

AN EQUITABLE RECOVERY STARTS  
WITH EARLY CHILDHOOD:

**How Cities are Leveraging  
ARPA SLFRF to Support  
Young Children and Families**



About the National League of Cities, Institute for Youth, Education and Families

The National League of Cities (NLC) is the voice of America’s cities, towns, and villages, representing more than 200 million people. NLC works to strengthen local leadership, influence federal policy and drive innovative solutions. NLC’s Institute for Youth, Education, and Families (YEF Institute) helps municipal leaders take action on behalf of the children, youth, and families in their communities. Throughout the YEF Institute’s 22-year history, it has recognized the unique and influential roles that mayors, city councilmembers and other local leaders play in strengthening families and improving outcomes for children and youth.



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## Introduction

**T**HE COVID-19 PANDEMIC took a considerable toll on individuals, families, and communities but it was especially pronounced for our nation's children and the individuals caring for them. During the pandemic, childcare providers struggled to stay open because of reduced enrollment; working families faced difficulty in accessing the care and services needed for their children; and children suffered from learning loss and impacts to their social and emotional health. In addition, we know that these challenges were disproportionately felt by communities of color who already lacked access to resources because of the structural inequities that exist in the early childhood system. To ensure an equitable recovery, local government leaders must prioritize the needs of those disproportionately impacted by the pandemic.

Fortunately, the American Rescue Plan Act (ARPA) provided \$65.1 billion to cities, towns and villages through the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program which can be used to address some of these challenges. Specifically, SLFRF funding can be used to:

- ◆ Support impacted households with childcare and early learning services, home visiting programs, services for child welfare involved families and foster youth and childcare facilities.
- ◆ Support small childcare business or non-profit early childhood education providers with direct financial support as well as technical assistance.<sup>1</sup>

Since the release of the first tranche of SLRF funding, the National League of Cities (NLC) has followed how cities have allocated their funding to support early childhood. In a review of cities' Recovery Plan Performance Reports submitted to the U.S. Treasury Department, cities are leveraging their funding in a variety of ways to support young children and families.<sup>2</sup>

INCREASING ACCESS TO EARLY CHILDHOOD SERVICES	SUPPORTING THE EARLY CHILDHOOD WORKFORCE	ENHANCING QUALITY ACROSS EARLY CHILDHOOD SETTINGS
Contracting with early childhood providers to serve more children.	Providing stipends or wage supplements.	Offering grants/loans to purchase curricula, materials, and supplies.
Providing vouchers to families to access childcare.	Offering training and technical assistance to family childcare providers.	Conducting evaluations of existing early childhood programs.
Directly providing childcare or early childhood services.	Establishing shared service alliances or offering benefits.	Strengthening linkages between early childhood programs and elementary schools.
Supporting families in accessing care through strengthening referrals or family navigators.	Providing tuition support for providers to access higher education.	

This report contains case studies on how four cities: Austin, TX; Boston, MA; Phoenix, AZ, and Milwaukee, WI used their SLFRF to support early childhood.





# Austin, TX

## ENHANCING THE EARLY CHILDHOOD SYSTEM



### Mayor

Steve Adler



### Population

961,855



### Children Under Five

6.4%



### City Agencies

[Austin Public Health](#) and [Economic Development Department](#)



### Key Partners

[Success by 6 Coalition](#) and [Travis County Health and Human Services](#)

**T**HE CITY OF Austin is a model study in the power of intergovernmental and community collaboration. The city already had an established community wide early childhood strategic plan and a set of engaged stakeholders as part its Success by 6 Coalition supported through the United Way of Greater Austin. In addition, early on during the pandemic the City of Austin and Travis County formed an official Austin-Travis County Childcare Covid-19 Task Force to coordinate a joint approach to addressing childcare needs in response to the pandemic. As a result of having a community wide strategic plan around early childhood, engaged stakeholders, and formalized partnerships between city agencies and with county officials the City of Austin and was able to leverage \$11 million of its SLFRF allocation to support a holistic system-wide approach to supporting early childhood. The city's ARPA investment in early childhood is connected to Travis County's \$6,225,000 investment in early childhood. In addition, this funding builds off prior recovery related investments to support early childhood including:

- ◆ \$1 million to support childcare provider relief grants through the federal Coronavirus Aid, Relief and Economic Security (CARES) Act.
- ◆ \$5,048,000 to support childcare provider relief grants through the City of Austin's Save Austin's Vital Economic Sectors Fund.
- ◆ \$2.6 million to support childcare for essential workers through the federal Community Development Block Grant- Covid Relief

## Austin's Use of State and Local Fiscal Recovery Funding to Support Early Childhood<sup>3</sup>

### CHILD CARE AND THE EARLY CHILDHOOD WORKFORCE

**Amount**  
\$5,008,637

This funding will be used to support direct childcare with priority given to infants and toddlers on the subsidy waitlist; hire family and community engagement staff to connect families with care; provide wage stipends to early childhood educators; support the network of family child care providers; create a shared service alliance; conduct a supply and demand analysis for non-traditional hour childcare; and provide financial incentives to early childhood educators pursuing higher education.

