



**2004 Child Care Needs Assessment
For
The County of Los Angeles**

April 2005



**County of Los Angeles
Child Care Planning Committee**

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INTRODUCTION

The 2004 Child Care Needs Assessment (Needs Assessment) focuses on the overall availability of child care and development options in the County of Los Angeles (County), and attempts to estimate “need” or “demand” for these services by looking at current use of child care and development services by the type of setting. The Needs Assessment database, which is available at: <http://gismap.co.la.ca.us/childcare>, provides a comparison of the numbers of children likely to use child care with the care that is currently available. It also indicates the types of care being used at the point in time data was collected. The comparison between need for care and available spaces is further refined by comparing the use of certain types of care, by age of child, with the availability of that type of care. For example, the number of preschool-age children whose parents are likely to choose center-based care (based on current rates of use of center care) with the number of available licensed center-based spaces.

While counts of available licensed care are accessible and reliable, estimating need or demand is much more difficult. Families use child care and development services for a variety of reasons: employment, training or education, incapacitation of a parent, as well as for the development of the child. Data on the numbers of working families is available and reliable; however, data on numbers of parents, who are in job training or educational endeavors, is less available. There is almost no objective data on the numbers of families who use child care and development services only for the child’s benefit, not as a substitution for parental care.

In addition, it is know, anecdotally, that many families who work choose alternate work shifts in order for one parent to be with the children at all times, or work only during the hours in which their children attend school. These “working” parents are not technically in the market for child care services. Again, reliable data on the numbers for these family situations is not available.

It was decided that the numbers of working parents in both single- and two-parent families would be the best number to use as an indicator of overall need, since this is the largest, most reliable number of children who are most likely to need and use some form of child care on a regular basis. Although it may be a slight overestimate of those needing child care services, it would compensate for not being able to count the number of families who are in job training or in an education environment, and need child care.

A. DATA SOURCES AND CALCULATIONS

Population Data: Number of children within zip code, census tract, or Service Planning Area (SPA)

The numbers of infants, preschool children, and school-age children, as well as the number of children with two employed parents or a single, employed parent was derived from the Self Report Long Form from the 2000 Census file. The age categories are defined as follows: infants, 0-24 months; preschool, 2 through 5 years; school-age, 6 through 12 years.

Estimated Use of Care by Type of Infants and Preschool Children

Data estimates were derived from the 2002-03 Los Angeles County Health Survey (LACHS). The survey was conducted via telephone, in which respondents were randomly selected using an unrestricted random digit dial sampling methodology, inclusive of all eligible telephone households in the County. A sample of 5,995 interviews was completed among parents/caregivers of children ages 17 years or younger, for the Child Portion of the LACHS. Survey participants with children 5 years or younger were asked additional questions related to use of child care.

Types of Care

Family Child Care refers to care settings where an individual has obtained a license to care for a small group of children (usually 6-14) in his/her own home. **Center-based care** refers to licensed facilities specifically designed to provide early care and education services to children. **License-exempt care** is a category that includes in-home and out-of-home caregivers, who may, in addition to their own children, care for the children of one other family. The estimates for the types of child care selected by parents/caregivers were based on the percentages extracted from the LACHS, and were applied to the "number of infants/preschool children with working parents," and include the following:

Infants

- 13 percent select family child care.
- 24 percent select center-based care.
- 63 percent select license-exempt care.

Preschool

- 7 percent select family child care.
- 66 percent select center-based care.
- 27 percent select license-exempt care.

Estimates per SPA could not be generated due to small sample sizes, therefore, these estimates were applied Countywide.

Estimated Use of Care by Type for School-Age

Data estimates were derived from the 2002 National Survey of America's Families (NSAF). The NSAF was a telephone survey that used a random sample of telephone numbers, and in households without telephones, cellular phones were provided to complete the interviews. The survey over-sampled low-income families, as well as racial and ethnic minorities, immigrants, and recipients of government services.

The estimates for the types of child care selected for school-age children by working mothers in California, consisted of the following percentages: 21.1 percent for center-based care (including both licensed and license-exempt programs), and 3.7 percent for family child care. All of the remaining child care arrangements, which consisted of nannies/babysitters, relatives, self-care, and parent/other care, were assigned to the license-exempt care category (75.2%).

While these estimates of use of care, by type for school-age children, do not apply specifically to Los Angeles, the California profile provided the best proxy for County estimates.

