

Dear Mayor and Assembly

Re: Fixing child care/preschool and other youth infrastructure.

We represent Juneau Best Starts, a group of volunteers working to make Juneau the most youth and family friendly community in Alaska, and develop Juneau's economy. The end product we feel that Juneau needs to strive for is a community that:

- Has much less crime and vandalism and fewer addiction problems resulting in a stronger community, significant long term local government savings, and higher local tax revenues.
- Has more successful K-12 students because many more students enter kindergarten "ready to learn" as measured by the State DOE, and all youth receive better support services throughout their school years.
- Has more jobs resulting from expansion of the child care and preschool industry (approx. 100 new jobs), the increased ability of parents to work to better support their family (250+ estimated additional workers), and new or expanded businesses benefiting from a stronger more stable workforce, and employees less stressed by child care issues.
- Is a stronger Capital city, and is a nationally recognized family friendly community that is more inviting to young families.

Overwhelming scientific research has proven that the first 5 years is the most important learning time in a child's life and largely sets a child up for success or failure in school and adulthood. Research over 40 years has also documented high economic returns to the community in fewer social, addiction, and criminal problems, plus K-12 school savings, stronger businesses, and a more inviting family friendly community. We would be happy to share this research with you.

Unfortunately, it is generally recognized that Juneau's child care and pre-school system cannot meet the demand, and state and federal budget cuts are decreasing Juneau's service net for youth. The issue is a priority of Juneau's recently adopted Economic Development Plan.

A full solution for ALL Juneau's kids is affordable and within our grasp. By partnering with existing providers and the private sector we can change the business model for child care and preschool creating adequate high quality care and early learning that is affordable for all Juneau kids and families from ages 0-5 for about the same as the current cost of a single semester (half year) of K-12. (An average of an additional \$250 to \$350 per child per month.)

One funding solution with a small fiscal impact is asking voters to allow the use of half of the 1% sales tax that has traditionally been used for "capital projects" this coming October. Juneau's youth infrastructure is in serious need of rebuilding. This critical infrastructure project is very likely will have a greater positive short term and long term impact and return to our community than any other proposed project.

We ask the Mayor and Assembly to consider this concept. We would like the opportunity to present these ideas backed by research and evidence based solutions to the Assembly Committee of the Whole or Finance Committee, and answer questions. If you want to see more information now, you are welcome to go to www.juneaubeststarts.org.

Sincerely, Kevin Ritchie, for Juneau Best Starts (957-1599)

Early Care and Learning Investment in Juneau

Valuable Dividends Today and in the Future

"The most fundamental promotive experiences in the early years of life come from nurturing care and protection received from parents, family, and community, which have lifelong benefits including improved health and well being, and increased ability to learn and earn."¹

Juneau's Early Care and Learning Industry Today

Investment in early care and learning services is important to Juneau families and the economy. Today, Juneau's early care and learning industry serves approximately 55 percent of pre-K children and generates an estimated \$11 million in annual spending on early care and learning services by households and private and government-sponsored programs.

Total spending on early care and learning in Juneau generates an annual estimated:

- ▶ 200 jobs
- ▶ \$8.4 million in wages
- ▶ \$16.5 million in total economic (spending) activity

Limited Access to Quality Early Care and Learning Services is an Economic Burden for Juneau

Many Juneau families do not have access to early care and learning services they need.

- ▶ **150 households do not receive early care and learning services** for pre-K children due to cost, quality, or availability issues.
- ▶ **Over 550 households** report restricted employment opportunities due to inadequate access to early care and learning services for pre-K children.

These restrictions:

- ▶ **Reduce the available workforce in Juneau**, impacting businesses in need of workers.
- ▶ Result in an estimated annual **opportunity cost for Juneau households of \$6.6 million** in income not earned due to early care and learning-related employment constraints.

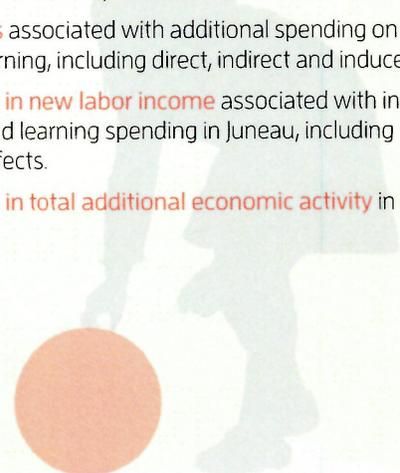
The Best Starts Initiative Will Benefit Juneau Families and the Economy

Investment in early care and learning services in Juneau proposed by the Best Starts initiative will mean:

- ▶ **Increased opportunity for Juneau residents** to work and earn income
- ▶ **A larger, more productive, resident workforce** available for Juneau employers
- ▶ **A stronger Juneau economy** overall.

