



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: City Manager's Office

CM/DCM/ACM: Sara Hensley

DATE: Dec. 5, 2023

SUBJECT

Consider adoption of an ordinance of the City of Denton authorizing the City Manager to execute an interlocal agreement between the City of Denton and Texas Woman's University, a Higher Education Agency of the State of Texas, providing financial support in the amount of \$1,500,000.00 for the Bezos Academy preschool project.

BACKGROUND

Affordable childcare is supported through the City's Strategic Plan. The strategic initiative titled "Explore Affordable Childcare Options" is a supporting project under the Key Focus Area 3: Foster Economic Opportunity and Affordability.

Summary of Local Childcare Needs

In the 2022 City of Denton Community Benchmark Survey, participants were asked to rate the availability of affordable childcare/preschools. Only 31% of participants rated the availability of affordable childcare/preschools as "good" or "excellent". This is a decrease of 16 base points from the 2016 survey where 47% of participants responded with "good" or "excellent".

In its recent 2022 Community Needs Assessment, the United Way of Denton County (UWDC) further explored childcare needs across Denton County. The results of the survey show that countywide childcare capacity dropped by 24.5% from March 2020 through September 2021. Of all children in low-income categories, only 18% were currently enrolled in childcare at the time of the assessment. In fact, according to the study, two zip codes within the corporate limits of the City of Denton qualify as "childcare deserts". The assessment also addressed financial support, noting that within Denton County there were only 29 subsidized or scholarship childcare seats per 100 children of working parents. While similar data on subsidized or scholarship childcare is not available for the City of Denton Proper, there is analogous data for zip codes that are fully or primarily within the City boundaries:

- 76205: 30 childcare seats per 100 children with working parents
- 76208: 11 childcare seats per 100 children with working parents
- 76209: 20 childcare seats per 100 children with working parents

Concurrent with its discussions with Bezos Academy, TWU also initiated an analysis on childcare needs based on data available from the 2020 Census. Through that analysis, TWU determined that up to 400 children are in need of and eligible for childcare/preschool services that would be provided by Bezos Academy.

Bezos Academy Overview

Bezos Academy (www.bezosacademy.org) is a nonprofit that offers no-cost preschool services to children aged 3-5 years old. The focus on preschool and this specific age group is, according to Bezos Academy, to positively impact children at a critical time for brain development to create long-term positive effects on life outcomes, including high-school graduation, years of education completed, and increased lifetime earnings.

The Bezos Academy approach is to partner with community organizations, such as local governments, universities, or civic organizations, in communities where there is a high proportion of low-income families, a significant number of 3 to 5-year-old children, and a gap between the number of preschool age children, and the full-day, year-round licensed preschool seats. The community organization would act as a host organization, providing space or a facility for Bezos Academy's no-cost preschool services to be held. Once facility standards are met, Bezos Academy fully furnishes and operates its preschool, including hiring, training, developing, and paying licensed educators, and providing everything that the children need during their day, including breakfast, lunch, dinner, and snacks.

Each host provides the space or facility for no additional rent for a period of at least 10 years. The school operates year-round, five days per week. The Bezos Academy describes its curriculum as child-centered, culturally responsive, standards-based, and Montessori-inspired. Further information on Bezos Academy's approach to preschool can be found at www.bezosacademy.org/our-curriculum.

There are currently nine (9) Bezos Academy locations in Texas, including four in Dallas, four in Houston, and one in Lancaster. More academies operate in Florida and Washington state.

TWU-Bezos Academy Project

Based on the criteria described above, Bezos Academy identified Denton as being a fit for its preschool services. Texas Woman's University (TWU) and Bezos Academy have completed an agreement for TWU to serve as host to a Bezos Academy Preschool.

As part of this partnership, TWU intends to construct a new facility on a property it owns north of University Drive and east of Locust Street. The scope of this project is to construct a facility of approximately 4 classrooms that would serve 80 preschool students. Of these 80 available spots, 16 will be reserved for use by TWU students or staff. The Academy is expected to begin operations in late summer or early fall of 2025 and will operate for an initial term of 10 years with optional extensions available.

Student Eligibility for the TWU-Hosted Bezos Academy

As with all Bezos Academies, eligibility is determined by family income. A family is defined as all persons living in the same household who are supported by the child's parent(s)' or guardian(s)' income. To be eligible for Bezos Academy, the child's annual family income can be up to 400% of the Federal Poverty Level (see table below). More information can be found at www.bezosacademy.com/eligibility.

Family Size	< 400% of FPL
2	\$73,240
3	\$92,120
4	\$111,000
5	\$129,880
6	\$148,760
7	\$167,640
8	\$186,520
9	\$205,400
10	\$224,280

Bezos Academy admits new students through a random lottery drawing. Preference in lotteries is given to income-eligible children who are experiencing homelessness or living in foster care, siblings of Bezos Academy students, children of Bezos Academy employees, and students transferring from another Bezos Academy location.

City Financial Support and Interlocal Agreement

On Feb. 7, 2023, staff presented the opportunity to provide financial support to TWU for the purpose of increasing the student capacity of the TWU-hosted Bezos Academy. Staff received direction from the Council to fund an additional 40 student seats at a cost of no more than \$1,500,000.00.

The attached interlocal agreement provides for financial support of \$1,500,000.00 which will fund the construction of 2 additional rooms resulting in an additional student capacity of 40 seats. This capacity must be maintained for a minimum of 10 years or for as long as the facility is continuously operated as a preschool, whichever is longer.

Should the actual construction costs be less than the amount committed by the City, TWU will remit back to the City any overages paid.

Category	Number of Classrooms	Reserved Spots*	Available Spots	Total	City Contribution
TWU Project Baseline	4	16	64	80	-
Partnership	2	-	40	40	1,500,000
Total	6	16	104	120	\$1,500,000

*Reserved for TWU Faculty and Staff

OPTIONS

- A. Adopt the interlocal agreement
- B. Do not adopt the interlocal agreement

RECOMMENDATION

Adoption of the interlocal agreement.

FISCAL INFORMATION

A cost not to exceed \$1,500,500.00 will be funded through General Fund reserves and is included in the FY 2023-24 budget.

EXHIBITS

- 1. Agenda Information Sheet
- 2. Presentation
- 3. Ordinance
- 4. Interlocal Agreement

Respectfully submitted:
Ryan Adams
Chief of Staff