Estimated Licensed Capacity

The California Department of Social Services, Community Care Licensing Division (DSS/CCLD), supplied data for the licensed capacity of family child care homes and centers. The data is coded so that licensed capacity by age is easily obtained. There are specific codes to differentiate between large and small family child care homes.

Age distribution within family child care homes was determined based on the results of the Regional Market Rate Survey (2002), a telephone survey conducted by the California Child Care Resource and Referral Network. Based on the responses of family child care providers, percentages were able to be applied to each home, large (12-14 children) or small (6-8 children), as to distribute the licensed capacity among infants, preschool, and school-age children. The following numbers have been rounded so that totals may not equal actual licensed capacity limits.

Estimated Number of Children Cared for by Age

	Small *FCC (6)	Small *FCC (8)	Large *FCC (12)	Large *FCC (14)
Infants (0-2)	1.6	2.2	2.8	3.2
Preschool	2.2	3	5.5	6.4
School-Age	2.1	2.9	3.7	4.4

*Family Child Care

Estimated Surplus/Shortfall

The estimated surplus or shortfall in capacity is the difference between the estimated need for/use of care by type and by age of children, and the respective capacities of each type of care. Complete data charts are available on the Needs Assessment web site, at: <http://gismap.co.la.ca.us/childcare>. These charts indicate a surplus in capacity with a positive number and a shortfall with a negative number. It is not unusual to find that in the same geographic area, there maybe a shortfall for one type of care and a surplus for another type of care.

B. FINDINGS AND RECOMMENDATIONS

Finding 1: There is a continuing shortage of center-based programs for children of all ages in the County.

The shortfall, while substantial, is much less than previously indicated in the 2000 Needs Assessment. It is not possible to directly compare the numbers because slightly different methods were used to determine the client base (demand side). However, it is also true that many more spaces have been developed in the last four years, particularly in school-age settings. In Los Angeles, between 2002 and 2004, there was a 5 percent increase in the number of licensed centers, primarily for children ages 0-5.

The 2000 Needs Assessment data indicated there are 257,000 licensed center spaces in the County for infants, preschool, and school-age children. In addition, there are 63,000 center spaces in before/after-school programs in school sites that are license-exempt. The potential demand for center-based care exceeds 340,000. Even if all the currently vacant family child care spaces were filled, there would still be a shortage of center-based care of approximately 44,000 spaces across all ages.

Recommendations for Finding 1:

- a. Encourage existing licensed centers to expand their sites to serve more children. Center-based care for children ages 0-5 is much more expensive to develop, and takes longer to develop than family child care and school-age program options. However, it may be possible for many centers to expand services on current sites. Changing room configurations to use space differently or adding rooms in high-quality preschool/child care programs could expand the options for infants and/or toddlers. In addition to addressing the continuing shortage of infant/toddler care, this would create a continuum of care for a family. This may be a viable strategy in communities where families can fully pay the fees required to support good quality care, or in communities where government subsidies can ensure sufficient financial support to cover costs.
- b. Support for projects such as Constructing Connections-Los Angeles, which facilitate the development of more centers by connecting organizations and individuals with the technical assistance and supports (financial, architectural, etc.) needed to successfully construct or renovate facilities for young children.

- c. Make assessment data available to anyone in the County of Los Angeles with intentions to expand or develop care so that effective decision-making about where to locate facilities matches need and demand. The web site, <http://gismap.co.la.ca.us/childcare>, created by the County of Los Angeles Office of Child Care, is a response to this recommendation.
- d. Encourage municipalities and businesses to invest in the development of more center-based care to serve their workforce, as well as their community.
- e. Increase the amount of public funding available to support the child care infrastructure so that there is an impetus to create more centers for low-income families and expand existing services. Additional licensed center-based care will not be developed in low-income communities without the assurance of public subsidy to underwrite the cost of operating the centers.
- f. Encourage the development of school-age enrichment and supervision programs on every elementary school site to address the before- and after-school needs of the students. These center-based campus programs may be license-exempt, but should adhere to standards of operation that promote program quality. Enrichment and supervision programs should be viewed as a part of the school's mission since they support student achievement, school attendance, student participation, and a sense of community.
- g. Consider families' needs for full-day and full-year care in any expansion of centers to accommodate the needs of the Los Angeles Universal Preschool (LAUP).
- h. Include child care in housing and multi-use developments as a way to overcome the difficulty in finding appropriate sites on which to build child care centers.
- i. Persuade local government agencies to develop funds with which to construct child care centers through such mechanisms as developer fees and strategic use of Community Block Grant funds.
- j. Continue efforts by all stakeholders to reduce or eliminate local regulatory barriers to the development of child care center facilities.

