RESOLUTION NO.

WHEREAS, the City is committed to stabilizing and expanding our community's early childcare ecosystem, diversifying our workforce, and reaching our economy's full potential; and

WHEREAS, as federal pandemic recovery funds expire, we are on the precipice of what experts call "a childcare cliff" and without intervention, many childcare providers, the majority of whom are women and women of color, may permanently close their doors, exacerbating and expanding Austin's eleven existing "childcare deserts"; and

WHEREAS, a recent report from economic and public policy consultants TXP, Inc. found that, "the business model for childcare, which is a market-based system, is broken [...] Bottom line – it is almost impossible to deliver sustainable, high-quality, full-day, year-round childcare for infants and toddlers at a price that families can afford or are willing to pay"; and

WHEREAS, studies show that seven parents enter the workforce for every ten new children in childcare and stabilizing this sector will have meaningful and demonstrable positive impacts on our economy; and

WHEREAS, Resolution No. 20231109-028 affirmed that our community's childcare providers operate with incredibly thin profit margins and it is a value shared by many that Council has an economic responsibility to support these small businesses to the greatest extent feasible and appropriate; and

WHEREAS, on February 13, 2024, the Impact Fee Advisory Committee determined that there is a public benefit to incentivizing the development of childcare facilities in all areas of the city; and WHEREAS, in a unanimous vote, the Impact Fee Advisory Committee recommended that Council amend the required street impact fee payments for childcare facilities to \$0; NOW, THEREFORE:

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Manager is directed to initiate the process to amend Ordinance No. 20201210-061 to eliminate the street impact fee for childcare facilities. The Council shall conduct the public hearing and consider the amendment no later than the September 12, 2024, Council meeting.

ADOPTED:

, 2024 ATTEST:_

Myrna Rios City Clerk