



## MEMORANDUM

**TO:** City Council

**FROM:** Whitney McDonald, City Manager

**BY:** Sheridan Bohlken, Recreation Services Director

**SUBJECT:** Discussion of Preschool and Child Care Programs Offered through the Recreation Services Department and the Mark M. Millis Community Center

**DATE:** April 25, 2023

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### **SUMMARY OF ACTION:**

Review and discuss the preschool and child care services offered through the City's Recreation Services Department, and receive status report of the Mark M. Millis Community Center (MMMCC) Capital Improvement Project.

### **IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:**

Preparation of this report required approximately 15 hours of staff time. Depending on direction provided by Council, discontinuing preschool and child care services would result in loss of revenues of approximately \$417,900, while also providing savings in direct expenditures of approximately \$501,900 (including one full time recreation supervisor position). Indirect expenses associated with the preschool and child care programs include at least 150 hours per year of administrative time related to recruitment and retention of staff and maintenance expenses related to the MMMCC. The current MMMCC structure has reached the end of its useful life and will need to be replaced in the very near future. It is estimated that a replacement structure will cost at least \$6 million.

### **RECOMMENDATION:**

Consider and review the preschool and child care programs offered through the City's Recreation Services Department and the status of the Mark M. Millis Community Center, and provide direction to staff to phase out its existing child care programs by the fall of 2023.

### **BACKGROUND:**

The preschool and before and after school child care programs are facilitated by the Recreation Services Department and are overseen by the Recreation Supervisor position.

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The Department provides programs that are accessible, inclusive, equitable, and provide diverse populations with affordable child care for children ages 3 through 6th grade. The programs work in unison with CAPSLO (Community Action Partnership of San Luis Obispo) and provide access to monetary assistance for parents and caregivers in need. With almost 5 decades of child care experience, the Recreation Department has established trust within the community as a high quality, reliable and consistent source of child care.

The Department currently has 20 trained child care staff with ongoing professional development opportunities and requirements, offering notable employment opportunities and experience for a largely low-wage job sector. The Recreation Department is also part of the City's emergency response team, providing additional staff and resources to assist in the event of an emergency. While other child care agencies and programs were halted during COVID, the Recreation Services Department was one of the first agencies in the area to provide child under care services for first responders and parents/caregivers to return to work, partnering with the Lucia Mar Unified School District (LMUSD) and San Luis Obispo County Office of Education to offer distance learning programs. Through the City's child care programs, parents and caregivers are also informed about additional City and recreational community events, programs and public notices. Overall, the child care programs continue to help build and sustain an active, healthy and inclusive community.

The Recreation Services Department was moved to what is now the Mark M. Millis Community Center (MMMCC) in the mid-1990's. The building, a set of unified modular structures that were built in the early 1970's, was donated to the City by the Lucia Mar Unified School District (LMUSD), when the Lopez Continuation School was moved into a newly built structure on the Mesa. The modular building provides office space for Recreation Services staff (front lobby with reception office, two indoor restrooms, a director's office, and two additional rooms that serve as office space for one full-time recreation supervisor, one full-time recreation coordinator, and one part-time recreation coordinator), two large rooms that are used for child care, camps and classes (maximum capacity of 70 people), and two smaller rooms including modified bathrooms for young children that connect to an outdoor play area which are used for preschool (maximum capacity of 24). The building also contains two outdoor bathrooms that are available to the public and patrons of Elm Street Park.

#### **ANALYSIS OF ISSUES:**

##### Preschool

The Recreation Services Department has provided preschool services since 1976, which were originally located at Mason Street House, and taught by Ruth Van Nest. The program continues to emphasize individual and group learning, with a focus on socialization, music, art, science and language. The preschool program is taught to 22 students in each session with a teacher to student ratio of 1:11. Part-time preschool teachers are required to have at least 12 units of early childhood education and 3 years

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of applicable and age-related child care or teaching experience and are paid \$19.95-23.10/hour. The City currently employs 5 preschool teachers (two of which also work in the before and after school child care program), who work under 1,000 hours per year and receive 24 hours of sick leave annually as benefits. Preschool teachers and child care staff are all mandated reporters, and the program partners with the Arroyo Grande Police Department and the Five Cities Fire Department to introduce symbols, helpful language, and a connection to and awareness of first responders in the community. The program is exempt from State licensing as programming provides less than 15 hours per week of instruction. However, the preschool program follows all licensing requirements and recommendations, including teacher to student ratios, curriculum, spacing, staff education/experience and background screening, and security. The preschool program has space for 110 children per year, ages 3-5 years old (potty-trained), with flexible scheduling as follows:

- Mondays/Wednesdays/Fridays: 9am-12pm OR 1-4pm; \$216 per 4-week session
- Tuesdays/Thursdays: 9am-12pm OR 1-4pm; \$144 per 4-week session
- Tuesdays-Thursdays (summer only): 9am-12pm; \$198 for 4-week session (excluding July 4th holiday)