Investment of approximately \$3.3 million annually will provide services for an estimated 250 additional families and generate the following estimated annual economic benefits for the local economy:

- ▶ **\$1.7 million in increased annual disposable household income** for families with pre-K children. This income will be generated through wages earned by additional adults able to participate in the workforce thanks to improved access to early care and learning services.
- ▶ **\$500,000 to \$700,00 in additional spending on early care and learning services** by families with new access to services.
- ▶ **85 new jobs** associated with additional spending on early care and learning, including direct, indirect and induced jobs.
- ▶ **\$2.9 million in new labor income** associated with increased early care and learning spending in Juneau, including multiplier effects.
- ▶ **\$5.8 million in total additional economic activity** in Juneau.



¹The Lancet (2016) Early Childhood Development Series. From Science to Scale. Published October 4, 2016.

Long-term Economic Benefits for Juneau

"Investing in early childhood education is a cost-effective strategy—even during a budget crisis...Our economic future depends on providing the tools for upward mobility and building a highly educated, skilled workforce."²

Alignment with Juneau economic development goals

Implementation of the Best Starts initiative will address a main goal of the Juneau Economic Plan: to increase availability of child care year-round, with an emphasis on Kindergarten readiness. More and higher quality pre-K programs may also support another objective in the plan by attracting location-neutral professionals who are looking for the best educational opportunities for their children.

Long-term benefits of investment in early care and learning

Long-term benefits are likely to result from increased access to high quality early learning and care. Research completed throughout the country demonstrates an inverse relationship between a variety of costly, negative social outcomes and quality, affordable early education.

Investment in education, particularly in early care and learning, can produce savings for communities from:

- ▶ Improved educational outcomes
- ▶ Reduced crime
- ▶ Less delinquency
- ▶ Lower reliance on welfare
- ▶ Fewer lost wages
- ▶ Less spending on health care treatment.

²Heckman, J. (2017) Invest in early childhood development: Reduce deficits, strengthen the economy. Research summary. James J. Heckman is a Professor of Economics at the University of Chicago, a Nobel Memorial Prize winner in economics, and an expert in the economics of human development.

Early Care and Learning-Related Benefits for the Juneau Economy

▶ Households with Children in Early & Learning Services



▶ Labor Income



▶ Jobs



▶ Economic Activity



Best Starts for Juneau Kids: Building Our Next Generation Workforce

Overview



About: *Best Starts for Juneau's Kids*, initiated by business and civic leaders, will provide the resources needed to put every Juneau child in on a path toward lifelong success. **Overwhelming scientific evidence tells us prevention/early intervention is the most effective and least expensive way to address critical youth issues.** Also, building family friendly communities is a huge economic driver. Juneau cannot afford to lose more of its young families due to its lack of sufficient quality and affordable child care and preschool. State and federal funding for youth has declined and is expected to decline more in the future. If Juneau is going to adequately invest in its youth, we have to do it now.



For example, did you know?

- There are nearly 1000 infants and toddlers in Juneau, but only 80 child care spaces for infants.
- According to the Alaska Department of Education, much **less than half of Juneau's kids are prepared to enter kindergarten**, holding back all K-12 kids.
- Less than 40% of Juneau kids in K-12 meet state education standards.

What: *Best Starts for Juneau's Kids* is a community effort to improve the health and well-being of Juneau kids by **investing early** to develop the academic and social emotional skills in young children, **sustaining the gain** through high school graduation, and **ensuring the most effective outcomes** through evaluation, oversight, and data.



Affordable cost: One way to fund the initiative is to dedicate ½% of the temporary 5 year 1% sales tax for capital projects to be reauthorized in October 2018. This would mean **no increase in the current sales tax**. If approved by Juneau voters, there would be \$4.5 million/year for kids **and** \$4.5 million/year for capital maintenance, repairs, and school bonds. Our kids are Juneau's highest priority. Voters would get to evaluate success by voting on reauthorization in 5 years.



How the revenues will be allocated:

- 75%** will be invested in strategies **focused on children under 5** including high quality child care and universal high quality pre-school.
- 21%** will be invested in strategies to **"sustain the gain" for K-12 youth** by providing school connected individual support and resources; and additional out of school academic related, physical, and social activities to keep youth healthy and productive.
- 4%** will support evaluation, data collection, and improving the effectiveness of services.



Benefits/outcomes:

- **Juneau will be a more attractive place** to run a business, work, and raise a family.
- More young **parents will be able to stay in Juneau**, boosting our overall economy.
- **Kids will be better prepared for kindergarten**, boosting learning time for all kids.
- Reducing the number of underprepared kids raises the bar in all classrooms.
- **More kids will graduate** high school and be better prepared for life.
- **Long term savings** in a wide range of local social and law related service costs.
- **Juneau will be a national leader** in improving the outcomes for children and youth.