## Preschool Access

**Amount**  
\$2,365,075

This funding will be used expand access to full-day bilingual preschools for four-year-old children and full-day preschool for three-year-old children; as well as support for the preschool partnerships management hub which supports Austin's mixed delivery of preschool.

## Family Support Programming

**Amount**  
\$2,502,083

This funding will be used to conduct a local evaluation of Austin's home visiting program, Family Connects, to demonstrate the outcomes and return on investment for health care payors; expand Family Connects to serve more families; provide stipends for home visitors and parent educators providing in-person services; and create a temporary outreach position to increasing client referrals to home visiting and parent education programs in the Ready Families Collaborative.

## What's Next?

The City of Austin's ARPA investments are focused on building and strengthening the existing early childhood system to better support the early childhood workforce and assist families in accessing care. In addition, by utilizing ARPA funding to conduct an evaluation of the Family Connects program, the City of Austin is positioning itself to continue make the case for increased funding by having solid data around the program's return on investment.





# Boston, MA

## SUPPORTING FAMILY CHILDCARE PROVIDERS



**Mayor**  
Michelle Wu



**Population**  
675,647



**Children Under Five**  
5%



**City Agency**  
[Mayor’s Office of Women’s Advancement](#)

**T**HE CITY OF Boston has a long history of supporting children, youth, and families. Over 20 years ago, the former Mayor of Boston, Thomas Menino, announced the launch of NLC’s Institute for Youth, Education and Families, and ever since then the city has continued to be a leader in improving outcomes for young children and their families. From being one of the first cities to implement universal preschool to its recent announcement around the formation of a dedicated Office of Early Childhood<sup>4</sup>, the City of Boston remains on the vanguard when it comes to early childhood education.

When Congress passed the American Rescue Plan Act and awarded the City of Boston its SLFRF allocation of \$424,179,607 the city was already well positioned to utilize that funding to advance its efforts to support family childcare. In 2017, the city’s Economic Mobility Lab, the Mayor’s Office of Women’s Advancement, and the Small Business Department worked together to pilot and launch the Child Care Entrepreneurs Fund which offers support to current and aspiring owners of family childcare businesses in Boston, where recipients attend training and receive grant funding for their business. Since its initial pilot the city has continued to invest and grow the program.

In addition to the already existing infrastructure to support family childcare, the city was also strategic in its use of data to inform

its recovery efforts. In January of 2021 the city launched a childcare survey to assess childcare needs of parents and caregivers.<sup>5</sup> The survey has been conducted annually since 2019 and has been used to inform the work the city does to support childcare providers and families in the city.

## Boston’s Use of State and Local Fiscal Recovery Funding to Support Early Childhood<sup>6</sup>

### TRAINING AND TECHNICAL ASSISTANCE FOR FAMILY CHILDCARE PROVIDERS

**Amount**  
\$430,000

**Funding Eligibility Category**  
3.6 Healthy Childhood Environments

**Key Partners**  
City Boston Department of Language and Communication Access, Office of Neighborhood Services, and Office of Immigrant Advancement.

This project includes training and grants for Family Child Care (FCC) businesses. The training supports cohorts of 30 or fewer around two areas: marketing and technology and conducting developmental screening and referrals for early intervention. The city recognizes that the childcare industry in Boston is largely represented by women, specifically women of color and immigrants so this training and technical assistance initiative will assist in closing economic gaps for this industry and increase opportunities for working families to have accessible childcare options. The city’s Office of Women’s Advancement is also partnering with the Boston Department of Language and Communication Access, Office of Neighborhood Services, and Office of Immigrant Advancement to ensure that outreach is conducted with an intentionality towards equity.

