



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 8/26/2025

To: Board of Supervisors

Department or Agency Name(s): County Counsel, County Executive's Office

Staff Name and Phone Number: Kristin Horrell 707-565-2421; ; Jennifer Solito, 707-565-4592

Vote Requirement: Majority

Supervisorial District(s): Countywide

Title:

Measure I Child Care and Children's Health Initiative Expenditure Plan for Fiscal Year 2025-2026

Recommended Action:

Adopt a Resolution approving the Measure I Child Care and Children's Health Initiative expenditure plan for Fiscal Year 2025-2026 and disbursement of Measure I tax revenue

Executive Summary:

The First 5 Sonoma County Commission requests Board of Supervisors (Board) approval of the Measure I Child Care and Children's Health Initiative expenditure plan for Fiscal Year 2025-2026. Approval of the one-year plan will provide early investment in supports for young children, parents/caregivers and childcare providers in our community and will allow funds from Measure I to start being spent now. Alternatively, expenditure of Measure I tax proceeds will be delayed until the subsequent fiscal year, following approval of First 5's subsequent five-year strategic plan and budget in 2026.

Measure I requires that a strategic plan and annual budget be developed on a five-year cycle to govern the use of Measure I tax proceeds, which shall be approved by the Commission and the Board. Additionally, the Commission is required to prepare and approve an annual expenditure plan. First 5 is currently in year five of its existing strategic plan for Fiscal Years 2021-2026, with a new strategic plan currently in development and scheduled to be approved by both the Commission and the Board ahead of Fiscal Year 2026-2027. In order to expend Measure I tax proceeds in this fiscal year, the Commission has approved the Child Care and Children's Health Community Advisory Council's recommendation to expend \$11.4 million of Measure I tax revenue to address current needs in the early care and education sector, perinatal mental health and children's health, with 60% allocated to support strategies to strengthen the early care and education sector, and 40% allocated to support strategies that address perinatal mental health and the mental and physical health of children, prioritizing children who are or have experienced homelessness or other traumas.

Because it is premature for the Commission and Board to approve a five year strategic plan and budget at this time, the Commission is instead requesting the Board approve the annual expenditure plan as set forth in Attachment A. Adoption of the resolution will approve the expenditure plan and allow Measure I tax proceeds to be immediately disbursed to the Commission and allocated accordingly, thereby avoiding a delay in benefits to children in our community.

Discussion:

Background

Measure I, titled the Sonoma County Child Care and Children's Health Initiative, was approved by voters in the November 5, 2024 general election and authorizes a countywide one-quarter-cent special transactions and use tax, known as the Sonoma County Child Care and Children's Health Tax. This tax ensures that Sonoma County's young children receive the high-quality early care, education, mental health care and developmental screening they need to be successful adults. The tax is administered by the First 5 Sonoma County Commission (Commission) and is advised by the Child Care and Children's Health Community Advisory Council (CAC), which was established by the Board of Supervisors (Board) on January 28, 2025, and whose eleven members were appointed by the Board on March 18, 2025. The primary role of the CAC is to promote and facilitate transparency in the administration of the Measure I tax revenue, including developing policy and programmatic recommendations.

Collection of the tax began on April 1, 2025 and quarterly transfer of funds to the Commission will commence in September, 2025 pursuant to an interagency agreement between the County and the Commission. The tax is estimated to generate approximately \$32 million in revenue annually.

Current Strategic and Expenditure Plan

Measure I requires that the Commission, in collaboration with the CAC, develop the Child Care and Children's Health plan and budget on a five-year cycle to govern the use of the tax revenue. The plan shall be designed to meet the needs of regions throughout the county with respect to increasing, improving and maintaining access to quality early care and education for families and children, improving workforce compensation of family childcare providers and early education employees, and improving children's access to health and mental health care, including perinatal mental health for parents and caregivers. The plan and budget shall be approved by the Commission and the Board, and, when feasible, the planning, funding allocation and budgeting processes shall be integrated into the Commission's existing strategic planning cycle, should avoid duplication in administrative efforts, and should leverage existing administrative efforts where feasible. Additionally, on an annual basis, the Commission shall prepare an annual expenditure plan based on the recommendations of the CAC and other community input.