Currently, enrollment is full with 22 students in each morning session (total 44 children), though afternoon sessions do not have current enrollments as this program was most impacted by COVID

#### Before and After School Child Care

Before and after school child care was initiated by the Recreation Services Department in 1988. This program began as a way to assist working parents to have a safe space for their children during the school year, and also provide child care camp programs during the summer and holiday breaks. The program emphasizes positive development and age-appropriate activities such as arts/crafts, outdoor free play, sports, science, technology, nature and assistance with homework during the school year. Teacher to student ratios are 1:14, with child care teacher (pay rate of \$19.95-23.10/hour) and assistant teacher positions (pay rate of \$15.53-17.97/hour) on site. Assistant teacher positions require 3 units of early childhood education and 1 year of applicable experience. Currently, the City employs 17 child care staff in the before and after school care program. The before and after school child care program has historically been licensed, follows all protocol required by State Licensing as aforementioned, including random inspections by licensing staff. Prior to COVID, children attended the program at the MMMCC, in addition to onsite locations at Ocean View and Branch Elementary schools.

On June 14, 2022, Council approved an MOU with LMUSD to offer child care for summer school students through the Bright Futures Extended Learning Opportunity Program (ELOP) grant program at Ocean View Elementary (Attachment 1). This grant funding offered through the school district reimburses child care entities staffing costs to provide

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child care services free of cost to parents and caregivers. On August 9, 2022, Council approved a second MOU with LMUSD to continue the program for the 2022-23 school year at Ocean View Elementary. In approving the second MOU, Council acknowledged staffing challenges and constraints and approved coordinated efforts for the YMCA to assume child care services offered through the ELOP grant program at Branch Elementary School beginning in the 2022-23 school year and also at Ocean View Elementary school beginning in the 2023-24 school year (Attachment 2).

The program currently has space to accommodate 40 children per week, and due to the demand and need for child care, there are 14 students on the waitlist at Ocean View Elementary school.

It is approximated that 80-85% of families who utilize City child care programs have two working parents or are single parents who need these child care services in order to work.

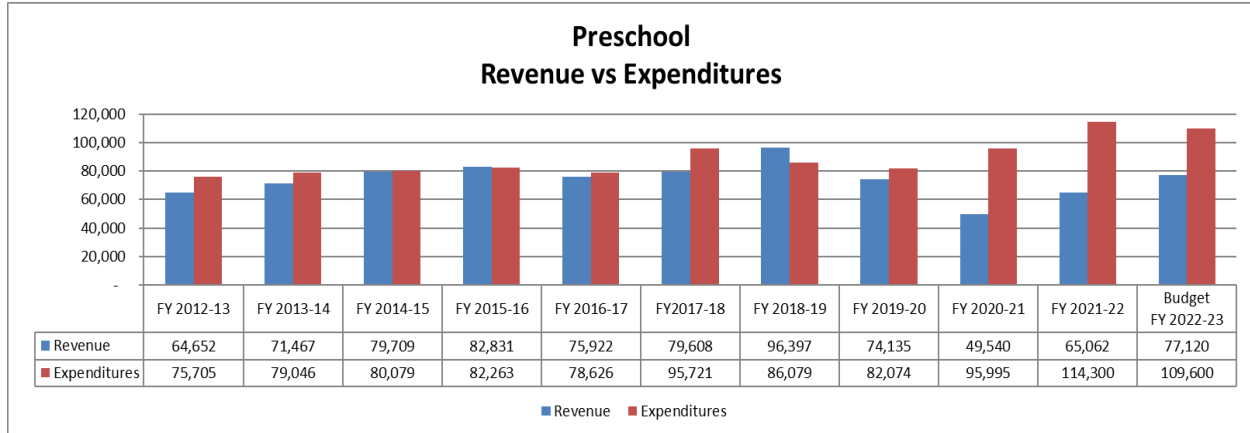
In coordination with CAPSLO and First 5 (child advocacy agency), as of April 2023, the City of Arroyo Grande has 31 licensed child care agencies with a capacity of 656 child care slots. Agencies are reporting that there are 91 vacancies between all facilities, ranging from small family child care homes to large family child care homes, and including licensed child care centers (not all agencies report out data to CAPSLO and First 5 on a regular basis, therefore there may be variance to this data). Non-licensed facilities are not captured in this data, nor are the agencies broken down by services provided to preschool children or children in primary school for direct comparison to the City's programs. The Recreation Department currently has child care camps (6 week-long sessions) scheduled for the summer months, with enrollment near capacity for all sessions (average of 43 children registered each week with 45 spaces available). Two 3-week preschool sessions are also scheduled for the summer break, and while registration has just opened, 13 participants have registered with 9 spaces remaining.

