

## **Minot White Page Report on Childcare**

**Prepared by Alderman Scott Burlingame, Chair of the Committee on Childcare**

### **Introduction**

The Minot Committee on Childcare was convened by the governing body on March 23rd, 2023, with a focused mandate: to address the pressing childcare crisis gripping the city. Tasked with investigating the multifaceted impacts of this crisis, the committee delved into critical areas including its effects on key workforce positions, local economic development, and the well-being of military families stationed at the Minot Air Force Base (MAFB). Through 16 meetings, the committee engaged in a comprehensive exploration, examining challenges from various angles, from presentations by Early Childhood Licensing to insights from providers, employers, and parents. Among the obstacles unearthed were pervasive staff shortages, informational gaps hindering potential providers, and daunting economic barriers deterring investment in childcare infrastructure.

Drawing upon their exhaustive review, the committee formulated a series of strategic recommendations to the City Council meticulously categorized into six pivotal areas. From empowering local economic development staff to spearhead support initiatives for prospective childcare providers to advocating for tax incentives and grants aimed at expanding childcare facilities, each recommendation aims to catalyze tangible progress in mitigating the childcare crisis gripping Minot. Moreover, the committee underscores the imperative of leveraging state resources and collaborating with educational institutions to nurture a robust childcare workforce pipeline.

Embedded within these recommendations is a profound commitment to fostering a nurturing environment wherein childcare providers thrive, families flourish, and the broader community prospers. With this report, the Minot Committee on Childcare presents not just a roadmap for action but a call for collective engagement, urging stakeholders to unite in safeguarding the well-being and future prosperity of Minot's youngest residents and their families.

**The purpose of this summary is to present the recommendations of the Minot Committee on Childcare. The Minot Committee on Childcare was created by this body on February 6th, 2023 with the expressed purpose of be charged exploring the childcare crisis in Minot and making recommendations to the city council on:**

- The current lack of childcare effects on the City's ability to fill key positions.
- The lack of childcares effects on local economic development.
- The lack of childcares effect on military families at the Minot AFB.
- How economic development funds can be leveraged to improve childcare options in Minot.
- Review current city ordinances regarding childcare and make recommendations on any needed changes or additions.
- Monitor and report on childcare related legislation in order to maximize the city's ability to
- respond to statewide incentives for childcare

- Explore efforts in other regional communities to address the childcare shortage, and make recommendations on the feasibility to those solutions in Minot
- Make other recommendations on how the city can improve the availability and affordability of childcare

### **Methodology**

The committee conducted a comprehensive review, holding 16 separate meetings to learn about the childcare crisis from different perspectives. The topics of our meeting included, but are not limited to:

- Presentation from Early Childhood Licensing
- Challenges of Childcare on the MAFB
- Childcare Legislation Update
- City of Minot: Discussion on Various Codes
- Problems of Childcare in Minot Part 1: Providers Perspective
- Problems of Childcare in Minot Part 2: Employers Perspective
- Problems of Childcare in Minot Part 3: Parents Perspective
- Innovative Practices from other Communities (West Fargo, Watford City, Warren, MN and others)
- Leveraging Economic Development Funds for Childcare in Minot
- Exploring career development options in Minot

### **Challenges Identified**

**Staff Shortages:** The average ND daycare employee wage is \$10.50/hour. Providers reported problems with obtaining background checks and CPR certification that led to delays in hiring, ultimately resulting in potential childcare employees not being able to start.

**Information:** Providers consistently listed a need for needing improvement on the licensing process and communication between the City, the State licensing agencies, and the providers. Entrepreneurs who wished to become providers expressed a lack of understanding of where to go to get information about childcare services, business management, legal requirements, safety standards, and financing options.

**Economics of Childcare:** Providers and potential providers consistently listed the problems with economics of childcare as being a significant barrier to becoming a provider or expanding the size of current operations. The barriers included high initial investment costs, limited availability of suitable properties, and zoning and regulatory restrictions.

### **Recommendations**

The Committee on Childcare voted to present each of these recommendations to the City Council and to allow the Council to begin the process of prioritizing future action. The Committee looks forward to guidance from the Council and stands ready to respond to any questions the Council may have.

Recommendations of the Committee can be divided into 6 categories:

**1) Subject Matter Experts**

- a) We need to have someone local in Minot that can help that person navigate through renovations, etc. needed for their daycare space. Grants are available, but they are not easy to fill out. We need someone local that can help with this. Same with loans, they are great and available, but they are not easy to apply for.
- b) Help facilitate conversations with local businesses about how they can be of support to local childcare providers. For example, helping with payroll, donations, payroll services, loan help, etc.
- c) Propose an additional resource funds (whether part time/full time) to support the education, business acumen and resource guidance to prospective, upcoming, and current Child Care providers.
- d) Designate a city employee in planning, economic development, or community development to provide consistent and accurate guidance to prospective childcare providers.
- e) The city economic development staff should to be responsible for assisting new and expanding childcare within Minot.
- f) City planning staff work with the Childcare Committee to review the city's zoning code to remove barriers to home and commercial daycare facilities.