## Childcare Workforce Incentive Grants

**Amount**  
\$1,570,000

**Funding Eligibility Category**  
3.6 Healthy Childhood Environments- Childcare

This project is to incentivize hiring; the Mayor’s Office of Women’s Advancement will provide direct grants to childcare businesses in the city who have hired new childcare staff (or rehired previously laid off staff) since July 1, 2021. Part of the grant will be for the hiring organization and part of the grant will be intended as a bonus for the employee themselves.

## What’s Next?

The City of Boston plans to conduct a quasi-experimental study of its childcare grant program by 2024 that would help to answer critical questions that will provide an invaluable resource to city leaders looking to support the early childhood workforce including:

- ◆ Can hiring bonuses help alleviate staffing shortages in the childcare field?
- ◆ Can annual retention bonuses incentivize childcare workers to remain at a workplace longer than the average childcare worker?
- ◆ Do hiring and retention bonuses help alleviate the burden of low worker pay in the childcare sector?



# Phoenix, AZ

## INCREASING ACCESS TO HIGH QUALITY EARLY CHILDHOOD EDUCATION



### Mayor

Kate Gallego



### Population

1,608,139



### Number of Children Under Five

7.2%



### City Agencies

[Phoenix Department of Human Services](#)  
and the [Phoenix Aviation Department](#)

**A**CCORDING TO THE 2020 Census, the City of Phoenix is the nation's fastest growing city bringing in more residents per year than every other large city. The Mayor and City Council recognize that to grow and attract new development and families, that the City of Phoenix needs to position itself as a family friendly city. In addition, Mayor Gallego, as a mother of a preschooler, has been an active champion for early childhood, especially early literacy.

In addition to its commitment to families and early childhood from its leadership, the City of Phoenix also has the infrastructure in place to support early childhood expansion through its existing operation of a Head Start Birth-to-Five program, administered by its Human Services Department. The City of Phoenix's Head Start program currently serves 3,451 children across the city.<sup>7</sup> When the city received its SLFRF allocation of \$396,080,366 the Department of Human Services worked with the Phoenix Department of Community Services to conduct a family needs assessment to determine how best to increase access to early childhood education.

## Phoenix's Use of State and Local Fiscal Recovery Funding to Support Early Childhood<sup>8</sup>

### EXPANDING ACCESS TO HEAD START

**Amount**  
\$6,000,000

**Funding Eligibility Category**  
3.1 Education Assistance- Early Learning

This funding would be used to create a program to increase access to early childhood education for 300 preschool children. The program would leverage the city's Head Start program to offer mixed income classrooms. The additional children would receive access to the Head Start level of services while allowing families to be at 200% of poverty level rather than the Head Start mandated 100% of poverty level.

### PHOENIX AIRPORT CHILDCARE

**Amount**  
\$5,000,000

**Funding Eligibility Category**  
3.6 Healthy Childhood Environment- Childcare

This funding will be used to provide childcare for hospitality workers at the Phoenix Sky Harbor International Airport. The Aviation Department within the City of Phoenix conducted a survey of companies at the airport around what employees needed, and the overwhelming majority were in favor of offering childcare services to workers at the airport.

### FINANCIAL ASSISTANCE TO FAMILIES TO SUPPORT CHILDCARE

**Amount**  
\$12,000,000

**Funding Eligibility Category**  
2.3 Household Assistance- Cash Transfers

This funding would be used to support low-to-moderate income families in accessing high quality childcare and to cover other household expenses. Resources could also be used to provide mini-grants to Phoenix childcare

facilities in low-to-moderate census tracks for technology upgrades that could include classroom screens, web-cam access, digital sign in/out software, childcare management software, and/or general Wi-Fi upgrades.

### What's Next?

The City of Phoenix is actively engaged in conversations about how to sustain this work past the funding available through the American Rescue Plan. The hope is to continue to make the case for sustained investments by elevating the existing unmet needs of families.



# Milwaukee, WI

## BUILDING A DIVERSE PIPELINE OF EARLY CHILDHOOD EDUCATORS



### Mayor

Cavalier Johnson



### Population

577,222



### Children Under Five

7.4%



### City Agency

[Office of Early Childhood Initiatives](#)

**T**HE CITY OF Milwaukee's Office of Early Childhood Initiatives, since its formation in 2018, has been working to ensure children ages zero to three years-old have access to high quality learning environments by facilitating collaboration among early childhood partners; connecting families to resources; and building city-wide momentum for early learning.