Finding 2: A high percentage of families use license-exempt care.

This type of care is defined as a child care setting that does not require a license from the Community Care Licensing Division of the California Department of Social Services. Forms of license-exempt care include: nannies, babysitters, relatives, neighbors, and in the case of school-age children, some programs based on school campuses.

Countywide, 63 percent of working families with infants are using license-exempt care; and 75 percent of school-age children with working mothers are in some form of license-exempt care. The rate for preschool-age children is only 27 percent. It is estimated that approximately 590,000 children between the ages of 0 and 12 are in license-exempt settings in the County of Los Angeles.

There are several reasons for this use of high-rate exempt care:

- Working hours vary in jobs at many levels, from professional to service workers. Licensed care usually operates in alignment with a typical 8:00 a.m. to 5:00 p.m., Monday through Friday work schedule. Jobs requiring the employee to start at 5:00 a.m. or 6:00 a.m., or work past 6:00 p.m., limit the parents' choice of licensed settings. In addition, the commute time in Los Angeles can turn a typical 8-hour work schedule into one that extends into early morning and evening hours, when licensed care is less available.
- Families with two or more children of different ages often find it difficult to arrange for and manage care among multiple locations. Having an in-home caregiver, or a relative who can manage all of the children in one location, offers a convenience that center-based programs and child care may not.
- Many low-income families seek for care that matches their limited financial resources. This is particularly true for the thousands who are waiting for assistance to pay for care. In these circumstances, a neighbor or family member may charge a very low rate, based on what the family can pay, which will be significantly less than the market rates for licensed care.
- Since the inception of the CalWORKs program in the County of Los Angeles (1997), thousands of very low-income families have moved into work or job training through the welfare-to-work process, where child care has been made available to these parents in the form of a vendor/voucher system. Once approved for child care, parents choose the provider of care who would be paid on their behalf. In overwhelming numbers, these families have opted for license-exempt care: family, friends, or neighbors. These choices were motivated by a number of factors:
 - 1) Having a family member receive payment for providing child care helped increase the income of these very low-income families.
 - 2) Most CalWORKs participants have very little knowledge of, or comfort with, the formal licensed child care market, and they are inexperienced consumers who gravitate to what is familiar, their own kith and kin.
 - 3) In many cases, there was insufficient time to understand, investigate, and decide on an appropriate child care option since the parent had specific deadlines to meet in terms of his/her availability for job search, job training, or work.

- 4) Finally, in some communities, the lack of licensed care options inevitably leads to an increased dependence on license-exempt care options.

Whether any one license-exempt option is in the best interest of the child is really dependent on several variables. In some instances, a license-exempt option may be ideal for a particular child or family, and in other circumstances, it becomes the, "I-have-no-other-choice option." It is clear that license-exempt care will continue to play a role in meeting the needs of families in the County of Los Angeles. Efforts should be made to ensure that a license-exempt care option is really the family's "choice," and not the fall back for families because there are no alternatives.

Recommendations for Finding 2:

- a. Ensure a widespread information campaign directed toward families, particularly families with access to subsidies for child care, about the value of licensed care options related to the development of their children.
- b. Develop more licensed care options (homes and centers) and school-based programs in communities lacking these options to ensure that parents who need them, actually have choices other than kith and kin.

Finding 3: There is a large surplus of family child care spaces in the County of Los Angeles.

The surplus of spaces in family child care homes varies by particular area, but is widespread throughout the County. Based on the percentages reported in the LACHS and NASF, it appears that only the following percentage of families needing child care choose family child care:

- 13 percent of families with infants;
- 7 percent of families with preschool children; and
- 3.7 percent of families with school-age children.

The County of Los Angeles has approximately 108,000 spaces in family child care homes. Based on current utilization rates, only 58,000 (54 percent) spaces are filled at any one time.

The County of Los Angeles utilization rate for family child care is lower than the rates for the State of California, as a whole, and lower than national rates. While the finding was somewhat unexpected, it has been confirmed anecdotally by family child care providers and Resource and Referral personnel who state that providers report having many vacancies, or that there are too many other providers in their neighborhoods.

