

3 CHILD CARE SUPPLY AND DEMAND



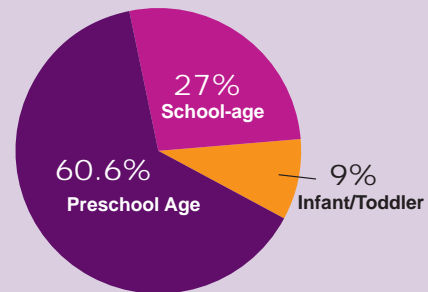
3.1 SACRAMENTO COUNTY'S CURRENT SUPPLY AND DEMAND

Although growth in Sacramento County has slowed during the economic downturn of the past few years, the California Department of Finance projects that there will be an additional 175,000 residents by 2020.¹ Over the past decade, the Sacramento region's population has increased, and it will continue to increase, at a rate faster than the state as a whole. Sacramento County's population is also becoming more diverse, particularly the population under the age of 25. This growing diversity is a result both from births in the county, as well as migration.

An estimated 175,721 children ages birth through 12 have parents in the labor force. Currently there is a licensed capacity of 55,250 slots, enough to care for 31 percent of those children. Of the licensed programs, 38 percent of licensed child care slots are provided through 2,222 family child care homes. The remaining 62 percent of licensed child care slots are provided through 501 child care centers.²

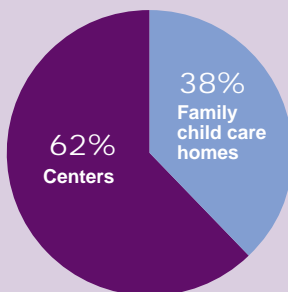
Ninety-three percent of parents requesting child care referrals from Child Action, Inc., the county resource and referral agency, are seeking full-time care for children. The primary reasons for needing care were for employment (71%) or training/educational advancement (29%).³

Capacity in Child Care Centers by Age of Child



Sources: California Child Care Resource & Referral Network, *The 2011 Child Care Portfolio, Sacramento County*. December 2011

Licensed Child Care

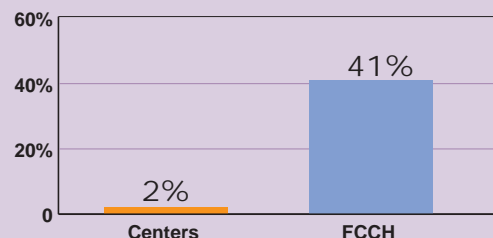


Sources: California Child Care Resource & Referral Network, *The 2011 Child Care Portfolio, Sacramento County*. December 2011

Licensed child care centers in Sacramento County have a capacity to serve 34,348 children. Of those, 2,997 (9%) are designated for infants and toddlers. Preschool-age slots account for 22,124 (64%) of available slots, and school-age care slots account for 9,227 (27%).

Traditional child care hours, 7 a.m. to 6 p.m., are offered by the majority of licensed programs in Sacramento. To meet the needs of working families who sometimes have to juggle multiple part time jobs and non-traditional hours, 82 percent of child care

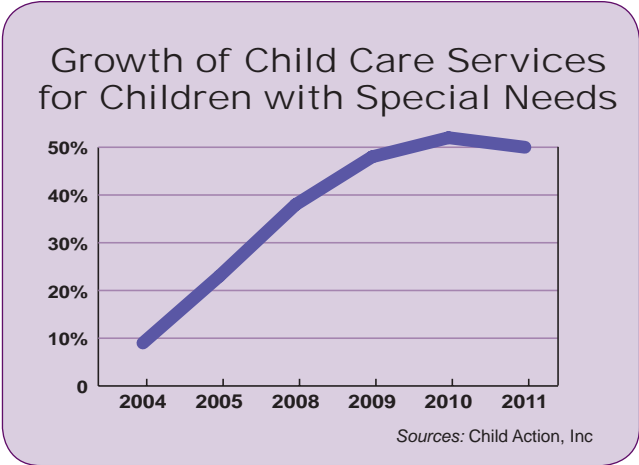
Demand for Weekend, Overnight and Evening Care



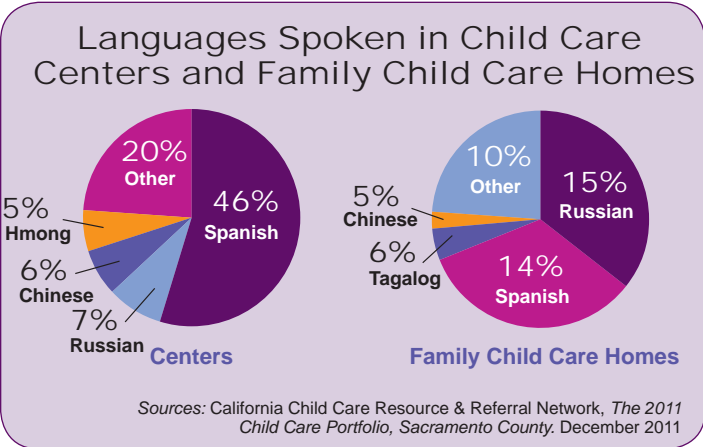
Sources: California Child Care Resource & Referral Network, *The 2011 Child Care Portfolio, Sacramento County*. December 2011

centers and 93 percent of family child care homes offer both full and part-time care. However, families needing care for non-traditional work hours, including evening, overnight or weekends have limited choices. Only 2 percent of child care centers and 41 percent of family child care homes provide care during these hours.

