

RESOLUTION NO. 2024 – ____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CARLOS
APPROVING CHILDCARE GRANT REQUESTS AND APPROPRIATING AN ADDITIONAL
\$250,000 TO THE NEWLY ESTABLISHED CHILDCARE GRANT PROGRAM TO UTILIZE
FUNDS COLLECTED THROUGH THE CHILDCARE DEVELOPMENT IMPACT FEES TO
INCREASE CHILDCARE SPACES WITHIN THE CITY OF SAN CARLOS.**

WHEREAS, in August 2022, the City Council adopted Ordinance 1585 and Resolution 2022-104 under the authority of Sections 66000 et seq. of the California Government Code (“Mitigation Fee Act”), establishing a Childcare Development Impact Fee for new nonresidential development in the City of San Carlos as part of the 2022 City Council Strategic Goals to help encourage and support the creation and expansion of quality childcare spaces available to residents and employees in San Carlos; and

WHEREAS, the City Council reprioritized childcare in the 2024 Strategic Goals and Objectives, with a key objective to develop a plan to utilize the childcare funds collected through the Childcare Impact Fees; and

WHEREAS, the implementation measures associated with the Childcare Development Impact Fees include the establishment of a Childcare Grant Program; and

WHEREAS, on August 2024, the City Council established the Childcare Grant Program available to any childcare provider (commercial, in-home, and non-profit) located within the City of San Carlos; and

WHEREAS, the Childcare Grant Program would provide funds for capital improvements that lead to the expansion of childcare spaces in accordance with the Childcare Development Impact Fee requirements; and

WHEREAS, the total available funding for the grant program for fiscal year 2024-25 is \$250,000 and the maximum grant award limit per applicant is \$100,000; and

WHEREAS, the Notice of Funding Availability (NOFA) for the childcare grant program, open from August 26 to October 18, 2024, received competitive applications from five local providers—three for-profit commercial centers, one non-profit center, and one in-home provider—all of whom met the baseline qualifications and are eligible for the maximum grant amount of \$100,000 each; and

WHEREAS, staff recommends increasing the Childcare Grant Program budget for FY 2024-25 from \$250,000 to \$500,000 because this adjustment would enable each of the five applicants to receive the full \$100,000 grant, allowing them to complete their capital improvement projects and accelerate the expansion of childcare spaces in San Carlos; and

WHEREAS, if the Childcare Grant Program budget increase to \$500,000 is approved for FY 2024-25 and all applicants received funding, approximately 74 net new childcare spaces are anticipated across these providers.

NOW, THEREFORE BE IT RESOLVED, that the San Carlos City Council hereby authorizes the City Manager to execute the Agreement of Receipt of Grant Funds with the following

childcare providers for the following amounts, thereby approving the additional appropriation of \$250,000 for a total of \$500,000 to the newly established Childcare Grant Program for FY 2024-25, to utilize funds collected through the Childcare Development Impact Fees. The childcare grant approvals include:

1. Learn and Play Montessori: \$100,000
2. Happy Campers: \$100,000
3. Challenge School: \$100,000
4. The Children's Place: \$100,000
5. Little Troopers Childcare: \$100,000

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I, City Clerk Crystal Mui, hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of San Carlos at a scheduled meeting thereof held on the 25th day of November 2024, by the following vote:

AYES, COUNCILMEMBERS:

NOES, COUNCILMEMBERS:

ABSENT, COUNCILMEMBERS:

CITY CLERK of the City of San Carlos

APPROVED:

MAYOR of the City of San Carlos