The surplus does not exist in every community. However, it is widespread enough to require some careful reflection on why this has happened and how to address the issue:

- a. With the advent of CalWORKs, millions of dollars became available to pay for child care of the families' choice. Many low-income families on the welfare program had never used the formal licensed system of child care and development, and automatically turned to friends and family for child care. Others in this client category found that using family brought in more income, since family members could be paid for the child care. Lack of familiarity with formal child care options and the financial incentive for families combined to create major diversion of these dollars into license-exempt options. More families choosing friends and family meant that fewer families opted for using licensed family child care.
- b. The small fraction of family child care providers who demonstrate poor judgment, or actual criminal activity, reflect poorly on the vast majority of family child care providers. Unfortunately, media coverage of an incident involving family child care does tremendous damage to the general public perception of licensed Family Child Care, thus reducing the population of families willing to use Family Child Care Homes.
- c. In some cases, lack of quality in family child care and a less-than-professional approach on the part of some providers, turn families away from this option. Family child care providers are small, home-based businesses. There is an expectation that the provider is knowledgeable about his/her business, and is a professional when it comes to child care and development, but the reality is often different. Even good quality providers may fail to meet parental expectations; first impressions do have an impact.

Recommendations for Finding 3:

- a. Increase utilization of Family Child Care Homes as a viable and valued option for families, by:
 - Increasing the emphasis on, and supports for, parent communication skills, professional demeanor, and quality care strategies in the training of family child care providers. This does not mean that family child care providers must mimic the center environment in their homes, but it does imply that providers have to be prepared to meet parental expectations.
 - Developing the business skills of family child care providers to improve their viability and ability to market, both themselves and their homes, to win over the public misperceptions and meet parental expectations.
 - Enhancing the public's understanding of good quality family child care and how it can meet the unique needs (multiple ages, varied schedules, etc.) of families;
 - Promoting family child care as an appropriate option for children of all ages needing child care, but particularly for infants and young children;

- Promoting the use of family child care through community level campaigns in communities with a great lack of center-based care. In these areas, the lack of licensed centers creates an opportunity to promote family child care as a viable option.

- b. Encourage more family child care providers to take infants and toddlers. Family child care can be an effective setting for this age group and help decrease the demand for the development of more expensive center-based options.

Parents report that available infant spaces are hard to find. Furthermore, licensing regulations limit the number of children under age two in Family Child Care Homes. Providers that want to care for infants and toddlers can only enroll no more than four children at a time. This may create a disincentive for some providers, since there would be fewer families paying fees. At the same time, LAUP is including family child care as a setting for Universal Preschool services. This may encourage more providers to care only for preschool-age children, which would create even greater deficits in the infant market.

Capacity development activities should focus on identifying individuals who truly want to work with this age group and are willing to have fewer children. In addition, incentives may have to be developed to make infant/toddler care an attractive option for family child care providers, while not creating situations where families must change providers when a child turns three, if it is not in the best interests of the child or family.

- c. Provide training and support to family child care providers to meet the growing need for child care services for children with special needs. This would be another client-base that could readily utilize surplus space in Family Child Care Homes if the providers are appropriately trained and supported in caring for children with special needs. This may require building more service/support networks with health, mental health, and early intervention specialists, whom providers can call when training or when they need technical assistance.
- d. Capacity building strategies for family child care must be carefully targeted, as to not over-saturate an area, as well as attending to the unique needs of certain communities related to cultural or linguistic preferences.

C. ASSESSMENT RESULTS OVERVIEW

The charts below provide an aggregated look at the likely need for licensed care compared to current capacity. These aggregated numbers are best used to compare conditions among the Service Planning Areas (SPA). The fourth column is the percentage of children who are likely to need child care because parents are in the workforce. The fifth column presents the total licensed capacity, including Family Child Care Homes and centers. These calculations assume that all licensed care is fully utilized. In the first part of the Needs Assessment summary, the fact that family child care is currently under-utilized is discussed in more detail. The sixth column presents the portion of the likely need that can be addressed by current licensed capacity. The higher the percentage is, the greater the current capacity will likely meet the need for that particular age group. The seventh column indicates the difference between total licensed capacity and the numbers of children likely to need care. Finally, the eighth column presents the estimated shortfall or surplus numbers adjusted by subtracting the number of children currently using license-exempt forms of care. If only current licensed capacity is considered, all areas of the County have large capacity shortfalls, and when the number of children currently using license-exempt care is considered, the picture changes dramatically (last column).

