

Seward City Council

Work Session Packet



**Topic: Discuss options for the best public use(s) of
\$1 million funding received from
Norwegian Cruise Lines (NCL)**

June 7, 2021

City Council Chambers

Beginning at 7:00 p.m.



TEMPORARY PROCESS FOR CITIZEN COMMENTS AT JUNE 7, 2021 CITY COUNCIL WORK SESSION

Citizens are welcome to attend in person.

The Seward City Council will hold a Work Session on Monday, June 7, 2021. Because the City of Seward is currently experiencing a declared public health emergency due to Coronavirus Disease 2019 (COVID-19), alternate methods for providing comments has been created.

CITIZEN COMMENTS

1. WRITTEN comments can be emailed to clerk@cityofseward.net. Identify whether you want your comments forwarded to council immediately, read aloud at the work session, or both.
2. TELEPHONIC comments can be made by sending an email request to clerk@cityofseward.net. Be sure to include the phone number you wished to be called.

Questions? Call the city clerk at 224-4045.

How To Virtually ATTEND The Meeting

1. The meeting will be Live Streamed on the city's YouTube page. Log onto YouTube and type "City of Seward Alaska" into the search bar.
2. Listen on the radio. Tune to KIBH-FM 91.7
3. Watch on television. Tune into GCI Cable Channel 9.



City of Seward

City Council Work Session
June 7, 2021

Dear Mayor Terry and City Council Members,

The City received a generous gift of \$1,000,000 from Norwegian Cruise Lines (NCL). While NCL did not place any parameters on how the money should be spent, they did offer this information:

1. The goal is to assist in business economic recovery.
2. NCL believes the local government (City Council) is best positioned to determine how to use the funds and wants there to be flexibility at the local level.
3. Having something that is tangible is a great option to highlight what exactly NCL is "giving".

On May 24, 2021, the council held a work session and discussed various opportunities and ultimately scheduled a work session for June 7, 2021.

Since the June 7, 2021, Administration has narrowed down the opportunities to four prospects (listed in alphabetical order). Please note that these are offered and will be presented as an overview.

It is my desire for council to provide Administration with direction regarding the preferred option or options. Once the preferred option or options have been identified, Administration will provide council with in-depth details for final council approval at a future meeting.

1. Downtown and Port Ave beautification program
2. Fund the Developer Incentive and Reimbursement Program with the targeted intent of assisting residential development
3. Purchase a building for a childcare startup facility
4. Sidewalk repairs

Thank you for taking the time to thoughtfully consider these options. The decisions made today will not only benefit Seward in the short-term but for the long-term as well. I look forward to carrying out your direction regarding this important matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Janette M. Bower".

Janette M. Bower
City Manager

HYPER: Happy Youth Programs and Educational Resources: A Concept Plan for Bringing Sustainable Child Care to Seward



HYPER
PO Box 482
Seward, Alaska 99664
bloom.sewardak@gmail.com

June 3rd, 2021

I. Executive Summary

Envision this chain of events... Seward is a community where all families have equal access to the highest quality child care possible. With all Seward families able to take advantage of dependable, professional child care, there is an increase in community members fully-participating in a consistent and productive local workforce. With a consistent and productive workforce, local businesses thrive, new businesses are nurtured, and the economy grows. This chain of events can only be possible with the development of sustainable, professional, licensed child care in Seward – HYPER is committed to making that happen.

HYPER (Happy Youth Programs and Educational Resources) is a local group of committed and dedicated volunteers who came together after townhall conversations in late 2019. Their mission is to build a foundation for sustainable, professional, meaningful and engaged child care in Seward. HYPER boasts significant expertise from within the Seward community, strong support from parents, business, local government, and the Seward Prevention Coalition through fiscal sponsorship. Drawing from good data collected about the needs of the community, HYPER presents this initial conceptual plan that identifies the community needs for kids, families, and the business sector. In response to those community needs HYPER is putting forward this plan to offer a mix of programs and services dedicated to building that foundation of sustainable child care in Seward, increasing the professionalism of the early care industry in general, and providing meaningful engagement opportunities for kids and families.

Data shows that child care is one of the Seward community's largest areas of need. This need has driven our vision to build sustainable, consistent, high-quality infrastructure for child care in Seward. One of the major strengths unique to Seward is a state-of-the-art child care facility, a nearly turn-key operation, in the former Big Bay Beginnings Child Care Center. As it has stood vacant for the last several years. We believe that with a strategic community stakeholder, and government investment, that this facility can be fully functioning in fairly short order.

Within the pages of this Concept Plan the HYPER board will present details on its proposed structure for providing sustainable child care, high quality educational resources, and meaningful engagement opportunities. We will provide initial financial budget projections utilizing the newly acquired center, including information on the human resources needed to open and operate the center, the foundation for governance, and the solid potential for generating revenue. Taken together, this Concept Plan for Bringing Sustainable Child Care to Seward is presented without much fanfare, but with great excitement about the potential positive impact of HYPER on the community we all treasure.

II. The HYPER Organization and its Environment

HYPER has been in existence and hard-at-work since April 2020 to bring sustainable child care, quality education resources, and meaningful engagement opportunities to Seward. The 100% volunteer HYPER Board of Directors is doing its work under the fiscal sponsorship umbrella of the nonprofit organization, the Seward Prevention Coalition (SPC). As fiscal sponsor, SPC provides administrative support to nurture HYPER during its start-up phase, before it is formally recognized as an independent, tax-exempt nonprofit by the IRS. It is anticipated that this fiscal sponsorship relationship will serve HYPER for at least the next two to three years, at which time HYPER will begin the process of establishing itself as an independent nonprofit organization.

The HYPER board has already spent time developing a solid vision for the future in the form of a Strategic Plan. Included within its Strategic Plan is a clear statement describing the Core Purpose and Core Values of HYPER, as well as what we, as an organization, hope to accomplish in the next five years, as well as long-term goals to be met in the next decade. These goals within the recently-completed Strategic Plan are included because they show the organization's strong commitment to making a long-term impact in Seward.

CORE PURPOSE Access and availability of sustainable child care, quality education support and meaningful engagement opportunities in Seward

CORE VALUES Children and Families ♦ Community Resilience ♦ Wellness ♦ Partnering ♦ Diversity and Inclusion ♦ Economic Impact

ENVISIONED FUTURE (2031): By 2031, everyone in Seward who needs high quality, affordable child care has access to it there are no barriers to child care, supported by a growing community endowment, and with dedicated children's museum space in the community focused on meaningful engagement opportunities.

