General Obligation Bond Issuance: January 2020

EARLY LEARNING FACILITIES BOND WILL PROVIDE NECESSARY CAPITAL

Rhode Island has an opportunity to invest in early childhood education to help close achievement gaps, support our working families, and better prepare our workforce of tomorrow. Equitable access to a high-quality early learning experience is essential to providing children with a strong pathway in school and life.

All children deserve high quality, developmentally appropriate early learning environments designed not only to keep them healthy and safe, but also to support their physical, behavioral and cognitive development. The physical conditions of early care and education spaces directly impacts the success of these programs.

Rhode Island wants to see real change in its early learning infrastructure and will require significant investment to support this initiative. To balance the enormous scope of the challenge with the realities of projects ready to move forward, a $15 million bond,* as a part of the Affordable Housing Bond, will be proposed for the 2020 ballot.

AN INCREASED FOCUS ON EARLY LEARNING

Accessible, quality child care is a fundamental necessity for educational attainment, as well as workforce support. The science supports these assertions, and Rhode Island is working to implement strategies to improve access and quality statewide.

*Rhode Island recognizes that only 15% of our 5-year-old population moves to a kindergarten classroom directly from a quality pre-K classroom. This is a full 15%-20% less than in Massachusetts. While not the only factor explaining divergent educational outcomes, research clearly indicates that this difference is key to understanding why 52% of Massachusetts 5th graders read at grade level while only 39% of their Rhode Island peers do.

While the State has implemented important policy changes, including a year of continuous eligibility and tiered rates of reimbursement for child care providers, many families and their young children continue to struggle with significant gaps in access and services. In fact, an Early Learning Facilities Needs Assessment conducted for Rhode Island in 2014¹, and again in 2019², both point to a critical lack of safe, quality space for early learning programs in our State.

Why Facilities Matter

Rhode Island struggles across the board with an aging infrastructure, including early learning centers and public school buildings. Facilities suffer from deferred maintenance and poor overall building conditions that impact children’s health and safety, and undermine the quality of programming. The 2019 Facilities Needs Assessment reaffirmed the findings of the 2014 Assessment showing that more than half of buildings used for classrooms were in “poor” condition, and the majority of outdoor play spaces posed significant safety concerns. Early learning spaces have many unique requirements and features that support the cognitive development of very young children. Children are especially vulnerable to health and safety concerns within spaces —from environmental concerns to basic safety issues.

The physical conditions of early care and education spaces have been shown to influence educational outcomes³ and directly impact the interactions among teachers and children, the way teachers feel about their roles as professionals, and the perceptions of families about the value that society —and their community —places on early learning.

Rhode Island’s early learning infrastructure needs immediate improvement in order to ensure the well-being of its youngest learners. There are currently 24 cities and towns that have more than 3 infants and toddlers needing care for every one licensed slot available, which defines a child care desert. As the State looks to expand high-quality RI Pre-K classrooms, many more quality spaces need to come on-line to support the expansion in both public pre-k and community-based early learning settings.

*A general obligation bond is a form of debt financing approved by referendum, used to finance capital projects.
**Access to Capital is Critical**

Early learning facility projects are complex and costly. Development of appropriate space can often run as much as **25% more** than traditional commercial construction, yet revenue streams don’t provide adequate capital to address those costs. Data show that only **12%** of total revenue is available to address facility-related costs. This provides barely enough for basic operating and maintenance, and leaves very little available for improvement or expansion. In addition, due to the specialized nature of the space required, coupled with the vulnerable populations served, many sites available for expansion are not suitable.

**BOND WILL PROVIDE NECESSARY CAPITAL**

Rhode Island wants to see real change in its early learning infrastructure, which will require significant dollars to support the initiative. Balancing the enormous scope of the challenge, with the realities of projects ready to move forward, a proposed **$15 million bond** will ensure providers have access to capital at the earliest possible time.

The funding would be distributed through small grants for urgent health and safety needs and provide for quality improvement and reconfiguration of space; a larger pool to address the creation or rehabilitation of vacant or blighted properties to create new, high quality spaces; and a set aside for intensive project technical support, training and compliance.

Access to public dollars for facilities will enable our communities to leverage resources and address the needs of most vulnerable children and families, and provide local community economic stimulus and construction trade business growth. In nearby Massachusetts, $19 million of bond proceeds, deployed as capital grants to qualified organizations, has yielded more than **$100 million** of quality early learning facility development.