SPA	Infants	With Working Parents	Percentage of Child Population Likely to need Child Care	Licensed Capacity (both Family Child Care and Center)	Licensed Capacity as a Percentage of Potential Need	Estimated (Shortfall) or Surplus	(Shortfall)/Surplus Less estimated Use of Exempt Care
1	9,155	3,773	41%	1,909	51%	(1,864)	513
2	56,645	26,881	47%	6,193	23%	(20,688)	(3,753)
3	49,234	23,843	48%	5,772	24%	(18,071)	(3,050)
4	33,072	12,801	39%	2,681	21%	(10,120)	(2,055)
5	12,280	5,975	49%	1,241	21%	(4,734)	(970)
6	36,600	15,138	41%	5,962	39%	(9,176)	361
7	43,556	19,948	46%	3,959	20%	(15,989)	(3,422)
8	46,103	21,823	47%	7,024	32%	(14,799)	(1,051)
TOTALS	286,645	130,182		34,741		(95,441)	(13,427)

SPA	Pre-school	With Working Parents	Percentage of Child Population Likely to Need Child Care	Licensed Capacity (both Family Child Care and Center)	Licensed Capacity as a Percentage of Potential Need	Estimated (Shortfall) or Surplus	(Shortfall)/Surplus Less Estimated Use of Exempt Care
1	22,818	10,781	47%	6,745	63%	(4,036)	(1,125)
2	122,181	59,320	49%	40,046	68%	(19,274)	(3,258)
3	109,275	53,666	49%	35,662	66%	(18,004)	(3,786)
4	69,030	29,222	42%	17,373	59%	(11,849)	(3,959)
5	23,471	11,941	51%	11,760	98%	(181)	3,043
6	81,705	32,289	40%	25,503	79%	(6,786)	1,932
7	95,879	44,200	46%	21,409	48%	(22,791)	(10,857)
8	100,503	49,269	49%	33,502	68%	(15,767)	(2,464)
TOTALS	624,862	290,688		192,000		(98,688)	(20,474)

SPA	School-Age (6 to 12)	With Working Parents	Percentage of Child Population Likely to Need Child Care	Licensed Capacity	Exempt School-Based Center Capacity*	Capacity* as a Percentage of Potential Need	Estimated (Shortfall) or Surplus	(Shortfall)/Surplus Less Estimated Use of Non-School-Based Exempt Care
1	43,996	23,582	54%	3,484	1,235	20%	(18,863)	(1,129)
2	214,389	122,071	57%	12,877	14,322	22%	(94,872)	(3,075)
3	198,011	108,530	55%	12,851	9,175	20%	(86,504)	(4,889)
4	111,172	50,924	46%	4,247	11,350	31%	(35,327)	2,968
5	41,086	24,177	59%	3,694	2,271	25%	(18,212)	(31)
6	149,522	65,466	44%	10,291	10,795	32%	(44,380)	4,850
7	165,685	84,273	51%	7,332	7,429	18%	(69,512)	(6,139)
8	168,154	92,629	55%	12,810	6,874	21%	(72,945)	(3,298)
TOTALS	1,092,015	571,652		67,586	63,451		(440,615)	(10,743)

* School-age capacity includes license-exempt, school-based center programs.

HOW MUCH CHILD CARE DO WE NEED?

While it is clear from some of the numbers presented in the previous charts that there is insufficient licensed capacity for families needing full-day child care, it is difficult to determine a single-number goal for the amount of care needed in the County of Los Angeles. Theoretically, there should be one licensed space available for every child whose family wants or needs to use licensed care. This would be indicated by 100 percent in the capacity-to-need column. However, we know many families are using exempt-care options, and will continue to do so for a variety of reasons. Should we plan to build capacity to meet only the needs of families who appear to want licensed care at this moment in time, as indicated by the numbers in the previous charts? While those numbers present a formidable objective (i.e., 10,387 preschool spaces in SPA 7), it may not reflect the unstated demand for licensed care. As indicated in the summary, many families are using exempt-care options because they cannot afford licensed care, or do not have licensed care options readily available in their community. Should circumstances change (i.e., more licensed care and/or greater financial support to pay for licensed care); families may use or choose licensed care over exempt care.

Given the various factors that go into the choice or use of one type of care over another, it might make sense in the near term to consider building capacity to the point where at least a certain percent of all children, likely to need full-day child care, could access a licensed space. This does not assume that all licensed spaces would be used, but options would be more available and afford more families a choice. The following charts assume that a specific percentage of all children within the age category will have access to licensed space.