ENVISIONED FUTURE (2026): By 2026, HYPER envisions an inspiring future in which it has established a strong, independent nonprofit foundation for the future – in its governance, human resources, partnerships, and finances – and is occupying a sustainable, state-of-the-art facility dedicated to offering the highest quality child care and engagement opportunities for Seward.

The Envisioned Future identified by the HYPER board are truly exciting, and provide an inspiring view of the impact of HYPER in the next five to 10 years. For the purposes of this Concept Plan, achieving these lofty goals over the next

HYPER: A Concept Plan for Sustainable Child Care

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five years, and the next decade, will be the outcome of diligent work starting now by HYPER in pursuing five specific Strategic Operating Priorities – that by 2026, HYPER:

1. Is a fully independent, high-performing, federally recognized tax-exempt nonprofit organization
2. Has established a strong partnerships with a wide range of stakeholder groups with an interest in improving access to, and the professionalism of, child care in the community
3. Has secured and is fully operating the former Big Bay Beginnings Child Care Center
4. Has at least a dozen pop-up engagement/museum exhibits, shown at least once a month on a rotating basis
5. Has made significant progress in building financial stability that will support its work far into the future – that translates to a growing, diverse revenue stream, and with expanding financial reserves equivalent to six months of operating expenses

The Community Need Supporting the HYPER Concept

Much of the work of the HYPER board over the last year has been doing research and gathering data that clearly identifies the need in Seward for sustainable child care, quality educational resources, and meaningful engagement opportunities. HYPER conducted surveys in both 2020 and 2021.

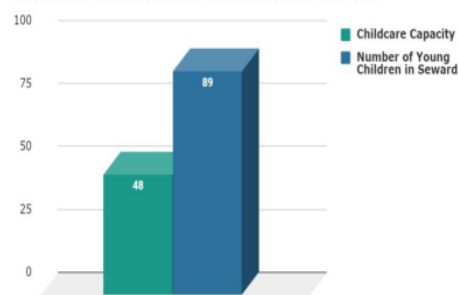
What's the need?

Based on the 2020 community needs survey that went out to caregivers of children under the age of 5 and a survey offered to licensed and unlicensed childcare providers Seward has a significant gap in childcare resources.

LOCAL DATA

Childcare Capacity of Young Children in Seward

based on total number of children that can be served at one time



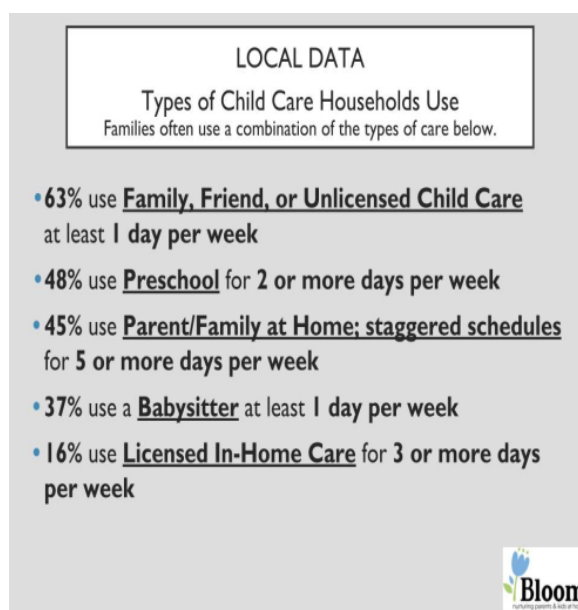
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- **Community Need One:** A lack of licensed child care facilities, increased with the closure of the former Big Bay Beginnings Child Care Centers almost two years ago. At this time there are only two state licensed child care providers in Seward, with one able to handle 8 children, and the other licensed for 12. The data from HYPER's 2020 survey suggest the need for child care is *four times* what can be covered by the two existing licensed providers, a total of 85 kids. This means families are currently using a number of alternative options, identified in the figure below.

2020 Survey Results

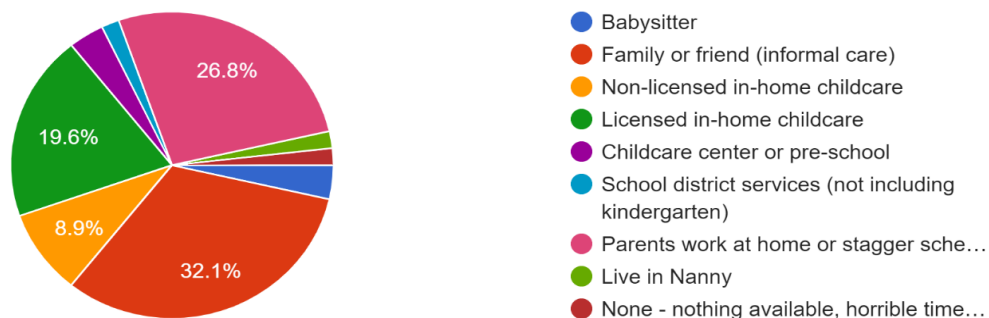
What are families currently doing for care?



2021 Survey Results

What is the most common form of childcare that you used over the past six months?

56 responses



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In addition to relying on informal, unlicensed, family-based care, parents are often working from home or staggering work schedules – this will not be feasible or effective when parents go back to working in-person, and on-site.

- **Community Need Two:** Child care in Seward is expensive, and because of that not accessible to most families. When child care *is* accessible, the cost is roughly \$800/month, per child. Establishing a licensed facility would entitle parents to access critical State subsidies that could potentially pay up to 100% of the costs of child care. With a fully operational licensed childcare facility housed in the former Big Bay Beginnings Child Care Center, HYPER would be able to accommodate another 40 children. Offering access to this state assistance is hugely important for Seward parents that are now paying upwards of \$40/day for childcare.

"I chose to sell my business and put my efforts into being a stay at home mom. I realized that to pay out of pocket for unlicensed care would cost about 60% of my earning and it just wasn't worth the time apart from my children. If it was a licensed facility, we would have qualified for help from the state programs available and it would have been only 35% of my earnings."