The Commission's current strategic plan (Attachment B) includes Fiscal Year 2025-2026 as the fifth and final year of implementation. The strategic plan goals and strategies are closely aligned with the purpose, intent and expenditure priorities in Measure I and leverages existing administrative efforts. Because Measure I requires that the Commission and Board approve the Measure I budget on a five-year cycle and that budget will not be ready for approval until 2026, the Board is requested to approve the one-year expenditure plan for Fiscal Year 2025-2026 so that the tax revenue can be allocated and spent this year, prior to the first formal five-year strategic plan and budget being approved in Fiscal Year 2026-2027, which will avoid a delay in benefits to children in our community.

On June 23, 2025, the Commission approved an update to its strategic plan for Fiscal Year 2025-2026, as well as the expenditure plan (in Attachment A), which includes recommendations from the CAC to expend \$11.4

million of Measure I tax revenue in Fiscal Year 2025-2026 to address current needs in the early care and education sector, perinatal mental health, and children's health. Of this total amount, 60%, or \$6.88 million, will support strategies to strengthen the early care and education sector to increase access to quality childcare and early learning opportunities, including workforce development, grants and stipends for child care providers, early care and education facility needs, as well as deep community engagement and evaluation activities that will support the development of the upcoming five-year plan. A total of 40%, or \$4.52 million, will support strategies that address perinatal mental health, the mental and physical health of children, prioritizing those who are or have experienced homelessness or other traumas, strengthening the children's mental health workforce, support for new parents and caregivers to better navigate and access services and programs related to lactation, understanding developmental milestones, and other critical information that supports optimal child development especially in the first two years of life.

Future Strategic Plan and Budget

The Commission is currently engaged in the strategic planning process, working closely with the CAC and with broad stakeholder input, to develop the subsequent five-year strategic plan and funding allocation plan, which will be implemented beginning in Fiscal Year 2026-2027 and will be brought to the Board for approval in early 2026. As part of this process, the CAC has been reviewing staff proposals and extensive local data and community input regarding the needs of local children and families in the two major areas prioritized for Measure I expenditures, which are childcare and children's health.

One Time Change to Interagency Agreement to Disburse First Tranche of Tax Proceeds

On March 25, 2025, the Board delegated authority to the County Executive to execute an interagency agreement (Agreement) with the Commission for administration and pass-through distribution of the Measure I tax proceeds (

<https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=7266605&GUID=5CD17085-382F-4928-9E99-096302955A13>). The Agreement provides for quarterly distribution of tax proceeds, with the first tranche scheduled for distribution to the Commission by September 15, 2025. To ensure that tax proceeds can be immediately disbursed into the community following approval of the expenditure plan, the Board is requested to approve a one-time change from the Agreement to authorize disbursement of Measure I tax proceeds as soon as practicable following adoption of the resolution, as opposed to waiting until September 15, 2025. □

Strategic Plan:

Not Applicable

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

03-25-2025 - Adopted Resolutions Implementing Measure I, including authorizing the County Executive to execute an Interagency Agreement with the Commission for administration and distribution of Measure I tax proceeds

03-18-2025 - Approved 11 countywide appointments to the Sonoma County Child Care and Children's Health Community Advisory Council

01-28-2025 - Adopted a resolution establishing the Sonoma County Child Care and Children's Health

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Community Advisory Council

12-10-2024 - Adopted a resolution making certain findings and authorizing a temporary solution to allow implementation of Measure I, the Sonoma County Child Care and Children's Health Sales Tax Measure approved by the voters in November 2024.

02-06-2024 - Adopted a resolution submitting the Sonoma County Child Care and Children's Health Initiative and Sales Tax Petition to the Voters of Sonoma County at the November 5, 2024 Presidential General Election

FISCAL SUMMARY

Narrative Explanation of Fiscal Impacts:

No Fiscal Impacts

Narrative Explanation of Staffing Impacts (If Required):

No Staffing Impacts

Attachments:

A- Resolution Approving the Measure I Expenditure Plan for Fiscal Year 2025-2026 and early disbursement of Measure I tax revenue

B - First 5 Sonoma County Commission's Strategic Plan 2021-2026

Related Items "On File" with the Clerk of the Board:

No items on file with the clerk