

1 BY AUTHORITY

2 ORDINANCE NO. \_\_\_\_\_  
3 SERIES OF 2023

COUNCIL BILL NO. 23-0566  
COMMITTEE OF REFERENCE:  
Finance & Governance

6 A BILL

8 **For an ordinance authorizing the non-profit corporation administering the Denver**  
9 **Preschool Program to utilize non-city funds to administer other preschool**  
10 **programs to non-Denver residents and utilize tax dollars for grants and technical**  
11 **assistance to individuals seeking licensure to provide preschool programs**  
12 **in Denver.**

14 **WHEREAS**, Ordinance Number 0804, Series 2022, authorized the Denver Preschool  
15 Program to utilize potential state resources separate and apart from the voter-approved sales  
16 and use tax increase to expand its capabilities and increase access to, and the quality of,  
17 preschool programs for Denver residents; and

18 **WHEREAS**, the purpose of this ordinance is to authorize the Denver Preschool Program  
19 to use resources separate and apart from the voter-approved sales and use tax to support  
20 preschool programs for non-Denver residents.

22 **BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:**

23 **Section 1.** Chapter 11, article III, D.R.M.C. shall be amended by adding the language  
24 underlined and deleting the language stricken, to read as follows:

25 **Sec. 11-21. - Expenditures of Denver preschool tax to be made by contract with non-profit**  
26 **corporation.**

27 (b) Any non-profit corporation with which the city may contract pursuant to this article shall  
28 meet the following criteria and requirements:

29 (2) The purpose of the corporation as reflected in the corporation's articles of incorporation  
30 shall be to administer the Denver preschool program under contract with the city in accordance with  
31 the requirements of this article and all applicable laws. The corporation may also administer other  
32 preschool programs benefiting early childhood education programs and services ~~for Denver residents,~~  
33 or perform other services, only so long as such programs or services to not conflict with any provision  
34 of article III of chapter 11, or conflict with any agreement between the city and the corporation. For  
35 purposes of this section, "preschool programs" means any early care or education program for children

1 from birth through kindergarten enrollment.

2 **Sec. 11-22. - Program requirements to be included in contract.**

3 Any contract between the city and a non-profit corporation for disbursement of the Denver  
4 preschool tax revenues shall include the following provisions and requirements:

5 (4a) Any expenditure of Denver preschool tax revenues under the contract shall be subject to  
6 annual appropriation by the city council and shall be limited to preschool programs benefiting early  
7 childhood education programs and services for Denver residents.

8 (2b) No more than seven (7) percent of the Denver preschool tax revenue received by the  
9 corporation in any year shall be spent on administrative expenses. For purposes of this limitation,  
10 "administrative expenses" shall mean salaries and office expense related to any staff or employees of  
11 the corporation; any expenses reimbursed to members of the board of directors or the board of  
12 advisors; routine business expenses such as insurance, accounting and legal expenses; and any  
13 similar overhead expenses incurred by the corporation. The term "administrative expenses" shall not  
14 be deemed to include any fees or expenses paid to third-party contractors or consultants to assist in  
15 the development or administration of the Denver preschool program.

16 (3c) At least ninety-three (93) percent of Denver preschool tax revenue received by the  
17 corporation in any year shall be used for the following purposes only:

18 (i1) Tuition credits administered in accordance with the requirements of subsection (4d) of  
19 this section.

20 (ii2) Outreach to parents and the Denver community and assistance with enrollment in  
21 preschools.

22 (iii3) Technical assistance and direct grants to preschool providers meeting the requirements  
23 of subsection (5e) of this section, for the purpose of improving the quality of pre-school programs and  
24 services.

25 (iv4) Contracting with qualified experts to design and assist with the implementation of a  
26 quality improvement system for preschools, including an objective quality rating system for preschools.

27 (v5) Measurement of the performance of the Denver preschool program and the preparation  
28 of reports to city officials and to the public on the performance of the program.

29 (6) Grants and technical assistance to individuals and organizations seeking to obtain  
30 licensure to provide preschool care or education programs or services in Denver.

31 (4d) Tuition credits funded pursuant to the Denver preschool program shall comply with the  
32 following standards and requirements:

33 (5e) In order to be qualified for the use of tuition credits and for the receipt of technical  
34 assistance or direct grants, a preschool provider shall meet the following minimum requirements:

1 (6f) Not less than once annually, the corporation shall report to the mayor, the city council,  
2 the auditor, and the public the following information:

3 (7g) Disbursement and use of the Denver preschool tax revenues shall be limited to the uses  
4 set forth in article III, chapter 11.

5 (8h) In administering the Denver preschool program or expending any monies derived from  
6 the Denver preschool tax, the corporation shall not discriminate against any person on the basis of  
7 race, color, religion, national origin, gender, age (except as to the age of children qualifying for tuition  
8 credits), military status, sexual orientation, gender variance, marital status, protective hairstyle, or  
9 physical or mental disability.

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11 COMMITTEE APPROVAL DATE: May 9, 2023 by Consent

12 MAYOR-COUNCIL DATE: N/A

13 PASSED BY THE COUNCIL \_\_\_\_\_

14 \_\_\_\_\_ - PRESIDENT

15 APPROVED: \_\_\_\_\_ - MAYOR \_\_\_\_\_

16 ATTEST: \_\_\_\_\_ - CLERK AND RECORDER,  
17 EX-OFFICIO CLERK OF THE  
18 CITY AND COUNTY OF DENVER  
19

20 NOTICE PUBLISHED IN THE DAILY JOURNAL \_\_\_\_\_; \_\_\_\_\_

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22 PREPARED BY: Anshul Bagga, Assistant City Attorney Date: May 11, 2023

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24 Pursuant to section 13-9, D.R.M.C., this proposed ordinance has been reviewed by the office of the  
25 City Attorney. We find no irregularity as to form and have no legal objection to the proposed ordinance.  
26 The proposed ordinance is not submitted to the City Council for approval pursuant to § 3.2.6 of the  
27 Charter.  
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29 Kerry Tipper, Denver City Attorney

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31 BY: Anshul Bagga, Assistant City Attorney DATE: May 11, 2023