

# Santa Clara County Early Learning Facilities Study

## Executive Summary



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Santa Clara County  Office of Education

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County Superintendent of Schools

## Executive Summary

### Background

The 2017 Early Learning Facilities Study was a multi-phase project commissioned by the Santa Clara County Office of Education (SCCOE) to provide data and insights into early care and education (ECE) facility needs in Santa Clara County. The project involved the following steps:

1. Assessment of the ECE landscape;
2. Analysis of unmet need for infant/toddler care and preschool;
3. Facilities cost estimation to meet unmet need through licensed care;
4. Surveys of ECE provider facility enhancement and expansion interest; and
5. Interviews and focus groups with ECE stakeholders to learn more about resources and barriers to facility development.

Findings from the Early Learning Facilities Study are intended to provide the basis for a countywide facilities development plan that sets coherent and sustainable solutions for meeting the demand for quality licensed infant/toddler care and preschool.

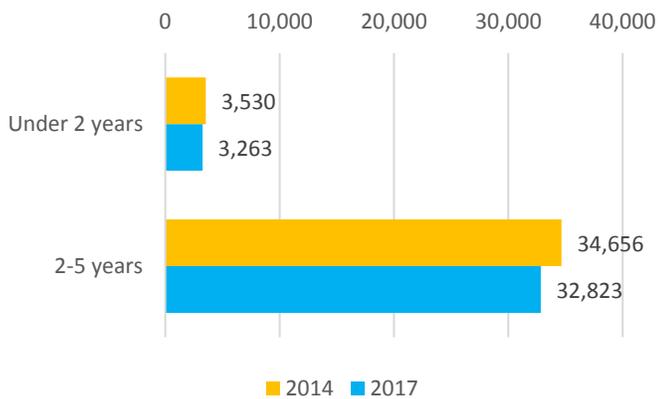
### Santa Clara County Early Care and Education Landscape

The ECE landscape analysis included a review of relevant state policy, funding streams for state subsidized programs, funds available for renovation, repair, and relocatable buildings, and rating systems for facility quality. As of 2017, an estimated 20% of licensed center-based providers and 2% of family child care homes (FCCHs) in Santa Clara County were participating in FIRST 5's Quality Rating Improvement System (QRIS) Consortium.

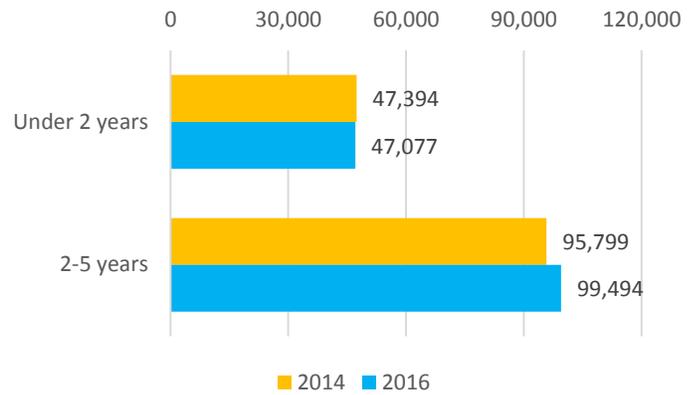
Also included in the landscape analysis is a brief description of ECE programs such as Transitional Kindergarten (which has seen a 44% increase in enrollment since 2014), State Preschool (CSPP), Special Education Preschool, and Head Start. Currently, 14 school districts in the County have CSPP contracts (6/6 unified school districts, 6/20 elementary school districts, 1/5 high school districts, and the SCCOE). Head Start classrooms are located at over 40 sites in Santa Clara and San Benito County, 75% of which are in San Jose.

Santa Clara County is home to 631 licensed child care centers and 1,510 FCCHs, down by 5% and 19% respectively since 2014, resulting in reductions in the number of slots that are available to children ages 0-2 and 2-5 years. At licensed centers, slots available to infants/toddlers have declined 8% (5% for preschool-aged children). During this same time period, the population of children ages 2-5 years has increased 4%, from 95,799 to 99,494 children.

