



CHILD CARE in Santa Barbara and Goleta

ASSESSMENT AND RECOMMENDATIONS

A Report to the Cities of Goleta and Santa Barbara

January 2022



About Maria Chesley Consulting

Maria Chesley Consulting leads and contributes to organizations and collaborative efforts that promote the education, health, and wellbeing of children, families, and communities. They bring research and evidence-informed practices to bear on the collective development and improvement of cross-sector service delivery systems. Maria Chesley, PhD, long ago adopted Santa Barbara as home and raised two boys, now men, here. For almost eight years, Maria led the Carpinteria Children's Project which offers both state-funded preschool and private early care and education paid for by families directly and by families' government subsidies.

About the United Way of Santa Barbara County

Since 1923, United Way has served the Santa Barbara County community through funding, partnership development, volunteer services, and by creating, managing, and leading its own unique programs and initiatives that involve dozens of local non-profit, business, and public sector organizations. United Way's mission is driven by a focus on school readiness and academic achievement, financial empowerment, and crisis response and recovery. Their vision is strong local communities where committed networks of leaders and organizations are united to provide children and families the education, financial skills, and resources necessary to be successful today and resilient in times of community crisis.

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Executive Summary

The pandemic both revealed and widened the obvious cracks in the child care system and made clear that child care is infrastructure that supports the rest of the economy by allowing parents to work. This study sought to understand the child care system serving children before they enter kindergarten in the Santa Barbara and Goleta area. We sought the perspectives of parents, employers, and child care providers through online surveys, interviews, and focus groups. Participation in this study was strong. For example, 623 parents responded to our survey and almost 500 of them qualified and provided information and their perspectives.

Findings indicate that the child care system in Santa Barbara-Goleta inadequately serves both parents looking for child care and providers. Seventy percent of parents with children under five say their experience finding care was difficult or very difficult, and 54% are dissatisfied with local options for child care or early education before kindergarten. Without a centralized and accurate list of providers and spaces available and without an unduplicated number of parents seeking care, it is difficult to determine the precise need, but all indications are that it is strong. Providers report that just over 1,000 parents are on waitlists for infant and toddler spaces and another 1,100 are on waitlists for three- and four-year-olds. Parents who are not eligible for free or low-cost public programs, especially those with incomes just above those that qualify, face hardship. Some decide not to work; some stay with care they are not comfortable with. Private providers report that the average monthly cost for a full-time infant is \$1,481 and a preschooler is \$1,194.

Child care providers' biggest challenges are around staffing, and they point to inadequate pay and a limited pipeline of workers entering the field. Still, more than two-thirds of the providers said they would consider increasing the number of spaces they offer if funding were available. Even with additional funding, insufficient staffing and lack of facilities would constrain growth. Local employers in other sectors are also challenged to hire and are responding to an increasing desire for flexibility in workplace and schedule. Employers are open to creative solutions including child care offerings that attract and retain qualified employees.

Given that the combined economic impact of the undersupply of child care space in the Santa Barbara-Goleta region may be between \$60,000,000 and \$92,000,000 every year, we recommend concrete actions that address a number of interrelated problem areas for a number of years. Recommendations include appointing a coalition of stakeholder groups and community leaders who will adopt and pursue a child care collaborative action plan and engaging a child care coordinator to manage the adoption and implementation of the plan. The plan must take into consideration that California will offer universal preschool by 2025.

Elements of a comprehensive plan, which could be implemented in stages, should include

- precise, actionable data about the availability of care, need for care, and child care workforce pipeline
- a coordinated mechanism for connecting parents with program openings that work for them
- strategies to increase the supply of high-quality child care spaces
- scholarships for middle-income parents who make too much for government subsidized programs but cannot easily afford private care
- approaches to strengthen the pipeline of qualified early care and education workers

- supplemental support for pay of workers in the sector
- policies and support to help child care providers open and maintain profitable businesses
- facilitation of employers' support of employees around child care needs

Improving the local child care system so it better serves families and providers can make a difference now and well into the future. Children's first years set the stage for all health, educational, and life outcomes. Science tells us what works, and there are long-term consequences of inaction during early childhood. There is a high return on investment in early childhood, particularly for youngsters at risk for poorer outcomes in education, health, and employment. Coordinating existing components and building out others to create a more connected and comprehensive child care system can allow more parents to work, position Santa Barbara-Goleta as a preferred location for child-rearing and employment, grow our local economy, and better prepare our future electorate and workforce.

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Background

Pandemic reveals importance of child care to economy

When the COVID-19 pandemic hit, child care shifted from a problem experienced privately by families to a problem experienced by employers and community members. Employees who once made goods and provided services needed to be home with their children. Many child care providers shut down in March 2020 and later reopened to a “pod” of fewer children in each classroom. Public schools met virtually for over a year and most elementary students could not be safely left at home alone to Zoom. Parents of children of all ages wanted their children to actually learn something and realized that would not happen unless an adult was present and involved. Many families chose for a parent, usually the mother, to quit their job and stay home to make the whole thing work.

Employers, many of whom had not previously engaged with employees about their child care, creatively addressed the problem. A local example is the Goleta Unified School District; they provided child care for employees’ children during school hours in large part so teachers could Zoom with their students without interruption. Many more employers allowed parents to work evenings or otherwise flex their time so they could work when their children were asleep or otherwise cared for.

The pandemic both revealed and widened the obvious cracks in the child care system and made clear that child care is infrastructure that supports the rest of the economy by allowing parents to go to work. National reports lay out the connection between child care and the rest of the economy: “Exacerbated by Pandemic, Child Care Crisis Hampers Economy” (Associated Press, 2021), “Child Care in Crisis: Can Biden’s Plan Save It?” (Gupta, 2021), and “Help Wanted: America’s child care crisis fueled by worker shortages in daycare centers” (Rogers, 2021), for example.

Universal preschool will bring change to sector

At the same time, the state of California is expanding public preschool to serve all 4-year-olds and more 3-year-olds who have special needs or are from families with low incomes. These moves will have consequences for both private and public early care and education providers.

Essentially a new grade level for four-year-olds, transitional kindergarten (TK) was established a decade ago but only served children with birthdays in the fall. To be fully implemented by 2025, TK promises to provide free preschool to many more children. TK, like kindergarten, will end well before 5:00 each day and will only be held during the school year, and regulations make it challenging for school districts to provide after-school care for children so young. These constraints may lead some parents to opt to stay with a child care provider so they can have a full day of care.

The expansion of TK will likely cause meaningful change in the child care sector. Many parents will take advantage of universal



preschool. Child care providers will have fewer four-year-olds to care for and could care for more children three years and younger. However, as later sections of this report will explain, care for zero- to three-year-olds is more expensive to provide than it is for four-year-olds primarily because more staff is required. Some may find it difficult to sustain their child care businesses.

It is in this context that the Cities of Santa Barbara and Goleta commissioned a study of the system of child care in our region. The goal was to understand the child care system from the perspectives of providers, parents, and employers and to recommend strategies worthy of consideration by our local governments. This report communicates the results of that needs assessment study.

A note about terminology: This report refers to child care because it is self-explanatory and is the term that is most frequently used now in the media, as in “child care crisis.” Child care is sometimes referred to as daycare and nursery school as well. Early care and education (ECE) and early learning and care (ELC) better capture the need for both generations served: care for young children so parents can work and education so that young children’s minds, hearts, and bodies develop in healthy ways. Regardless of which term is used, we intend to convey that children and families deserve high-quality care that supports children’s development of executive functions such as problem solving, social and emotional skills, gross and fine motor skills, and language.

Study Methodology

Begun in summer 2021, this study was designed to understand the child care system serving children before they enter kindergarten, or transitional kindergarten if age-eligible, in Santa Barbara and Goleta. The region was defined by zip codes 93101 through 93118. These zip codes encompass the City of Santa Barbara, Montecito, the City of Goleta, and the unincorporated area between the two cities.

We sought the perspectives of three stakeholder groups: parents, employers, and child care providers. Specifically, we asked parents of children zero to five years who live or work in the region about their experience with local child care. We also gathered information from most child care providers, some professionals who support parents or providers, and some major employers in the region. The employers included government agencies and not-for-profit service providers. We used a variety of study tools to gather data about these perspectives.

The study tools used are explained below, along with basic information about the participants.

Parents

Online survey. Four hundred, ninety-two parents responded to our survey about their experience with local child care; they each have a child aged zero to five years and they or their parenting partner live and/or work in the region. An additional 131 parents started the survey but were disqualified because they did not meet those criteria. Twenty-seven of the qualified respondents completed the survey in Spanish.

Eighty-eight percent of the parents who completed the survey are employed, most of them full time. Ninety-one percent of the working parents work locally in Santa Barbara or Goleta. Seventy-eight percent of parents surveyed have a parenting partner, and they both work at least part time. Sixty-three percent of respondents have a household income between \$53,000 and \$212,000; they might be considered middle income in this

region. The vast majority are paying for child care themselves and likely, based on reported household income, are not eligible for subsidized child care.

Child care Providers

Online survey. Seventy-two people who own or manage state-licensed child care facilities in Santa Barbara and Goleta responded to our survey about their capacity, costs, and challenges. Five of the respondents completed the survey in Spanish, and others completed it over the telephone in Spanish or English. There are approximately 86 facilities serving children before they enter kindergarten or transitional kindergarten, meaning approximately 84% of providers in the region responded to the survey. The respondents are licensed to serve about 4,500 children at any one time and employ 1,261 people.

Interviews. Eleven leaders in the Early Care and Education sector and several who work closely with providers or parents were invited and spoke with the lead author for about an hour about the challenges in the sector, their ideas for improvement, and their predictions for the sector. Some sent additional data. These leaders are listed below.

