

**MKE ECE Civic Response Team Recommendation for the City of Milwaukee's use of ARPA Funds  
May 2021**

**The Need:** High-quality early care and education (ECE) is a vital two-generation economic development and social mobility strategy. It allows parents of young children to participate in the workforce and is a proven, high-impact investment in children's readiness for school, work, and life.<sup>1</sup>

But even before the COVID-19 pandemic, Milwaukee's Black and Brown families struggled to access quality, affordable ECE, especially for infants and toddlers.<sup>2</sup> The pandemic has dramatically exacerbated these inequities and stressed the ECE sector to the breaking point.

The vast majority of Milwaukee's child care providers answered Governor Evers' call to stay open throughout the pandemic to serve the children of essential workers, as well as to provide school-age children whose K12 schools had closed to in-person instruction with a safe space to participate in virtual learning. Yet child care providers, many of which are small businesses, are confronting decreased revenue and increased expenses for health and safety protocols.<sup>3</sup> They're on the front lines of meeting the profound mental health needs of Milwaukee's children stemming from trauma and COVID-related disruption. And, critically, they're struggling to recruit, retain, and support quality staff, in large part due to poverty-level wages and inadequate resources.

**The Opportunity:** With the American Rescue Plan Act (ARPA) funds, City of Milwaukee leaders have a historic opportunity to invest directly in the ECE sector and thereby ensure that Milwaukee's Black and Brown children and families reap the economic, academic, and social benefits of quality ECE. This investment would be well-aligned with the mayor's stated priorities around early education, workforce development, small business development, and housing.

The MKE ECE Civic Response Team, which is comprised of family- and center-based child care providers, organizations that support child care educators and families, philanthropists, mental health experts, and civic and non-profit leaders, has identified specific recommendations for how Milwaukee can utilize ARPA funds to become a leader in ECE. These recommendations represent a continuum of support for the ECE sector, including:

- **WORKFORCE:** Provide young adults, including young men of color, a pathway into the early education workforce. To ensure that educators stay and thrive in the workforce, implement a coordinated education and training network and increase early educator compensation through contracted slots.
- **HOUSING:** Provide affordable housing for early educators.
- **MENTAL HEALTH:** Coordinate with the County to ensure mental health supports for ECE providers and the children they serve.

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<sup>1</sup> U.S. Chamber of Commerce Foundation, [The Business Case for High-Quality Childcare](#); The Heckman Equation, [Perry Preschool: Intergenerational Effects](#)

<sup>2</sup> Greater Milwaukee Foundation, [A Seat at the Table: Ensuring Equitable Access to Early Childhood Education in Milwaukee](#)

<sup>3</sup> National Association for the Education of Young Children, [State Data: Child care providers are sacrificing to stay open and waiting for relief](#)

- **BUSINESS PARTNERSHIPS:** Coordinate with the state to incentivize business partnerships to reduce the cost of child care for employees.

### **Recommendation 1: Invest in MKE Rising**

**Why:** Students of all races benefit from having teachers of color. Teachers of color boost the academic performance of students of color, including higher reading and math performance, increased high school graduation rates, and increased aspirations to attend college. Students of color and white students report having positive perceptions of their teachers of color, including feeling cared for and academically challenged.<sup>4</sup> Yet men of color represent just 5% of the teaching workforce nationally. Much more work is needed to advance access and exposure for young men of color in teaching and public education.

**What:** MKE Rising prepares young men of color to participate in a 10-month early childhood residency as Early Childhood Scholars or “Scholars” working alongside a veteran lead/certified teacher with a focus on STREAM (science, technology, reading, engineering, art, and math) coupled with a culturally responsive pedagogical approach to drive success among students in early childhood settings. The program serves as a platform that contributes to the male teacher pipeline and focuses on increasing the representation of male educators of color in early childhood education.

MKE Risings' work is rooted in social justice and equity. As a result, the program draws upon Gloria Ladson-Billings' (1995) Culturally Relevant Pedagogy framework to engage Scholars in professional development that will help foster their sociopolitical consciousness to identify, analyze, critique, and disrupt inequitable practices within the classroom. Moreover, the training will also draw upon the work of scholars Paris & Alim (2017) so that Scholars have the tools needed to help sustain equitable practices within their classrooms.

SEEDs (Sensitivity, Encouragement, Education, Development of Skills through Doing, and Self-Image) of Early Learning is a skill-focused, relationship-based instructional framework rooted in research and relationships. Although there are multiple families of SEEDs, our program uses the Big Five Literacy Skills Predictors to drive student success. The predictors were developed based on recommendations from the National Early Literacy Panel in 2008.