Sara Walker, May 10th, 2021

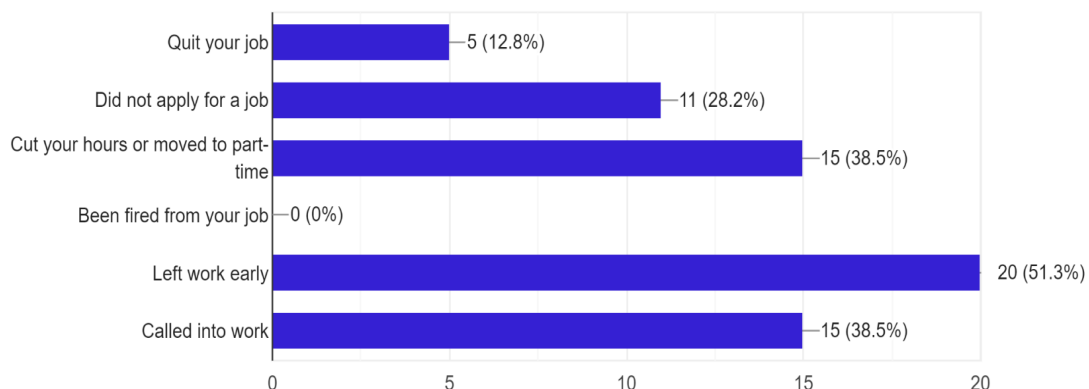
- **Community Need Three:** Without adequate, consistent child care options, local businesses are unable to attract and retain employees. HYPER's 2020 survey indicates that the people are leaving jobs, or unable to secure employment, because of a lack of child care. The number one response – 51% - indicated they had to leave work early to accommodate lack of childcare; 38% said they had to adjust hours or go to part-time, and 28% simply reported not applying for a job at all because of a lack of child care.

HYPER: A Concept Plan for Sustainable Child Care

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Over the last 12 months have you experienced any of the following due to a lack of childcare?

39 responses



According to HYPER Board Chair Casie Warner:

“You have to have both parents in the workforce to be able to afford to live in Seward,” she said. “Seward’s expensive, and it’s just getting more expensive. If we want to talk about the lack of housing and the affordability of it, we have to talk about childcare at the same time. Those things go hand-in-hand. You can’t have one without the other.”

Seward Journal, March 14, 2021

- **Community Need Four:** Access to current educational resources and training opportunities for professional development of local childcare professionals. Seward does not currently have the local resources to educate, train and offer professional development opportunities for people interested in working in the areas of early childhood education and childcare, not to mention travel obligations associated with seeking these opportunities outside of the community. Furthermore, the State’s Office of Children’s Services (OCS) relies on local education resources and training to help with placement of kids in Seward with biological and foster families – having those resources and training offered locally would vastly improve placement of kids in the community.

“Having more licensed childcare will be beneficial to Coast to Coast Kidcare by providing a support network that I can brainstorm with, swap toys and equipment, help increase accessibility to trainings, and navigate the state regulations.”

Coast to Coast Kidcare Owner, June 3rd, 2021

- **Community Need Five:** Access to meaningful engagement opportunities for children and families in Seward. According to HYPER's 2020 survey, completed pre-pandemic, families acknowledged there were many engagement opportunities, but they were not accessible to working families. With a disparity of access, and now with the pandemic's loss of engagement opportunities it is important to rebuild child centered community activities to be accessible to all families. It is common to find local social media posts asking, "What is there for me and my family to do in Seward?" Again, according to HYPER Board Chair Casie Warner, in the Seward Journal:

"Not only would the children's museum act as a financial arm for the childcare center, but it'll also give our current families living in Seward a healthy space to take their children to support them, encourage them, and give them an opportunity to learn in a hands-on environment. The children's museum will also be another attraction to capitalize on our tourism that we have in the summertime."

March 14, 2021

III. HYPER Programs/Services and Social Return on Investment

HYPER was started to address the community needs outlined above, and will be accomplishing this through planned strategic programs and services:

Licensed Child Care

- For 40 children in the former Big Bay Child Care Center
- The current facility was completely updated and remodeled in 2017, into a state-of-the-art child care center, operated for three years by QNT
- The program will be serving not just three-to six-year old's, as in the former Big Bay Beginnings facility, but birth to six

Education Resources and Training

- Offering the Learn and Grow program, in partnership with the statewide thread organizations
- Providing the necessary 24 hours of annual training of center staff required for licensing
- Encouraging the growth of the profession and encouraging new participants in partnership with the University of Alaska Fairbanks, and potentially through the high school
- Parenting courses for families, privately and in support of the State's OCS for foster and custodial families – kids in OCS custody cannot go to child care that is unlicensed
- Partnering with the nonprofit Sprout organization for parenting training, such as the Circles of Security and Conscious Discipline
- Partnering with the Kenai Peninsula School District to accommodate referrals through the ILP program

Pop-Up Exhibits

Through development of 12 rotating pop-up exhibits within the first several years, HYPER will be meeting the need for meaningful engagement opportunities. Initially the museum portion of HYPER's work will be planned as a series of quarterly pop-up exhibits until a permanent location can be secured.

Benefit to the Community – Social Return on Investment

The real value of an investment in sustainable child care, quality education resources, and meaningful engagement opportunities can be described as a social return. The benefactors of which would not be limited to the children accessing the services, but also their families, community businesses and overall economy, the HYPER organization, and community investors.

Child SROI

- Consistency and safety in childcare
- Early detection of developmental delays
- Reaping long-term rewards from early investment in child development
- Growing resilience in children, which is a key to long-term growth and development
- Increased academic success
- Improved health and wellness

Families SROI

- Greater financial security through accessing and retaining long-term employment
 - Food security – families know where their next meals are coming from
 - Housing security – families can stay in their homes

- Greater peace of mind – parents know where they're kids are and that they are safe
- Encouraging social connections – building networks for parenting supporting and resilience
- Improved family dynamics leading to health and safety outcomes

Business and Community Economic SROI

- Happy kids mean happy families, means healthy communities, means strong economic base
- Business has the people they need, when they need it
- Businesses can open when they want to because they can find workers – Seward is built on small business and child care in part of that foundation
- Hiring the best quality staff, less turnover, which in turn costs less money
- As Seward considers growing the economy into something more year-round, child care will be there to support that growing
- New economic opportunities are dependent on child care availability

HYPER Organization SROI

- A child care center being operated by HYPER allows the organization to thrive, putting a face to the name, achieving tangible results, growing this community asset
- Timely investment in HYPER now will reap immediate benefits because reestablishing CC capacity from the ground up would take years, if it would happen at all

Investor SROI

- Investors like Norwegian Cruise Lines can demonstrate an immediate, and long-term impact on the community and the workforce – and featuring pop-up exhibits would enhance the experience for visitor families
- As a primary investor the City of Seward would be able to demonstrate that it is a good steward of public dollars in pursuit of stronger, healthier community
- The City will also be able to show its support of families, as the bulwark of a strong economy – that the City recognizes the important role families play, and acknowledging that it is one of the community's fastest growing demographics

IV. Market Analysis

Industry and Market Trends

Lack of access to the very best child care is not just something Seward is dealing with, it is important across the state and throughout the nation. It is widely acknowledged that access to child care as an important component to building strong, economically viable communities. Extensive federal granting through CRES legislation and the recent American Rescue Plan Act, as well as anticipated infrastructure support will allow Seward to take advantage of federal programming and funding.