#### Revenue Impacts

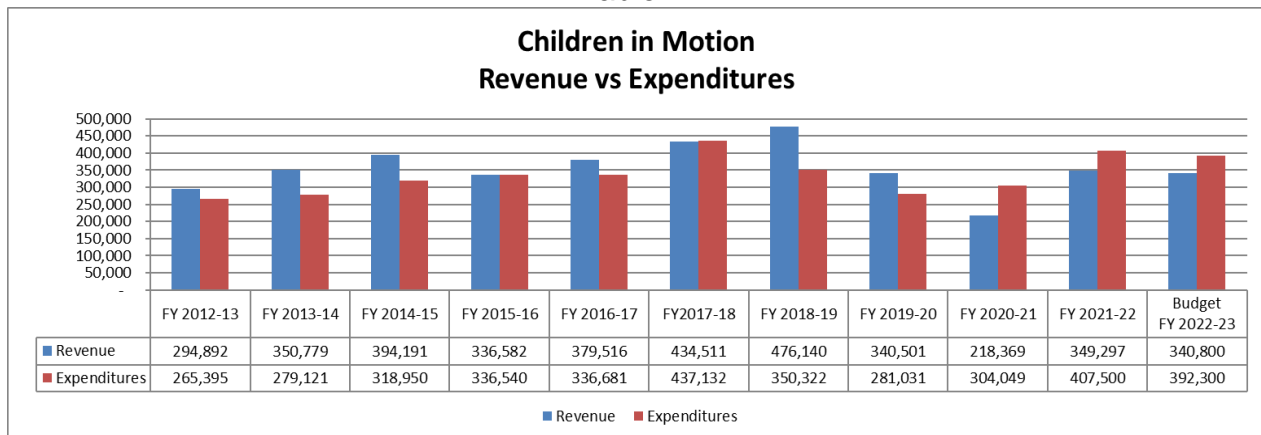
Tables 1 and 2 below provide historic revenue and expenditure data for the City's preschool and before and after school care programs. The Children In Motion program referenced below includes the before and after school care program as well as summer camp programs. The expenses identified below do not include administrative or maintenance expenses associated with the child care programs.

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**Table 1**



**Table 2**



**Mark M. Millis Community Center**

Due to its age and need of repairs, the MMMCC is currently associated with a Capital Improvement Project to evaluate the potential design and cost of a replacement community center due to its continued deterioration. The City has obtained a survey of the site from a licensed surveyor and will complete a conceptual design with the assistance of a local architect in the upcoming fiscal year. Additionally, potential partnership opportunities will be explored with local non-profit service providers, such as the Boys and Girls Club, to determine whether the MMMCC may be replaced with a structure that could serve multiple community needs while also minimizing costs to the City. Staff will provide updates to Council regarding these steps through the upcoming Capital Improvement Planning process, as well as regular quarterly reports in the upcoming fiscal year.

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When the MMMCC is removed and replaced, any current uses of the building will need to be either halted or relocated to other City facilities. The City does not currently have another building capable of supporting the current child care programs offered by the Recreation Services Department.

**ALTERNATIVES:**

The following alternatives are provided for the Council’s consideration:

1. Review and discuss child care programs offered by the Recreation Services Department and direct staff to phase out its existing child care programs by the fall of 2023;
2. Review and discuss child care programs offered by the Recreation Services Department and direct staff to identify other child care agencies and/or programs to contract with the City to provide current child care programs; or
3. Review and discuss child care programs offered by the Recreation Services Department and direct staff conduct a statistically valid survey/needs assessment for child care and the MMMCC;
4. Provide other direction to staff.

**ADVANTAGES:**

Discussion of the City’s current child care programs supports one of the City Council’s identified goals and priorities for Fiscal Year 2022-23: “Focus resources and implement efficiencies to ensure optimized service levels within core City functions.” If direction is provided to phase out the current child care programs, significant administrative time and expenses will be freed up and made available to other City priorities, such as the recruitment and retention of public safety staff.

**DISADVANTAGES:**

Ending the current child care programs offered by the City will reduce the total number of child care slots available to the community. However, while this will not assist preschool aged children, other child care agencies such as the YMCA will provide free before and after school care, as well as summer programs, to school aged children in Arroyo Grande through the ELOP administered by the Lucia Mar Unified School District.

**ENVIRONMENTAL REVIEW:**

No environmental review is required for this item.

**PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted at City Hall and on the City’s website in accordance with Government Code Section 54954.2.

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Attachments:

1. June 14, 2022 City Council Staff Report - Consideration of Approval of a Memorandum of Understanding with Lucia Mar Unified School District to Provide Free Child Care through the Bright Futures Extended Learning Opportunities Program
2. August 9, 2022 City Council Staff Report - Consideration of Approval of a Memorandum of Understanding with Lucia Mar Unified School District to Provide Free Child Care through the Bright Futures Extended Learning Opportunities Program for the 2022-23 School Year
3. May 10, 2022 City Council Staff Report – Consideration of Approval of a Child Care Assistance Grant Program
4. Public Comment