

**Policy Brief - February 2022**

According to an Oregon State University report, 72 percent of Oregon communities are child care deserts. These child care deserts are places where less than a third of children aged 0 - 5 have access to regulated early education facilities.

Greater public investment to expand early childhood facilities is crucial to build the capacity of Oregon's child care and preschool system. To expand access to proven programs for children, providers need public funding specifically for facilities costs and changes to the regulatory system, which currently inhibits people from starting new sites or scaling existing ones. Compliance with health and safety requirements is essential, but inspections can be made more efficient and consistent to ease burdens on caregivers.

Oregon has committed to increasing funding for early learning and care with the Student Success Act (SSA). Now the legislature needs to commit to facilities investments to ensure the promise of SSA yields.

We interviewed child care providers, and they underscored the significance of early learning programs for the economy, identified key barriers to creating more facilities, and stressed that expanding culturally competent education is crucial to make the system more equitable.



For children ages 0-2, every county in Oregon is a child care desert. Twenty counties are considered a severe desert, with less than one child care slot available for every 10 children.

This brief highlights:

Critical need for child care | How facilities costs create barriers
Critical role of mixed-delivery models | Impediments to facility growth | Key public funding options

CHILD CARE

as Equitable Infrastructure for Oregon's Workforce.

Child care serves as a community asset that not only benefits a single child or family unit, but also promotes the well-being of entire communities. A sufficient supply of quality child care promotes economic development by:

- Enabling parents, especially mothers, to fully engage in the workforce
- Promoting employee productivity generally
- Preparing children for kindergarten and beyond, where they gain skills to become contributors to the state economy
- Interrupting cycles of poverty and inequities

Maria Weer, executive director at Building Healthy Families in Enterprise, said that ***“the business community is stating clearly that they can't recruit staff because people don't have child care.”***

Increasing support for early childhood education is the most effective and cost-efficient way of providing greater opportunities for people who have been disadvantaged by inequitable systems and thereby increasing equitable outcomes on a wide range of factors, i.e. high school graduation, incarceration, homelessness, health. Sadie Feibel, deputy director of programs at Latino Network in Multnomah County points out that best practices include culturally specific programs with parent education and involvement, thus impacting whole families.

“Educational institutions can be sources of racial trauma for our children or they can be sources of opportunity. We have to be very intentional in our expansion of the early childhood system to avoid perpetuating trauma, and supporting culturally competent programs is crucial for this.” - Sadie Feibel, Latino Network

FACILITY COSTS

are a Primary Obstacle to System Expansion and Quality Improvement.

“There is a huge need for additional child care places, but it's extremely difficult to find appropriate spaces and initial remodeling costs are not affordable,” said Odi Campos, program director at the Oregon Child Development Coalition. According to Patricia Alvarado, director of education programs at Adelante Mujeres in Forest Grove, ***“in order to furnish one preschool classroom with toys and materials that are age appropriate and according to safety measures you are talking about \$24,000.”***

Price increases for materials and contractor fees far outpace increases in child care fees and subsidies. Sunny Spicer, executive director at Kid Time in Medford, said ***“there were a lot of situations where we could have gotten funding to operate a program in the schools but did not have the initial investment to get it started.”*** There is a dearth of financing options for child care facilities, which is why public investment is necessary to stimulate growth.

HOME-BASED PROVIDERS

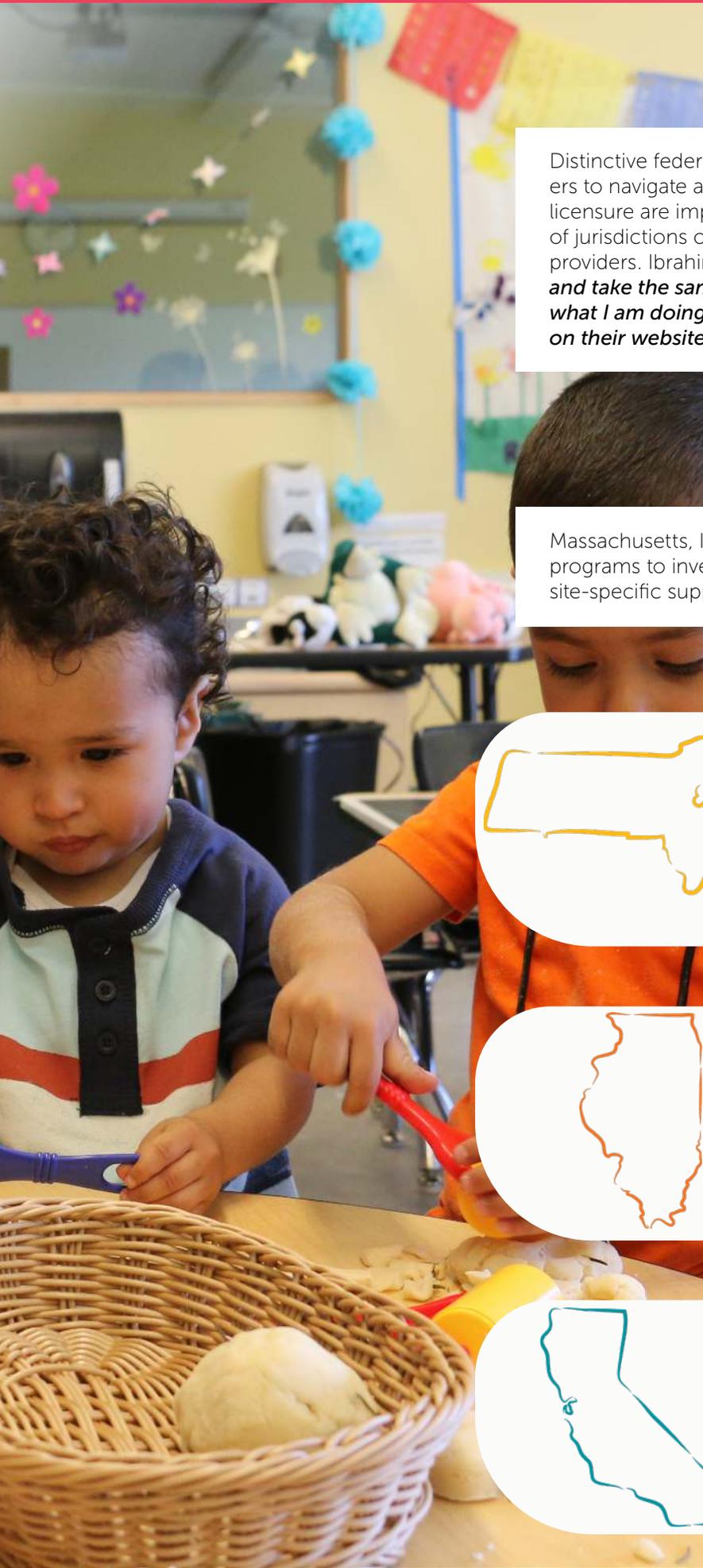
are Crucial to the System, and are Especially Challenged.