Implementation:

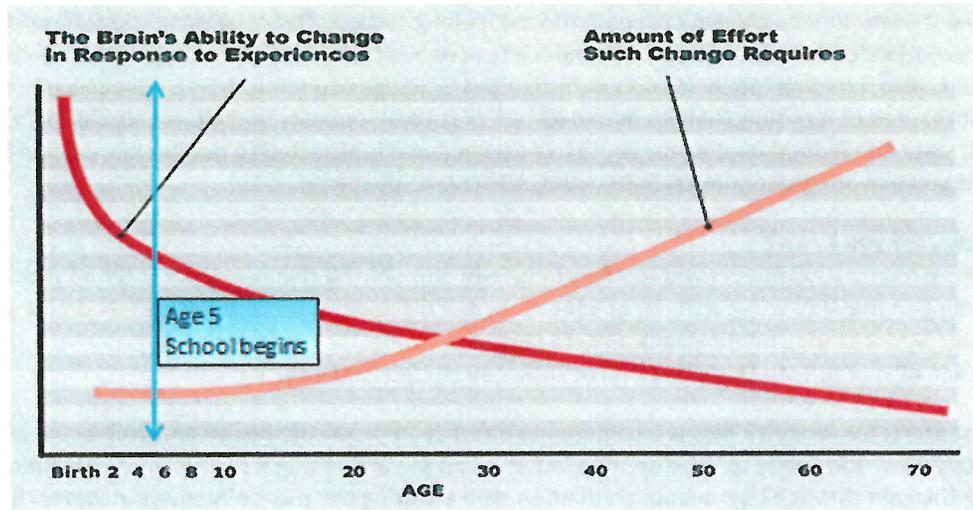
Implementation will be coordinated by the CBJ, Juneau Community Foundation, United Way, Juneau School District and others in a steering group of business and community leaders. The strategy for this effort is not to start new programs, but to strengthen and collectively connect the energy and creativity of current private and public sector providers and programs using proven evidence based strategies.

What do we know now, we didn't know 50 years ago?

Brain development is most significant from birth to age 3

85-90% of brain development occurs before age 5

<http://developingchild.harvard.edu/science/key-concepts/brain-architecture/> - (Center on the Developing Child, Harvard University)



Can the community of Juneau afford to give its kids a best start?

We all feel the community impacts of lower academic achievement, dropouts, higher rates of addictions, etc. Long term studies show that investment in early childhood more than pays for itself in lower long term costs for crime, physical and mental health care, welfare, and school costs, and higher tax revenue returned from higher lifetime earnings.

The Assembly's Juneau Economic Development Plan has goals of "increasing the capacity, quality, and affordability of child care" and "Support Quality Pre K-12 Education." In the short term, there will be returns from local taxes paid from 100 new jobs in child care, and an estimated 250 adults re-entering the workforce. Also Juneau will be more family and business friendly, and a more livable capital city.

Annual cost:

- Ages 0-5 is \$3.2 million per year (universal childcare and Pre-K),
- K-12 is \$1.0 million (wholesome youth activities and better service net).

For comparison, this is equivalent to $\frac{1}{2}$ of 1% of sales tax, or a small increase in property taxes. This October the people of Juneau will vote on continuing a 1% five year sales tax traditionally for "capital projects" that could fund Best Starts without raising local sales tax or property tax rates.

Best Starts "how" in a nutshell:

- Oversee Best Starts with a coalition of government and community leaders and experts to ensure the most effective use of the funds.
- Provide affordable family support, quality child care and pre-school to all families who want it at the lowest cost by working with families and strengthening providers.
- For K-12: Best Starts will work with the Schools and social service organizations to create a net of services with a greater collective impact.

Juneau Best Starts:

Affordable, high quality, available child care and preK options for all

1 – Affordable parent support: \$1,320,000

Tuition scholarships on sliding scale for 300 parents: (\$720,000)

Parents As Teachers and Parenting curriculum for 200 parents: (\$600,000)

2 – Qualified teachers: \$360,000

Recruitment and retention education awards for 120 teachers

3 – PreK curriculum: \$950,000

Training, coaching, implementation, evidence based curriculum

for 400 preschoolers. Cadre of 10 traveling BA level Pre-K specialists

4 – Increased availability \$538,000

200 new spaces for children through monthly quality grants to all programs
(expansion of current programs and attracting new high quality programs)

= Ready by 5 **\$3,168,000**

Juneau children learn while parents earn, entering kindergarten with strong skills to succeed in school and in life.