



BEN BARTLETT

CITY COUNCILMEMBER, DISTRICT 3

CONSENT CALENDAR

November 30, 2021

To: Honorable Mayor and Members of the City Council
 From: Councilmember Ben Bartlett and Mayor Jesse Arreguín (Authors) and Councilmember Harrison (Co-Sponsor)
 Subject: Budget Referral: Commitment to Habitot Recovery

RECOMMENDATION

Refer to the AAO#1 Budget Process \$100,000 to support the recovery of Habitot and its many agency partners so it can ramp up to pre-pandemic levels and continue to provide its broad services to young children, their parents, and caregivers, and our communities most vulnerable families.

BACKGROUND

Pre-pandemic, for 22 years, Habitot consistently supported itself with an annual budget of about \$700,000. Sixty (60%) percent of Habitot's revenue was earned from memberships, admissions, and fees, with 40% contributed from grants and donations from foundations, corporate sponsors, government, individual donations, and in-kind services. The City of Berkeley has historically contributed 1% of Habitot's annual budget as one of its community service providers and art grant recipients.

Habitot was closed by State order, March 16, 2020, and overnight, lost nearly 100% of its earned income as well as some of its contributors. Habitot also lost its museum space in downtown Berkeley due to building sales and had to break its \$15,000/month lease at its new museum space due to the lost revenue. It received a Cal Relief grant of \$15,000 in 2020 and PPP loans which have been fully expended by retaining staff and paying for minimal operating expenses. Like most children's museums, Habitot was not eligible for Shuttered Venue Operators relief created for arts and culture organizations. The City of Berkeley provided a \$24,000 continuity grant in 2020 and a \$6,794 Civic Arts grant in 2021.

Through 2020-21, the worst year of the pandemic, Habitot pivoted to virtual programming delivering weekly "Habitot-at-Home" activities to an online audience of 4,500 families; distributing hundreds of play and learning kits through social service agency partners to the most hard-hit families in our community; and recently, presenting pop-up events with mobile exhibits in Berkeley City Parks. Sliding scale donation tickets for summer-fall pop-up events sold-out with long waiting lists; over 700 people attended the first three events. It has proven that in-person, outdoor events, and virtual programming can address some of the learning loss and months of social isolation the pandemic has caused.

Children's museums will be the last arts and culture organizations to recover their audiences and financial stability because their core audience remains unvaccinated. All children visiting children's museums are under 12 years of age, and *most are under 5 years old — in Habitot's case, 100% of child visitors are under 5*. Vaccinations for this age group are unlikely to be available any sooner than spring 2022. Even with a vaccine, the roll-out will be slow and parents of young children are likely to remain cautious about visiting indoor children's museums at pre-pandemic levels.

In the meantime, Habitot is ramping up for more in-person community events in 2022, expanding virtual programming with a hands-on kit component; and is looking for temporary exhibit space that will provide a consistent children's museum experience. Meanwhile board and staff work towards re-opening Habitot in a new, permanent location at a more appropriate post-pandemic location.

Since the exhaustion of early relief funds and with the reality that earned revenue remains a fraction of what it once was, Habitot will run a deficit. In order to continue to provide its historic services to the community, the projected budget gap must be closed to remain in a position to reopen when a new facility is found.

RATIONALE FOR RECOMMENDATION

Habitot Children’s Museum is the only children’s discovery museum in the Bay Area’s “East Bay.” Since 1998, Habitot has filled a niche for new parents, grandparents, caregivers, preschool teachers, and social service agencies seeking creative and enriching experiences for young children, ages 0-5, as well as parenting support and community connection. Underlying Habitot’s mission—to *help the broad community of parents and caregivers raise curious, creative, and confident children*—is the knowledge that in the first years of life, stimulating experiences and nurturing, supportive adults are crucially important to building curious minds and lifelong learners. Habitot is a nonprofit, 501(c)3 educational organization.

Habitot’s audience consists of families with 0-5-year-old children, primarily from a 1,600 square mile region encompassing Alameda and Contra Costa Counties, with a combined population of over 2.5 million. Though small relative to other Bay Area museums, over the past 22 years, Habitot has welcomed a socio-economically and racially diverse audience of more than 1.5 million visitors, about 60,000 per year. Sixty-six percent of Habitot visitors identify as multiracial/persons of color, and only 20% are considered upper income. Approximately 30% of visitors are from Berkeley and over 7,500 Berkeley families have been a member.

