 46,950 52,800	52,800	58,650	63,350	08,050	72,750	77,450
Metro FMR	\$117,300	Extremely Low Income Limits (\$)*	24,650	28,200 31,700 35,200	31,700	35,200		38,050 43,150	48,650	54,150
Area		Low (80%) Income Limits (\$)	65,700	75,100	84,500	93,850	101,400	108,900	65,700 75,100 84,500 93,850 101,400 108,900 116,400 123,900	123,900

However, to ensure that program parameters do not vary significantly due to area definition changes, HUD has used custom geographic definitions for NOTE: HUD generally uses the Office of Management and Budget (OMB) area definitions in the calculation of income limit program parameters. the Dallas, TX HUD Metro FMR Area.

The Dallas, TX HUD Metro FMR Area contains the following areas: Collin County, TX; Dallas County, TX; Denton County, TX; Ellis County, TX; Hunt County, TX; Kaufman County, TX; and Rockwall County, TX

Section 8 very low-income limit or the poverty guideline as established by the Department of Health and Human Services (HHS), provided that this amount is not greater than the Section 8 50% very low-income limit. Consequently, the extremely low income limits may equal the very low (50%) The FY 2014 Consolidated Appropriations Act changed the definition of extremely low-income to be the greater of 30/50ths (60 percent) of the ncome limits.