Infants: Licensed Capacity = 50 percent of Likely Need (1 Space for every two children)

SPA	Number of Children Needing Child Care	Current Licensed Capacity (Family Child Care or Center)	Current Percentage of Capacity-to-Need	Number of Additional Spaces Needed to Achieve One Space for Every Two (50 percent capacity)	Percentage Increase in Licensed Capacity Needed to Achieve One Space for Every Two (50 percent capacity)
1	3,773	1,909	51%	0	0%
2	26,881	6,193	23%	7,248	117%
3	23,843	5,772	24%	6,150	106%
4	12,801	2,681	21%	3,720	139%
5	5,975	1,241	21%	1,747	141%
6	15,138	5,962	39%	1,607	27%
7	19,948	3,959	20%	6,015	152%
8	21,823	7,024	32%	3,888	55%
TOTALS	130,182	34,741		30,375	87%

Preschool-Age: Licensed Capacity = 75 Percent of Likely Need (Three spaces for every four children)

SPA	Number of Children Needing Child Care	Current Licensed Capacity (Family Child Care or Center)	Current Percentage of Capacity-to-Need	Number of Additional Spaces Needed to Achieve Three Spaces for Every Four Children (75 percent capacity)	Percent Increase in Licensed Capacity Needed to Achieve Three Spaces for Every Four Children (75 percent capacity)
1	10,781	6,745	63%	1,341	20%
2	59,320	40,046	68%	4,444	11%
3	53,666	35,662	66%	4,587	13%
4	29,222	17,373	59%	4,543	26%
5	11,941	11,760	98%	0	0%
6	32,289	25,503	79%	0	0%
7	44,200	21,409	48%	11,741	55%
8	49,269	33,502	68%	3,450	10%
TOTALS	290,688	192,000		26016	14%

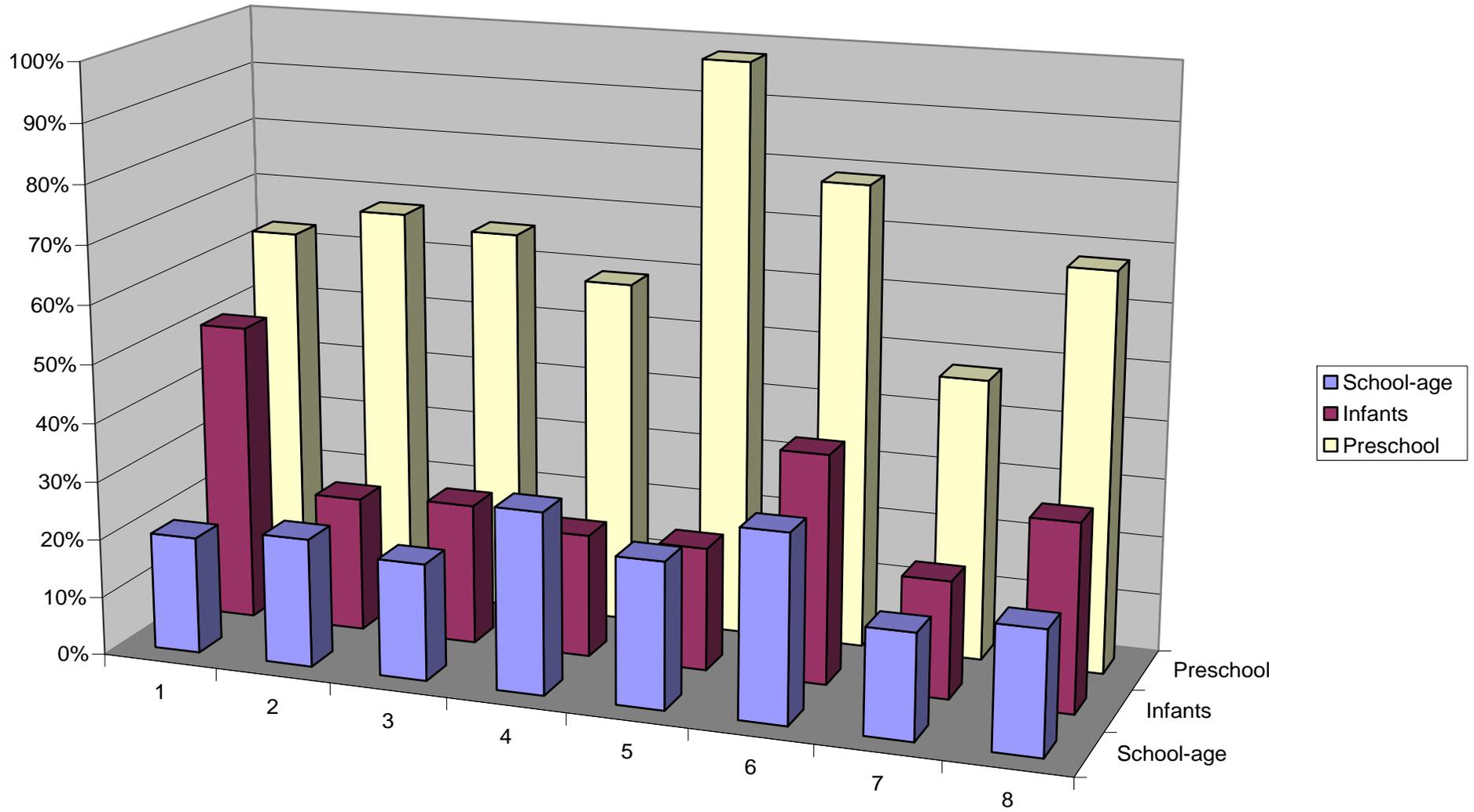
SPAs 5 and 6 would not need more preschool-age care options to achieve the 75 percent capacity-to-need goal based on current licensing data. However, in SPA 6, there are a large number of part-day, part-year Head Start and State Preschool spaces. Therefore, there may still be need to develop additional capacity for preschool-age children in SPA 6 to meet the need for full-day child care and development services.

