

American Rescue Plan Act (ARPA) Recommendations to Support the Childcare Sector

PRESENTED BY FIRST 5 SANTA BARBARA COUNTY



By the Numbers...

Approximately 71,940 children age birth to 12 in Santa Barbara County

Estimated 46,759 children need some type of childcare outside of the home due to parents working (pre-COVID statistics):

- 9,767 birth to 3
- 10,606 3-5 year olds
- 26,386 school age

There are presently around 18,085 known licensed and licensed-exempt spaces for the 46,759 children.

The biggest gap in the supply in demand is with infants and toddlers with 1,627 spaces available for 9,967 who need care. This is a gap of 8,089 spaces.

What Currently Exists - Types of Programs

SUBSIDIZED BY STATE OR FEDERAL GOVT

Early Head Start and Head Start

CA State Preschool Program

Alternative Payment Program

Cal-Works stages 1, 2, and 3

General Child Care (CCTR)

PRIVATE AND TUITION BASED

Licensed Center-based programs

Licensed Small and Large Family Child care programs

Licensed Faith-based programs

Family, Friend, & Neighbor Care

In home services (nanny)

Data Gathering - What We Did



Family Surveys - 1056
Employer Surveys - 10
Provider Interviews - 22



United Way Commissioned Study
Families - 492
Employers - 12
Providers - 72
ECE Leaders - 11



ECE Provider Survey - 102

CA 22-23 Budget Proposal

What Families are saying...



Childcare never stopped being a need, even during the height of COVID,

Lack of affordable infant-toddler spaces has and continues to have influence on family career decisions,

67% of those surveyed spend $\frac{1}{4}$ or higher of their monthly household income on childcare,

According to demographic data collected, just under $\frac{1}{2}$ would qualify for subsidies but 90% of respondents stated they are currently not accessing the subsidies or don't know if they qualify, and

141 respondents are interested in learning how to become licensed providers. Estimated potential of 1128-1974 new spaces.

What Employers are saying...

Employer survey went out to 30 prominent business operating in Santa Barbara County.

- Government Agencies
- Hospitals and Clinics
- School Districts
- Higher Education
- Agriculture
- Large Businesses
- Chambers of Commerce (small businesses)

Representing over 10,000 employees.

Majority of businesses report that the pandemic has caused significant challenges in meeting their business objectives,

Lack of affordable infant-toddler spaces has challenged the recruitment and retention of employees,

All respondents agreed that infrastructure support and training the childcare workforce should be a top economic priority for SBC.

What Providers are saying...



Most feel like they have weathered the storm of COVID due to local, state, and federal support.

Many did not feel the need for additional business coaching.

Little interest in expanding to infant-toddler care or taking subsidies, even with Universal Transitional Kindergarten coming.

Two provider surveys were distributed and 1:1 follow-up interviews were held.

- Santa Barbara Foundation – 102 respondents
- Cities of Goleta and Santa Barbara, through United Way – 72 respondents
- First 5 SBC interview follow-up - 22 center-based and Family Child Care home providers

State and Federal Supports

STATE OF CALIFORNIA

Universal Transitional Kindergarten (TK):

- All 4 year old's can enter TK-12 system by 2026

Adjusted eligibility requirements for following subsidies:

- California State Preschool
- Alternative Payment Program

FEDERAL

Build Back Better – Stalled in Congress

- Extended paid family leave
- Universal preschool for all 3 and 4 year old's
- Expanded Early Head Start and Head Start

Where are the gaps...



Our Iceberg is Melting



Option 1 – Assistance to Households

- Deposit dollars into an existing infrastructure that currently provides childcare scholarships for middle-income families
- Tie scholarship to infant-toddler spaces
- Design and implement communication and outreach plan for families on how to apply for and use existing subsidies



Option 2 – Assistance to Small Businesses and Aid to Impacted Industries

- Establish a fund to support start-up and expansion of infant-toddler spaces in Santa Barbara County
- Require applicants to participate in business training and technical assistance
- Encourage braided funding structure that allows for both tuition base and subsidy vouchers
- Provide permitting and licensing fees
- Explore capital projects through a facilities study





[This Photo](#) by Unknown Author is licensed under [CC BY](#)

Option 3 - Development of a comprehensive RFP

Allocate funding identified to maximize impact on the areas of need identified and further consider data gathered by various agencies.

Next Steps

Consideration and Discussion for the Board:

Percentage (%) of allocation towards options presented or combine with other options,

Full allocation towards one option or the other or another option not presented,

Allocate \$400,000 per Supervisorial District to be determined at discretion of regional teams that includes:

- An extended facilities study in each District to look at potential properties for new or expanded childcare spaces,
- Identify childcare deserts in the County of Santa Barbara and strategies to address,

Assess county owned properties that could house childcare programs at no cost or low-cost rents (e.g. Calle Real Property redesign), and/or

Partner with Low Income Investment Fund and local Philanthropy to design capital projects and see where dollars can be leveraged (e.g. 60/40 matches).



Questions