Terri Allison, Moonlit Consulting

Jacqui Banta, MS, Chief Operating Officer, Children’s Resource and Referral

Kelley Barragan, RN, PHN, MS Director of Maternal Child & Adolescent Health Program, Santa Barbara County Public Health Department

Traile Easland, RN, BSN, PHN, IBCLC, Welcome Every Baby Family Connects Nurse Manager, Santa Barbara County Education Office

Holly Goldberg, PhD, Consultant

Lori Lander Goodman, MSW, Executive Director, Isla Vista Youth Projects

Morena Loomis, RN, BSN, Public Health Nurse, Maternal Child & Adolescent Health Program, Santa Barbara County Public Health Department

Eileen Monahan, Consultant, Creative Early Care and Education Solutions

Patty Moore, Help Me Grow Santa Barbara County, Alpha Resource Center

Lorraine Rowden Neenan, Program Director, Children’s Services, CommUnify

Pedro Paz, PhD, Director, Policy and External Affairs, Santa Barbara Foundation

Tandra Pitchford, Manager, Early Care and Education, Santa Barbara County Education Office

Michelle Robertson, Assistant Director, First 5 Santa Barbara County

Eva Taborek, MSN, RN, Public Health Nurse, Maternal Child & Adolescent Health Program, Santa Barbara County Public Health Department

Sharol Viker, MA, Program Manager, First 5 Santa Barbara County

Employers

Focus groups and questionnaire. Twelve people who work for 10 organizations in the region were invited and attended one of four focus groups and/or provided information via email about their employees’ child care needs, how they support their employees around child care, and their ideas for improving the child care system in the region. Together, they represent almost 11,000 employees in our region. A number of for-profit organizations were also invited but did not participate. The participating organizations and the individual who represented them are below.

Mari Minjarez Baptista, Assistant Superintendent, Human Resources, Santa Barbara County Education Office

John Becchio, EdD, Assistant Superintendent, Human Resources, Santa Barbara Unified School District

Melinda Cabrera, Vice President, Strategic Partnership, United Way of Santa Barbara County

Leah Genevieve Combs, Human Resources Supervisor, Family Service Agency

Yukiko Irie, MA, Manager, Child Care Services, Cottage Health

Erin Jeffery, Employment and Workforce Planning Division Chief, County of Santa Barbara - Human Resources

Ron Lafrican, Director, Compensation and Benefits, Cottage Health

Wendy Levy, Human Resources Director, City of Santa Barbara

Deneatrice Lewis, Human Resources Director, Santa Barbara City College

Todd Mitchell, HR/Risk Manager, City of Goleta

Nicole Ramos, Director of Human Resources, People's Self Help Housing

David Simmons, Assistant Superintendent, Human Resources, Goleta Union School District

Alana Walczak, President & CEO, CALM

In addition to these sources, we referenced a 2020 needs assessment for Santa Barbara County, *Early Care and Education Needed Now* (Santa Barbara County Child Care Planning Council, 2020). To learn about the economic impact of child care, we sought data from state and national sources in an attempt to place the stories of economic impact we heard from local families in a larger context.

Findings

The child care system – and it is a stretch to call it a system at all – both here in Santa Barbara-Goleta and around the United States inadequately serves both parents looking for child care and providers. Waitlists for care are often long and care for infants and toddlers is especially difficult to find, not to mention expensive. Most state-licensed child care providers have struggled to find staff who have completed the required coursework; apparently few college students aspire to a career in which wages are so low. The inadequate number of child care spaces has a meaningful economic impact on families and our communities. These general findings are expanded upon below.

Availability and Cost of Child care

Child care in California is offered in different types of facilities and programs, and it is paid for by a variety of sources.

Types of Providers. Individual business owners, privately owned centers, non-profit organizations, school districts, and faith-based communities provide licensed care for infants, toddlers, and preschoolers. The California Department of Social Services licenses child care providers and focuses on the health and safety of the children. Obtaining a license requires attending an orientation, criminal record clearance, a tuberculosis test and proof of certain vaccinations, a course in pediatric health and safety, an inspection by the regional Child Care Licensing office, and a fee. Maintenance of the license includes upkeep of documents about enrollment, staff, and emergency procedures; an annual fee; and unplanned inspections.

- **Licensed Child Care Centers** (or Day Care Centers) are generally larger and in a commercial building, place of worship, or school that also serves older children.
- **Licensed In-home Family Child Care** is in the provider's home and can serve a maximum of 14 children at any one time. Small in-home providers are allowed to serve a maximum of eight children while they gain the experience to serve the in-home maximum of 14.
- **License-exempt Care.** Some care does not require a license from the state. People who are caring for their own or a relative's children and children from only one other family do not need a license. Also, people or organizations caring for children for a limited number of hours a week are not required to get a license.

Unlicensed care is illegal because there is no oversight of health and safety of the children. That said, unlicensed, unregulated informal care is provided in our communities.

Types of Programs and Payment

There are different types of programs, and individual facilities may include more than one type of program and more than one type of payment for services. Isla Vista Youth Projects, for example, offers spaces for the heavily state-subsidized California State Preschool Program for which families may pay on a sliding scale, spaces available to the public for which parents pay and may receive a scholarship, and spaces for which parents pay with a public subsidy.

- **Head Start, Early Head Start, and California State Preschool Program (State Preschool).** These programs funded by the state and/or federal government are available to families who qualify because of low family income or because the child is at risk for specified reasons including being in foster care. These programs include high-quality curriculum, parent engagement, and connections to social supports for families. In our region, the non-profit agency CommUnify operates Head Start and State Preschool programs. The Santa Barbara and Goleta public school systems, Isla Vista Youth Projects, Storyteller Children's Center, Santa Barbara City College, and the University of California Santa Barbara provide State Preschool. Families pay on a sliding scale based on income, although some half-day programs for four-year-olds are free to those who qualify.
- **Public subsidies programs.** California, through the Alternative Payment Program and CalWORKs, provides preschool for families with low incomes and those in a welfare to work program. These are essentially vouchers. Parents who qualify are often placed on a waitlist. When they are accepted into the program, they select a child care provider that accepts that public funding and has an opening in a classroom appropriate for their child's age. Generally, care is free or not more than 9.3% of the total market price of care for the parents in these programs (University of Texas at Austin, Lyndon B. Johnson School of Public Affairs, 2021), although sometimes strict rules lead to unplanned expenses for the provider that may be passed to the parent. For example, if traffic is heavy and it takes a parent longer than allowed to pick up their child, the provider may charge the parent for the additional time that will not be covered by the payment program.
- **Scholarships.** Some private child care providers offer scholarships to their families.
- **Private pay.** The families themselves pay all tuition and fees charged by the provider.

Parental Leave

When a child is born or adopted in California, parents who are working and meet eligibility criteria are offered temporary payments if they take a leave from work. The state also offers unpaid leave during which the parent's job is protected. Payments are generally not as large as employees' paychecks. Paid family leave, for example, is typically 60 to 70% of the employee's earnings but depends on income level. Parents can also be eligible for job-protected leave under the California Family Rights Act and Family Medical Leave Act (for summaries, see <https://www.dfeh.ca.gov/family-medical-pregnancy-leave/> and <https://www.dol.gov/agencies/whd/fmla>).

These payments and leaves are used by many and can allow parents to spend as many as 24 weeks bonding with their new child, recovering from childbirth, and adjusting family life. That said, many low- and middle-income families cannot take full advantage of them because the programs do not replace a large enough percentage of their income (Kamal, 2021). Some parents may need child care to get back to work. Even when money is not the main issue, some employees prefer to get back to work sooner and seek child care to do so.

The challenge of assessing availability for child care

It may sound simple, but it is surprisingly difficult to confidently count the number of child care spaces available in the Santa Barbara-Goleta region. The state determines the maximum number of children who can be in a licensed classroom, but many providers do not fill to that capacity and choose instead to limit the number of children in keeping with quality standards such as those of the National Association for the Education of Young Children (NAEYC). For example, licensed capacity can allow 24 two-year-olds with two caregivers in a classroom. Anyone who has cared for even one two-year-old knows that is a set up for disaster. NAEYC standards call for half of that: 12 two-year-olds with two caregivers. In addition, in-home family child care providers may care for babies and 3rd graders; it is impossible to tell how many zero to five-year-olds are included in their spaces.

Although the majority of providers' licensed capacity is available publicly, practical capacity is not – that alone makes it difficult to say how many spaces are actually available. In addition, many providers offer part-day and



part-week care so one “space” might be filled by one child on Monday, Wednesday, Friday morning; a second child on Tuesday and Thursday mornings; and a third child in the afternoons.

In addition to the difficulty with counting the spaces actually available to parents, assessing availability of child care is also challenging because it is difficult to get an accurate list of licensed programs. The state provides a downloadable list, but it is not completely accurate in part because providers who close sometimes do not update their record. Also, small in-home family child care providers are not included in the state’s public list. For this study, the author and staff at the United Way of Santa Barbara County spent hours calling and emailing programs on the state’s list to determine if they are currently in operation. The state envisions an improved data system that will, among other improvements, keep child care licensees information more up to date (for more, see https://rrnetwork.org/assets/general-files/California-Brilliant-Beginnings-Data-Investment_5.18.21- bsm02.pdf).

Our communities’ poorest families are often eligible for Head Start, State Preschool, or government funded vouchers that they can use in some private child care programs. Historically, public investment in child care has focused primarily on serving children from low-income families, but access to that segment of the child care system is partially hamstrung in our area. Head Start and Early Head Start are esteemed federal programs that aim to ensure children from low-income families are ready for kindergarten. Lorraine Neenan, Program Director of Children’s Services for CommUnify, leads these programs in our county and shared, “The federal poverty guidelines are so low that we’ve had a hard time finding anybody who qualifies. The poverty line is the same for Mississippi as it is for Santa Barbara County.”

To be eligible for Head Start, a family of four must have an annual household income (before taxes) below \$26,500. The State Preschool eligibility ceiling is 85% of the state median income, so a family of four with an annual household income of just over \$89,000 before taxes and a few who just exceed that may be eligible.