To meet the diverse language and cultural needs of Sacramento families, child care providers in the County speak a variety of languages other than English. The large Spanish and Slavic populations in Sacramento are reflected in the high numbers of child care providers who speak either Spanish or Russian. While 15 percent of family child care providers speak Russian in Sacramento County, 14 percent speak Spanish.



Child care for children with special needs was also requested by many parents. Fifty percent of licensed child care centers and family child care homes have experience working with a child with special needs in their child care program. This is an increase of 43 percentage points since 2004. Providers reported most experience caring for children with asthma (33.4%), followed by developmental delays (29.1%), and Attention Deficit Hyperactive Disorder (26.7%).⁴



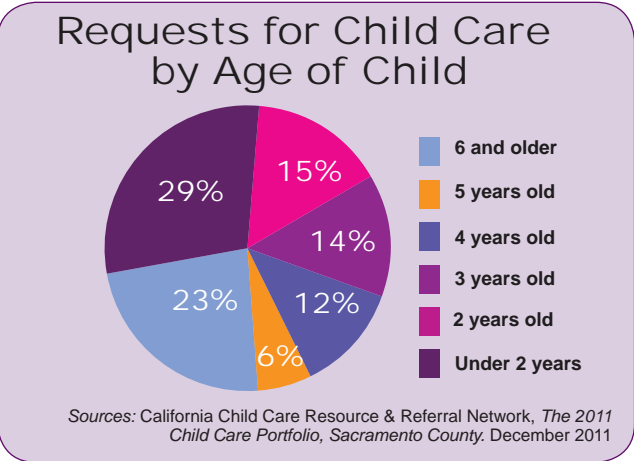
3.2 THE DECLINE OF CHILD CARE CAPACITY IN SACRAMENTO COUNTY

In a 2009 study conducted by the National Association of Child Care Resource & Referral Agencies (NACCRRRA) on the impact of the nation's recession on child care, it is noted that across the nation, as parents lost their jobs, cut back hours, or took lower paying jobs, they were no longer able to pay for child care.⁵ As a result child care programs closed, providers were laid off, and families and communities suffered.

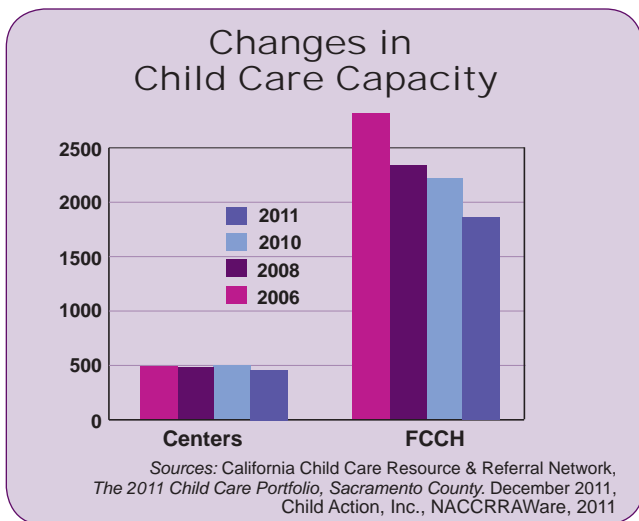
With an unemployment rate higher than that of the nation, many Sacramento families also face a loss of employment or a reduction in work hours and are taking their children out of organized child care and making do with whatever arrangement they can find, hoping it's safe, hoping it meets health and safety standards, hoping the arrangement is temporary until times are better. With the resulting rise in vacancies in child care programs, many centers are forced to cut back on staff or close their doors.

According to the National Association of Child Care Resource and Referral Agencies (NACCRRRA), communities throughout the United States on average

Infant/Toddler care accounts for the least available type of licensed child care available; however, according to data from the Resource and Referral Program of Child Action, Inc., almost 30 percent of parents are seeking child care for children under the age of two.



