

Expanding Access to Childcare Plan Area Impact Fees

Discussion Guide
Eastern Neighborhoods CAC
Market & Octavia CAC
October 17, 2016

Overview: Childcare impact fees

- Citywide and Plan Area fees
- Use of fees
 - New or expanded childcare facilities
 - 20% serving low-income families
- Plan Area fee projections
 - Market & Octavia: \$5,500,000 through 2022
 - Eastern Neighborhoods: \$5,000,000
 - Visitacion Valley: \$4,600,000
 - Balboa Park: \$200,000

Issue: Captive funds

- Plan Area childcare funds can only be spent in the Plan Area
- \$1.3 million unallocated after 18 months in Market & Octavia

Proposal: Expand use of funds

- Objective: Remove geographic barrier to use of funds in a timely manner, when appropriate.
- Concern: Is this an appropriate use of Plan Area fee revenue?
- Policy options: If appropriate, how do we balance concerns?

Policy options

- Plan Area Priority
 - Use of funds in Plan Area is “first priority,” use in other areas “second priority,” use citywide “third priority.”
- “Good faith effort” standard
 - Funds can be spent citywide after specific conditions have been met (e.g. 12-month RFP)
- Discretionary
 - Apply “good faith effort” standard, but at discretion of Planning Director when conditions are met

Discussion

- Is it appropriate to spend childcare funds outside the Area in specific circumstances?
- Should this be done for all Areas?
- What policy options should we pursue?