The Competition

Competition is really not the right word here – in truth there is no competition for the proposed HYPER programs and services. There are, as indicated earlier, only two other licensed child care providers, but they cover less than a quarter of the actual identified need in the community. Due to this, existing licensed providers are packed, with long waiting lists, and lack of other places to refer people to. There are also a number of other options that parents avail themselves of, but they are not licensed, cannot utilize state support, and are not accessible to many families. This means HYPER would not be taking business from private providers, but instead helping to meet the full need, not competing with private business.

Competitive Advantage and Strategic Position

The biggest competitive advantage, what makes HYPER the perfect organization to be pursuing this concept, is that the board members are committed to bringing a positive resolution to the community needs identified earlier. In addition, the board has a broad spectrum of knowledge, experience, and expertise in the field generally and organizational management specifically which will serve HYPER well as it embarks on the path proposed within this Concept Plan.

In addition to the board, another competitive advantage is the existence of the former Big Bay Beginnings Child Care Center, which is considered by many to be a turn-key operation. There is also a strong potential for dedicated start-up funding for HYPER's efforts, as well as strong community and stakeholder support.

Finally, a significant competitive advantage is the data HYPER has collected and analyzed. Much of that research has been presented here in support of bringing sustainable child care, quality education resources, and meaningful engagement opportunities to Seward.

Opportunities for Collaboration

At the core of success for the concept presented within this document is collaboration. HYPER will collaborate with families, community members, other

providers, the Chamber of Commerce and Visitors Bureau, the City of Seward, the University of Alaska Fairbanks, the Kenai Peninsula School District and local High School, thread, and so many others.

Community and Stakeholder Support

This concept presented within this document enjoys significant support throughout the community, with a number of Letters of Support that are included as Appendix B – the Seward Community Foundation, AVTEC, and the Seward Chamber of Commerce and Visitors Bureau, among others.

V. Sustainable Human Resources Plan

At this juncture, identifying a comprehensive plan for the human resource requirements connected to the HYPER concept is being developed. The overall philosophy is to increase staffing as the head count within the center grows, using a phased approach. What this means is that a full staff will be developed in phases as capacity for care is met. The board is currently looking at a number of different, successful child care centers, and drawing on the expertise of HYPER board members and others, to gain important insight on meeting the human resources needs of a licensed child care center. With this insight the HYPER board will be well-positioned to develop an essential, sustainable human resources infrastructure for the project.

VI. Governance and Leadership

At this point in the development of the HYPER concept, from a start-up operating under the fiscal umbrella of the Seward Prevention Coalition, the board is all volunteer, composed of a number of community members, each of whom brings a strong commitment to the core purpose, as well as a breadth of experience. Current members of the HYPER Board include the following:

- Casie Warner, Chair, who is being supported by the Seward Prevention Coalition in developing and implementing the HYPER concept.
- Marissa Amor, Co-chair, with the Seward Chamber of Commerce, as well as having expertise in social media and outreach
- Sara Walker, Secretary and volunteer museum curator
- Lisa Musick - Treasurer, with expertise in managing child care centers, and state licensing
- Rhonda Bohart – Member at Large, with outreach expertise and experience, in particular with respect to media
- Christiana Smith, Member at Large, with expertise in managing child care centers, state licensing, etc.

- Alison Erickson, Member at Large, a non-parent board member with expertise in how child care affects nonparent community

The Seward Prevention Coalition and Fiscal Sponsorship

For the foreseeable future, at least the next two years, the Seward Prevention Coalition is serving as fiscal sponsor for the HYPER concept, providing accounting and payroll support, liability insurance, and board support. In addition, the coalition is providing payroll support for Casie Warner to coordinate HYPER efforts, as well as staff support for the time of Christiana Smith.

VII. Facility Plan

The HYPER board is currently in talks with the City of Seward regarding the former Big Bay Beginnings Child Care Center located at 520 4th Avenue. The facility was operated as a state-of-the-art child care center for several years, but has stood vacant for the last two years. With an upgraded downstairs, and the current upstairs, the capacity of the center will be 40 children. In its strategic plan HYPER will continue to:

- Complete formal Lease Agreement with the city regarding operating the facility, highlighting the potential role of cruise ship industry donation to the City of Seward
- Identifying the immediate capital upgrades required on the bottom floor for increasing safety and capacity
- Begin the process of becoming licensed as a center with the State of Alaska
- Develop necessary financial policies specific to child care operations around pricing, credit card acceptance, tuition collection, etc.
- Connect with other child care providers and children's museums about their foundation and operations, including financials, any business plans, organizational charts, etc.
- Begin the process of becoming enrolled in thread's Learn and Grow Program

VIII. Sustainable Income Plan

While it is too early in the process of the HYPER concept to develop a comprehensive set of financial projections, at the core of long-term success for HYPER's child care center is generating sustainable revenue from a mix of sources. While financial projections are beyond the scope of this concept plan, it is possible to describe the most critical elements that, when woven together, will support sustainable child care, quality education resources, and meaningful engagement opportunities in Seward – those revenue sources will include the following:

- Tuition – based on several factors, age, time, state has that all mapped out
 - State Child Care Assistance
- Corporate Support
- Local Government support as an option – initially for start-up, then maybe an ongoing annual appropriation – because it's a good investment
- Earned Revenue, likely farther out, from the museum operation and renting out pop-up exhibits
- Grants
 - Federal American Rescue Plan Act dollars through ARPA
 - This is still under investigation – it is unclear at this point what amount might be available, but the likelihood of financial support is possible
 - The State of Alaska's Food Program
 - This program, which covers food resources for the center, could amount up to \$7,700 monthly at full capacity of 40 children
 - The State of Alaska's Attendance Grant Program
 - For instance, a quick review of this grant program indicates that the center, at full capacity, may have access to up to \$1,400 per month to cover operating expenses, to include staff salary, substitute care, health and safety, child development, and more
 - Other state programs

The HYPER board will be developing financial projections as the project becomes more fleshed out.

