

County of Santa Clara

Office of the County Executive

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DATE: May 2, 2023

TO: Honorable Board of Supervisors
Jeffrey V. Smith, County Executive

FROM: Sarah Duffy, Chief Children's Officer
Jeff Draper, Director, Facilities and Fleet

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SUBJECT: Off-Agenda Report Relating to Options for a Consultant to Conduct a Childcare Analysis on Valley Health Center San Jose (Bascom Station), the Surrounding Neighborhood, and County Locations

At the Board of Supervisors meeting on April 4, 2023 (Item No. 20), Supervisor Chavez requested an off-agenda report regarding options related to bringing an outside consultant to conduct an assessment and evaluation of anticipated staff and patient childcare needs at the new Valley Health Center (VHC) San Jose ("Bascom Station") as well as the anticipated needs of its surrounding neighborhood. The referral also calls for a plan to conduct similar assessments for all other future County locations as well as any space where the County has significant tenant improvements. This report responds to this request.

Childcare at County Facilities

Board members have requested feasibility assessments for establishing onsite childcare at certain County facilities as well as for generally assessing potential childcare center construction when new County facilities are purchased or leased. Given the significantly higher costs and longer timelines associated with public works projects as opposed to private facility development, Administration believes the most cost effective and efficient means through which to expand childcare facilities is by providing support to increase capacity of community childcare providers, particularly in key geographic areas of need. This could include purchasing existing but closed childcare facilities, ensuring properties already equipped and licensable for use as childcare facilities are not converted to other commercial or residential uses, and making facilities available for lease by childcare providers seeking to increase capacity.

VHC Bascom Station

At VHC Bascom Station, the childcare needs assessment can be initiated. However, the project design is already well underway, and in fact, construction of the warm shell has already begun. In terms of placing childcare in the facility, the County has been challenged to fit in the clinical spaces desired along with related ancillary services and logistics needs. Stopping progress to incorporate childcare spaces into the new facility would be a costly proposition with significant schedule impacts. In addition, factors that are important to consider when evaluating childcare services include substantial dedicated outdoor space which is not part of the new facilities' or site development's design. Thus, it is not recommended to include the buildout of childcare space at this location.

Consultant to Evaluate Childcare Spaces in Prospective County Facilities, Including VHC Bascom Station

Should the Board wish to proceed in evaluating existing and/or new County facilities for childcare services, FAF and OCFP recommend hiring a subject matter expert consultant with expertise in California childcare laws, regulations and building code; building design and project management related to childcare facilities. A consultant could help develop a process for systematic evaluation for feasibility and planning of childcare spaces in existing, new or modified County buildings. FAF will work with a consultant to integrate a feasibility assessment workflow into the exiting County process, including to re-evaluate the space at VHC Bascom and any other future County facility /area as directed by the Board.

Childcare Consultant to Conduct Neighborhood-Level Childcare Availability and Need Analyses Throughout the County Including Areas Surrounding VHC Bascom Station and Other Future County Facilities

If a consultant's review finds that a County facility is not appropriate for onsite childcare and/or the cost to develop onsite childcare is significantly higher than leveraging offsite childcare, a consultant could conduct an assessment for areas surrounding a County facility with support from OCFP and FAF as needed.

The consultant's work may include:

- Comparing development sites to pre-established criteria for further consideration including:

- Anticipated duration of County services at the site. For instance, whether the site has been owned or leased for less than 10-years.
- Collaboration with ESA to anticipate the population of the County staff or clients and their childcare needs.
- A reasonable radius from a County development to conduct a survey of existing childcare providers in relation to the estimated childcare demand of residents and non-County employees, and determining if providers have adequate available full day and/or drop-in slots.
- Availability of outdoor space to support childcare facilities.
- Defining a reasonable radius from a County facility to conduct a survey of existing childcare providers in relation to the estimated childcare demand of residents and non-County employees, and determining whether existing childcare providers have adequate full day and drop-in slots available.
- If childcare supply in the area surrounding a County facility is found to be inadequate, identifying potential childcare facility sites for lease or purchase, including childcare facilities that closed in the past three years. Licensed childcare providers would then be contacted and asked about their capacity and interest in operating a County childcare facility.
- A final childcare feasibility report that includes a list of prospective childcare operators, cost to build or re-build a childcare facility, operational costs for full-time and/or drop-off childcare, timeline for construction, and options the County might pursue to support a future childcare facility.

The cost of a consultant is unknown currently. Market research is underway. The below prospective timeline for consulting services does not include developing a childcare program within VHC Bascom, but more so addresses childcare assessment of the community surrounding Bascom Station.

May/June 2023	Conduct market research to inform a competitive process (e.g. Informal Competitive Process or Request for Proposals)
September 2023	Release competitive process
October/ November 2023	Award contract
December 2023 - April 2024	OCFP works with consultant to conduct community assessments of childcare
April/May 2024	Consultant/s develops recommendations report/s
May/June 2024	Present findings to CSFC and BOS

Future County Locations

FAF plans to include childcare as part of its planning checklist for any significant tenant or capital improvement. FAF will work with OCFP and ESA in developing the scope of work for the consultant mentioned above so future projects may take into consideration the need for childcare in areas surrounding County facilities. The process would be to present to the Board a range of options to satisfy unmet childcare needs by investing in areas around a particular development, partnering with other entities to include childcare space in new developments, or purchasing and/or leasing county spaces to childcare service providers. All recommendations would include a cost analysis, schedule impacts, and impacts to County services.

Background: Related Requests for Childcare in County Facilities

At the October 27, 2022, Children, Seniors and Families Committee (CSFC) meeting (Item No. 16), Supervisor Chavez requested a report back from the Office of Children and Families Policy (OCFP) and Facilities and Fleet (FAF) relating to developing a framework/policy for ensuring that childcare is provided at facilities the County currently leases or owns, and that childcare is provided at future locations the County may lease/own. At the CSFC meeting on December 21, 2022 (Item No. 19), the Committee received a monthly status report from OCFP that included information from FAF on potential steps for feasibility assessments for County facilities that could house childcare sites. Supervisor Ellenberg then requested that staff return with an analysis of employee demand and a mapping of childcare providers in relation to County facilities, including demographic data.

At the CSFC meeting on April 27, 2023 (Item No. 10), OCFP and FAF provided a report with an analysis of employee demand for onsite childcare, a description of a childcare map, and considerations to inform potential County childcare facilities. Administration recommended that given higher costs and longer timelines associated with public works projects as opposed to private facility development, the most cost-effective and efficient means through which to expand childcare facilities and options for families is providing support to increase capacity of community childcare providers, particularly in geographic areas of need.

As an example of a current effort to increase childcare availability in the county, on February 28, 2023 (Item No. 8), the Board approved \$20 million to support a childcare and early education infrastructure grants program to expand quality childcare slots and continue coordination of childcare and early education workforce initiatives in Santa Clara County.

cc: Chief Board Aides
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