



CITY OF BEND

CITY COUNCIL ISSUE SUMMARY

MEETING DATE:	SUBJECT: Adoption of Council Goals Modifications STAFF MEMBER: Carolyn Eagan DEPARTMENT: Economic Development
ACTION REQUIRED: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input type="checkbox"/> Resolution <input type="checkbox"/> Information/Direction <input type="checkbox"/> Consent Agenda <i>(adopted by motion)</i>	ADVISORY BOARD/COMMISSION RECOMMENDATION: <input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input type="checkbox"/> Not applicable Comments: BEDAB identified lack of childcare as an econ development barrier

RECOMMENDED MOTION:

I move to adopt the modifications to the 2019-2021 Council Goal Framework as presented to add a new Action to the Economic Vitality Goal that addresses the critical childcare shortage in Bend.

ISSUE / COUNCIL DECISION & DISCUSSION POINTS:

Add a new Action to the Economic Vitality Goal to address the critical childcare shortage in the City of Bend.

To make staff resources available, extend the implementation timeline for the development and issuance of a Request for Proposal process that was envisioned to address development community barriers to multi-family and mixed-use housing projects.

BACKGROUND:

On March 20, 2019 City Council adopted the 2019-2021 Council Goal Framework that focuses on four goal areas:

- Economic Vitality: Housing, Jobs and Managing Growth
- Transportation and Infrastructure
- Public Health and Safety
- Effective and Efficient City Operations

Each of the Council goals are supported by a number of strategies and supporting actions which are outlined in the attached Bend City Council 2019-21 Goals document.

The Council Goals Framework is a living document and modifications are expected during the biennium. The proposed modification is outlined below and shown in track changes in the attached Council Goals document.

During the summer of 2018, the number of childcare slots available in Bend hit a critically low level. Both businesses and families were reporting 12-month or longer waitlists and monthly child care costs exceeding monthly housing costs. The lack of childcare slots and associated high costs were causing parents to choose between staying at home rather than working or missing full days of work. The unemployment rate in Bend in the summer of 2018 was 4%, meaning there was no pool of workers to replace the ones forced to leave the workforce due to lack of childcare nor were there additional workers to fill teacher positions at childcare facilities.

In the fall of 2018, there were three childcare facilities in plan or permit review with the City's Community Development Department that were unlikely to receive approval without considerable support from the City. Denial of the applications would have eliminated existing childcare slots when the total number available was already critically low. At the end of 2018, Council approved a 70% reduction to the Transportation System Development Charge (SDC) for up to two years. Council also directed staff to look for other opportunities to facilitate or incentivize the creation of more childcare slots confirming the economic importance of childcare and its role in the economic vitality of Bend.

Since September 2018, childcare providers have added 303 childcare slots (most recent data is January 2020). This has happened with some intervention from staff at the City but mostly through education and a community-wide recognition of the need for more childcare slots. To complement the work of our partners, collaborate with our businesses and to support our families, Council indicated in late 2019 that they would like to add an Action to the Economic Vitality Strategy to address the continued childcare shortage in Bend.

The addition of an Action to the Economic Vitality Goal: Increase the number of childcare slots in Bend from 2,812 (in September 2019) by 20% (562) to 3,374 slots; will cement the Council's commitment to the expansion of childcare supply. It will also direct additional city staff resources to developing creative solutions to challenges that existing and potential childcare providers encounter when they expand or establish a facility in Bend.

Potential deliverables to ensure the achievement of this new Action include but are not limited to:

- Develop a fund (similar to the Affordable Housing Fee fund) to support the creation of childcare slots
- Discounting building or planning fees for developments that include childcare
- Crafting a Building Department and/or Planning Department checklist for childcare providers on the applicable codes that impact childcare facilities
- Removing zoning or building code barriers that inhibit or make cost prohibitive the development of childcare that are identified through this process

Other project or program ideas will likely be identified over the next 18 months and will be presented to Council as needed. A new report released this week by the Oregon

Department of Education's Early Childhood Division may support needed changes at the state level that will complement our local efforts.

In order to make staff resources available for this additional Action, the implementation for the Request for Proposal (RFP) process will be extended from year one of the biennium through to year two of the biennium. Due to the feedback that we are receiving from multi-family and mixed use developers and builders regarding the barriers that they are facing to get more housing units constructed, the extension of this timeline makes sense. It allows the City to craft a better RFP process and product that truly meets the needs identified by builders and developers and allows staff to focus on the critical childcare issue.

CURRENT YEAR BUDGET IMPACTS IDENTIFIED BY DEPARTMENT:

The addition of a childcare strategy to support the Economic Vitality goal has no budget impact at this time. Extending the timeline for implementation of the Request for Proposal process focused on housing development through the end of the biennium will allow staff resources to be directed to new childcare action.

DEPARTMENT DIRECTOR REVIEW

Reviewed by: Carolyn Eagan Date: January 8, 2020

FINANCIAL REVIEW

Reviewed by: Melissa Bradley Date: January 10, 2020

LEGAL REVIEW

Reviewed by: Mary Winters Date: January 10, 2020

COMMUNITY OUTREACH PROCESS AND POTENTIAL IMPACTS:

The availability of childcare has been discussed by both the Bend Economic Development Advisory Board and the Bend City Council on several occasions. There is broad community support for initiatives and programs that will incentivize the creation of more childcare slots in Bend.

ATTACHMENTS:

- Proposed revised Bend City Council 2019-21 Goals document
- The State of Early Care & Education and Child Care Assistance in Oregon