State-funded preschool programs have somewhat higher income limits, but classes can be as short as three hours a day. The paperwork required for admission to both programs is notable and deters some families from accessing care. Terri Allison, who once directed Storyteller, a child care center for homeless and at-risk children said, “We ask a lot of our most vulnerable families who want to enroll.”

So from a parent’s perspective, not all child care programs are options. Many parents who are not eligible for these government-subsidized programs struggle to pay for private child care programs. Indeed, many middle-income parents in our communities can only afford some of the private child care programs, and their options are therefore constrained by the cost of care.

Young children with special needs are often offered some hours of services each week and left to figure out the rest on their own. Having children with special health care needs often leads parents to cut back on work or quit (Foster & al, 2021). Leaders of Alpha Resource Center of Santa Barbara, whose mission is to empower individuals with intellectual and developmental disabilities, report the same thing. In recent years, up to a third of the families they work with have called asking for help with finding care for their child with special needs.

Child care capacity includes full- and part-time spaces, very little care for nights and weekends

There are approximately 86 licensed providers in the Santa Barbara-Goleta region, and they are licensed for a total of about 4,510 spaces. Seventy-two providers responded to our online survey, and the largest providers are among them. Because they shared details about their operations in our survey, the information that follows is about those 72.

Just over 40% of the facilities represented are licensed for more than 48 spaces. Just over 20% are licensed for between 15 and 48 spaces. The remaining almost 40% facilities are small; they are the in-home family child care providers who can serve a maximum of 14 children at a time. In other words, there were 28 in-home child care providers who completed our survey. Several leaders noted that there are noticeably fewer in-home family child care providers in the southern part of the county as compared to the northern part.

The majority of providers surveyed (53%) offer both full- and partial-day spaces. Thirty-five percent offer only full-day spaces, and 13% offer only a partial day program. Most of the providers in our region are child care centers. Most are full-day programs, and only one offers weekend hours. Smaller in-home family child care providers are licensed to serve a maximum of 14 children at one time and are more likely than centers to offer weekend, evening, or specially arranged hours, but most do not. Very little licensed care is offered in the evenings, on weekends, or if a need arises outside of the scheduled day (see Table 1).

Table 1. Number of Providers by Hours of Operation and Setting

| Type of Provider | Number of Providers | Part day only M-F | Full day M-F (most offer part day as well) | | Full day Plus Weekend and special hours | Full day Plus evening and/or special hours, but not weekend |
|---------------------------|---------------------|-------------------|--|--|---|---|
| Child Care Center | 44 | 7 | 37 | | 1 | 0 |
| In-home Family Child Care | 28 | 2 | 26 | | 2 | 8 |
| Total | 72 | 9 | 63 | | 3 | 8 |

Many parents who responded to our survey wrote about the challenge of different work and child care schedules. One wrote, “It’s hard to find childcare that isn’t full time (20-30 hours) that allows for flexibility in work schedule. I end up having to pay full time even though that is not really what I need.”

Demand for child care exceeds supply

Our surveys make clear that demand for child care outstrips the supply of spaces. The providers in our sample, who represent an estimated 84% of providers in zip codes 93101 through 93118, report that just over 1,000 parents are on waitlists for infant and toddler spaces. The supply still doesn’t meet the demand for three- and four-year olds, even though there are many more preschool spaces available. Providers reported about 1,100 on waitlists for preschool classrooms.

Most home daycares are word of mouth and are impossible to find online for reviews or ratings. Any child care centers require multi-month waitlists with fees and requirements to “check in” on the waitlist or your family is removed from the list entirely. Feels like the hunger games in order to find any care at all.

- Parent Survey Respondent

Certainly, parents can be on the waitlist at more than one provider— the waitlist numbers are higher than they would be if we could remove duplicates. Parents who responded to our survey confirm that the number of families on waitlists is an overestimate of the total. One-third of the parents said they are on a waitlist, and almost half of those reported that they are on more than one waitlist.

One parent who responded to our survey wrote, “It’s a stressful nightmare. Very few affordable options for middle income families. It’s especially difficult to find quality and affordable care for infants.” Another wrote, “It is impossible right now. I have

been on a waitlist for [a] center which is income-based since summer. At this rate she will not be able to be in preschool this last year before kindergarten. It’s taken a toll on my college and opportunity to work also.”

It seems that the demand for care has increased over the years in our area. When asked about recent trends in enrollment, a majority of providers that responded to the open-ended question, 29 providers (55%), mentioned either a longer waitlist or high infant demand or both. Some families are not seeking care during the pandemic, but plenty more are still on waitlists.

To be clear, we do not have good data about how many parents are seeking care in Santa Barbara and Goleta, and our community is not alone. The national Bipartisan Policy Center (BPC) has used national data sets to estimate the potential need for child care across the county and compares them to state databases of licensed spaces, noted above to be problematic in and of themselves. They report that in Santa Barbara County there is a potential need for 7,760 additional licensed spaces for zero- to five-year-olds. They explain that their calculation is an estimate based on available data about the number of parents with young children, not the number seeking care:

[We considered] the number of children age five and under with all available parents in the labor force, according to the 2014-2018 American Community Survey five-year sample. BPC did not analyze the demand for child care: the rate at which families actually utilize or look for formal child care. While child care demand would have produced a better estimate of the amount of additional supply parents actually need, many seasonal and family-related factors influence demand and there is little data available on the demand for child care by geographic area. As a result, gap estimates from this analysis provide informative starting points from which officials can begin to make policy recommendations (Bipartisan Policy Center, 2021).

Furthermore, they say, “any recommendations must also consider data on how much and what types of child care communities will actually use.”

Locally, the Santa Barbara County Child Care Planning Council, a state-mandated council funded by the California Department of Education, estimates demand for child care every three years based on national datasets. The most recent report (Santa Barbara County Child Care Planning Council, 2020) pulls on data from the United States Census, the American Community Survey, data compiled by American Institutes of Research as well information from Santa Barbara County Education Office and other local agencies. The report includes information about what the need for care might be in our area: in 2018, an estimated 6,315 children aged zero

to five lived and needed child care in Santa Barbara and Goleta, defined as zip codes 93101 through 93118. This study estimates a total of just over 4,500 spaces available for the Santa Barbara-Goleta region alone, so there may be a deficit of over 1800 spaces for birth to five-year-olds.

High cost of child care adds to high cost of living

The cost of child care varies by the child's age. The providers who responded to our survey offer private preschool and/or government-subsidized care for which parents pay on a sliding scale depending on their income. They report that the average monthly cost for a full-time infant is \$1,481, a toddler is \$1,346, and a preschooler is \$1,194. The least expensive care reported was \$500 per month for a preschooler and the most expensive was \$2560 per month for an infant. The average cost of in-home care is a bit less than center-based care; the county's Child Care Planning Council found the same (2020). For comparison, in 2021-22 an undergraduate student at UCSB pays \$1,271 per month in tuition for each of the nine months of the regular academic year.

With such a high cost of living it is a struggle to pay for housing and find affordable child care even with decently paying jobs. The child care centers that are more affordable have a long waitlist and are difficult to get into.

- Parent Survey Respondent

The United Ways of California offers the Real Cost Measure (2021) to estimate household budgets for Santa Barbara County. It provides the following household budget for a household with two adults, a four-year-old, and a two-year old (see Table 2). Child care costs estimated in the budget are below average based on our survey (and housing is likely below average too), and still the annual after-tax household income needed to support this family is over \$100,000. According to ZipRecruiter.com (2021), the average annual pay for the Target Store jobs category in California is \$45,143 a year. That works out to be approximately \$21.70 an hour, well above the minimum wage of \$15 an hour. Two parents working full-time, making over \$90,00 combined and spending according to the budget below, could be short about \$1000 every month.

Many parents go back to work sooner than they would like after the birth of a baby; some who return to work would prefer not to. Morena Loomis is a nurse with Maternal Child Adolescent Health of the public health department who visits families who have recently delivered babies in the southern part of Santa Barbara County. She said,

Our families that are living in poverty usually say, 'I don't want to work I would rather stay home with my baby; I know that I'm going to end up paying something for child care that is obscene. But we can't make rent.' I've had ladies that are house cleaners and they're making \$80 a day and paying \$60 for child care. They need that extra cash, and so I do feel like a lot of people end up in those circumstances where they decide they're going to do house cleaning a couple days and leave baby with a friend who lives down the street, who can take the baby for this much money.

The words of one parent who responded to our survey represents the sentiments of many:

Childcare is extremely expensive and not affordable in Santa Barbara. I don't know how others get by unless they make \$250K or more. I am paying more for childcare than my mortgage, and I had to reduce my work hours because I cannot afford full time childcare for both kids.

Table 2: Real Cost Measure Household Budget for Two Adults with Two Children Under Five Years

Household Budget:

| | Monthly | Annually |
|-----------------|----------------|------------------|
| Housing | \$1,951 | \$23,412 |
| Child care: | \$2,048 | \$24,576 |
| Food: | \$881 | \$10,572 |
| Health care: | \$776 | \$9,312 |
| Transportation: | \$883 | \$10,596 |
| Miscellaneous: | \$654 | \$7,848 |
| Taxes: | \$1,276 | \$15,312 |
| | \$8,469 | \$101,628 |

It takes **\$8,469/mo** (after taxes), on average, for a **4-person household** to make ends meet in **Santa Barbara County**, or **\$101,628 per year**.

From <https://www.unitedwaysca.org/household-budgets>

Parents are Dissatisfied with Local Child Care System

Most local parents of young children are dissatisfied with the child care system according to our survey. The number who responded is striking in and of itself: 623 parents responded over a two-week period, 492 of whom qualified to complete the survey because they had children zero to five and lived or worked in 93101 through 93118.

Parents report that limited availability of spaces, high cost, and a lack of information about

providers make their search consume more time and mental energy. Seventy percent of parents say their experience finding care was difficult to very difficult (see Table 3), and 54% said they are dissatisfied with local options for child care or early education before kindergarten.