### Change in Slots at Licensed Centers



### Change in Child Population

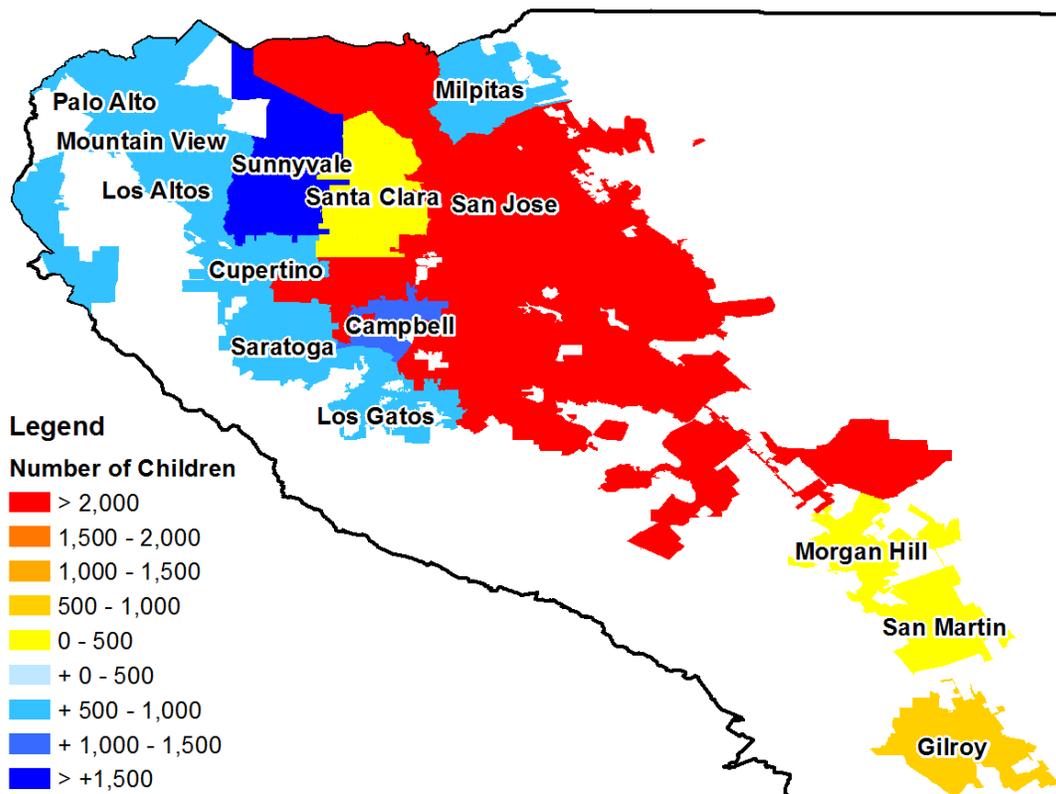


### Unmet Need for Infant/Toddler Care and Preschool

Data on licensed center, FCCH, and license-exempt center (LEC) infant/toddler care and preschool desired capacity were collected from the Community Child Care Council of Santa Clara County, Inc. (4Cs). American Community Survey 2016 child population estimates were provided by the American Institutes for Research (AIR). Both supply and demand data were disaggregated by ZIP code and age group.

After applying adjustment factors for child care participation rates, there are an estimated 28,136 children ages 0-2 years in Santa Clara County that are in need of, yet are without, child care. Unmet need for infant/toddler care exists in every major city in the County, from 50 children in Alviso to 16,465 children in San Jose.

### Unmet Need for Preschool (2016/17)



Unlike infant/toddler care, unmet need for preschool does not exist in every major city. The adjusted demand for preschool exceeds the number of child care slots for preschool-aged children in the cities of San Jose (2,743), Gilroy (593), Morgan Hill (223), San Martin (119) and Santa Clara (62). San Jose alone accounts for 73% of the unmet need for licensed preschool. Combined, there are over 1,000 more slots for children ages 3 and 4 years in Sunnyvale and Campbell than are needed.

Additional mapping analyses explored unmet need by ZIP code in San Jose and the proximity of current licensed centers to elementary schools and priority development areas for housing and transportation hubs.

### Cost of Early Care and Education Facilities to Meet Unmet Demand for Preschool

Early care and education construction cost estimates for Santa Clara County were adopted from San Mateo County’s Early Learning Facilities Needs Assessment. Both San Mateo and Santa Clara County are considered “high cost,” are experiencing considerable growth in industry, and are comprised of densely populated cities that have limited availability of land for ECE development.

The average cost of development varies by type of construction and ranges from \$25,412 to \$53,800 per child space. The cost of a single portable building with the capacity to serve 24 children is \$609,888. If 60% of the unmet need for preschool (N=3,740) is met by new portable buildings, 20% by new buildings, and 20% through expansion of existing centers, the total estimated cost for development of early learning facilities is \$117 million.