Some ancillary actions required by the board around sustainable revenue include taking action on the following:

- Implement HYPER Financial Policies
- Establish a Financial Reporting process, dashboard, etc.
- Establish a Finance Committee
- Consider establishing a Reserve Policy
- Begin to explore the idea of an endowment within the Alaska Community Foundation
- Begin application process for state childcare grant programs, as well as other non-state child care assistance programs
- Prepare for applying to the federal government for Community Development Block Grant
- Continue to identify other grant opportunities to support HYPER programs and operations

IX. HYPER Budget Estimate

As an initial example of an estimated annual budget for a fully operating child care center, at 100% capacity (40 kids), 4 budget scenarios have been drafted. These numbers are based on information we have gathered from when Big Bay Beginnings was in operation, from similar sized child care centers in Alaska, and local research. Each scenario accounts for 8 full time staff, 2 teachers for each age range (infant, toddler, and preschool), an administrator and 1 floating teacher to cover breaks and lunches for the staff.

The income estimate for each staff is based on competitive rates in the Kenai Peninsula Borough and the lowest we feel we could offer to attract candidates. The income breakdown for each scenario is the same and is as follows:

- Administrator = \$25/hour for 40 hours/week
- Lead Teacher = \$22/hour for 40 hours/week
- Support Staff = \$15/hour for 40 hours/week

The tuition rates are based on 40 kids with 10 being infants, 10 being toddlers, and 20 being preschool age. These are the maximum numbers possible for the building for each age range. The State Child Care Assistance Program tuition rates are based on full time slots per month and breakdown as follows:

- Infants (0-12 months): \$850
- Toddler (13-35 months): \$800
- Preschool (36-59 months): \$690

The four scenarios presented, ordered from left to right, look at two primary factors, tuition rates and city support, that will influence the success and feasibility of this child care facility. The description of each scenario is as follows:

Scenario 1: If tuition is at the same rate as the state reimbursement limits for each age range, and the center has to pay all of the operating costs without support from the city. This shows a deficit of over \$100k/year if tuition was the only source of income.

Scenario 2: If tuition is raised to \$200 over the state reimbursement limit for each age range, for example, preschool tuition would be \$890/month instead of \$690/month. This means families receiving state assistance would be required to pay an additional \$200/month out of pocket. Also, in this budget is if the child care facility had to cover all operating costs, if tuition was the only source of income, the facility would have a deficit of around \$19k/year.

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Scenario 3: Looks at the tuition rate being equal to the state reimbursement rate and without having to cover the cost of utilities for the building. The city covers building utilities and maintenance for the Boys and Girls Club, so this is an estimate based on a partnership similar with the city. This would show a deficit of \$69k/year if tuition was the only source of income and the city agreed to cover basic utilities and maintenance for the facility.

Scenario 4: If tuition was set at \$200/month more than the state reimbursement rate and the city covered the utilities and maintenance similar to their partnership with Boys and Girls Club, then there would be a profit of \$12k/year.

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	100% Capacity \$15 hour State Rate	100% Capacity \$15 hour .+ \$200	100% Capacity \$15 hour State Rate No Utilities	100% Capacity \$15 hour .+ \$200 No Utilities
Personal Services				
Prevention ED (in Other)				
Day Care Manager/Admin	\$ 52,000	\$ 52,000	\$ 52,000	\$ 52,000
Day Care Lead	\$ 45,760	\$ 45,760	\$ 45,760	\$ 45,760
Day Care Staff x 6	\$ 187,200	\$ 187,200	\$ 187,200	\$ 187,200
Day Care Cook				
Fringe 15%	\$ 42,744	\$ 42,744	\$ 42,744	\$ 42,744
Travel/Training				
Training	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Facility				
Phone	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
Internet	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800
Electric	\$ 4,200	\$ 4,200		
Heating Oil				
Snow Removal				
Janitorial	\$ 19,500	\$ 19,500		
Trash	\$ 600	\$ 600		
Maintenance	\$ 6,000	\$ 6,000		
Supplies				
Office Supplies	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400
Cleaning, Paper Products Kids	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400
Kids Consumables	\$ 20,800	\$ 20,800	\$ 20,800	\$ 20,800
Equipment				
Computer Equipment	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Other Costs				
Prevention Overhead	\$ 54,540	\$ 68,940	\$ 54,540	\$ 68,940
Fire Extinguisher Servicing	\$ 1,000	\$ 1,000		
Background Checks	\$ 600	\$ 600	\$ 600	\$ 600
Licensing	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Insurance	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
Total	\$ 464,244	\$ 478,644	\$ 432,944	\$ 447,344
Revenue	\$ 363,600	\$ 459,600	\$ 363,600	\$ 459,600
Loss	\$ (100,644)	\$ (19,044)	\$ (69,344)	\$ 12,256

X. Appendices

Appendix A: HYPER Strategic Plan

Appendix B – Letters of Support

APPENDIX A

HYPER Strategic Plan

HYPER

Strategic Plan (2021-2026) And Short-Term Operating Priorities (2021-2023) May 2021

CORE PURPOSE Access and availability of sustainable child care, quality education support and meaningful engagement opportunities in Seward

CORE VALUES Children and Families ♦ Community Resilience ♦ Wellness ♦ Partnering ♦ Diversity and Inclusion ♦ Economic Impact

ENVISIONED FUTURE (2031): Everyone in Seward who needs high quality, affordable child care has access to it there are no barriers to child care, supported by a growing community endowment, and with dedicated children's museum space in the community focused on meaningful engagement opportunities.

ENVISIONED FUTURE (2026): By 2026, HYPER envisions an inspiring future in which it has established a strong, independent nonprofit foundation for the future – in its governance, human resources, partnerships, and finances – and is occupying a sustainable, state-of-the-art facility dedicated to offering the highest quality child care and engagement opportunities for Seward.

Achieving this exciting future is dependent on making progress on a number of important Short-Term Strategic Operating Priorities, that by 2026, HYPER:

- Is a fully independent, high-performing, federally recognized tax-exempt nonprofit organization
- Has established a strong partnerships with a wide range of stakeholder groups with an interest in improving access to, and the professionalism of, child care in the community
- Has secured and is fully operating a Child Care Center
- Has at least a dozen pop-up engagement exhibits, shown at least once a month on a rotating basis
- Has made significant progress in building financial stability that will support its work far into the future – a diverse revenue stream, and has grown financial reserves equivalent to six months of operating expenses

SHORT-TERM OPERATING PRIORITIES (2021 – 2023)

PRIORITY: HYPER is a fully independent, high-performing, federally recognized tax-exempt nonprofit organization

- Finalize HYPER Strategic Plan
- Formalize MOA with Seward Prevention Coalition regarding fiscal sponsorship
- Review, adjust and finalize HYPER Bylaws
- Begin to establish necessary foundational policies, for instance:
 - Human Resources Policies
 - Financial Policies
 - Conflict of Interest Policy
- Engage in appropriate board development
 - Explore Capacity Building grant from the Alaska Community Foundation
 - Roles and Responsibilities series through Foraker Group
 - Develop Board Member Job Descriptions
- Board to develop a formal Diversity and Inclusion Statement
- Begin to consider Spring 2022 submission of IRS tax-exempt designation – file IRS Form 1023

