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July 27, 2023

RE: Veto of Resolution #RES 23-1094

City Council President Brendmoen and Members of the Saint Paul City Council,

Like many of you, I have dedicated my career to supporting the needs of children and families in Saint Paul and beyond.

A decade and a half ago, while I was endeavoring to build the Saint Paul Promise Neighborhood as the Ward 1 City Council Member, the notion of the city engaging in the area of education was considered unusual by all, and undesirable by many. I clearly recall the struggles of fighting a common narrative that an undertaking like that was "the school district's job." Those experiences were key in leading me to serve as director of the Minnesota Office of Early Learning and executive director of the Minnesota Children's Cabinet under former Governor Mark Dayton, and ultimately to my current role as Mayor of the City of Saint Paul. I still firmly believe that securing the brightest possible future for all of our children is a job that rightfully deserves full engagement from every individual and institution in our community.

Today, with your partnership, the City of Saint Paul leans into that job more than ever. Our investments to eliminate library late fines and participation fees for youth sports have returned those institutions to the center of community life for thousands. The resource commitments we've made to paid youth jobs and learn-to-earn experiences are helping our youth pay for their own expenses and contribute to family bills. CollegeBound Saint Paul, our acclaimed initiative to start every child born in our city with \$50 in a college savings account, has now deposited over \$1.6 million to seed college savings for over 11,000 children.

In that light, I greatly appreciate the creativity and enormous ambition behind Resolution # RES 23-1094, which orders "a special election to be held on November 5, 2024, to add a ballot question on whether the City should create a dedicated fund for subsidies for children's early care and education through a property tax levy." ¹

While the underlying goal behind this effort - to provide quality early childhood care for every child and family in our city - is laudable, our excitement for this bold proposal must not preclude a temperate examination of its details. Indeed, our urgent passion to produce real, transformative outcomes for children and families in our city demands such due diligence. Beyond the simple merits of the presented idea, additional questions must be considered to determine if the proposed program is sufficiently defined, resourced, and structured to effectively accomplish its articulated aims.

Unfortunately, these questions leave me unable to support the City Council's action, as it is difficult to conclude that this proposal in current form could effectively deliver on the expectations that have brought it to my desk.

Accordingly, and pursuant to Section 6.08 of the Saint Paul City Charter, I hereby veto Resolution # RES 23-1094, adopted by the City Council.

¹ <u>Resolution Title</u>, Ordering a special election to be held on November 5, 2024 to add a ballot question on whether the City should create a dedicated fund for subsidies for children's early care and education through a property tax levy, <u>Resolution # RES 23-1094</u> (2023).

My concerns exist primarily in five principal areas:

- <u>Feasibility</u>: Allocating adequate staff- and resource-capacity to reasonably fulfill the commitments promised by the program.
- <u>Structure</u>: Establishing a clearly defined implementation structure with clear lines of decision-making and accountability and maintaining alignment with the powers granted to city government by our city charter.
- Equity: Intentionally ensuring that children and families from historically disenfranchised communities can equitably access the benefits of this program.
- <u>Timeliness</u>: Establishing a well-conceived implementation plan that maintains continuity throughout the entire process; particularly through imminent transitions in City Council membership.
- <u>Primacy</u>: Ensuring our city government maintains a primary focus on adequately resourcing the core city services upon which our residents rely.

Feasibility

The resolution cites a need of \$39 million per year to reach children 0-2 years old living at 185% of federal poverty level and below, but provides only half of that amount (\$20 million) while committing the city to deliver at least seven major labor- and cost-intensive functions beyond that identified scope:

- Expand the reach from 0-2 years to all children 0-5 years old living at 185% of federal poverty level or below.
- Subsidize families earning more than 185% federal poverty level on a sliding scale.
- Establish and administer a community advisory committee.
- Support providers to expand capacity, ensure competitive pay and benefits, and/or access professional development opportunities.
- Streamline the process of accessing care and applying for financial assistance.
- Support providers in obtaining licensure and meeting program standards; and
- Evaluate and report fiscal and program performance metrics.

Clearly, if \$39 million is the annual need to reach all children from birth to age 2, it is unreasonable to expect \$20 million per year to accomplish that goal and seven other functions a decade from now. The ballot language adopted by the City Council would offer Saint Paul voters the seemingly impractical option of approving a maximum allocation of \$20 million per year to provide "subsidies to families and providers so that early care and education is no cost to low-income families and available on a sliding scale to other families, and so as to increase the number of childcare slots and support the childcare workforce." ²

It would be imprudent for the City of Saint Paul or any other entity to take on such enormous, universal, and permanent commitments - especially those which have eluded so many other early childhood professionals and systems - while possessing all of the information necessary to know that the available resources do not exist to meet those commitments. Our obligation to children, families, residents, and taxpayers in this city should cause us to avoid presenting such seemingly false options to Saint Paul voters in the form of a ballot question.