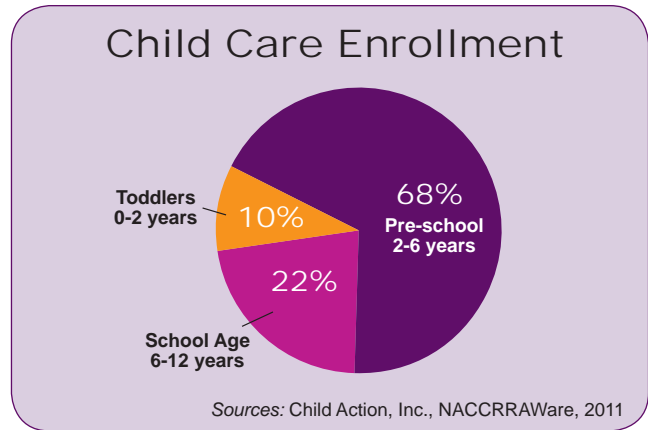
have lost 327 licensed child care spaces since 2008.⁶ While licensed spaces in Sacramento child care centers declined for infants and school-age children, preschool spaces increased by nine percent since 2008. One-time federal funding and a local school readiness initiative, funded for 2008-2012, contributed in part to this increase in preschool capacity. Center-based child care services for infants and toddlers declined by 1 percent and center spaces for school-age children declined by 3 percent. Family child care homes were reduced by 4 percent, representing a loss of one hundred and twenty homes with 882 licensed child care spaces for Sacramento's children.⁷



By 2011 the number of family child care homes had dropped to 1,875, an additional loss of 347 homes that served 2,776 children. The number of child care centers has declined to 477. The areas of Sacramento hardest hit are Elk Grove (95758, 95624), the south Sacramento communities of Parkway (95823) and Vineyard (95828), and North Sacramento communities of Antelope (95843) and Citrus Heights (95621). A map showing the decrease in capacity can be found in Appendix F.⁸

In a two year period from January 2010 through December 2011, 41 child care centers, 28 School-age programs and 514 family child care homes closed their businesses.⁹

Those programs that have remained in business are experiencing low enrollment and high vacancy rates, with one exception, part-day subsidized preschool programs.



Enrollment in Child Care Centers and Homes:

In October 2011 there were 30,230 children, ages birth through twelve years of age, enrolled in licensed child care centers and family child care homes. Two thousand, nine hundred and ninety-four (2,994) children were under the age of two years; 6,641 were of school age, six or older; and, the majority of children, 20,595 preschool children were enrolled in both full-day child care or part-day preschool programs.¹⁰

In October 2011 child care providers reported they had unused spaces in their centers and homes for 12,873 children, reflecting a vacancy rate of 24.6 percent. While part-day preschool programs were close to full with a 13.8 percent vacancy rate, family child care homes were experiencing a 36 percent

Type of Care	Desired Capacity	Vacancies	Percent of Vacancies
Child Care Center	22,998	5,070	22%
Family Child Care	15,643	5,639	36%
Preschool Program	4,904	353	13.8%
School Age Program	8,749	1,811	20.6%
Total	52,294	12,873	24.6%

Sources: Child Action, Inc., NACCRRWare, 2011

vacancy rate. These high vacancy rates jeopardize the ability of these small businesses to remain financially solvent.¹¹

Since 2008, the economic downturn has reduced the number of employed parents. Changes to welfare policy in 2010 reduced the number of participants in the Welfare To Work Program. Home foreclosures in previously growing communities reduced the number of families who needed child care. All of these changes have had great impact on the child care delivery system in Sacramento County, significantly reducing and often eliminating community based child care services.

3.3 EMERGING ISSUES AND POLICY QUESTIONS TO CONSIDER

Child care is a critical service that allows families to obtain and maintain employment and training. Continued loss of licensed child care may very well prevent economic recovery and growth. As Sacramento begins the process of economic recovery, safe, high quality licensed child care spaces will be critical for parents returning to the workforce.

■ Child care services must be convenient, affordable and accessible to families throughout the county. Child care services are essential to a successful economic recovery. Without child care services, parents cannot join the workforce.

■ The diverse child care delivery system in Sacramento County must be preserved. With a diminished and threatened child care system, it becomes critical to sustain the current supply of child care in both centers and family child care homes and insure child care services remain available for working families.

■ As the economy slowly recovers and parents return to the workforce, Sacramento County will need to plan and prepare for the rise in demand for quality child care spaces. If those child care options are not in place, parents will be unable to return to the workforce and economic recovery within the region will be slowed.

■ The needs of Sacramento County families are diverse and specific types of child care services will need to be restored and expanded in the coming years. It is critical that the county expand child care services for infants, toddlers and school-age children to meet the needs of parents returning to the workforce and the projected increase in births. Child care services for parents who need care during non-traditional hours are necessary for the Sacramento medical, service and retail workforce.

■ Parents continue to struggle to find child care services skilled in the care of children with a wide range of special needs. Continued efforts to support child care providers who provide this care is needed.●