PRIORITY: Has established a strong partnership with a wide range of stakeholder groups with an interest in improving access to, and the professionalism of, child care in the community

- Connect with Thread and the University of Alaska Fairbanks to encourage continued education and professional development within the profession
 - Child development education program in partnership with university/KPC
- Pursue partnership with the school district overall, and the high school in particular
 - Connect with new High School Principal when hired
 - Establish a Junior/Senior program to encourage high school participation in the profession
 - Potentially incorporate on-the-job credit
- Continue to strengthen partnership with the City of Seward
- Identify other relevant stakeholders and make meaningful connections

PRIORITY: HYPER has secured and is fully operating a Child Care Center

- Continue to work with the City of Seward regarding existing child care center facility
 - Work with the City of Seward on opening the current empty child care center
 - Complete formal Lease Agreement with the city regarding operating the facility
 - Highlight the potential role of cruise ship industry donation to the City of Seward
 - Identify the immediate capital upgrades required on the bottom floor for increasing safety and capacity
- Begin the process of becoming licensed as a center with the State of Alaska
- Develop a Child Care Center Concept Plan for Sustainability
 - Collect necessary information on management/operations of former child care center
 - Develop necessary financial policies specific to child care operations around pricing, credit card acceptance, tuition collection, etc.
 - Connect with other child care providers and children's museums about their foundation and operations, including financials, any business plans, organizational charts, etc.
- Begin the process of becoming enrolled in Thread's Learn and Grow Program

PRIORITY: HYPER has at least a dozen pop-up engagement exhibits, shown at least once a month on a rotating basis

- Establish quarterly museum pop-ups on the way to 12 by 2026
- Develop a comprehensive Community Outreach and Marketing Strategy
 - Actively market pop-ups to focus on local residents
 - Update the website, link to other partners
 - As necessary, engage community partners to enhance the impact of pop-up outreach
 - Engage in outreach to visitors for pop-ups that happen during travel season
 - Consider differential fee structure for visitors
 - Consider ancillary services associated with pop-ups, i.e., food, beverage, merchandise
- Establish a process/mechanism for collecting data about pop-up attendance, outcomes, etc.
- At the outset, establish a "Suggested Donation" policy for attendance initially, while considering long-term revenue generation potential, to include memberships, entrance fees, leasing, etc.

PRIORITY: HYPER has made significant progress in building financial stability that will support its work far into the future – a diverse revenue stream, and has grown financial reserves equivalent to six months of operating expenses

- Implement Financial Policies
- Establish a Financial Reporting process, dashboard, etc.
- Finance Committee established
- Consider establishing a Reserve Policy
- Begin to explore the idea of an endowment within the Alaska Community Foundation
- Begin application process for state childcare grant programs, as well as other non-state child care assistance programs
- Prepare for applying to the federal government for Community Development Block Grant
- Continue to identify other grant opportunities to support HYPER programs and operations

APPENDIX B
HYPER Letters of Support

June 3rd, 2021

To Whom It May Concern:

My name is Melissa LaRow, owner and operator of Coast to Coast Kidcare. I have been operating licensed childcare in Seward since 2012. From the day I began offering childcare services to Seward families I have been at full capacity without any advertising. In the beginning I was able to care for 8 children but due to a continually growing waitlist I choose to bring my mother up from the states in 2015 to increase the number of children I could provide services too. Even though I increased the number of childcare slots from 8 to 12 I still continue to have a waitlist.

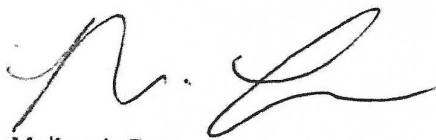
Although there are a few unlicensed providers they are unable to take state childcare assistance. The largest group of families needing care are those that cannot afford childcare without the financial assistance of the state. On average, 90% of the families enrolled in Coast to Coast Kidcare access these funds. Many families also prefer using a licensed childcare center for reasons such as quality and safety standards set by the state, insurance, and qualified childcare staff.

I continually hear pleas from parents needing to work but unable to do so due to lack of childcare availability. I currently have 22 children enrolled but juggle the schedules so that I can accommodate as many families as I can. To date, I have 10 children on the waitlist and nowhere to refer them.

Having more licensed childcare will be beneficial to Coast to Coast Kidcare by providing a support network that I can brainstorm with, swap toys and equipment, help increase accessibility to trainings, and navigate the state regulations.

I am in support of HYPER and their efforts to offer more licensed childcare to Seward families. When HYPER begins offering licensed childcare I will have somewhere to refer families which will lighten the load for Coast to Coast Kidcare.

If you have any further questions, please contact me at (207)-812-0239

A handwritten signature in black ink, appearing to read 'M. LaRow', with a stylized, flowing script.

Melissa LaRow



Seward Community Foundation

An Affiliate of The Alaska Community Foundation

March 7, 2021

Seward City Council
P.O. Box 167
Seward, AK 99664

Dear Seward City Council,

It is my pleasure to write this letter on behalf of the Seward Community Foundation in support of HYPER (Happy Youth Programs & Educational Resources) and Bloom and the work that they are doing in our community.

There is a severe lack of early childhood education and care options available for families in the Seward area. Whenever there are town forums or surveys done, this issue is always one of the top priorities that needs to be addressed. The importance of early childhood education and childcare can't be overstated. They are the foundation of our children's future development.

The Seward Community Foundation has a history of supporting early childhood programs and we will continue to do so. We encourage the City of Seward to be a part of the solution in making our community one in which early childhood education and accessible childcare is available to all who need it.

HYPER and Bloom recognize the urgency and importance of addressing these issues. It is vital that we give them our support and ask that the Council do the same.

Sincerely,

Kim Reiersen, President
Seward Community Foundation

From: Stephanie Presley & Nate Crossley north.coast.camp@gmail.com
Subject: Early care and childhood education
Date: Mar 8, 2021 at 10:28:14 AM
To: bballou@cityofseward.net
Bcc: bloom.sewardak@gmail.com

Early childhood education is a critical component of a healthy community and vibrant economy. Much of the most critical brain development in children takes place before they even reach kindergarten. Children able to attend preschool for one or two years have better nutrition, more access to health care such as early childhood screenings, and more opportunity for socio-economic growth. Studies show children who receive early education have far better educational outcomes, fewer adverse experiences, obtain higher secondary education levels and are more productive with higher wages through adulthood.