² <u>Ballot Question Language</u>, Ordering a special election to be held on November 5, 2024 to add a ballot question on whether the City should create a dedicated fund for subsidies for children's early care and education through a property tax levy, <u>Resolution # RES 23-1094</u> (2023).

Structure

Resolution # RES 23-1094 establishes that the anticipated program would "be operated by the City of Saint Paul, via a new or existing city office or department," ³ and suggests the Office of Financial Empowerment as a potential appropriate office for implementation:

"... the Office of Financial Empowerment has the authority to create and administer an early learning program aimed at cutting opportunity and achievement gaps, decreasing poverty rates, and providing economic support to families struggling with the cost of childcare;" ⁴

Critically, the Office of Financial Empowerment (OFE) is one of our newest city offices and is currently staffed by four employees plus interns who work together to implement CollegeBound Saint Paul, as well as our guaranteed income pilots and community ownership initiatives. The functions necessary to execute the proposed early learning initiative - processing thousands of individual applications, certifying family incomes, evaluating childcare settings, establishing professional development opportunities for providers, among other tasks - are beyond OFE's current scale and scope.

Resolution # RES 23-1094 also names the City Council as the program's implementing entity:

"The City Council will engage the community from August 2023 to August 2024 to determine further program specifics and prepare for a pilot, and if the special levy is approved by voters, will prepare for implementation from January 2025 to August 2025;" ⁵

In addition to the obvious lack of clarity as to whether the City Administration or City Council holds responsibility for implementation, the City Council may lack charter authority to implement a program of this nature, rendering impossible the City Council's performance of the commitments established in this resolution.

At this time, there is no office or department in city government that could reasonably and effectively absorb this enormous body of work; the time and resources required to build such infrastructure from scratch are significant and must not be underestimated.

Equity

Outside of the licensed childcare system, Family, Friend, and Neighbor (FFN) care is one of the most common types of care for children in Minnesota and is a particularly frequent choice for families in our communities of color. ⁶ This is no surprise since research has shown that this form of care is not only the most common form of nonparental care in the United States, but that the majority of those who provide FFN care or use it come from communities of color. More so, these very providers and settings are often under-resourced, unsupported, and largely invisible in childcare policy conversations. ⁷

³ <u>Clause 11</u>, Ordering a special election to be held on November 5, 2024 to add a ballot question on whether the City should create a dedicated fund for subsidies for children's early care and education through a property tax levy, <u>Resolution # RES 23-1094</u> (2023).

⁴ <u>Clause 10</u>, Ordering a special election to be held on November 5, 2024 to add a ballot question on whether the City should create a dedicated fund for subsidies for children's early care and education through a property tax levy, <u>Resolution # RES 23-1094</u> (2023).

⁵ <u>Clause 16</u>, Ordering a special election to be held on November 5, 2024 to add a ballot question on whether the City should create a dedicated fund for subsidies for children's early care and education through a property tax levy, <u>Resolution # RES 23-1094</u> (2023).

⁶ Page 5, Minnesota Department of Health (April 2022). Family, Friend, and Neighbor Providers: Supporting Minnesota's Infrastructure of Care.

⁷ <u>Pages 1, 4-5</u>, Migration Policy Institute (December 2021). <u>The Invisible Work of Family, Friend, and Neighbor Caregivers and Its Importance for Immigrant and Dual Language Learner Families</u>.

The City Council Early Learning Legislative Advisory Committee report acknowledges this truth:

"Committee members strongly agreed (94%) that the program should continue to explore how to best support and include [family, friend, and neighbor] caregivers in a Saint Paul system. Five members commented that this is a prevalent form of childcare for many families, including and especially BIPOC families with specific cultural needs..." 8

While Resolution # RES 23-1094 does establish for inclusion of some non-licensed family, friend, and neighbor caregivers, it still defers the unique needs of many of the above-mentioned children and families to an unspecified future discussion, noting that the "City Council will continue to evaluate how to best support other family, friend, and neighbor caregivers." ⁹

In our diverse, global city, a reimagined childcare system cannot equitably serve our entire community while tabling the needs of families and providers who access care outside of licensed systems.