The words of one parent who responded to the survey represent the words of many others:

Everywhere there are such long waitlists! It's also so, so expensive! [It's] hard to make the choice between working full time just to pay for child care plus a little extra versus just not working to be a full-time caregiver. There has to be a better way! It feels so impossible to work and parent.

-Parent Survey Respondent

It is extremely difficult to identify and find child care, i.e. I couldn't find a singular list that listed available daycares and schools. Schools often don't have their pricing and availability easily accessible on their [web]site, which creates a huge time suck in having to email only to find out it's out of your price range, doesn't take kids under three, etc. It's practically a full-time job locating child care options and getting on lists.

Table 3. Parents' Experience Finding Child Care

| | % parents |
|---|------------------|
| Very easy | 2% |
| Easy | 7% |
| Neither easy nor difficult | 16% |
| Difficult | 42% |
| Very difficult | 29% |
| Not applicable – have not looked for child care | 5% |

n=492

While most parents had problems with the child care system, experiences vary slightly by family composition and work status. Single parents and two-parent families in which both parents both work are more likely to have found it difficult or very difficult to find childcare and to be dissatisfied with options for child care (see Tables 4 and 5). One father who completed our survey explained that he works at night and his wife works during the day so that they do not have to pay for child care. He wrote,

Lots of fathers that live in Goleta/Santa Barbara do what I do. It is exhausting for me and my wife. We both work so we don't qualify for low income programs. If we paid for child care, we would be worse off financially than folks that have one parent working and qualify for child care programs. It makes it hard to work and try to progress knowing that. Quality child care should be available to everyone at an affordable rate.

Table 4. Parents' Experience Finding Child Care by Family Composition and Working Status

| | % found experience difficult or very difficult |
|--|---|
| Single parents | 68% |
| Two parents, single income | 60% |
| Two parents, double income less than 2 full-time | 59% |
| Two parents, double income at least 2 full-time | 78% |
| Overall | 54% |

n=436

Table 5. Parents' Satisfaction with Local Options for Child Care before Kindergarten by Family Composition and Working Status

| | % dissatisfied |
|--|-----------------------|
| Single parents | 64% |
| Two parents, single income | 46% |
| Two parents, double income less than 2 full-time | 44% |
| Two parents, double income at least 2 full-time | 58% |
| Overall | 54% |

n=492

Parents who are at the bottom and top of the household income range -- the most poor and the most wealthy -- are less likely to be dissatisfied with child care options than those whose incomes are somewhere in the middle (see Table 6). As mentioned above, a family of four with a household income of less than \$26,500 (the lowest income level in our survey) is usually eligible for Early Head Start and Head Start programs.

One parent who describes themselves as privileged wrote,

A pretty significant majority of the childcare centers in the Goleta area don't accept children under 18 months. For those of us whose children need to start childcare earlier than that, there are very few options and long waitlists. We're a very privileged family but finding childcare options that offer full-time care (many close early or are routinely closed for a half or full day several times a month) for young babies that isn't absurdly expensive was quite difficult and very stressful. In the end we're happy with where we wound up, but it really felt like we had to take the only option we had. When you're talking about leaving your four month old with strangers for the first time, that's a terrible feeling. And again, we're the fortunate ones. Finding quality, affordable, reliable, full-time childcare in SB County is incredibly difficult.

Table 6. Parents’ Satisfaction with Local Options for Child Care before Kindergarten by Household Income

| Household Income | % dissatisfied |
|-----------------------|----------------|
| 0 - \$26,500 | 50% |
| \$26,500 - \$53,000 | 56% |
| \$53,000 - \$106,000 | 58% |
| \$106,000 - \$212,000 | 54% |
| \$212,000 - \$400,000 | 50% |
| More than \$400,000 | 40% |
| Overall | 54% |

n=438

Some parents, when stuck between a rock and a hard place in the search for temporary or regular care, make uncomfortable choices. In another survey question that gets at dissatisfaction with their child care and perception of availability, about a third of parents reported that they had been dissatisfied with their child care but felt they had no option but to continue with that child care. Single parents were the most likely to have experienced this (see Table 7).

Table 7. Parent Dissatisfaction with Child Care but had No Other Option

| | % dissatisfied but felt they had no other option |
|--|--|
| Single parents | 52% |
| Two parents, single income | 24% |
| Two parents, double income less than 2 full-time | 35% |
| Two parents, double income at least 2 full-time | 37% |
| Overall | 37% |

n=341

In these situations, parents are leaving their children in environments they feel are not in their child's best interest and probably are worrying while they are separated from their children. When offered the opportunity to say more, parents said, "Got stuck with what was available," "Necesida de trabajo," "Would prefer a center with more adults," and "poorly run school, but waitlists everywhere else are very long." A number indicated that they would like a more expensive provider because they think the quality of care would be higher, but this option is out of reach financially. Another parent wrote, "It's been worth dealing with some challenges because it outweighs the cost of a different provider or the challenge of finding another provider."

Many parents would prefer licensed child care to their current situation and are waiting for a subsidy and/or an available space. Jacqui Banta of Children's Resource & Referral reported in late fall 2021 that 227 families from zip codes 93101 through 93118 are on the waitlist for the subsidized voucher Alternative Payment Program. Santa Barbara County Education Office also hosts this program and surely has a waitlist as well. Of the parents who completed our survey, over a third (36%) of parents were currently on at least one waitlist for child care. It's possible that they are currently in a program and looking to move.

Some parents need care but do not look for a licensed provider. Several interviewees shared that some parents far prefer having a caregiver with whom they have a family or personal relationship, whether or not that caregiver is licensed. Because they know the provider, it feels safer. One of the visiting nurses said, "Most of my Latino families very much feel that the baby would be better cared for by family, even if it's a distant random cousin that somebody knows or somebody in their Latino community. I think they do go through that entire network before [considering licensed care]." These parents have a village they can turn to; others do not have that support.



Several interviewees are concerned that too many families in Southern Santa Barbara County do not have family, friends, or neighbors they can rely on even for emergency care. Some parents return emergency cards to child care providers that list only the parent as a contact in the event of an emergency. Nurses from Welcome Every Baby- Family Connects offer home visits to families whose household income is too high to qualify for MediCal, California's public health insurance. Four in 100 (1 in 25) of the new parents these nurses visit do not have emergency child care, respite, etc. The nurses who visit new parents who are on MediCal also find parents who are parenting alone. Michelle Robertson, Assistant Director of First 5 of Santa Barbara County, commented on the important role child care can play in helping these parents:

Some new parents find themselves in overwhelming situations without strong social support. This can lead to further isolation and maternal depression. Child care can offer a buffering service that connects new parents to

peers who may be experiencing similar challenges. Unfortunately, the very limited number of infant spaces available in licensed programs exacerbates the anxiety felt by new parents. This anxiety can also lead to diminished work capacity and productivity if parents are forced to put their most precious and vulnerable loved one into sub-par care.

Finding and paying for child care is up to parents. Only 10% of parents said that their employer or their parenting partner's employer helped them find, pay for, or provide child care. A number of employees of University of California Santa Barbara (UCSB), Cottage Health, or Santa Barbara City College (SBCC) shared that they benefit from employer-provided child care. A number of others, however, shared that the benefit has not worked for them for one reason or another. "There is a childcare center available for staff, but it's basically impossible to get into. We were on the waitlist for over a year and never got in," explained one. Another wrote, "There's a child care center on campus, but it's too expensive for me."

Here are ways parents said their employers were helpful:

- Provide access to care.com
- Offer a pre-tax flexible spending account (FSA) contributions for childcare up to \$5000
- Reimburse child care expenses up to a maximum amount
- Give a small stipend quarterly for wellness expenses including childcare
- Allow them to enroll their child at the child care center where they work
- Provide employer-sponsored and -subsidized care.

Parents indicate it is difficult to talk with their employers about child care. Sixty-three percent of parents surveyed wanted to talk to their employer about child care, but only 40% actually talked to their employer. The others reported they were too afraid to bring it up. Many employers said that potential employees do ask questions about costs related to housing, healthcare, and the availability of child care if the employer offers it. Job applicants generally don't ask about child care, but some employees leave when they can't find it. One employer noted that occasionally a candidate has asked if they could alter their start time so they can drop a child off at school.

Suggesting that employees may be becoming more comfortable talking with their employers about child care, one parent commented,

[Because of the pandemic,] we have had to face the crossing over of child care and work to where we can't ignore it anymore. So often we ignore it like 'It's fine,' but I'll be there on the inside freaking out about how I am going to pull this off.... But now it's, it's more common to have those conversations with your employers.

Child Care Providers Speak: We Need More Staff and Higher Wages

Parents want to leave their most precious responsibilities in the hands of confident, trained, and caring providers. Providers undoubtedly want the same. The concerns raised by parents about availability and cost of care are echoed by the providers who responded to our survey and the leaders we interviewed. That 72 providers, around 85% of the providers in the area, responded to our survey speaks to their commitment to the work and willingness to help in improvement efforts.

Child care providers feel supported by their colleagues. Seventy-three percent of providers report working in collaboration with other local providers at least sometimes. Many shared appreciation for the information sharing and peer support facilitated by the Child Care Planning Council during the pandemic. Talking about intra-sector communication, Lorraine Neenan, who directs Children’s Services for CommUnify said,

The ECE community in Santa Barbara County is incredible. We're always at the forefront of best practices and really good at communication. Taundra at Child Care Planning Council put together this directors’ collaborative during COVID, and it was private, public, federal, state. ... First 5 Santa Barbara County is a great advocate for ECE, KIDS network, Children’s Resource & Referral... any initiative that comes to Santa Barbara County will get looked at, and with real intention to make it work.



Even without COVID, the results of our survey of providers and interviews with leaders paint a picture of child care providers as a group dedicated to children, families, and their staff that is frustrated. One provider wrote what seemed to represent what many communicated, “The parents can't pay more, and the teachers can't make it on their pay. It is an impossible situation, and the biggest losers are the children.”