One of the main reasons people give for not moving to or staying in Seward is the lack of childcare. Families with access to reliable childcare are able to maintain financial stability and are more likely to remain in town. Reports show that the economic cost of lost earnings and productivity due to low-quality or nonexistent childcare totals billions nationally each year.

When the Seward Prevention Coalition formed in 2005, filling the gap of early childcare services was identified as a top priority for healthy outcomes in our community. Many professionals and volunteers worked for many years to create a quality child development center. Our family was a lucky recipient of these efforts, as Big Bay Beginnings was opened when our daughter was ready to start preschool. We were impressed with the curriculum, the educators, the child-centric space, and the joy of learning our daughter left school with most days. She was well prepared when she started kindergarten.

I would encourage the Council to explore options available to provide early childhood education through partnership with community groups dedicated to filling this gap. We have a youth center and a teen rec room. It's well worth it for the community to invest in an early childhood education center.

Respectfully,

Dear Seward Community Members,

I'm a community member without children, but I recognize the urgent need for Childcare in Seward. I currently work in the behavioral/mental health field and have pinpointed lack of dependable childcare as a barrier for parents seeking counseling and related services. One setback impacts other responsibilities, like self-care and employment, and can trigger a domino effect that causes many facets of our lives to crumble.

Investing in parents is a direct investment into our community's children. Reliable, affordable, and sustainable childcare is vital for a thriving community. I appreciate an opportunity to address this need and look forward to the journey toward the solution.

Alison Erickson



ALL ALASKA
PEDIATRIC
PARTNERSHIP

March 8, 2021

City Hall, Council Chambers
410 Adams Street
Seward, Alaska 99664

RE: Letter of Support for Happy Youth Programs & Educational Resources (HYPER)

Dear Seward City Council Members,

The All Alaska Pediatric Partnership (A2P2) offers this letter of support for the Happy Youth Programs & Educational Resources' (HYPER) efforts to address the lack of quality and affordable early childhood care and education in the Seward area.

This letter of support indicates our awareness of the proposal and the recognition of the importance of high-quality early childhood educational opportunities to the health and development of young children and families.

A2P2 has a long history of collaboration with Alaska's early childhood system stakeholders. We look forward to continuing to partner with BLOOM through Help Me Grow Alaska's community outreach. Furthermore, A2P2's recent report titled "Alaska Early Childhood Environmental Scan & Baseline Report on the Condition of Young Children" may be able to serve as a resource for additional background information for the need and value of this project.

Sincerely,

Tamar Ben-Yosef
Executive Director
All Alaska Pediatric Partnership

Carmen Wenger
Program Director
Help Me Grow Alaska



March 8, 2021

Dear Seward City Council Members,

On behalf of **thread**, Alaska's Child Care Resource and Referral Network, I'm writing in support of expanded access to licensed child care in Seward.

With a nonprofit mission to advance the quality of early education and child development by empowering parents, educating child care professionals, and collaborating with our communities, **thread** works across the state to increase access to affordable and high quality child care and early childhood education programs. We have been following the child care trends in the Seward community and are excited to see the work and efforts of the Happy Youth Programs and Education Resources (HYPER) prioritize licensed child care. Licensed child care is critical to ensure a thriving community including ability to recruit and retain a viable local community workforce. Licensed child care allows more families to work while utilizing regulated, safe, healthy and playful care and learning opportunities for their children.

We recognize that Seward has a need to grow and sustain more licensed child care spaces. At the same time, there is an opportunity to consider Big Bay Beginnings existing child care space as an option for expansion. **thread** strongly encourages the community and city support of purchasing the building and for creative partnership to invest in this important community infrastructure.

thread understands and underscores the importance of ensuring developmentally appropriate early childhood programs to support local community needs. You have a great community asset ready for your investment to support working families and young children of Seward. Children who participate in quality early learning enter school more prepared and have stronger outcomes throughout school and beyond.

thread wholeheartedly encourages your consideration of community partnership and financial support of more quality child care in Seward. We are happy to be a resource for you, answer questions or provide additional information about the importance of early learning and community investment support. Please visit our website www.threadalaska.org to find data and learn more about how businesses and communities can support early childhood and quality child care.

Sincerely,

Stephanie Berglund, MSW
CEO, **thread**
sberglund@threadalaska.org
907-265-3101



Seward Chamber of Commerce
Conference and Visitors Bureau

February 12th, 2021

City Council members:

I write on behalf of the Seward Chamber of Commerce in support of the Happy Youth Programs & Educational Resources' (HYPER) efforts to address the lack of quality and affordable early childhood care and education in the Seward area.

As is common knowledge, we have a significant childcare shortage in our community that has had and will continue to have a detrimental effect on the overall health (economic, social, etc.) and desirability of our community as a place for families to live. It also has significant impacts on our businesses and economy.

Solving this problem will take many entities, groups, and people working together and collaborating to create a healthy and sustainable system. Thank you for being an integral part of those solution efforts for our community.

If you have any questions, please do not hesitate to contact me at any time as we want to help be a part of this solution.

Sincerely,

Jason Bickling, Executive Director
Seward Chamber of Commerce
PO Box 749
Seward, AK 99664
907-224-8051
director@seward.com



Thursday, March 4, 2021

To Whom It May Concern,

On behalf of the staff and instructors at the Alaska Vocational Technical Center (AVTEC), I am writing to support the Happy Youth Programs and Educational Resources (HYPER) efforts to address the issue of maintaining quality, accessible and sustainable early childhood education and care options for children from 0-5 years of age in Seward.

The Alaska Vocational Technical Center (AVTEC) is a post-secondary vocational training center operated by the State of Alaska Department of Labor and Workforce Development and is located in Seward. Over 200 students from nearly 100 Alaska communities come to Seward to attend AVTEC training each year. While they are engaged in training, students reside in our two student housing residence halls or in family apartments. We often get inquiries from students who have families that include infants and children who are not yet of school age. Although we are able to house the families in our family apartments, the lack of quality, accessible and sustainable early child care options can be a barrier to them attending AVTEC to further their education and increase their economic independence.

If AVTEC students with children are considered low or very-low income, they are limited to utilizing child care providers that are licensed by the State of Alaska and who will accept Child Care assistance payments. Finding space in a licensed child care provider is next to impossible in Seward given the state licensure low capacity limits placed on the local providers.

At the present time, the only reasonable solution for AVTEC students who bring children with them to Seward while they are in training is to bring a friend or family member with them to provide child care while the student is in training during the week. This removes the friend or family member from the workplace and has the unintended effect of isolating these new residents since they are unable to meet other local children who are also cared for at home by family members rather than in a congregate daycare setting where both children and parents are able to socialize.

