



CITY *of* CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: AUGUST 3, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: JEFF RUBIN, DIRECTOR OF COMMUNITY SERVICES JR

SUBJECT: DISCUSSION AND DIRECTION TO STAFF REGARDING THE CALABASAS KLUBHOUSE AND LITTLE LEARNERS

MEETING DATE: AUGUST 12, 2020

SUMMARY RECOMMENDATION:

It is recommended that the City Council discuss and provide direction to staff regarding the Calabasas Klubhouse and Little Learners.

BACKGROUND:

Since 2003, Little Learners, LLC, under the ownership of Bridget Nelson and Carly Armacost, have operated the Camp Calabasas seasonal camp programs in addition to the state licensed before and after school programming at Lupin Hill Elementary School, all of which is under an agreement with the City. In 2018, City Council approved the expansion of the Little Learners Agreement to include the operation of the Calabasas Klubhouse Pre School. These programs and partnership have proved to be successful over the years and provide for essential services for our community.

Bridget Nelson has been working with children for 22 years. She holds a BA in Liberal Arts from Mt. St. Mary's University, Los Angeles and a MA in Educational Psychology (with a Specialization in Early Childhood Education) from California State University, Northridge. In addition, Bridget has over 40 units in Child Development and belongs to several professional organizations that relate to the child care field. Additionally, several years ago Bridget became certified in the

Handwriting without Tears program which uses multisensory developmentally appropriate strategies, to increase success with early writing skills. Bridget has also filed her paperwork to obtain her Director Permit (highest level) in Child Development Programs which is issued by the California Department of Education Commission on Teacher Credentialing (CTC). Bridget takes a developmental approach in working with children and loves creating new programs for participants to have meaningful experiences.

Carly Armacost has worked with children for 18 years. She holds a BA in Communications from California State University, Northridge. In addition, Carly has more than 24 units in Early Childhood Education and Administration of Child Care programs. She belongs to National Association for the Education of Young Children (NAEYC) and stays up to date with additional trainings. She has filed her paperwork to obtain a Child Development Site Supervisor Permit issued by the California Department of Education Commission on Teacher Credentialing (CTC). Carly finds it essential to provide quality programs that are ever evolving and support the youth of the community.

Little Learners strives to offer quality programs for young children which support their social, emotional, physical and cognitive development. They are aware that each child develops individually at his/her own pace and they support each child's approach to learning. By providing a classroom environment that invites children to observe, to be active, to make choices and to experiment, Little Learners is able to provide opportunities for children to develop a sense of competence and feel cared for. They want to help and insure that each and every child develop a positive sense of self.

Bridget and Carly promote developmentally appropriate practices within all programs. Learning through play in early childhood is a key component. The needs and the developmental stages of children are always taken into consideration when planning the learning environment, activities, and classroom daily routines. Child directed activities provide an opportunity for children to learn while having some control. When activities are meaningful and relevant, children can make choices regarding what materials they use and how they will use them. These choices empower children to take control of their own learning and to become intrinsically motivated – the most effective and engaging way to learn. To be a “cookie cutter” educator and doing things one way, they believe is incongruent for a successful program.

Overall, it has been their goal to provide a safe and well supervised environment for children to play, learn and develop. Staff are required to participate in staff

meetings, on site workshops and they are given the opportunity for continued education experiences. They strive to provide honest and open communication with families. It is always their mission to respect families' feelings and encourage family involvement and feedback; both positive and negative.

DISCUSSION:

The Calabasas Klubhouse Program has never been stronger than what we have seen since the transition to Little Learners in August of 2018. The academic program has seen many additions that have enhanced the development and learning of our preschoolers and enrollment has been at our daily operating capacity (115) with a waiting list. This program has become the model that others aim to be and it is the talk in the Community.

Since early Spring 2020, with the closures due to the COVID-19 pandemic, both Little Learners and their programs have faced extreme difficulties that include closures, steep enrollment declines, staffing challenges and financial impacts due to substantially less income. Even with the slow re-opening of programs that are now allowed by the State and County, families are hesitant to return. An example of this is evident when on March 12, 2020 the enrollment at the Calabasas Klubhouse Pre-School was at 145 students based upon schedule. The following day, a mandatory closure of the school was implemented by the City Manager from March 16th lasting through May 31st. For the months of June and July enrollment plummeted to 26 and 41 respectively, a loss of over 100 students. Beginning August 3rd, enrollment is expected to increase to 57 students. We are hopeful to see 71 students by September 1st. It is important to note that with the new licensing and social distancing requirements, the Klubhouse capacity has been reduced from 115 to 96. With the steep enrollment decline due to COVID-19, Little Learners is struggling to keep the Calabasas Klubhouse going and enrollment revenue is nowhere close to making their own payroll let alone making rent and reimbursing the City.

Prior to the pandemic (through February 2020) and since August 2018, Little Learners has made all payments to the City per the agreement. These payments include a monthly rental payment (\$7,500 in FY 18/19; \$7,800 in FY 19/20; \$8,100 in FY 20/21; and \$8,400 in FY 21/22) for the facility and the reimbursement for the Klubhouse Staff that are on City Payroll. There are currently five employees (one Supervisor and four Teachers) that remain on City payroll. Over the past two years we have seen three teachers retire and thus the monthly reimbursement from Little Learners has gone from a high of \$44,356.22 in August 2018 to \$33,658.88 currently.

The following are the payments that were scheduled to be made by Little Learners:

Month	Rental	Staff Reimbursement
March 2020 (Closed as of 3/13)	\$7,800	\$33,658.88
April 2020 (Closed)	\$7,800	\$33,658.88
May 2020 (Closed)	\$7,800	\$33,658.88
June 2020 (Enrollment 24)	\$7,800	\$33,658.88
July 2020 (Enrollment 41)	\$8,100	\$33,658.88
TOTALS	\$39,300	\$168,294.40

Little Learners did not charge tuition during April and May while continuing to pay their full time staff through the PPP Loan they received in May. This loan enabled them to open the doors when allowed on June 1; however, they opened with extremely diminished enrollment and mounting debt. Even without making past and current payments due to the City, Little Learners is operating in the red each month they are open and at this rate may not be able to sustain the operations through the calendar year.

The following are several considerations to help guide the discussion:

1. Determine how to proceed with the outstanding debt Little Learners has incurred and if they should be on the hook for the time the facility was under a mandatory closure.
2. Reduce or eliminate the monthly staff reimbursement and increase the monthly rental payment.
3. Reduce or eliminate City Pre-School Staff through a reduction in force and rent the facility to Little Learners.
4. Eliminate the Pre-School Program.
5. Other

FISCAL IMPACT/SOURCE OF FUNDING:

Since March 2020, the City has not received rent or staff reimbursements from Little Learners for the operation of the Calabasas Klubhouse Pre-School Program.

REQUESTED ACTION:

It is requested that the City Council discuss and provide direction to staff regarding the Calabasas Klubhouse and Little Learners.

ATTACHMENTS:

None.