When providers were asked about the largest challenges they face, 50% highlighted that they lack enough qualified staff. When asked in an open-ended fashion for any additional thoughts about child care in our region, more providers cited challenges around staffing (e.g., hiring, training, paying) than any other topic. Local providers struggle to recruit from a small pool of people. In-home family child care providers and teachers do not have coursework requirements, but those who serve children in center-based licensed facilities do, and those teaching in government-provided programs generally need state child care permits in addition to

coursework. Substitute teachers and those who have program director permits and courses that allow them to teach infants and toddlers were noted as in particularly short supply.

Detailing the practical challenges her agency is facing on top of COVID, Executive Director of the Isla Vista Youth Projects Lori Goodman sent the following message to their community on January 7, 2022:

...Another employee may need to leave in a month because her immigration hearings are not going smoothly. Two other employees became homeless over the break [after an attempt to move to less expensive housing] ...If you have a lead on housing, let me know. On Thursday, I attended a webinar where I learned all about the funding available for additional [government-funded] child care spaces. I would love to be able to apply for that funding – but how can I apply for funding when I don’t have enough teachers to begin with? We have improved salaries and benefits, and we are a caring organization. But working in early childhood education is brutal and feels unsafe. No wonder people are not applying for the jobs I post. I know that everyone is facing these same issues. It is incredibly common. We are in a crisis.... Sometimes, the challenges (like staffing) seem insurmountable.

The data also suggest that our region is not attracting many new child care business owners. In our sample, there were no new centers or family child care facilities that had opened in the past two years. A large majority (83%) of the providers surveyed had been in business more than 10 years.

The expansion of TK means that school districts will need to hire staff for new TK classrooms, and some of those teachers will likely come from child care centers and in-home facilities. The California Commission on Teacher Credentialing has developed a plan that would allow public school districts to hire preschool teachers with bachelor's degrees to teach their new classes.

Adequate pay for their staff and, to a lesser extent, making enough money as businesses is a concern raised by many providers. Some point to the pay in other sectors and note that the work at retail outlets may pay as well and be easier in terms of workload and emotional toll. One leader said,

I ran my own preschool for essentially high-income families for 17 years. In the child care business, you cannot make money without compromising quality. So, governments, businesses, everybody has to help support child care. Essentially, in the last 40 years I have been subsidizing child care with my low wages. [Since I went to work as a leader in a large non-profit], the last five years I'm finally making a living wage. You know, that's not right. Because it's the most important job there is.

Paying staff well and keeping tuition affordable are competing interests that can be mitigated by external support. The Orfalea Children's Center at Cottage Health is subsidized in that the overhead of food, cleaning, grounds keeping, maintenance and the facility itself is not expected to be covered by parents' tuition payments. Still, Ron Lafrican, Director of Compensation and Benefits at Cottage Health, points out the challenge of controlling staffing costs given adult-child ratios. "We have a ratio of one to eight for the preschool, but when we have nine children, we need a second teacher for one additional child, and that's a cost to the organization," he said.

If they do not already, it is possible that providers could receive federal or state dollars and accept vouchers for public subsidies and thereby better cover costs. One leader reported that many have looked at the paperwork involved and decided to stick with private pay only.

Providers noted teacher workload, concerns about a lack of substitute teachers, and the strain it puts on staff.

Full-day government-sponsored programs Early Head Start and Head Start rarely close because they are designed in part to allow parents to work. But several providers report that their staff get few opportunities to recharge, and a dearth of substitutes makes it challenging to even allow staff to take earned time off. As Beth Rizo of Santa Barbara City College put it, "Mental health for those in programs is suffering. We need to care for our staff." A survey respondent wrote,

Staffing and staff burnout is a number one concern and priority, as it is at other centers. If we could create a shared network of substitute teachers to have on call for planned and unplanned absences, that would be extremely helpful and ease a lot of stress that both the teaching staff and admin staff experience when trying to identify coverage in the classroom. This would make a huge impact on the overall morale of the team, knowing we don't have to go into crisis mode every time more than one or two staff are out.

Indeed, a lack of substitutes can have an impact on families too, since providers have to close classrooms if they do not have enough staff to cover the adult-child ratios on a particular day. One parent wrote in our survey, "Childcares ... should be fully staffed to avoid closures."

One provider wrote about the assessments and record keeping required by government-sponsored programs, “[There’s] way too much red tape in child care, centers that have a lot of low-income children are expected to do way too much paperwork on the children. Teachers are expected to do way too much.”

Providers feel challenge of not having enough spaces for the children on their waitlist. While issues around staffing were providers’ biggest challenge, concerns about children not being served was identified as a challenge by almost half the providers surveyed. In an open-ended question about trends observed over the years, over a third of those who responded noted longer waitlists, and almost that many noted the need for more infant and toddler care. Representing the views of many, one provider wrote, “Ahora hay mas demanda para cuidar bebes y no hay suficiente cupos para cuidarlos. (Now there is more demand to take care of babies, and there are not enough places to take care of them.)”

Providers, like parents, feel the problem of inadequate capacity and affordability for parents who do not qualify for government-provided or -subsidized care. Several stressed that a mix of providers is needed to meet the needs. One wrote,

There is a huge silent middle, our teachers, ER doctors, county workers who need care for their kids and the Head Starts and State Preschools do not serve this population, the private centers do! The large businesses in the area who bring in lots of workers from outside the area need to support the child care infrastructure that their workers are using. [They] need to step up and contribute to this resource that their businesses are benefiting from. Their profits are on the backs of all the underpaid child care workers who make it possible for their employees to work!

Another said our community needs "support for community fee-based programs that offer full day programs so that parents can work. [We need to support] the missing middle of parents who often pay 20-30% of their income in child care but do not qualify for State Preschool or Head Start."

If funding were available, more than two-thirds of the providers said they would consider increasing the number of spaces they offer. Even with additional funding, they say insufficient staffing and lack of facilities would constrain growth. Eighteen providers, in contrast, said they would not expand even if there were funding available. A third of those noted that the main barrier to expansion was a lack of qualified staff.

Leaders noted that even if a provider wants to expand, it is difficult to find and open new facilities. The City of Goleta’s efforts to encourage facilities – model zoning requirements, incentives for developers for constructing and operating facilities, and the elimination of business licenses and development impact fees for in-home family child care providers—were positively noted in interviews. Still, even in Goleta, the strategy for supporting builders who might include child care facilities is informal.

Some providers and all of the leaders interviewed are concerned about the impact of TK, the public preschool that will be offered to all four-year-olds by 2025. Several expressed concern about the nature of the education that public schools might provide, noting that many teachers and administrators in the public schools have not been trained in early childhood development and education instructional methods. A few child care leaders are already preparing to shift their classrooms to serve younger children, but they worry about how parents will achieve full-day care for children in transitional kindergarten, a part-day program. They also expressed concern about the costs of the new equipment and materials needed for a transition and the fact that the lower adult-child ratios will make it even more difficult to maintain a balanced budget.

Pay for child care workers is inadequate. This study did not collect data on the pay of local child care workers, but leaders and providers spoke of low pay in the sector as a root cause of problems with hiring and attracting workers to the field. A report posted on the California Department of Education website explained that in state-funded preschool programs, “The difference in salary between an early education teacher with 15 years of teaching experience and a higher degree and an entering child care provider with no higher education, is often only a few dollars per hour” (Winefield & Levine). Providers’ concerns about pay indicate the same is true locally.

The situation can be difficult for providers who only accept private pay as well. In particular, running an infant program and breaking even financially is a tall order.

The state-required ratio is one adult for four infants; it is more workable to have two teachers in one classroom with eight infants. Given the physical space requirements for each child served, many facilities cannot serve more than eight infants at a time. State law allows the caregivers a 10-minute break every four hours and a 30 minute unpaid lunch break, so a third caregiver needs to be in the room for a minimum of an hour and twenty minutes each day. Also, parents need more than eight hours a day of care to cover their travel time to work and lunch, so the work hours of the teacher are often staggered to stretch the hours available to the parents. That said, if more than half the children are there at the start or end of the day, a second adult needs to join the classroom to meet the required adult-child ratios.

Table 8 is a back-of-the-napkin sketch of the expenses and revenue of an infant program for the purpose of illustration. Tuition charged is the average cost reported by our survey respondents. This budget assumes the classroom is open 50 weeks of the year and building and utility costs cover a room in the owner’s home. The owner is most likely to be one of two full-time teachers, and therefore will earn the equivalent of about \$25 per hour and that does not include any hours worked when the facility is closed to children.

Table 8: Rough Budget for Infant Care Business

| Revenue per month | |
|---------------------------------------|-----------------|
| 8 infants @ \$1480 (regional average) | 11,840 |
| Total | \$11,840 |

| Expenses per month | |
|---|-----------------|
| Two full-time teachers @ \$25/hour and taxes | 8,650 |
| One half-time aide @ \$16/hour and taxes | 1,400 |
| Substitute for sick staff | 200 |
| Building, utilities | 1,250 |
| Classroom equipment, supplies | 100 |
| Insurance – liability, workers’ comp, abuse & molestation | 200 |
| Administration (business software, payroll, bookkeeping) | 200 |
| Instructional leadership, administration | 0 |
| Total | \$12,000 |

| Net Income | |
|-------------------|----------------|
| | (\$160) |

Employers are Challenged to Recruit and Want to be Competitive

Four focus groups of government and non-profit employers in the Santa Barbara and Goleta area were held in the fall of 2021. The 10 organizations that participated in a focus group or responded to questions represent over 8800 employees. Notably, we invited a number of for-profit businesses but were not successful in engaging them. The conversations held and data collected led to the several generalizations below.

Historically, most employers have not attended to employees' child care needs or have done so in limited ways, but the pandemic changed that some. Employers generally did not know how many employees had children zero to five years or if employees who live outside of Santa Barbara and Goleta have child care near work or home. Only an employer with fewer than 20 employees knew this kind of information. A couple of larger employers were able to consult health insurance information about children covered to estimate counts of employees' young children.