**School-Age: Licensed and Exempt School-Based Center Capacity = 40 percent of Likely Need
(Four spaces for every ten children)**

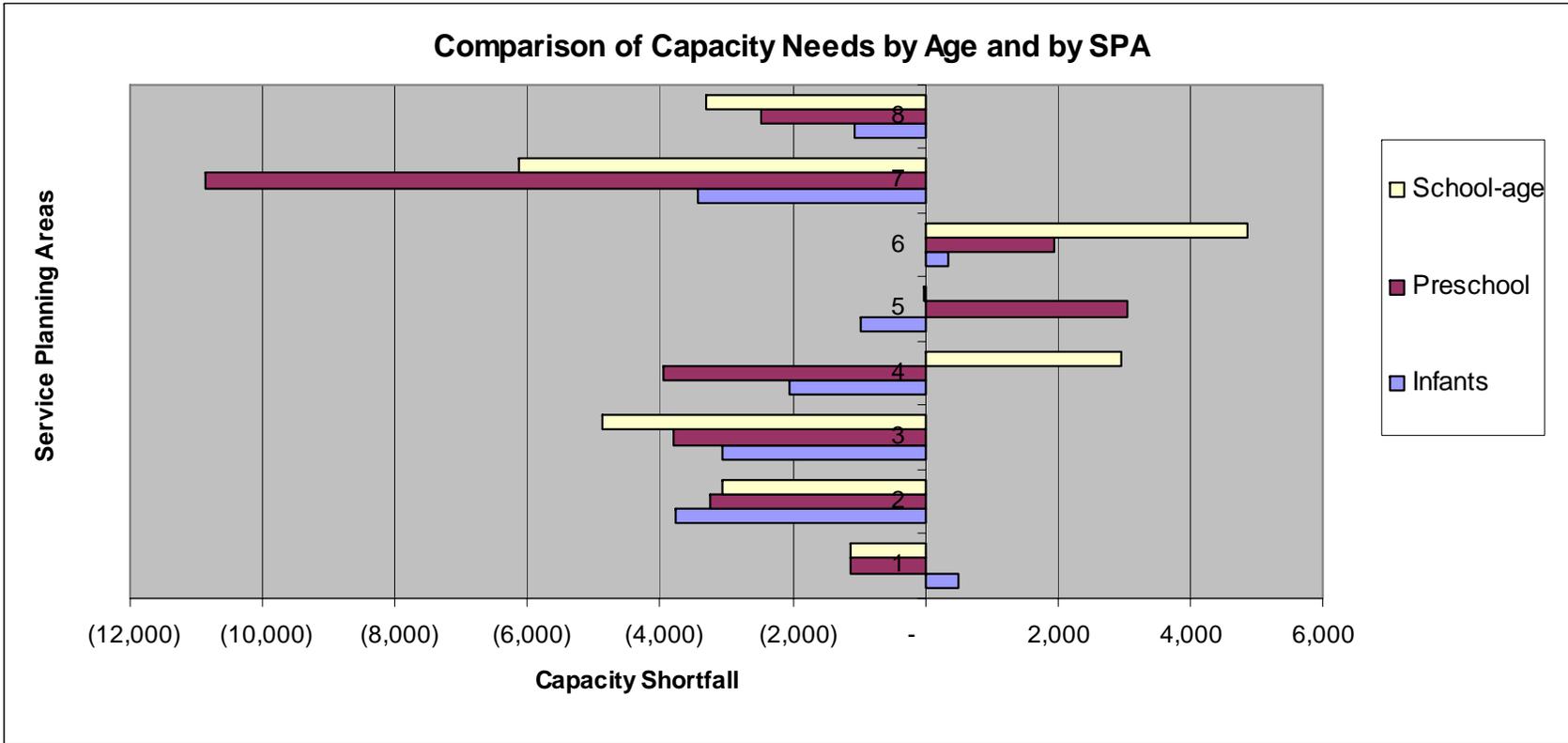
SPA	Number of Children Needing Child Care	Current Licensed Capacity (Family Child Care and Center) and License-Exempt Center	Current Percentage of Capacity-to-Need	Number of Additional Spaces Needed to Achieve Four Spaces for Every Ten Children (40 percent capacity)	Percent Increase in Capacity Needed to Achieve Four Spaces for Every Ten Children (40 percent capacity)
1	23,582	4,719	20%	4,714	100%
2	122,071	27,199	22%	21,629	80%
3	108,530	21,026	20%	2,386	106%
4	50,924	15,597	31%	4,773	31%
5	24,177	5,965	25%	3,706	62%
6	65,466	21,086	32%	5,100	24%
7	84,273	14,761	18%	18,948	128%
8	92,629	19,684	21%	17,367	88%
TOTALS	571,652	130,037		98,623	76%

