



City Administration

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October 18, 2024

1. Entity Information:

a. Entity Name: City of San Luis Obispo Office of Economic Development and Tourism

b. Type of Entity: Municipality

c. Contact details: McKenzie Taffe, Economic Development Analyst

d. Brief overview of the entity's mission and history:

The City of San Luis Obispo was first incorporated in 1856. The Major City Goals are the most important and highest-priority goals for the City to accomplish. Our Major City Goal of Economic Resiliency, Cultural Vitality and Fiscal Sustainability includes efforts to make it easier for employers and employees by focusing on permit processing improvements and childcare.

2. Project Overview:

a. Description of the project, project objectives, expected impact and outcomes, and how the project's success will be measured

A thriving central coast economy needs enough quality childcare slots to sustain the workforce. Without adequate childcare facilities in San Luis Obispo, businesses cannot recruit and retain top talent to thrive.

The project will provide continued investment in childcare business startup and slot expansion, administered by the Community Action Partnership of San Luis Obispo's Child Care Resource Connection. The City has funded 3 rounds of funding to create more childcare slots within the City. In FY2023-FY2024, the grant created 11 newly licensed businesses and 116 slots for children, with 8 applicants pending licensure with potential to create an additional 92 slots. This project will extend that funding through the end of the grant.

Additionally, the City will commit to covering permitting costs for grant recipients, effectively waiving development fees for those recipients. While the City has already made strides to make family day care permitting more simple, daycare providers still struggle to pay permitting fees, including planning, building, and fire fees. This portion of the project will fund the waiving of these development fees. The City is in a unique position to fund grants for daycares to enhance their home-based daycares, and also guiding daycare businesses through the regulatory process. Ultimately, this extension of the childcare grant program will help to inform an update to zoning ordinances, which will further streamline the permitting process for additional childcare facilities.

The objective of the project is to incentivize childcare business startups, reduce barriers to licensure, and accelerate the creation of additional quality childcare slots. The unique combination of these projects will allow the City to better understand the hurdles faced by childcare businesses and address these hurdles through an update to the zoning regulations, as well as effectively waiving development review fees for daycare businesses. The expected impact is increased childcare slots within the City, which will allow more parents to return to work and fill critical staffing vacancies in businesses and organizations within the City. Additionally, local employers will be better able to recruit and retain top talent for their

organizations. Since San Luis Obispo is the place for many jobs in the county, we have an outside need for childcare slots compared to other communities.

The projects' success will be measured by the number of new childcare businesses within the City with 4 or more childcare slots, and a goal of meeting more cycle times for daycare and childcare facility permitting within the City.

b. Stage (Concept, Accelerator, or Launchpad)

Accelerator

c. Population of focus (who is the project primarily benefiting)

Working people in San Luis Obispo with young children.

d. Geographic focus (where is the project happening)

Within the City of San Luis Obispo.

3. Alignment with Uplift's Strategies in the Regional Plan:

a. Identify which sector(s) and strategy(ies) the project aligns to

Economic Mobility Strategies | Childcare

b. Provide a brief description of how the project aligns to noted sector(s) and strategy(ies)

Expanded childcare slots within the City of San Luis Obispo will promote economic mobility by allowing parents to return to work. The City of San Luis Obispo is an economic hub of the county and is acutely affected by a lack of reliable childcare slots. This grant program also allows childcare providers to start their own business, expanding the childcare workforce. Additionally, waiving the City's permitting fees for grant recipients will enhance childcare infrastructure for new developments and major renovations for childcare centers. Further, a comprehensive review of the City's zoning regulations update will include a consolidated checklist of permits needed to operate a daycare business, making the permitting process simpler and easier to understand.

4. Alignment with Uplift's North Star and California Jobs First Requirements (Please see Section 3: Evaluation Criteria, Timeline, and Requirements). Briefly describe how the project enhances:

a. Economic opportunity

Expanding childcare slots within the City means that more of our workforce will have reliable childcare. Working parents with reliable childcare are less likely to miss work due to gaps in childcare, which helps maintain job security and improve productivity in the region. This leads to better job prospects for working parents, more opportunities for promotion and economic mobility, and better access to high-wage jobs.

b. Equity

Expanding childcare slots directly enhances equity by allowing women to work. A majority of women shoulder caregiving responsibilities and are more frequently reducing their hours at work or leaving the workforce altogether. Many women rely on childcare to keep their children safe while the work. With expanded childcare slots in the City, more women can return to their workforce full-time, boosting annual wages and reducing earning disparities.

c. Sustainability

As of 2021, 23,317 workers commuted into San Luis Obispo to work. By creating childcare facilities in San Luis Obispo, we are not only serving our residents, but those who work in the City but live elsewhere. With more conveniently located childcare facilities in San Luis Obispo, workers may not need to travel as far for quality childcare, reducing carbon emissions associated with driving to and from daycare.

5. Partnerships and Community Engagement: List of current or potential partners.

Please note that a Memorandum of Understanding (MOU) will be required for the full application but it is not needed for the LOI phase.

Uplift seeks solutions at the intersection of Economic Opportunity, Equity, and Sustainability

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Current: CAPSLO

Potential: Women's Business Center

6. Administrative Requirements: Confirm that the applicant will be able to provide liability insurance and an audit or financial statement.

The City of San Luis Obispo can provide liability insurance and an audit or financial statement.