#### **How:**

##### Program Eligibility Requirements

- Men of color between 18-24 years of age
- High school graduate or GED recipient
- Committed to social justice, educational equity, and anti-racist practices

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<sup>4</sup> Wisconsin Policy Forum, [A Teacher Who Looks Like Me](#); Learning Policy Institute, [Teachers of Color: In High Demand and Short Supply](#)

- Committed to spending an academic school year teaching in an early childhood setting, alongside a lead certified teacher

### MKE Rising Scholar Benefits

Helping to ensure that students have bright social and academic trajectories is just one of the perks of being a Scholar. Other perks include:

- An hourly wage of \$15
- Monthly transportation assistance
- Professional networking with other young men of color locally and across the country working in education
- Higher education workshops to encourage and support postsecondary endeavors
- Quarterly mental and public health workshops
- Education-oriented conferences
- Mentoring from veteran male educators of color
- Job search assistance
- Scholarship assistance for those pursuing college degrees

### Program Requirements

- A 10-month residency in an assigned early childhood classroom (community-based center or public school) working alongside a lead or certified teacher
- Participate in monthly STREAM intervention/professional development trainings
- Participate in weekly coaching sessions
- Complete a professional e-portfolio
- Complete a collaborative cornerstone community service project
- Complete required necessary courses to become an assistant/lead child care teacher

### Targeted Milwaukee Neighborhoods of Service:

- Harambee (53212)
- Metcalfe Park (53205)
- Capital Heights/Lincoln Creek (53216)
- Haymarket (53212)

Targeted neighborhoods of service are selected based on a review of the demographics provided below, and a school's willingness to participate in the program. Moreover, if program capacity permits it, each year, MKE Rising will add a new targeted neighborhood to its service list.

- Percentage of population below poverty level
- Neighborhood unemployment rates
- Educational attainment (GED, High School Diploma, and College)
- Household income

We Will All Rise (All Rise), Inc is an IRS-designated 501 (c)(3) organization authorized to operate in Wisconsin. All Rise is responsible for receiving, spending, and monitoring all funds related to all MKE Rising activities.

### Timeline

- July 2021: Program planning and fund development
- August 2021: Placement site partners receive partnership agreements
- September - October 2021: Recruit Scholars
- November 2021: Scholars begin the onboarding process (criminal background checks & HR paperwork)
- December 2021: Scholar training and orientation begins
- January 2022: MKE Rising officially launches and Scholars begin placement site assignments

**Cost:** \$360,000 to operate three cohorts of male educators of color serving in early childhood classrooms. Requested funds support program costs from July 1, 2021 – December 31, 2024.

### **Success Measures:**

- 75% program retention and completion rate
- 50% pursuing education-oriented employment opportunities post-residency
- 50% enrolled in a higher education degree or certificate program
- 75% complete and obtain an infant toddler training credential
- 75% complete a cornerstone community service project

### **Recommendation 2: Invest in ECE dual enrollment programs**

**Why:** Child care programs struggle to recruit qualified staff, leading to gaps in access to quality care. In 2017, more than 1 in 5 programs across Milwaukee County reported that they did not have enough teachers to serve full capacity.<sup>5</sup>

**What:** With investment from the City, MATC can launch a ‘Grow Our Own’ Early Childhood Education program to grow Milwaukee’s talent pool of educators sourced directly from Milwaukee Public Schools and placed back into the Milwaukee education system.

**How:** MATC will offer an 18-credit Preschool Technical Diploma delivered as Dual Enrollment Academy. Dual Enrollment Academies enable students to attend college while still enrolled in high school. Students will attend high school only to complete needed graduation requirements and will then devote the remainder of the day to college coursework. The initial cohort will earn 9 credits while in high school.

### Schedule

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<sup>5</sup> Wisconsin Department of Children and Families, [PDG sandbox](#)

- Fall Semester: 3 credit course 1, 3 credit course 2, 3 credit course 3, Exploration/Shadow experiences
- Spring Semester: 3 credit course 4, 3 credit course 5, 3 credit course 6, Practicum

Launch Timeline: Fall 2021 launch; courses beginning Spring 2022 (initial cohort to earn 9 credits while in high school)

- Fall 2021: Market program in high schools to identify 'launch cohort' as well as 2022-2023 cohort
- Spring 2022: Launch initial cohort, continue to recruit 2022-2023 students
- 2022-2023: Implement year-long, 18 credit program, recruit for 2023-2024 cohort

Partners-Students: Milwaukee Public Schools (particularly high-need zip codes), MKE Rising

Partners-Placements: Milwaukee Public Schools, Milwaukee Rec After School/Summer Camp, and accredited ECE centers/PK-3 school settings

**Cost:** \$309,000, including

- \$270,000 for 3 cohorts of 12 students
- \$15,000 for academic/career coaching in partnership with the Wisconsin Early Childhood Association
- \$18,000 for job placement stipends
- \$6,000 for membership in the Registry, the National Association for the Education of Young Children (NAEYC), and Wisconsin Shared Education Resources (WISER)