While the Office of Early Childhood Initiatives is relatively new, Milwaukee has a long history of non-profit community-based organizations and philanthropic partners who have been actively engaged in efforts to improve outcomes for young children and families. The city has since entered the space from the mindset of supporting community-based efforts and helping to create a community-wide vision and plan for ensuring more equitable access to high quality early childhood education across all settings and age groups. When the City of Milwaukee was awarded its SLFRF allocation of \$394,226,649.00 it was well positioned to leverage its community-based partnerships and engage with families and providers to make intentional investments in the early childhood system in a way that centered equity.

**Milwaukee's Use of State and Local Fiscal Recovery Funding to Support Early Childhood<sup>9</sup>**

**DUAL ENROLLMENT FOR EARLY CHILDHOOD EDUCATION AND FELLOWSHIP FOR YOUNG MEN OF COLOR**

**Amount**  
\$1.9 million

**Funding Eligibility Category**  
3.6 Healthy Childhood Environments

**Key Partners**  
Milwaukee Area Technical College, Milwaukee Public Schools, MKE Rising Program, and Literacy Lab

Provides funding to support dual enrollment for Milwaukee high school students to earn a Preschool Technical Diploma delivered through the Dual Enrollment Academy at the Milwaukee Area Technical College. In addition, funding will also be used to support young men of color with entering the field of early childhood education through the Literacy Lab's Leading Men Fellowship and MKE Risings program. Students of all races benefit from having teachers of color, yet men of color represent just 5% of the teaching workforce nationally. The program serves as a platform that contributes to the male teacher pipeline and focuses on increasing the representation of male educators of color in early childhood education

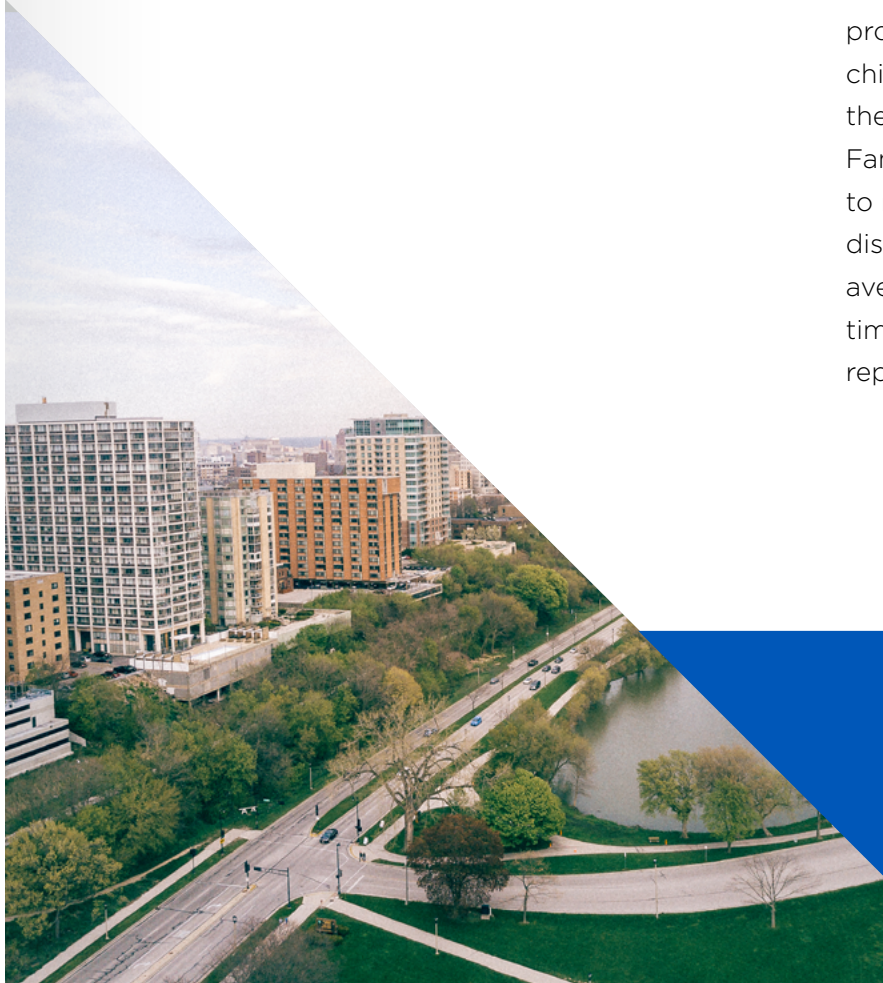
**EARLY CHILDHOOD EDUCATION STIPENDS**

**Amount**  
\$5.1 million

**Funding Eligibility Category**  
3.6 Healthy Childhood Environments

**Key Partners**  
Wisconsin Early Childhood Association (WECA)

Provides funding for a stipend program designed to reduce employee turnover at childcare providers. All childcare professionals employed in City of Milwaukee childcare programs that are regulated by the Wisconsin Department of Children and Families in direct caregiving roles are eligible to receive an annual stipend of \$1,500, disseminated in three installments. With an average annual salary of \$22,172.80 for a full-time childcare worker, the stipend would represent a 7% increase of their wages.