Some employers asked employees about child care during the pandemic. Family Service Agency and Goleta Union School District asked because they provided care during the emergency so that staff could focus on their work. The City of Santa Barbara, Santa Barbara County, and Cottage Health also surveyed their workers about their needs including child care during the pandemic.

About half of the employers we collected data from support employees' search and payment for child care. Some child care workers are able to enroll their young children in the facility where they work. Some employees offer a list of child care facilities in the area and employee assistance programs that can suggest referrals. One smaller employer noted that allowing flexibility in work schedules for facility tours or other steps in the search for child care is valued by employees. Also, as mentioned earlier in this report, parents noted that some employers provide benefits that help defray the cost of child care, namely, pre-tax flexible spending accounts and stipends.

Most employers we spoke with have not considered offering child care themselves "because it is exorbitantly expensive." The education agencies that were interviewed, Santa Barbara County Education Office and Goleta and Santa Barbara school districts, offer child care for families who are low income (most often State Preschool) but noted that almost all of their employees make too much to qualify for the programs.

Although it is not free to employees, a few large local providers do provide and subsidize child care for some of their employees: UCSB, SBCC, and Cottage Health. Cottage Health has offered employees child care for 40 years



and heavily subsidizes the care, which is especially expensive given the flexibility they offer. Hospital staff need to work different hours each week, and remarkably, their child care center offers care that matches employees' work schedules. Ron Lafrican, Director of Compensation and Benefits at Cottage Health shared,

Parents really appreciate having childcare nearby. Most of our clinical staff work 12 hour

shifts, which means that they barely get to see their children during the day. They often get out of the house before the child wakes up, and they go home after the child goes to sleep. So they get to come to our center to see them during their breaks if they wish. Moms of young infants come during their breaks to breastfeed their children...it's definitely a big benefit to our parents.

At Cottage Health's Orfalea Children's Center, the waitlist was about 190 employees long this fall; the odds of getting a spot are slim. Parents reported that the waitlists are also long at the other local employer-sponsored centers; the demand far exceeds the supply.

Employers are responding to an increasing desire for flexibility in workplace and schedule. Most employers reported that employees are seeking more flexibility in terms of the hours that they work and where they work (home or in the office) since COVID began. They expect this trend to continue. One represented what many said: "What I'm seeing recruitment-wise is that [potential employees] are not citing child care, they are citing flexibility."

While the pandemic was perceived as a driving factor for increased flexibility for employees, employers agreed that "it will be difficult to put that genie back in the bottle." If employees can work at home and start early, then pick up their children from school and have them at home while they work, many want to do that. Said one employer, "What is it that we need that we are not getting from being adaptable to that kind of relationship?" A couple of large employers noted that parents with young children are becoming more prominent in their employee base as some "longer-tenured executives and senior managers" retire, and that this too leads to a call for flexibility.

Amplifying the sentiments of several, Wendy Levy, Human Resources Director of the City of Santa Barbara, said, "[the challenge of hiring and retaining qualified staff] is making us be very creative. We want to be cutting edge in that we want to provide that flexibility to parents and be an employer of choice. I definitely see [support with child care] as a benefit that the parents will be looking for."

Employers see the high cost of child care as part of the high cost of living. Several of the employers shared that employees, particularly those in lower income positions, are leaving our area to live in surrounding areas that are less expensive. Employers also said that some families with young children move away in order to find more affordable housing or be near family support systems so that both parents can work. One large employer said that 36 families have left their positions because of high housing costs this year. A medium-sized employer said that about 30 employees – many of them with young children - have kept their positions but moved to mid or north county in the past three years. Employers have also seen that some families with young children are opting to have one parent stay home because the cost of child care is too close to what they are making.

Generally speaking, employers are not aware of innovative models for improving the provision of child care, but they are open to possibilities. Employer-provided care is generally seen as too expensive to pursue. When asked about models that engage the business sector or government, employers were not familiar with any. That said, about half the employers in focus groups brought up an interest in exploring the idea of a collaborative effort. One said, "I would love to have some type of local partnership... and create some type of alternative resource for our employees. Maybe if some employers came together [we] could do a public-private partnership."

Child Care Shortages Have Economic Impact

Estimates of the economic impact of inadequate provision of child care have been calculated, but as explained in above in the section *The Challenge of Assessing Availability for Child Care*, they are reliant on estimates of the demand for care, not actual counts of parents seeking care. The U.S. Chamber of Commerce Foundation, for example, has concluded that child care is essential to supporting the current workforce and developing the workforce of the future. They found “tremendous untapped economic potential” in five states if problems of child care affordability, access, flexibility, and quality are solved. Texas, a state about three-quarters the size of California, “loses an estimated \$9.39 billion annual from its economy due to breakdowns in child care” (Center for Education and Workforce, 2021).

The Bipartisan Policy Center (BPC) estimates that there is a potential need for 7,760 additional licensed spaces for zero- to five-year-olds in Santa Barbara County. They estimate the economic impact of that undersupply by calculating three components:

Household Impacts: income losses parents incur from having to reduce their work hours or leave the labor force entirely, as well as future lost earnings from delayed opportunities for promotions, reduced work experience, and reentering the workforce at a lower station.

Business Impacts: direct productivity losses such as hours of foregone worker productivity and continual pay and benefits paid to employees when they are not working, as well as future lost earnings from turnover costs and the delayed ability to capitalize on growth opportunities.

Tax Revenue Impacts: the proportion of lost household and business income that would have contributed to government revenues, as well as future lost tax revenues from future lost household and business earnings (Bipartisan Policy Center, 2021).

Using public data sources and reviewed by the state representatives, the BPC estimates that the combined impact on households, businesses, and tax revenues of this undersupply of child care spaces in Santa Barbara County is somewhere between \$200,381,000 and \$305,589,000 annually, and that economic impact will increase as deficits incurred in the one-year period compound. The loss experienced in the year of lost child care is compounded as, for example, lost wages and experience impact future years’ earnings (Bipartisan Policy Center, 2021).

About 30% of the need for child care in the county is in zip codes 93101 through 93118 (Santa Barbara County Child Care Planning Council, 2020). **The combined economic impact of the undersupply of child care space in the Santa-Barbara Goleta region may be between \$60,114,300 and \$91,676,700 every year.**¹ The Santa Barbara County Child Care Planning Council report estimates an even larger gap between need for care and capacity in the county than the BPC report, about 3,300 more, suggesting the higher end of the BPC’s estimate may be more sound.

¹ The Child Care Planning Council report estimates 20,373 children zero to five in Santa Barbara County need care, and 6,315 of those live in zip codes 93101 through 93118.

Conclusions

This study makes clear that the local child care system is stressed and fragmented and that parents and providers are doing the best they can given less than ideal circumstances.

The Santa Barbara-Goleta region is experiencing

- an inadequate number of people interested in serving as child care directors, teachers, and staff
- inadequate pay for most people currently working in the child care sector
- long waitlists for child care and limited options, especially for infant and toddler care
- child care that is often more expensive than in-state UCSB tuition
- difficulty with local hiring and employee retention because of the high cost of living which includes the cost of child care
- a changing landscape for child care with the coming of state-provided universal preschool for 4-year-olds, more public care for three-year-olds, and a probable business transition to more expensive care for younger children by providers currently serving four-year-olds
- precise, actionable data about the availability, need for care, and child care workforce pipeline in Southern Santa Barbara County is limited.

In many ways, this study did not find any surprises – it provided local evidence of a national problem that has been recognized for years. The National Research Council in its influential 2015 report, *Transforming the Workforce for Children Birth Through Age 8*, concluded,

The early care and education workforce is at risk financially, emotionally, and physically, subject to a vicious cycle of inadequate resources, low qualification expectations, low education levels, and low wages that is difficult to break.

The early childhood workforce in settings outside of elementary schools is particularly affected by a quality/cost mismatch in the care and education market. Child care costs are highly driven by personnel and worker turnover is high. Federal subsidies often are inadequate to pay for the high quality of care they are intended to promote, and most families are unable to pay for the quality of care they desire. (p. 478).

That said, because the cost of living is higher in Santa Barbara-Goleta than in many places, the child care shortage may have more significant consequences here than it does in other areas. Difficulty securing affordable child care has kept families from moving here and has been part of the cost of living in paradise that led others to leave.

Coordinating existing components and building out others to create a more connected and comprehensive child care system can serve to allow more parents to work, position Santa Barbara-Goleta as a preferred location for child-rearing and employment, grow our local economy, and better prepare our future electorate and workforce.

What follows are guiding principles and recommendations that may be part of a solution to the child care crisis in our region. The recommendations include many culled from interviewees, focus

Access to effective and affordable early care and education has proven multi-generation effects, helping parents enter the workforce, gain critical skills and be self-sufficient while providing children with the early resources they need to succeed. This is critical to our families, workforce and country.

-Nobel Laureate James Heckman

group participants, and survey respondents. Expanded upon in the rest of this section, they are listed in brief below. The recommendations are interrelated; for example, providers told us that increasing the supply of child care spaces without addressing the already inadequate number of workers in the sector will not work. Beautiful classrooms in centers cannot open without qualified staff.

Guiding Principles:

- Support high-quality care to promote healthy development and prevent downstream societal costs
- Support parents as workers and as their child’s most important teachers
- Sustain a long-term effort to achieve the most impactful improvement for the community

Recommendations:

- Appoint a coalition of stakeholder groups and community leaders who will adopt and pursue a child care collaborative action plan including some or all of the recommended strategies.
- Hire a child care coordinator to manage the adoption and implementation of the child care collaborative action plan.
- Elements of a comprehensive collaborative action plan ideally will include concrete actions to
 - Design and implement a data collection effort to improve the effectiveness of any efforts pursued
 - Build a better mechanism for connecting parents seeking care with program openings they are eligible for and can afford
 - Provide scholarships for parents in the “missing middle” who make too much for government subsidized programs but too little to afford the average cost of care
 - Increase the supply of child care spaces
 - Strengthen the pipeline of qualified early care and education workers
 - Supplement pay of workers in the sector
 - Help child care providers open and maintain profitable businesses
 - Facilitate employers’ engagement around helping employees with child care needs

Guiding Principles

Support high-quality child care

It is our moral responsibility to promote child care that is in the best interest of the children; it must be of high quality. Science tells us it is right from the fiscal perspective as well; it promotes healthy child development that in turn prevents downstream societal costs. Early care and education is arguably the best investment society can make in the next generation.