Within Oregon's mixed-delivery system, all types of providers need support, but home-based providers, who fill a critical niche, face unique challenges in regards to facility improvement and expansion. They are most likely to offer:

- Schedule flexibility for parents with work shifts outside of the standard work day
- Locations that are close to family homes
- Cultural and language competency aligned with family needs

This is an equity issue. Systemic racism, and structural inequities such as barriers for parents working non-traditional hours persist. Barriers to employment, education, and other system services make child care access even more difficult. In Oregon, nearly one-third (31 percent) of young children in working families have parents working non-traditional hours. Zakkiyya Ibrahim, director at Education Explorers in Washington County, said ***“families are saying they need evening and weekend care, or early morning care and most commercial centers cater to nine-to-five workers. Home-based child care programs cater to families that have odd hours and work weekends.”***

Home-based providers face unique impediments to starting and growing their programs. Ibrahim commented that being in a rental inhibited long-term investments and when she lost her rental, despite timely rent payments and following all guidelines, it was almost impossible to get a mortgage because of the way lenders view child care income and expenses. Public investment in this segment of the early education system can be a huge contribution towards increasing affordable care. For example, support to home-based providers to meet regulatory requirements for transition from being “registered” programs to “certified” programs increases their potential capacity by 60 percent.



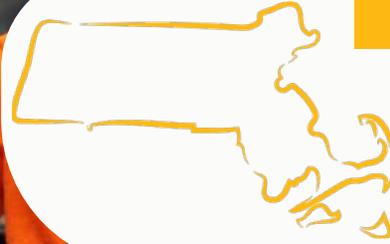
MULTIPLE LAYERS OF REGULATIONS are Hurdles to Facility Growth

Distinctive federal, state, and city/county regulations require providers to navigate a labyrinth of codes. Health and safety regulations in licensure are important to protect children. However, multiple layers of jurisdictions often result in unnecessary additional burdens on providers. Ibrahim shared that *“the city is still asking you to fill out and take the same piece of paper to two different locations, when what I am doing is clearly allowed according to the guidelines listed on their website.”*

PUBLIC FUNDING MODELS in Other States Have Proved Successful

Massachusetts, Illinois, Connecticut, and California have all set up programs to invest specifically in construction, remodeling, and other site-specific supports.

Massachusetts Model



The state of Massachusetts wrapped capital support for early childhood programs into bond funding for low and moderate income residential developments in 2013. That initiative has provided a total of \$39.2 million to 74 projects across the state.

Illinois Model



Illinois' Early Childhood Construction Grant Program includes \$45 million as part of the Jobs Now! capital plan and \$100 million as part of Rebuild Illinois capital plan.

The San Francisco Model



The Child Care Facilities Fund is funded by the City of San Francisco and managed by Low Income Investment Fund. It distributes grants, along with technical assistance, to center-based and home-based providers.

POLICY
Recommendations

#1

Develop public financing strategies for early learning and care facilities.

State funding for facilities costs will help existing programs expand and support startup costs for new programs to launch. Allowable uses need to be flexible enough to address the range of facilities costs and mechanisms need to be accessible to all provider types—homes, centers, Head Start sites, community-based organizations, and schools. Initiatives will help providers pay for remodeling required to meet safety codes and create quality learning environments. This new funding stream will leverage funding from other sources, including federal child care funding, federal tax credits, school districts, municipal sources, private foundations and businesses.

#2

Release \$10 million for co-location of early childhood facilities connected to affordable housing, and continue to grow this strategy.

Early childhood education programs that are within or adjacent to multifamily affordable housing efficiently support many best practices and prioritize disadvantaged people. In addition to expediting disbursement of already allocated one-time money, increase the budget for ongoing support to include child care and preschool spaces with existing and planned housing. Co-location of care providers with housing facilitates parent involvement in their children's education, removes transportation barriers for parents, and increases opportunities for culturally specific programs.

#3

Streamline regulatory requirements.

Consolidating state governance and offering technical assistance focused on facilities issues will ease bureaucratic burdens for providers and give them the tools to build their programs and start new ones. Establishing local regulation experts to help caregivers navigate compliance and waiving some unnecessary regulations for this critical business is a win-win efficiency measure for the state and providers.

#4

Establish technical assistance for providers for building and renovating facilities.

Early learning and care providers focus much of their attention on providing excellent care to children. Most are not also experts in purchasing, building, or renovating facilities. Other states and localities have established technical assistance to support child care providers through this process so they are able to make facilities decisions that are best for kids and most fiscally responsible.

