

NADO ANNUAL TRAINING CONFERENCE · RENO 2026

CHILDCARE IS WORKFORCE INFRASTRUCTURE

How the Upper Cumberland is building supply and keeping families working, across two agencies and fourteen counties

Mark Farley

Executive Director, UCDD & UCHRA

Megan Spurgeon

Director, Empower Upper Cumberland

THE PROBLEM IN OUR REGION

20%

of children ages 6 weeks to 14 years in the Upper Cumberland have access to a childcare slot, including after-school care

0 licensed centers

Pickett and Van Buren counties, when UCDD began this work

1 licensed center each

Jackson and Clay counties, with families on waitlists

~7,000 more slots needed

to lift regional workforce participation to the state average of 62%

OUR MODEL: STRATEGY, TECHNICAL ASSISTANCE, CAPITAL

STRATEGY

Clear the path

A resource package that walks providers through DHS, Health, Commerce & Insurance, and local zoning

Advocacy to simplify opening a center

TECHNICAL ASSISTANCE

Use what's already here

SBDC business coaching, CCR&R childcare support, university labs and interns

UCDD planners revise local codes that limit where care can go

CAPITAL

Close the gap

Revolving loan fund: \$50K–\$250K at 0–2%

CDBG-CV renovation grants: 5 centers, ~300 slots projected

THE ARC INVESTMENT

Empowering Upper Cumberland Child Care · ARC Contract TN-22273-25

\$100,000

\$70,000 from ARC (70% federal) with a \$30,000 local match

Experts to produce a report, a provider guide, and a regional strategic plan for the childcare shortage

Goal	Name the barriers; build lasting solutions for families, businesses and workforce participation
The model	Build, license and staff new centers, then hand them to private operators
Timeline	October 2025 – May 2027
Built to scale	Designed to replicate in Tennessee's eight other development district regions

CHANGING THE SYSTEM, NOT JUST FUNDING IT



Policy wins

Public Chapter 276 (2025)

Providers can lease or buy underused school buildings

State Fire Marshal Rule 23-49 (2025)

Up to 49 children in one space without the same sprinkler trigger

Public Chapter 938 (2024)

TACIR study of rules affecting childcare start-up and expansion



Bright Start Upper Cumberland

A 14-county partnership with TQEE linking childcare, schools, health and families from birth through third grade

2026–2029 PLAN TARGETS

41% → 46%

of under-6 slots available for children of working parents

800

families reached through county-level groups

PILOTED THROUGH EMPOWER UC: CHILDCARE BUSINESS SOLUTIONS

237

new childcare slots and 51 jobs
created with SBDC and partners

1

Initial contact
& due
diligence

2

Executive
strategy
oversight

3

Brand
development

4

Program
development

5

Services
vendor
evaluation

6

Implement the
childcare plan

7

Post-live
support

PARTNERS AROUND EACH PROVIDER

SBDC · Empower UC · Childcare Business Solutions · CAIC · TTU Childcare Development Lab · Childcare of TN · CCR&R ·
Highlands Training Center · DHS Pre-Licensure · marketing interns

THE OTHER HALF OF THE PROBLEM

A SLOT ONLY HELPS IF THE FAMILY CAN AFFORD TO KEEP IT

When a parent takes a raise, childcare assistance, SNAP or TennCare can drop faster than pay goes up. That's the benefits cliff, and it pushes working parents to turn down hours, promotions and jobs.

KEEPING FAMILIES WORKING: EMPOWER UC AND THE CLIFF

904

families and 1,943
children across 14
counties

42.7%

name childcare as the top
barrier to better
employment

**68% →
78%**

employment rate; 129
adults newly employed

423

families navigated through
the cliff zone (100–
200% FPL)

THE FOUR PILLARS

Benefit cliff planning

Navigators map what a
raise really means before
families decide

Financial coaching

Budgeting and goals, with ALICE
data as the measuring tape

Career readiness

Pathways to wages high enough
to clear the cliff

Social capital

Circles USA and mentors who
carry families through the drop

Source: EUC Leadership Dashboard. Change measured intake to latest assessment (794 families with follow-up); internal audit March 2026; independent evaluation by MEF Associates and the Urban Institute underway.

ONE REGION, BOTH SIDES OF THE MARKET



Shared leadership across the development district and the human resource agency lets us work supply and affordability as one system, not two programs.

THANK YOU

Mark Farley

Executive Director, UCDD & UCHRA

mfarley@ucdd.org

Megan Spurgeon

Director, Empower Upper Cumberland

mspurgeon@uchra.com

ucdd.org · uchra.org · empoweruppercumberland.org