We support all initiatives by the Seward Prevention Coalition, Bloom, and the City of Seward that encourage safe and licensed child care to serve the Seward community, including our students. Quality, accessible, and sustainable child care is an essential need for all families, particularly those on a path to self-improvement through post-secondary vocational training at AVTEC.

Please invite AVTEC Student Services and Residence Life staff to your discussions about ways to help mitigate this problem affecting our community, we are happy to assist in this essential endeavor!

Sincerely,

Cathy LeCompte, Director



809 Second Avenue, P.O. Box 889
Seward, AK 99664



phone: (907) 224-3322
fax: (907) 224-4400



www.avtec.edu





THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Corrections

DIVISION OF INSTITUTIONS
Spring Creek Correctional Center

3600 Bettie Cato
Seward, Alaska 99664
Main: 907-224-8200

February 24, 2021

To Whom it May Concern,

One of the areas under my supervision, as the Administrative Officer for Spring Creek Correctional Center, is recruitment. Spring Creek is the largest employer in Seward with over 200 staff. We have found that it is common for both parents to work to afford the lifestyle Seward has to offer. We have also found that with this comes a struggle to find day care in Seward, potentially resulting in loss of an applicant.

We would very much support more day care options in Seward that could support the growing population and better to serve our applicants coming to work at Spring Creek.

SHERIE FRYXELL
Administrative Officer



Alaska Department of Corrections
3600 Bettie Cato • Seward, AK 99664
Office: (907) 224-8108 • Fax: (907) 224-8062
sherie.fryxell@alaska.gov

SAFER ALASKA
BUILDING STRONGER COMMUNITIES

City Council members:

I am writing in support of HYPER's efforts to establish childcare and early childhood education options for the Seward Area. I am a business owner, employee at the Seward Chamber of Commerce, and board member of the Seward Community Health Center but most importantly— a mother of two young children.

It's hard to approach this letter without getting too personal because lack of childcare has put an insurmountable strain on myself and my family.

Since March of last year, I have been without consistent childcare trying to work a full time job, run my vacation rental and art businesses and keep up with my responsibilities as a board member. While I am blessed to have patient and supportive colleagues, I cannot help but feel guilty about my underperformance at work as I struggle to do the bare minimum.

Monday through Thursday I drive my children between two different households a day for childcare. They go to my neighbor's house for a couple hours in the morning, then I drive them around while they nap before taking them across town to a friends house. Occasionally I have a family member who takes them for a few hours. I could not be more thankful for these friends/family who agreed to help care for my kids but it is not sustainable and I cannot pay them what they are worth. I spend so many unnecessary hours just trying to coordinate how my week will look, what kind of child care I can find, and how I can squeeze in a few hours of work and make important meetings. It is exhausting and frustrating.

Of all my obligations my children are obviously most important. I strive to be the mindful, present, and loving mother that my kids deserve. The reality that I have been slowly coming to terms with is that without the prospect of consistent childcare I will be forced to quit a job that I love.

I know I am not alone in my frustration and that there are many other families who are struggling to make things work. The stress that parents are facing takes a massive toll and spills over the entire family unit.

It is imperative that we as a community work together to find solutions and not leave our families with young children without the resources they deserve. It is my hope that Seward can be a place where families feel supported and where children can thrive.

Sincerely,

Marissa Amor-Hegna

"The family is the cornerstone of our society. More than any other force it shapes the attitude, the hopes, the ambitions, and the values of the child. And when the family collapses it is the children that are usually damaged. When it happens on a massive scale the community itself is crippled."

Lyndon B. Johnson

Laura Sturtz & Jeffrey Dillon
PO Box 537
Seward, AK 99664
907-224-6889

To Whom it May Concern,

My husband and I are both professionals in Seward. In 2018, we welcomed triplets into the world. While a triplet pregnancy is one filled with many worries (health, financial, and capacity to care for three infants to name a few), one of our biggest worries from the start was how and where we would find daycare. When we moved to Seward in 2010, the town had several licensed in-home daycares and a daycare center. In 2018 however, daycare was nearly impossible to find. We started searching early and found a few leads, all unlicensed and either unprepared to care for infant triplets, or lacking in space. After much searching, we located care with a local mother. Unfortunately, after less than 6 months, that care fell through leaving us without childcare in the middle of a busy summer season. Jeff's elderly parents travelled 4,000 miles to live with us and provide care temporarily while we searched for a new solution. After more searching we determined that the only possible solution was to hire a nanny from out of state. We ended up moving a live-in nanny here from Michigan just after the triplet's first birthday. I'll note that we are neither wealthy nor do we live in a large home. The cost of a live-in nanny is difficult on our budget and adding a 6th person to our three bedroom, one and a half bath home has also been an adjustment.

Through all of this, we told ourselves, "In two years, the triplets will be three and we can enroll them at Big Bay Beginnings." We were devastated to hear of their closure in 2019. The future of care for our now 2.5 year olds is still very tenuous and we often worry about what our future childcare situation will be. One thing is certain, we can't afford for one of us to quit our job, so childcare is crucial.

We are in full support of any effort to open a full-time licensed childcare facility or preschool in Seward. We would plan to apply as soon as we were able. Please consider finding a way to provide this service in Seward as it is much needed. If you have follow-up questions, We would be happy to answer them.

Sincerely,
Laura M. Sturtz and Jeffrey A. Dillon

From: Marion Glaser marionglaser@gmail.com
Subject: Lack of childcare in Seward
Date: Mar 8, 2021 at 11:40:53 AM
To: bloom.sewardak@gmail.com

To Whom it May Concern:

The communities of Seward and Moose Pass have a large shortage of licensed childcare facilities.

This places a heavy burden on many households.

My husband and I both work full time for the Chugach National Forest. We have two children ages 5 and 3. Our youngest daughter was recently diagnosed with a rare genetic disease. Over the past year, I have used up all of my sick leave and annual leave to care for our children. All members of our family are stressed and exhausted after enduring 12 months of trying to balance full-time jobs and working from home with childcare and school closures. Quality, local, licensed childcare is critical to the health of working families and the social development of young children.

When childcare is available, we drive 80 miles/day (two round trips) from the Chugach National Forest Kenai Lake Work Center to Seward for day care. It's a huge commitment, but one that is necessary for our family. Access to local childcare, especially for families who live north of Bear Lake and Stoney Creek is hard/impossible to find. Thus, moving to a bigger city with more care options becomes appealing.

The community needs a diverse/healthy population that spans all age groups. Thanks for taking on this challenging issue.

Sincerely,

Marion Glaser

Sent from my iPhone