

## **Findings on Disapproval of the Proposed Service Plan for First Five Years Early Childhood Development Service District**

On June 20, 2023, the Boulder County Board of County Commissioners (the “Board”) held a public hearing pursuant to C.R.S. § 32-21-107(3) and 32-1-204(3) to determine whether to approve the proposed Service Plan for First Five Years Early Childhood Development Service District (the “Service Plan”). After consideration of the Service Plan, the proponent’s materials presented at the public hearing, and all public comment, the Board voted 2-1 to disapprove the Service Plan. The Board provides the following specific detailed reasons for disapproval pursuant to C.R.S. § 32-1-204(4).

### Procedural History

The Service Plan proponent, the Early Childhood Alliance (the “Proponent”), submitted the Service Plan to the County Clerk and Recorder on May 2, 2023, pursuant to C.R.S. § 32-1-202(1)(a). The parties agreed on a June 20, 2023, public hearing date, and the Board set the hearing at the May 23, 2023, business meeting pursuant to C.R.S. § 32-1-202(1)(b). The County provided the required notice pursuant to C.R.S. § 32-1-204(1) on May 28, 2023 and also on that date established a public website with information about the hearing at <https://bouldercounty.gov/events/public-hearing-service-plan-for-first-five-years-early-childhood-development-service-district/>.

The public hearing was held on June 20, 2023, at 4:30 pm. All three County Commissioners were present. Also present at the hearing were John Chmil of the Lyons Gaddis law firm and Dr. Tim Waters representing the Proponents. The Proponents gave a presentation on the Service Plan, after which the commissioners asked questions. Then the hearing was opened to public comment. Thirteen members of the public spoke about the Service Plan. The Board also received three written public comments. After approximately three and half hours of testimony, commissioner questions, and responses, all three commissioners commended the Proponents for their interest in and dedication to early childhood development. They mutually agreed that this is a crucial area in need of support. Ultimately, the commissioners deliberated and voted 2-1 to disapprove the Service Plan for the reasons stated below.

### Legal Standards

Early Childhood Development Service Districts are governed by Article 1 of Title 32 except for parts 4, 5, 12, 16, 17 and 18 of article 1, which do not apply to this decision. C.R.S. § 32-21-102. Relevant to the Board’s reasons for disapproval, C.R.S. § 32-1-204(2) and (2.5) provide the basis for disapproval of a service plan. C.R.S. § 32-1-204(2) requires the Board to deny a service plan if there is insufficient evidence in the record that:

- a) There is existing and projected need for organized service in the area to be served.
- b) The existing service in the area is inadequate to meet the need.
- c) The district is capable of providing economical and sufficient service to the area.
- d) The area to be included in the district has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

Furthermore, C.R.S. § 32-1-204(2.5) gives the Board discretion to disapprove a service plan if there is not sufficient evidence “satisfactory to the board” that:

- (a) Adequate service is not, or will not be, available to the area through the county or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis.
- (b) The facility and service standards of the proposed special district are compatible with the facility and service standards of each county within which the proposed special district is to be located and each municipality which is an interested party under section 32-1-204 (1).
- (c) The proposal is in substantial compliance with a master plan adopted pursuant to section 30-28-106, C.R.S.
- (d) The proposal is in compliance with any duly adopted county, regional, or state long-range water quality management plan for the area.
- (e) The creation of the proposed special district will be in the best interests of the area proposed to be served.

In making its decision to approve or disapprove the Service Plan, the Board is required to consider “any testimony or evidence which in the discretion of the board of county commissioners is relevant to the organization of the proposed special district.” C.R.S. § 32-1-204(3). Evidence of the standards for approval must be satisfactory to the Board, at its discretion. C.R.S. § 32-1-203(2), (2.5).

#### Reasons for Disapproval

The Board disapproved the Service Plan because it did not contain sufficient evidence that the First Five Years Early Childhood Development Special District (the “District”) would be in the best interests of the area to be served, it did not demonstrate sufficient need for the proposed services, and it did not demonstrate it could provide economical and sufficient service to the area. Specifically, the Board found:

**1. Lack of sufficient evidence to demonstrate that the creation of the special district will be in the best interests of the area proposed to be served C.R.S. §32-1-204(2.5)(e).**

While the Proponent’s goal of better funding for early childhood development services, particularly for children aged 0-3 years old, is worthy and important, the Service Plan’s proposed administration of the funding efforts would duplicate administrative resources already in place in other state and local early childhood education programs. The Proponents failed to demonstrate how a new elected board that governs a separate quasi-governmental entity could coordinate and work effectively in cooperation with the Boulder Valley School District, the Saint Vrain Valley School District, and the Early Childhood Council of Boulder County, and Boulder County Housing and Human Services, among others. The Service Plan fails to provide sufficient direction to the new board and places few limits on its discretion. Given the number of local elected officials who are already on the ballot, it will be difficult for the public to pay attention to the issues that the proposed board will be addressing and the effectiveness of the individual

board members, who would be charged with administering a significant amount of taxpayer dollars. In sum, this proposed new governmental entity is not the answer to the funding and service deficiencies in early childhood education in the Service Area.

**2. Lack of sufficient demonstration of projected need (C.R.S. §32-1-204(2)(a)).**

The financial plan is insufficiently robust because it lacks detailed demographic information, fails to show that a full five mils was the necessary and appropriate amount of revenue for the District, and it failed to demonstrate how this new governmental entity could keep its costs for staff and overhead at under 10% of the revenue raised.

**3. Lack of sufficient evidence that the district is capable of providing economical and sufficient service to the area (C.R.S. § 32-1-204(2)(c)).**

The District failed to demonstrate that it could achieve its goal of expanding the availability of childcare to the target population when the workforce is insufficient to support that availability, and that it could adequately evaluate which children qualified for slots. These answers were not present in the Service Plan or via testimony at the hearing, and directly impact the District's ability to provide the proposed services. The Service Plan did not provide sufficient detail as to how grants to providers and direct subsidies would be funded and administered, the number of children that would be served, the manner in which additional childcare capacity would be created and how the programs would be administered. With the lack of detail about these matters, the Service Plan fails to demonstrate that the district is capable of providing economical and sufficient service to the area.