Average Cost per Child Space

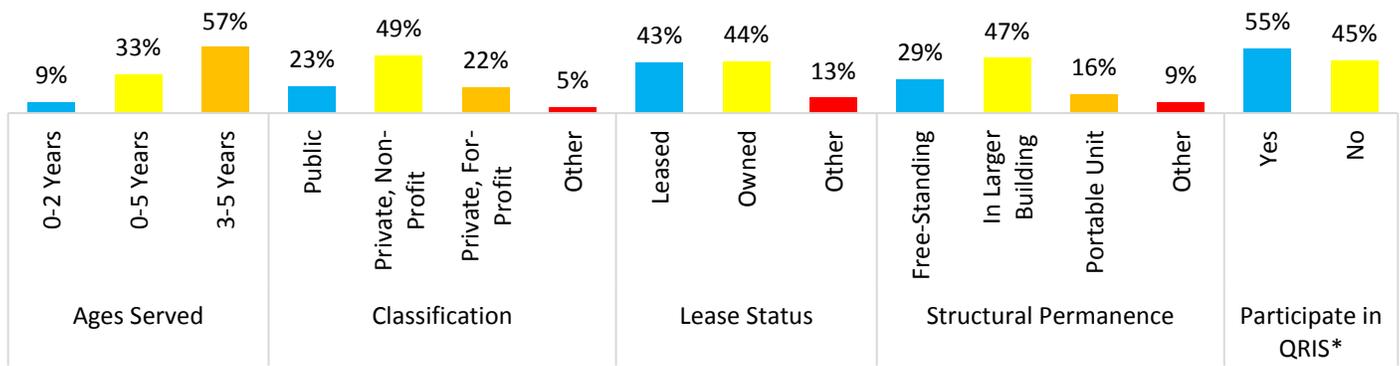
Type	Cost
New Commercial	\$53,800
New Building	\$43,183
Employer-based Center	\$41,033
Expanding Existing Center	\$37,003
Portable Building	\$25,412

The actual cost per child space depends on a number of factors. For example, the cost per child space for infants/toddlers is likely higher due to licensing space requirements and the inflexible space needed for things such as cribs and diaper changing areas. Further, recent estimates for modular portables demonstrate increased purchasing power for buildings with larger square-footage. The estimated per child cost for a 96x40 square foot unit that fits 3 classrooms with space for 24 children each is \$8,889 compared to \$11,090 for a two-classroom, 72x40 square foot unit.

### Early Care and Education Provider Enhancement and Expansion Interest

Eighty-six licensed, center-based providers and representatives from 28 school districts in Santa Clara County responded to surveys that queried early learning facility needs, expansion interest, and the availability and usefulness of resources to navigate facility planning, development, and start-up stages. Select ECE stakeholders were asked to expand on these topics in a series of interviews and focus groups which included Title 5 providers, Head Start, Strong Start, SELPA and State Preschool directors, City Planning and Development officials, and representatives from FIRST 5, 4Cs, Silicon Valley Community Foundation, and the City of San Jose Public Libraries.

### ECE Provider Survey Demographics



\*Quality Rating Improvement System

### Survey Findings

- 76% of preschool providers self-rated facilities as in need of moderate-to-extensive improvements.
- 25% of providers that serve preschool-aged children plan to expand to serve more preschoolers.
- 0% of sole licensed infant providers were interested in expanding.

When asked about obstacles encountered in opening, maintaining, enhancing, or expanding facilities, the top five provider responses were lack of space (35%), issues finding a site (33%), lack of local or state funding (25%), issues obtaining a license (20%), and local zoning or land use restrictions (20%).

School districts provided more favorable ratings of the condition of preschool facilities. The need for minor improvements was reported by three of ten districts with preschool classrooms. Five districts that currently offer preschool are planning to increase their capacity to serve preschoolers through expansion and/or new development within the next two years. Those that do not offer preschool or have no interest in providing preschool cited lack of funding, lack of space, and little demand.

### Conclusions and Study Recommendations

Current child care supply and demand data reveal the geographic areas in the County with the greatest need for early learning facilities. Stakeholder data offer insights into development interest and the support required by providers to expand.

Addressing the need for early learning facilities will require partnerships between ECE providers, housing developers, and philanthropic, city, and business leaders. The approach must be strategic and involve public awareness and fund raising campaigns, policy change advocacy, and analyses of changing demographics. The focus must be on maximizing available space and identifying opportunities for new development in current and future areas with high unmet need while promoting quality standards and inclusive practices. Specific recommendations include:

- Advocate for quality ECE program and early learning facility development;
- Facilitate the implementation of a countywide early learning facilities development plan;
- Offer facilities training and technical assistance to ECE providers; and
- Create and manage a local fund for awarding one-time early learning facility development grants.



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