**Success Measures:**

- 100% of cohort participants will complete at least 6 early childhood credits
- 100% of cohort participants will receive ECE career exploration experiences
- 75% of cohort participants will complete a credential

### **Recommendation 3: Invest in child care and true economic recovery**

**Why:** Covid-19 has taught us a lot, but one critical thing it's showed us is how important child care is to a functioning economy. Early childhood educators do vital work that allows parents to participate in the workforce. Yet despite being integrally connected to the City's economic success, Milwaukee's child care providers, almost all of whom are women and many of whom are Black and Brown, too often work in isolation without access to the supports needed to run stable, thriving businesses and ensure that children get the high-quality care they need and deserve. The pandemic has dramatically exacerbated this situation, with providers struggling to keep their businesses afloat and meet the profound mental health, developmental, and academic challenges caused by trauma and disruption in Milwaukee's families, especially Black and Brown families.

**What:** Milwaukee's ECE community has the skills, knowledge, and resources needed to ensure that child care businesses and the children they serve thrive. Utilizing a peer-to-peer support model,

Milwaukee's ECE community can work together to stand up a coordinated system of training and education needed by our child care providers to ensure that every child has access to high quality child care regardless of their zip code. For example, 4C for Children, our local Child Care Resource & Referral agency, has extensive experience providing culturally and linguistically responsive training on high-quality instructional and business practices. The Wisconsin Early Childhood Association has an innovative program that allows child care providers to utilize shared administrative services and realize significant economies of scale. Our local postsecondary institutions provide tailored ECE coursework and credentialing. And, most importantly, Milwaukee's existing high-quality child care providers have first-hand experience with successfully serving children and families that their peers can learn from.

With an investment from the City of Milwaukee, we can launch a peer-to-peer system that utilizes this existing local expertise to grow the capacity of family and center-based child care providers to run successful businesses supporting Milwaukee's working parents and setting Milwaukee's youngest residents on course for success and kindergarten readiness.

**How:** 4C for Children would serve as the fiscal agent and hub for a network of capacity building supports, including:

- Leadership development and credentialing
- Educational supports and credentialing
- Training on effective business practices and access to financial specialists
- Peer coaching from educators at 4- and 5-star child care programs
- Career counseling
- Tailored resources, including technology, curricular materials, and administrative tools
- Assessment supports
- A substitute pool for early educators so they can take advantage of these opportunities
- On-going training and monitoring support

Services would be provided through geographically-based cohorts. The first cohort, serving 400 programs in zip codes serving large concentrations of Black and Brown families (53204, 53206, 53210, 53212, 53215, and 53218) would launch in 2022. Successive cohorts of 400 programs each would launch in 2023 and 2024, with the goal of making services available to all interested regulated programs, in Milwaukee by the end of 2024.

**Cost:** \$25 million over three years:

- \$10.2 million for targeted services and resources per provider such as fees for coursework, curriculum, administrative support, and DEI trainings. Specific services and resources vary based on programs' needs, worth an average of \$8,500 per participating provider.
- \$11.5 million for staff compensation and training for mentors within each participating program, implementation of a substitute pool, and access to shared services networks.
- \$3.3 million to build the administer the peer mentor system, including 30 neighborhood-based director cohorts.

**Success Measures:**

- Increased director/educator credentialing
- Increased director/educator retention
- Increased number of child care slots
- Increased number of high-quality programs

#### **Recommendation 4: Contract for slots at the true cost of care**

**Why:** The current market rate for child care leads to poverty-level wages for child care. In Wisconsin, the median child care worker wage is \$10.66/hour. Over half of child care teachers receive at least one form of public assistance. This is a matter of equity for child care educators, almost all of whom are women and many of whom are Black and Brown. And, because low compensation leads to high turnover, it also leads to the gaps in access to quality, affordable care that families experience.

**What:** The City of Milwaukee can contract with child care programs to provide infant/toddler slots, which are the most expensive and therefore the slots where families experience the biggest gaps in access. By basing these contracts on the true cost of quality care – as opposed to the market rate – we can allow providers to pay their staff fairly.

This differs from the current model of public funding, the Wisconsin Shares child care subsidy. Under Wisconsin Shares, the money follows the child. A parent selects a provider and the provider is paid based on attendance. With contracted slots, the funding for awarded slots remains with a provider. If a child leaves a provider, the provider continues to be paid for the slot and is responsible for filling the slot with a different eligible child.

Evidence from other states that have implemented this kind of contracting at the true cost of care shows that it can lead to greater financial stability, increased ability for programs to hire and retain staff, increased classroom quality, and stable enrollment for target populations.<sup>6</sup>

**How:** The City can run an RFP to contract with child care programs to offer slots. To be eligible, child care programs must:

- Operate in communities with large concentrations of Black and Brown families, including the 53204, 53206, 53210, 53212, 53215, and 53218 zip codes.
- Have an established infant/toddler program and be able to serve infants/toddler at full capacity.
- Be rated 3-, 4-, or 5-stars on YoungStar.
- Be a licensed provider in good standing with the Wisconsin Department of Children and Families.