Its services address a critical need in the East Bay. Fifty-six percent (56%) of children entering kindergarten are not ready or are only partially ready, according to Alameda County First 5’s School Readiness Assessment. Alameda County First 5 formally recognized museum visitation as a “key strategy“ for promoting school readiness for children under five, and their commissioned research indicates that museum visits have a measurable impact on academic readiness. For many children, especially children in underserved families, the COVID-19 pandemic has exacerbated learning delays and even resulted in learning losses. The need is now even greater for Habitot to deliver child and family experiences that enrich lives, promote learning through play, rebuild strong social connections, and add to community well-being.

Before the pandemic, museum programs and administration were implemented by a 30-member staff, half of whom were UC-Berkeley financial aid work-study students handling floor and reception services. Since its closure in March 2020, Habitot has retained two full-time staff (executive, and managing director) and five part-time staff fulfilling membership, grants, fundraising, social media, and art/educational program duties.

Habitot’s founder has served as executive director since opening and ensures ongoing fulfillment of the vision, retains institutional memory and donor relationships; and manages the team. Habitot has completed a full financial audit every few years and financial reviews in between and an independent financial consultant monitors internal controls and oversees its accounting. No significant deficiencies in financial management or internal controls have been found. The Treasurer and Finance Committee prepare and monitor organizational and capital budgets, lead financing goals, ensure external and internal financial reporting and financial compliance. Habitot does not use long-term credit to finance operations and has no debt other than a revolving credit card debt.

Key Initiatives

- *Advocating for Early Childhood Learning through Play* – publicly demonstrating to adults through exhibits and programs that young children learn best through play, and that children become socially skilled and emotionally healthy from play
- *Supporting Preschool Arts* – cultivating children’s natural creativity and imagination from the earliest years with opportunities to create art and by presenting enriching cultural performances from musicians, dancers, storytellers, and singers

- *Fostering Parenting Education* — increasing parent/caregiver understanding of early childhood development and successful parenting to enhance parent-child bonding and family well-being so that children thrive
- *Building Community* — serving as a center for community engagement, parent-to-parent connection, and supportive caregiver networks.

Key Programs

Year-round, free access programs ensure that 6,000 vulnerable families (teen parents, homeless children, foster families, children with special needs, immigrants, refugees, formerly incarcerated parents, and low-income families in general) find welcome, inclusion, and family support at Habitot each year.

- *Art Studio* is a year-round, drop-in program, included with admission, offering a changing variety of age-appropriate, creative, ‘process-not-product’ art-making experiences, including sculpture, painting, and mixed media led by experienced art educators.
- *Hands-on Exhibits* designed for small hands and bodies, and the unique interests of young children in learning about their world, be it a grocery store, a rocketship, or an animal clinic; parent hand-outs are available on how to activate learning in each exhibit area.
- *Early Childhood Safety Campaign* an annual event, since 1999, includes car seat inspections leveraging community resources such as Berkeley Police and Firefighters and the Berkeley Public Health Department to attend a safety fair to educate and demonstrate to parents and caregivers how to keep young children safe from preventable accidents, the #1 cause of injury and death among children under six, according to the American Academy of Pediatrics.
- *Community Access* by participating in Museums for All (which gives free/discounted admission to EBT cardholders), Blue Star Families (which gives free/discounted admission to active military and veterans and their families), and Discover & Go (which gives free admission passes through public libraries), Habitot ensures a wide and diverse audience. In addition, Habitot offers scholarship Memberships to low-income families and presents individual, free admission “Open House” events to families with children with disabilities, foster and adoptive care families, children in the child welfare system, formerly incarcerated parents, their children, and others. Children experiencing homelessness can schedule an all-inclusive birthday party at Habitot and during the pandemic, Habitot provided *Birthday-in-a-Box kits* to ten East Bay family shelters (including three in Berkeley) with enough supplies for 120 birthday children’s parties.
- *Multicultural and Other Events* with input from representative community members, Habitot presents celebrations of diverse cultural events such as Dia de Los Muertos, Diwali, Indigenous People’s Day, Nowruz and others. Habitot presents a month-long Black History Month in February, and Pride Month in June (both were virtual during the pandemic).
- *Preschool Teachers Make a Difference Awards* for seven years, Habitot invited nominations for outstanding preschool teachers in the Bay Area, arranged for judges to select ten winners each year, solicited prizes for teachers, and held well-attended awards ceremonies for families and friends of winners. Over 500 nominations were received, 24 judges were involved, and 70 teachers received awards. (The program is looking for a new sponsor).

FINANCIAL IMPLICATIONS

\$100,000 from excess revenue allocations through the AAO#1 process. The City of Berkeley stands to benefit from Habitot’s recovery. Research by the Association of Children’s Museums found that every \$1 dollar spent at children’s museums created \$3.67 in jobs, salaries, related industries, and contributions to the local economy.

ENVIRONMENTAL SUSTAINABILITY

Not applicable

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