



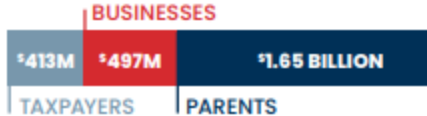
Department of
**Economic &
Community Development**

CDBG Child Care Coordination Best Practices

CDBG Child Care Program

- CDBG-CV Funded
- Economic Development Activity with Waivers
 - Wages at or below low-income limit
 - Individual benefit \$85,000 per job
- Grants issued to UGLGs partnered with providers
- Must create or retain child care slot

Child Care Gaps and Impacts

- 44% unmet capacity under age 5
 - 179,000+ children
- 64 of 95 counties with unmet capacity over 50%
- 8 of 95 counties with no providers for children under 1
- \$2.6 billion in annual economic losses*

Group	Losses
TAXPAYERS	\$413M
BUSINESSES	\$497M
PARENTS	\$1.65 BILLION
- 80%+ of working parents reported employment disruptions due to inadequate child care*

* <https://tqee.org/app/uploads/2022/12/2022-TQEE-Child-Care-Study.pdf>

Expectations

- Approximately \$8.4 million CDBG-CV funds
 - 78% rural
- Approximately 1,300 child care spot created/retained
 - 77% rural
- Approximately 190 child care jobs created/retained
 - 74% rural

Partnership Development

- Formed a partnership with the TN Dept. of Human Services (DHS)
 - Oversees licensure of child care facilities
- Conversations began prior to COVID as an economic development issue
- Where was the gap?
 - DHS is not able to issue grants for capital improvements
- Idea of a grant program started with an industry planning to build a daycare

Early Program Development

- Met with DHS every two weeks for about 6 months
- Helped ECD better understand child care needs and the licensure pathway
- Helped DHS understand the requirements and limitations of CDBG funding
- Establish a point person for ECD and DHS

Program Rollout

- Once the program was ready to rollout ECD notified its usual list of contacts
- The DHS licensure team promoted the program to existing providers
- DHS also used the pre-licensure enrollment list to promote the program
- DHS presented the pre-licensure program to local development districts (LDDs)
 - LDDs assisted with application development and program administration

Application Submission and Award

- As applications were submitted to ECD, DHS reviewed the providers for licensure compliance issues or suspensions
- ECD reviewed for CDBG compliance
- As awards were issued, an updated list was provided to DHS
- Interagency meetings became less frequent
 - Every 1-2 months

Early Successes

- Helping local communities understand they can have a role in child care development and creation
- Expanding awareness that child care shortages are a statewide economic development issue
- Better interagency partnership
- Potential for legislative action
 - Workers Need Child Care Act

Challenges

- Explaining eligible uses and National Objective to a new audience
- Assisting local governments develop partnerships with providers
- Compliance (state licensing vs. local codes vs. CDBG)

Best Practices

- Engage with the state agency that oversees child care early
- Identify the gaps. Does CDBG have a role?
- Learn what you don't know.
- Establish a coordinator for each agency
- Set (and keep) regular meetings
- Play to your strengths