Families with children in contracted classrooms cannot be charged any co-pay.

**Cost:** \$20 million to contract for slots in 50 infant/toddler classrooms for 2 years.

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<sup>6</sup> Pennsylvania [Infant and Toddler Contracted Slots Pilot Program Evaluation Report](#)

While costs vary based on YoungStar level, the average infant/toddler slot at the true cost of care costs approximately \$25,000/year. Contracting for 400 slots would cost \$10,000,000 per year.

**Success Measures:**

- Decreased turnover among child care educators
- Increased ability for programs to hire and retain staff
- Increased financial stability
- Increased classroom quality
- Stable enrollment for Black and Brown infants and toddlers

**Recommendation 5: Invest in affordable housing for early educators**

**Why:** It is commonly accepted that no more than a third of a household's income should be allocated to paying rent or a mortgage. For the average early childhood educator making approximately \$10/hour, that would require monthly rent under \$600. According to Yardi Matrix, a real estate intelligence source, only 9% of apartments in Milwaukee rent for between \$500 and \$700 per month. Data collected from early childhood educators in Milwaukee indicates that many of the educators are paying considerably more than a third of their income in rent.

Cities across the country have tackled this issue and provided affordable housing specifically for educators. These initiatives have resulted in reduced teacher turnover and positive economic impact in the community.<sup>7</sup>

**What:** With an investment from the City of Milwaukee, we can develop affordable housing specifically for early childhood educators. The housing would be located in an area accessible to early childhood centers, training, and transportation. It would include a mix of one-, two-, and three-bedroom apartments to meet the needs of a variety of families. The apartment building would also include common space on the first floor that would be dedicated to services for residents and community members alike. Services could include:

- A family resource center
- An early childhood professional development center
- A wellness center, including mental health and nutritional services
- Services to promote fiscal skills and financial responsibility

**How:** A workgroup of representatives from Malaika Early Learning Center, Penfield Children's Center, Next Door, MATC, Children's Wisconsin, the Greater Milwaukee Foundation, and Cinnaire Solutions working alongside the City and interested Alderpersons has identified potential sites, including:

- 3525 N. 35<sup>th</sup> Street
- 4135 N. 35<sup>th</sup> Street

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<sup>7</sup> Donnell Kay Foundation, [Affordable housing solutions for educators](#)



These sites are both located in Alderman Khalif Rainey’s district and he has expressed support and enthusiasm for the project.

The workgroup has also discussed the potential for a partnership around the Capitol Library project in Alderman Cavalier Johnson’s district.

**Cost:** \$2.5 million investment

Expenses

- Construction: \$11,119,930
- Land: \$687,500
- Soft Costs: \$2,290,341
- Total: \$14,097,771

Revenue

- Equity from the sale of AHTC tax credits: \$9,792,478
- First mortgage: \$1,800,000
- Deferred development fee: \$5,293
- **City Investment** **\$2,500,000**
- Total: \$14,097,771

Timeline:

- Land use entitlements: May – November 2021
- WHEDA application due: December 2021
- WHEDA announcement: May 2022
- Design, assemble financing: May – November 2022
- Construction closing: November 2022
- Construction: November 2022 – October 2023
- Lease-up: October 2023 – March 2024
- Property stabilized: June 2024

**Success measures:**

- Reduced turnover among early educators
- Economic security among early educators
- Housing stability among early educators
- Neighborhood cohesion

**Recommendation 6: Coordinate with County leaders on mental health supports for ECE**

Coordinate with Milwaukee County leaders to ensure that early educators have the resources they need to address mental health challenges and provide trauma-informed care to young children, especially

Black and Brown children. For example, explore co-locating mental health services in early childhood settings, drawing on lessons learned from co-location in K-12 settings.

**Recommendation 7: Coordinate with state leaders on business partnerships for ECE**

Coordinate with state leaders, including at the Department of Children and Families (DCF), to incentivize business partnerships to reduce the cost of child care for employees. For example, DCF has proposed to invest \$10 million from the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 in a program that will offer funding for businesses to purchase infant and toddler child care slots for their employees and require matching funds from businesses.<sup>8</sup> The plan for this program has not yet been developed. Milwaukee leaders should be actively engaged in program development to ensure that Milwaukee businesses and employees, especially those in Black and Brown communities, benefit from this state investment.

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<sup>8</sup> See [Gov. Evers, DCF Announce Plan to Support Early Care and Education Providers, Partners, and Wisconsin Families](#). This plan has been approved by the Legislature.