Children’s first years set the stage for all health, educational, and life outcomes. Science tells us what works, and there are long-term consequences of inaction during early childhood. Brain research clearly connects experiences in early childhood, especially birth to three years, to later achievement at school and work, lifelong health, and responsible citizenship.

The scientific evidence—ranging from behavioral genetics and neuroscience to policy analysis and intervention research—on the significant developmental impacts of early experiences, caregiving relationships, and environmental threats is incontrovertible. Virtually every aspect of early human development from the brain’s evolving circuitry to the child’s capacity for empathy is affected by the environments and experiences that are encountered in a cumulative fashion, beginning early in the prenatal period and extending throughout the early childhood years” (Institute of Medicine and National Research Council, 2000, p. 388).

Research indicates that it is critically important that children’s early experiences are safe, supportive, and nurturing. Indeed, many argue that the economic return on investment in the education of very young children, particularly those without strong supports at home, is high. Research shows that “high quality early childhood programs can yield a \$4 to \$9 return per \$1 invested” (The Center for High Impact Philanthropy, 2015). Nobel Prize-winning economist James Heckman (2016) finds an even higher rate of return for early childhood programs that start at birth for disadvantaged children, 13%. High-quality child care is an important part of giving families a chance to pull their children out of poverty.

The high return on investment reflects the life-long cost of inattention to the basic care of children that can lead to poorer outcomes in education, health, and employment. For example, in 2018 Santa Barbara County had 423 verified victims of child abuse with an estimated cumulative financial impact of almost \$115 million over time. In 2018, Santa Barbara Child Welfare Services received a report of abuse every two hours, a total of 5,211 for the year. High-quality child care can reduce child maltreatment, perhaps by allowing parents to work and thereby reduce stress around household finances. Indeed, better access to subsidized child care is associated with decreased child maltreatment rates (Klevens, Barnett, Florence, & Moore, 2015; Yang, 2019). When children do not get a healthy start on life, too often societal costs like increased health care, welfare, or prison come later.²

Children deserve access to high-quality early care and education regardless of their family situation. High-quality care can be provided by all types of programs in all kinds of facilities. Ideally, parents can choose in-home family child care or center-based care in a variety of settings, confident they are making an excellent choice for their child’s wellbeing and learning.

Support parents as workers and their child’s most important teachers

High-quality child care can allow working families space to breathe financially; Indeed, when parents have faith in their child care provider, they can focus on their work and make the most of their time away from their children. If more income substantially reduces stress, the whole family benefits (Center on the Developing Child at Harvard University, 2021).

Of consequence in the longer term, parents who stay in the workforce have more opportunity to build intergenerational wealth that will benefit their children later. Many women, some who would choose to work if affordable, quality care were an option, are left at an economic disadvantage because they have worked less and born a larger share of child rearing responsibilities than men. COVID-19 has exacerbated this gender difference simply because far more women have left the workforce (Bateman & Ross, 2020).

² For more about calculating return on investment in early childhood, see <https://www.impact.upenn.edu/early-childhood-toolkit/why-invest/what-is-the-return-on-investment/>.

High-quality child care can simultaneously support parents' childrearing skills, allow them to earn enough money to reduce stress, and give them the breaks they need to truly focus on their children when they are together. Parents and families are children's most important life teachers. Families are with children from conception to adulthood, and their influence is tremendous. Parents who are themselves healthy and knowledgeable about child development can effectively and naturally give their child individualized attention, fuel their curiosity and learning, and help provide the safe, stable, and nurturing environment children need to thrive and grow into healthy adults.

Sustain a long-term, coordinated effort

Short-term improvement efforts like scholarships to parents or people interested in a career in child care can be critical to families and can undeniably make a difference in the child care system. To create transformational community change, however, efforts should be embedded in a larger plan created by stakeholders, responsive to ongoing data about how the child care system is changing, and supported by ample human and capital resources for long enough to demonstrate their impact.

Ideally, a coordinated child care system improvement effort should involve the other sectors that families with young children rely on, in particular health and social services.

Continuity across care and education settings and among diverse services and agencies is important not only to provide more consistent and better-coordinated services for individual children and their families but also to create shared understanding of the interconnected quality of developmental processes that each practitioner, focused on a specialized scope of practice, may see only in part (National Research Council, 2015, p. 542).

Many coordinating efforts operate in Santa Barbara County already and their expertise could be sought. These collaborative efforts include KIDS Network of the Department of Social Services, Early Childhood Wellness and Family Coalition centered at the Santa Barbara County Education Office, the Pediatric Resilience Collaborative led by the Cottage Center for Population Health, and the Santa Barbara County Network of Family Resource Centers.

Recommendations

Appoint a Coalition to Adopt a Child Care Collaborative Action Plan

A coalition of stakeholder groups including a socioeconomically and linguistically diverse group of families, employers, local government, and community leaders should adopt a plan that includes some or all of the recommended strategies that resulted from this study. To develop the plan, coalition members should take into account practical concerns including gathering public support and funding.



The problems in the child care sector are interrelated, and therefore the plan should be multifaceted. For example, the cost of providing care does not allow for strong wages for caregivers which contributes to the undersupply of workers in the sector. However, care is already expensive for parents and will be even more expensive if wages for staff are raised and the cost is passed on to parents. Wages, the number of people in the child care workforce, and the cost parents bear must all be addressed. Several municipalities provide examples of multi-faceted initiatives: Dayton, Ohio (see <https://www.preschoolpromise.org/>); San Antonio, Texas (see <https://prek4sa.com/program-overview/>); and Aspen, Colorado (see <https://www.cityofaspen.com/235/Kids-First>).

The coalition should estimate resource needs and develop a plan for financing and mobilizing resources. The Cities of Santa Barbara and Goleta can maximize the impact their financial resources by leveraging others that could be harnessed or cultivated. Social impact investing, public funding, and hybrid models that include philanthropic investment and/or employer subsidies for child care spaces could be considered. A number of funding models are being used to address child care needs in other municipalities, for example, property taxes in San Francisco (see <https://sfoece.org/2021/06/29/baby-prop-c-fact-sheet-legal-uses-and-allocations/>) and fees paid by commercial developers in Palm Desert (Bill Byron, 2005). Some efforts are led by city government employees, for example, San Antonio, Aspen, and Seattle, Washington (see <https://www.seattle.gov/education/big-initiatives/fepp-levy>), and some are regional (see for example, the public-private partnership including the Cities of Norfolk and Virginia Beach, Virginia <https://sqone.org/>). Others operate through non-profit organizations funded by government sources, for example, Dayton; and still others are a partnership of philanthropy and government (see, for example, <https://earlymilestones.org/who-we-are/our-history/>).

Hire a Child Care Coordinator to Steward Adoption and Implementation

A child care coordinator could lead the process of the adoption and implementation of the multi-year child care collaborative action plan. The coordinator could advise the city councils, staff, and coalition while the plan is being developed. The coordinator could seek funding from government and philanthropic sources to support the implementation of the plan. They could complete some plan elements, track implementation of the plan, and provide technical assistance as needed. The City of Pasadena's Office of the Young Child employs a coordinator and may provide a model to draw on (see <https://www.cityofpasadena.net/office-of-the-young-child/about/>).

Elements of a Comprehensive Plan

A comprehensive collaborative action plan ideally will include concrete actions that address a number of interrelated problem areas for a number of years. Starting with a pilot that includes some elements could enable learning that would allow the effort to wisely iterate forward and grow. Actions that could provide an impactful starting place and are further described below include publishing a list of local providers, the ages they accept,

and their costs; designing and implementing a regular data collection to inform and evaluate the effort; and providing information nights for people considering a career in early care and education.

Design and implement a data collection plan

Targeted research should guide and improve the effectiveness of any efforts pursued. This study provides data that has not often, if ever, been collected in our region and supports this group of recommendations. That said, it also makes clear that precise data about the availability and need for child care matched with program eligibility requirements is missing, not just in Southern Santa Barbara County but nationwide.

This need for data must be addressed locally. Individual providers know how many parents are on their waitlists, but no one has an accounting of the total number of parents who are seeking care. We know that waitlists are long, but not how many parents are on multiple waitlists. We know that Head Start sometimes has open spaces for low-income three-year-olds, but how many families know they might be eligible? How many of those eligible have had the opportunity to learn from a trusted source that high-quality early education from Head Start can boost their child's readiness for school? How might data about the number of births at Cottage Hospital inform planning?

Building on this study, data about how well employers', providers', and parents' needs are being met should be gathered every few years to inform and improve the implementation of the child care collaborative action plan. This data collection effort should be supplementary to the report by the Child Care Planning Council, written every three years, that utilizes data from census and similar data sources and will continue to provide an important perspective and triangulation for the additional data collection proposed here.

Connect parents seeking care with program openings

Some of the data described above could support the design and implementation of the action plan and could also more immediately help parents. Parents do not have access to a list of child care providers, much less a list of those with openings and associated eligibility requirements and costs. Creating a list by incentivizing child care providers to share and keep current the ages and number of children they serve as well as their costs and openings could ease the way of parents seeking care. An associated webpage could inform parents about the variety of types of care, the basic eligibility requirements for public subsidies and programs, and otherwise give families a centralized place to identify options available to them. Providers could indicate whether they have openings or are accepting families on their waitlist, meaning fewer phone calls and emails from parents to return. Although it does not include all of these elements, the City of Redwood City offers such a list to their parents at <https://www.redwoodcity.org/departments/parks-recreation-and-community-services/local-preschool-enrollment-information>. Children's Resource & Referral could be an important partner in this work as it builds on work they already do; that said, their funding from the state is already stretched to meet its contracted responsibilities.

