



## Legislation Text

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File #: 21-1597, Version: 1

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**STRATEGIC PRIORITY:** Human and Social Needs  
**AGENDA DATE:** September 22, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Office of Community Care  
**EXECUTIVE:** Kimberly Bizor Tolbert

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### **SUBJECT**

Authorize **(1)** contracts with fully-licensed childcare providers (**Exhibit A**), and with any other fully-licensed childcare providers, pursuant to the Early Childhood and Out-of-School Time Services Program (the "ECOSTS Program"), selected by eligible parents who meet the requirements of the program; **(2)** approve program statement for the ECOSTS Provider Assistance Program (**Attachment A**), to provide financial support to City of Dallas Early Childhood and Out of School Time Services Providers who have been adversely impacted by the COVID-19 pandemic; and **(3)** execute all documents and agreements necessary to implement the ECOSTS Provider Assistance Program for the period of October 1, 2021 through September 30, 2022 - Not to exceed \$625,000.00 - Financing: 2021-22 Community Development Block Grant Fund (\$550,000.00) and 2020 CARES Act Relief CDBG #3 Fund (\$75,000.00)

### **BACKGROUND**

On June 9, 2021, City Council adopted the FY 2021-22 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD) Grant Funds. The grant funds are available beginning October 1, 2021, contingent upon approval of the City's FY 2021-22 Action Plan and execution of grant agreements with HUD. The FY 2021-22 HUD Consolidated Plan Budget includes a line item budget for the ECOSTS Program, in an amount not to exceed \$650,000.00. The funds will be distributed as follows:

- \$550,000.00 - Childcare Providers including 1 Full Time Employee and temporary help as needed (this item)

The ECOSTS Program, administered by the Office of Community Care in accordance with the City of Dallas' ECOSTS Program Policies and Procedures for Parents, promotes stability for low- to moderate-income working parents and teen parents who are full-time high school students by reducing the cost of child care to enable them to strive for self-sufficiency. Approximately 268 children will be served for a one-year period.

The ECOSTS Program pays (see subsidy amount below) per week per child directly to contracted childcare providers for childcare services for working parents whose income falls in the low- to moderate-income range of Community Development Block Grant funding eligibility. The amounts below are aligned with the market rates for childcare services within the State of Texas, according to the Texas Workforce Commission.

#### ECOSTS PROGRAM SUBSIDY AMOUNTS

1. Infants (0-17 months) - \$150.00
2. Toddlers (18-35 months) - \$125.00
3. Pre-Schoolers (36-71 months) - \$100.00
4. School-Age Children (72 months - 12 years old) - \$75.00

The following chart illustrates the income range which is 30-80% of Area Median Income (AMI).

<u>Family Size</u>	<u>Extremely Low</u> (30%)	<u>Low Income</u> (50%)	<u>Moderate Income</u> (80%)
1	\$18,700.00	\$31,150.00	\$49,850.00
2	\$21,400.00	\$35,600.00	\$57,000.00
3	\$24,050.00	\$40,050.00	\$64,100.00
4	\$26,700.00	\$44,500.00	\$71,200.00
5	\$31,040.00	\$48,100.00	\$76,900.00
6	\$35,580.00	\$51,650.00	\$82,600.00
7	\$40,120.00	\$55,200.00	\$88,300.00
8	\$44,600.00	\$58,750.00	\$94,000.00

The ECOSTS Program pays 100% of the cost for childcare for teen parents who are enrolled in high school full time. Once approved, eligible parents would be able to select a childcare provider, regardless if the provider is listed in **Exhibit A**. Any childcare provider not listed in **Exhibit A** will be reviewed by the City to ensure the provider meets the requirement of the ECOSTS Program prior to receiving any payments. If the provider agrees to accept the funds from the City of Dallas and follow all ECOSTS Program requirements, they will be added to the list during the year. If childcare allotted funds from the City of Dallas are not spent, such remaining funds may be directed to other fully-licensed childcare providers selected by eligible parents, including to potentially increase contracts with these providers.

This item will allow the City to enter into contracts with fully-licensed childcare service providers listed in **Exhibit A**, and will also allow the City to enter into contracts with other fully-licensed childcare providers that are selected by eligible parents not listed in **Exhibit A**, subsequent to the passage of the resolution, as long as the childcare provider meets the requirements of the ECOSTS Program.

On November 11, 2020, City Council held a public hearing to receive comments on (1) Substantial Amendment No. 1 to the FY 2020-21 Annual Action Plan to: (a) accept Coronavirus Aid, Relief, and Economic Security (CARES) Act Community Development Block Grant (CDBG) Funds, No. 3 from HUD in the amount of \$11,778,785. Funds were reallocated to be used by departments to be used as necessary in support of COVID-19 relief efforts.

#### ECOSTS Provider Assistance Program

This program will specifically support Providers involved in the City's ECOSTS program to provide funding for costs incurred specifically because of the pandemic and pandemic response activities as well as to offset the financial impacts.

**Eligible Participants:** Providers that participate in the City's ECOSTS Child Care subsidy program and Providers who have contracted with the City to provide childcare services for targeted populations through the City's Community Development Block Grant funds, including CV-COVID-19 funding and Consolidated Plan appropriations. Participant qualifications are as outlined in the attached Attachment A (Program Statement).

**Ineligible Participants:** Childcare providers who have ceased operations or are closed, excluding short-term or temporary closures resulting from an exposure or need for facility cleaning due to COVID-19.

Assistance to be provided in this program is outlined in the attached Attachment A (Program Statement).

**Program Budget:** \$75,000.00

#### PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 22, 2020, City Council adopted the FY 2020-2021 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD) grant funds for the following programs: Community Development Block Grant, HOME Investment Partnerships Program, Emergency Solutions Grant, Housing Opportunities for Person with AIDS Grant, and Program Income by Resolution No. 20-0655.

On June 9, 2021, City Council adopted FY2021-2022 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD) grant funds for the following programs: Community Development Block Grant, HOME Investment Partnerships Program, Emergency Solutions Grant, Housing Opportunities for Person with AIDS Grant, and Program Income by Resolution No. 21-0974.

On November 11, 2020, City Council held a public hearing to receive comments on (1) Substantial Amendment No. 1 to the FY 2020-21 Annual Action Plan to: (a) accept Coronavirus Aid, Relief, and Economic Security (CARES) Act Community Development Block Grant (CDBG) #3 Funds, from the U.S. Department of Housing and Urban Development (HUD) in the amount of \$11,778,785, by Resolution No. 20-1845.

[The Workforce, Education and Equity Committee was briefed by memorandum regarding this matter on September 13, 2021. <http://cityofdallas.legistar.com/gateway.aspx?M=F&ID=db211864-64dc-4bf4-b2aa-d3a763e019d1.pdf>](http://cityofdallas.legistar.com/gateway.aspx?M=F&ID=db211864-64dc-4bf4-b2aa-d3a763e019d1.pdf)

**FISCAL INFORMATION**

Fund	FY 2022	FY 2023	Future Years
Community Development Block Grant Fund	\$550,000.00	\$0.00	\$0.00
2020 CARES Act Relief CDBG #3 Fund	\$ 75,000.00	\$0.00	\$0.00
Total	\$625,000.00	\$0.00	\$0.00