

1 **RESOLUTION NO.**

2 **WHEREAS**, the City is committed to stabilizing and expanding our
3 community’s early childcare ecosystem, diversifying our workforce, and reaching
4 our economy’s full potential; and

5 **WHEREAS**, as federal pandemic recovery funds expire, we are on the
6 precipice of what experts call “a childcare cliff” and without intervention, many
7 childcare providers, the majority of whom are women and women of color, may
8 permanently close their doors, exacerbating and expanding Austin’s eleven existing
9 “childcare deserts”; and

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

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

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

22 **WHEREAS**, on February 13, 2024, the Impact Fee Advisory Committee
23 determined that there is a public benefit to incentivizing the development of
24 childcare facilities in all areas of the city; and

25 **WHEREAS**, in a unanimous vote, the Impact Fee Advisory Committee
26 recommended that Council amend the required street impact fee payments for
27 childcare facilities to \$0; **NOW, THEREFORE:**

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

29 The City Manager is directed to initiate the process to amend Ordinance No.
30 20201210-061 to eliminate the street impact fee for childcare facilities. The
31 Council shall conduct the public hearing and consider the amendment no later than
32 the September 12, 2024, Council meeting.

33
34 **ADOPTED:** _____, 2024 **ATTEST:** _____

35
36 Myrna Rios
37 City Clerk