Targeted sharing with health and social service providers who serve families could also help spread the word. A regular channel of communication, perhaps simply access to the list described above, could allow professionals who see parents to share accurate information about availability as well as reasons to secure child care. For example, parents who deliver their babies at Cottage Hospital are offered a home visit by a nurse shortly after they return home. The visiting nurses from the Maternal Child Adolescent Health program of the Public Health

Department and Welcome Every Baby-Family Connects conduct these visits and talk with parents about child care and returning to work; they could be a vital source of information about child care. Health Navigators and Family Advocates who work in Family Resource Centers across the county are frequently asked about child care. Most already share information about eligibility and help parents register for public subsidies if they are eligible, but more complete information would help them better inform parents about their options.

Provide scholarships for parents in the “missing middle”

Parents who make too much to qualify for government-subsidized programs but too little to afford private child care are in a bind. The Santa Barbara Foundation’s William & Lottie Daniel Fund Child Care scholarships give a number of providers the opportunity to help some working families, but more is needed. Scholarship programs that are income-based could serve as models. The City of Aspen, for example, administers a straightforward program for working parents (see <https://www.cityofaspen.com/316/Financial-Aid>). Many scholarships programs help working parents afford providers that are successful in their state’s quality initiative (see for example <https://www.preschoolpromise.org/TuitionAssistance.aspx> and <https://www.cityofirvine.org/child-care-development/child-care-scholarships>). California’s quality initiative is called the Quality Rating and Improvement System, and it is administered in this area by the Santa Barbara County Education Office.



Increase the supply of child care spaces

The supply of child care spaces should be increased in a targeted way, focused on the price points and age levels where the supply is lowest. For example, more spaces are needed for infants and toddlers from families of all income levels. Hundreds of middle income parents told us that finding affordable care is difficult. The list of spaces of each eligibility type and cost, informed by the list of parents looking and the regular data collection described above will allow spaces to be added where they are needed most. New in-home and center-based child care providers could open spaces based on information about need; incentives could be targeted to the types of spaces most needed.

A meaningful opportunity to increase the number of spaces in California comes with the state’s provision of preschool for all four-year-olds. Called universal transitional kindergarten (UTK), the plan is to serve all age-eligible children by 2025. School districts will be developing plans, and much is undetermined at the time of this writing. A more limited number of children have been eligible for TK for about a decade. Up to this point, the TK day has often been shorter than the regular elementary school day and licensing requirements can make it difficult for elementary schools to serve children under five in afterschool programs. Taking advantage of free TK has required many parents to figure out how to get their young children to afterschool care. A coordinated plan

could help more parents who would otherwise pay for full-day preschool take advantage of the opportunity of publicly provided TK.

Michelle Robertson, Assistant Director of First 5, points out that private providers who currently serve four-year-olds might pivot when more four-year-olds are served by TK and that the child care system needs to support these pivots. She said,

The childcare landscape is changing and changing rapidly. Private childcare providers have a place in the mixed delivery system This will include looking at their business plans and redesigning to serve more infants and toddlers and after-school care and considering subcontracting with agencies that offer subsidized slots and vouchers. If paperwork is a barrier to their consideration, infrastructure agencies are here to support the navigation. We are lucky to live in a state with a governor willing to invest in our youngest population. We just now need to rise to the challenge.

To transition from caring for four-year-olds to younger children, more adults must be hired. Common sense says and state-required adult-child ratios confirm that one adult can reasonably care for twelve four-year olds, but not more than four infants. That alone raises costs of care significantly. The current difficulty with finding qualified staff will be exacerbated because some staff will likely move to the public schools. An up-front cost, transitioning classroom facilities to serve younger children usually requires new equipment and furniture.

Of course, new providers could enter the field as well. Interested people could be supported and incentivized to open new in-home family child care business, for example. Children’s Resource & Referral is funded by the state through the Child Care Initiative Project to help those interested in starting in-home family child care businesses. They were allocated \$38,669 this year for this work, which is enough to support almost 12 future providers—not enough for the entire county. It is possible that the state will provide more funds for the Child Care Initiative Project. In the past, organizations including the United Way have supplemented these funds with grant dollars so that more potential licensees can be served, but there are still interested people on the waitlist that might move through the process and open new facilities if given this support.

Some start-ups are working to disrupt the child care market with new business models, and they might be viable in the Santa Barbara-Goleta region. Tincare, for example, works in the San Francisco Bay area to coordinate in-home family child care centers, which they call microcenters. They subsidize the housing of the provider, provide curriculum and learning environments based on well-regarded practices, and handle enrollment and payments (see <https://tinycare.co/>). Wonderschool operates in Denver, Colorado; New York City; the San Francisco Bay and Los Angeles areas; and Charlotte, North Carolina. It leans on a technology platform to increase providers’ efficiency around enrollment, parent communication, expenses, analytics, and more (see <https://corp.wonderschool.com/>).

Strengthen the pipeline of child care workers

Increasing the number of child care spaces requires hiring more child care workers and that requires more people in the child care workforce. Hiring and retention must be addressed with the importance of the workforce’s knowledge and skill in mind. The National Research Council’s *Birth to 8* report (2015) says, “Appropriate income, resources, support, and opportunities for career development are essential for bringing

excellent candidates into the workforce [and] retaining them as they further develop their knowledge and skills...” (p. 478).

Center-based programs require workers with relevant college courses. Under current rules, three college courses are foundational and completion of them allows teachers to care for children without direct oversight. Certainly courses or equivalent learning and experience are important to achieve high-quality care in in-home family care settings as well.

Employing effective strategies for recruiting students to early care and education and supporting the career field so that it is both challenging and financially rewarding could both increase and strengthen the workforce. Many teachers in this region took their courses and completed their field work at Santa Barbara City College (SBCC); Allen Hancock in Santa Maria and California State University Channel Islands are other options. SBCC has the capacity to serve more students in early childhood courses. SBCC or others could offer information sessions for high school seniors and other community members who might be interested in a career in early care and education. They could tell potential students what to expect and could inspire them with open houses that showcase child care facilities.

Scholarships for study leading to a career in early care and education could be created, and existing ones could be advertised at the information sessions. Discover Early Childhood EDU offers information for future teachers including a list of scholarships (see <https://discoverearlychildhoodedu.org/scholarships/>). A program, something like “Teach Santa Barbara’s Littles,” could encourage people to enter the career field by providing a stipend after successfully completing the first years of work at a facility. A stipend or a guaranteed wage at the end of each of their first few years might be a carrot for people interested but concerned about investing in college courses that may not result in a bump in pay like computer programming or healthcare courses might.

Supplement the pay of workers

Some states and communities have found ways to supplement wages for child care workers. Focused on professional development and incentives to stay in the field, Dayton, Ohio’s Teacher Promise stipend rewards lead and assistant teachers who stay in their jobs, complete professional development assignments, and promote reading with children and families (see <https://www.preschoolpromise.org/PromiseStipend.aspx>). Virginia provides another example of a teacher recognition program that includes financial incentives along with recognition of the importance of teachers to the quality of young learners’ experience (see <https://vecf.org/wp-content/uploads/2021/08/2021-2022Teacher.Recognition.OverviewFAQ.pdf>).

Help providers open and maintain profitable businesses

The City of Goleta has adopted model zoning requirements for child care facilities including priority process of applications, incentives for developers for constructing and operating facilities such as a reduction in required parking spaces, and the elimination of business licenses and development impact fees for in-home family child care providers. Other steps that the cities could take include

- Advocate to have income levels raised for subsidized child care to reflect the cost of living in Santa Barbara and Goleta.

- Lower barriers for starting child care facilities by examining ways city land use policies, fees waivers, and other methods can encourage child care development.
- Build child care into all appropriate planning and funding opportunities, policy decisions, and processes as has been done with Santa Barbara County’s American Rescue Plan Act funds.

Also, Shared Service Alliances (SSAs) are used in other states and are starting to be used in California to strengthen small child care businesses and the quality of care they provide. SSAs can provide business support and automation tools and bring economies of scale and efficiencies that are impossible for small businesses alone. For example, SSAs can

- Centralize enrollment, tuition payments, payroll, and bookkeeping
- Centralize staff recruitment, onboarding, professional development, and substitute teachers
- Access health and business insurance, bulk purchasing, and food, janitorial, technology, and legal services

SSAs can not only reduce costs per unit, they can also serve as the business office that child care providers often lack. They can allow providers to focus on children’s wellbeing and education and leave more of the business side to others. Furthermore, SSAs can share pedagogical leadership and support job-embedded professional development and engagement in quality initiatives.

Facilitate employers’ engagement

Local employers from government, school districts, and nonprofit organizations expressed interest in working with others to improve their support of employees with child care needs. A larger conversation including for-profit employers could be undertaken. Our region could raise awareness around what employers and the public do and can do to support children with families, and partnerships could be considered. Periodic employer convenings, for example, could be held to share information about the state of the child care system and to consider ways public and private employers can be a part of solutions. Monterey County provides another idea. In partnership with their Chambers of Commerce, they certify employers as family friendly and advertise them on their website (see <https://brightbeginningsmc.org/monterey-county-child-welcoming-businesses-family-friendly-employers/>).

Improving the local child care system so it better serves families and providers can make a difference now and well into the future. Children’s first years set the stage for all health, educational, and life outcomes. Science tells us what works, and there are long-term consequences of inaction during early childhood. There is a high return on investment in early childhood, particularly for youngsters at risk for poorer outcomes in education, health, and employment. Coordinating existing components and building out others to create a more connected and comprehensive child care system can allow more parents to work, position Santa Barbara-Goleta as a preferred location for child-rearing and employment, grow our local economy, and better prepare our future electorate and workforce.

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