# Action Steps for Local Leaders

## 1 Conduct A Needs Assessment

Review existing early childhood data to understand the unmet need; contact your local childcare resource and referral agency to obtain data on the licensed childcare available and compare that to the number of children under five in your community. Review existing data or conduct a survey to understand who is being served where; connect with early childhood providers to understand the demographics of the children they serve and if they have waitlists. Connect with parents to better understand the accessibility of care. Questions to ask might include

- ◆ Do families know how and where to access early childhood services?
- ◆ Are families able to afford early childhood services?

- ◆ Are early childhood services located in areas that are accessible to families' homes, places of employment, or public transportation?
- ◆ Do early childhood services meet the needs of families who work non-traditional hours; where English is not their home language; or where their children have special needs?

## 2 Engage With A Wide Variety Of Stakeholders

Connect with early childhood providers across a variety of settings (Head Start, private childcare, family childcare, etc.), families, early childhood advocates and the business community to prioritize needs and develop a plan that builds off existing programs and services.

## 3 Think Holistically And Long-Term About Investments

Identify where you can coordinate with other early childhood efforts at the state, county, or local level to maximize the impact of funding. Identify programmatic interventions that will support the broader early childhood system over time, like building professional pathways for early childhood educators or supporting small family childcare businesses grow their operations.

## 4 Incorporate Metrics To Assess Impact

When deciding on where to make investments build in a plan for evaluating your progress toward your desired outcomes. It may require an external evaluation, or you may be able to determine a set of metrics that you would like to measure over the course of the proposed program.

## 5 Create A Plan For Sustainability

Begin to lay the groundwork for sustaining the program beyond ARPA funding. Think about where you might be able to leverage federal funding to draw down state funding, such as using ARPA funding to improve childcare quality to access state preschool or Quality Rating and Improvement funding; or build in evaluations to make the case for increased local funding.





## Endnotes

- <sup>1</sup> Coronavirus State and Local Fiscal Recovery Funds, 87 Fed. Reg. 4338 (January 27, 2022).
- <sup>2</sup> U.S. Department of the Treasury. (n.d.). *Interim Reports and Recovery Plan Performance Reports – 2021*. <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds/recovery-plan-performance-reports-2021>
- <sup>3</sup> City of Austin, TX. *State and Local Fiscal Recovery Funds 2021 Report*. [https://home.treasury.gov/system/files/136/Austin\\_2021-Recovery-Plan\\_SLT-0666.pdf](https://home.treasury.gov/system/files/136/Austin_2021-Recovery-Plan_SLT-0666.pdf)
- <sup>4</sup> City of Boston. (February 23, 2022). Office of Early Childhood Created to Prioritize Wellbeing of Young Children and Families [press release]. <https://www.boston.gov/news/office-early-childhood-created-prioritize-wellbeing-young-children-and-families>
- <sup>5</sup> White, A., Jones, A., & Khalid, S. (2022). MAKING CHILD CARE WORK: Results from the 2021 Child Care Census Survey. <https://www.boston.gov/sites/default/files/file/2022/02/Childcare%20Report%202021%20FINAL.pdf>
- <sup>6</sup> City of Boston, MA. *State and Local Fiscal Recovery Funds 2021 Report*. <https://www.boston.gov/sites/default/files/file/2021/09/ARPA-Annual-Recovery-Plan-Boston-August-2021.pdf>
- <sup>7</sup> City of Phoenix Department of Human Services. 2020 City of Phoenix Head Start Birth to Five Program Annual Report. <https://www.phoenix.gov/humanservicessite/Documents/Head%20Start%20Annual%20Report.pdf>
- <sup>8</sup> City of Phoenix, AZ. *State and Local Fiscal Recovery Funds 2021 Report*. [https://home.treasury.gov/system/files/136/Phoenix\\_2021-Recovery-Plan\\_SLT-0576.pdf](https://home.treasury.gov/system/files/136/Phoenix_2021-Recovery-Plan_SLT-0576.pdf)
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