Timeliness

While the City Council possesses authority to advance a question for inclusion on the ballot this coming November, Resolution # RES 23-1094 delays such action for a full year until November 2024:

"...the City Council will engage the community from August 2023 to August 2024 to determine further program specifics and prepare for a pilot." ¹⁰

While I agree that such a refinement period could be useful, the majority of Saint Paul City Council Members - including three of this resolution's five supporters - are not seeking re-election this year and will depart the City Council before the aforementioned refinement is complete and prior to this question reaching the ballot. Consequently, this City Council has advanced a resolution that, if affirmed by voters, would create an immense volume of work and highly impactful budget tradeoffs left fully for others - this Administration and the next City Council - to navigate.

As the conclusion of the aforementioned refinement period would occur within a sufficient time frame for a refined proposal to still be considered for the 2024 ballot, it would be more appropriate for the next City Council to advance this effort toward ballot consideration after "further program specifics" ¹¹ are determined, not before. There is no effective benefit of rushing this proposal forward ahead of that process.

Primacy

Every day, our more than 300,000 residents require support to face critical needs that fall under the purview of existing city departments and programs. Each of these needs is growing fast and will require escalating resources to keep pace with our growing population. To name a few:

• Increasing demand for emergency response services as our population grows.

⁸ Page 11, Saint Paul City Council Early Learning Legislative Advisory Committee Report, Staff Report # SR 23-52 (2023).

⁹ <u>Clause 11</u>, Ordering a special election to be held on November 5, 2024 to add a ballot question on whether the City should create a dedicated fund for subsidies for children's early care and education through a property tax levy, Resolution # RES 23-1094 (2023).

¹⁰ <u>Clause 16</u>, Ordering a special election to be held on November 5, 2024 to add a ballot question on whether the City should create a dedicated fund for subsidies for children's early care and education through a property tax levy, <u>Resolution # RES 23-1094</u> (2023).

¹¹ <u>Clause 16</u>, Ordering a special election to be held on November 5, 2024 to add a ballot question on whether the City should create a dedicated fund for subsidies for children's early care and education through a property tax levy, <u>Resolution # RES 23-1094</u> (2023).

- Decades of disinvestment have left roads, bridges, sidewalks, and bikeways in critical need of investment, and city-owned buildings have accrued over \$100 million in deferred maintenance needs.
- Thousands of additional affordable housing units and robust additional supports for individuals experiencing unsheltered homelessness are needed.
- Challenges with hiring and retaining staff due to wages and salaries that in several instances have fallen below market levels.
- Thousands of residents are still being contaminated by lead service lines connecting their homes to our water main.

As you are aware, this is a small sample of the critical work our city workers perform daily. Necessity demands a focus on better resourcing these critical life, health, and safety functions before creating a large, new program that lies so far beyond our existing scope.

To be clear, Saint Paul families have much to celebrate in the area of early childhood investments:

- Governor Tim Walz and the Minnesota State Legislature approved an Early Learning Omnibus Bill this year
 that invests \$400 million into programs targeted at our youngest learners; ¹² according to Resolution # RES
 23-1094, these investments could result in an estimated \$22 million to \$78 million additional dollars flowing
 into our community in 2024.
- Saint Paul Public Schools is reimagining Bruce Vento Elementary School to better serve students through a
 forward-thinking remodel. When complete, the project will house an expanded early childhood center and
 community hub, providing early childhood programming, specialized services, and community support
 services. 13
- Through Recreation for Preschoolers, our Parks and Recreation Department engages 3- and 4-year-olds in meaningful learning-through-play opportunities that build literacy, social skills, motor skills, and self-esteem.

As we work to maximize those significant investments, I remain open to constructive dialog to assist in reenvisioning this proposal into an actionable scope and scale. Specifically, the proposal must be clear in identifying an approach that centers building upon our existing early childhood infrastructure; providing additional clarity on family, friend, and neighbor providers; and providing time for a true pilot to test, learn, improve, and evaluate a proposed course of action prior to seeking to establish a new citywide program from scratch.

Saint Paul's big bets on our children are only beginning. Thank you for your continued partnership and vision. I look forward to our continued work together to build a Saint Paul that truly works for all of the children and families who call our city home.

Sincerely,

Melvin W. Carter III

¹² Office of Governor Tim Walz and Lt. Gov Peggy Flanagan. (May 24, 2023). Governor Walz Signs One Minnesota Budget into Law [Press release].

^{13 &}quot;Bruce Vento Elementary - New Construction Project." July 2023, Planning, Design and Construction / Bruce Vento Elementary School (spps.org)

^{14 &}quot;Recreation for Preschoolers." January 2023, Recreation for Preschoolers | Saint Paul Minnesota (stpaul.gov).