**2) Information**

- a) Resource Guide with step-by-step guide with links, contacts and helpful information. (A one stop shop if you will since we have learned state resources are passive in promotion.) with links, contacts and grant funding sources/organizations to assist in opening a qualified facility.
- b) ND Development Fund information distribution to current and potential Daycare operators.
- c) The City of Minot would host one "in person" event that would provide relevant information for potential childcare workers or providers regarding licensing requirements. The event would be recorded and placed on the City of Minot's website as a reference for future needs.
- d) Develop a childcare start-up guide to walk prospects through the city's process and including all other partners in the project/process so the path is clear for the prospective childcare providers.

**3) Grants (Economic Development funding)**

- a) \$100,000 of MAGIC fund earmarked for annual distribution to childcare facilities who are looking to expand the number of children they are serving.
- b) Provide grants aimed at helping centers increase their infant care spots. These spots are the most expensive and hardest for providers to expand
- c) Create a grant program, using sales tax dollars, to incentivize current or potential childcare providers to build out spaces for infant care. The grant program would begin with \$250,000. Details of the grant program would be similar to West Fargo's program. The City Council would determine which current fund the dollars would be re-allocated from.
- d) \$50,000 of MAGIC fund earmarked for microgrants (less than \$2000 each) to be used towards reimbursement for costs associated with training and licensing of childcare employees.
- e) Re-write of Magic Fund to include childcare facilities.

**4) Tax Break/Incentives (Commercial Facilities)**

- a) Make sure that daycare centers know about and apply for property tax credits.
- b) City Council should pass a resolution encouraging non-home based providers to apply for tax property exemptions available (but not currently being used).
- c) Give tax incentives to businesses whom have space for prospective childcare providers

- d) When developing new residential areas offer incentives for encouraging the developer to include childcare space to be part of the project

#### **5) Buildings and Space**

- a) Ground Leasing consideration: how can MPS buildings be utilized.
- b) Space for home daycares to expand. Compile a list or have a realtor perhaps that could keep a list of locations where in-home daycares could expand and move into to grow their business to open more child care spots.
- c) Reducing Barriers through zoning, permitting, and parking.
  - (i) Waive permit fees and/or provide tax credits.
  - (ii) Reduce parking and traffic requirements when feasible
  - (iii) Evaluate current zoning and land use policies to provide more flexibility.
- d) Partner with schools to offer space for child care providers. With our schools having open space available, being able to look at offering space to prospective providers.
- e) With the latest proposal for the MPS Board to close McKinley/Bell Schools, potential to look at usage options for McKinley and what the options are there for affordable building use for startups.

#### **6) Start Up/Staffing Costs (Background Checks & CPR/1st Aid fees)**

- a) If we want parents to get back into the workforce, we have to provide quality care in centers (and homes) which means we need to have quality staff and pay them well (\$18-\$20/hr). Centers need assistance with these wages though. Also,
- b) Continue connections with MSU and our local high schools to keep bringing young people into this field.
- c) Support and propose more extensive childcare bills for the next legislative session including support for the state to subsidize daycare worker wages and offer benefits
- d) Explore further options to support workforce needs by tag teaming with Early Developmental programs similar to Caleb Heilman's approach. With incentives through possible scholarship programs with MSU
- e) CPR/First aid run through the fire department.
- f) Help licensed daycares with background checks.
- g) Assist provider with CPR Certification (possibility using the Minot Fire Department). CPR and 1st aid is \$75 per staff through Trinity. This doesn't seem like much but it adds up really fast due to turn over. The state also just put into place that all staff have to be CPR and 1st aid certified before they can start working, so waiting for Trinity to offer the training makes it harder to hire new staff and get them started.

In addition, it was recommended the City of Minot explore collaboration with the State of North Dakota to access child care assistance dollars for City of Minot employees.

### **Childcare Committee Members**

Keli Rosselli-Sullivan – MACEDC Workforce Development/Military Liaison

Shelbi Lawson – Childcare Provider

Bekka Oswill – Childcare Provider/Parent

Heather Cymbaluk – Companions for Children Executive Director/Parent

Harold Stewart – City Manager, Economic/Employer Impact/Parent

Doug Diedrichsen – City Employee/ Code/Ordinance

Terry Schumalz – Employer Representative, Hess Corporation HR/ Parent

Lisa Olson – City Council member/Retired School Administrator

Amy Jenkins – Childcare Licensing Specialist with the State of ND/Parent/Business Owner

Scott Burlingame – Chairman/City Council member

#### **Former Members**

Kevin Cross – Childcare Provider

John Van Dyke – City Employee