Because there is less licensed and license-exempt school-based center care for school-age children, as compared to care for other age groups, the percent increases are much larger, up to 128 percent in the case of SPA 7. In looking at all charts, is clear that SPA 7 requires the most effort at capacity building for all age groups. It currently has the lowest percent of capacity-to-need. Setting new capacity levels of availability (50 percent for infants, 75 percent for preschool-age, and 40 percent for school-age) emphasizes how great the shortfalls are in licensed capacity and in licensed-exempt, center-based, school-age care capacity.

Comparison of Capacity as a Percent of Estimated Need by SPA



Comparison of Capacity Needs by Age and by SPA



D. SPA PROFILES

The following sections provide more specific detail for each of the SPAs.

SPA 1 - Antelope Valley

SPA 1 has the smallest resident child population of the eight SPAs, with approximately 76,000 children between the ages of 0 and 12. Of these children, slightly more than 50 percent have parents who are in the workforce and are likely to need child care services. The following table indicates the current licensed capacity in Family Child Care (FCC), center-based programs, and in license-exempt school-based centers for school-age children only, as well as the gap between availability and need for care.

	Infants		Preschool		School-Age	
	FCC	Center	FCC	Center	FCC	Center*
Number of Spaces	1,757	152	2,952	3,793	2,319	1,165 + 1,235
Number of Gap Between Capacity and Need**	+1,267	-754	+2,197	-3,322	+1,447	-2,576

* *Capacity number includes both licensed and license-exempt spaces.*

** *For complete breakdown of numbers and calculations, go to: <http://qismap.co.la.ca.us.childcare>*

Universally in Antelope Valley, there is a substantial oversupply of family child care homes. At the same time, there is a shortage of center-based care (6,652 across all age groups). Even if all the FCC spaces were utilized, there would still be a shortage of center-based spaces (1,600+) for preschool and school-age children. Care for all ages is centered in the Palmdale and Lancaster areas, which are the major population centers of the SPA. One of the factors in development and utilization of child care in Antelope Valley is the great distances between some residential areas and population centers, and the great distance between the Antelope Valley and the rest of the County of Los Angeles. It is approximately 65 miles between the San Fernando Valley and Lancaster. Families in outlying areas must rely more heavily on kith-and-kin type care (license-exempt). Families using care in Antelope Valley and traveling to the County of Los Angeles basin for work require longer hours of care.

When we compare licensed capacity (family child care and center) and license-exempt school-based center capacity to overall need, the results are:

	Infants	Preschool	School-Age
Percent of Capacity Compared to Need	51%	63%	20%
Space: Child Ratio	1:2	3:5	1:5

The preschool ratio of capacity-to-need (approximately three spaces for every five children) is lower than the school-age ratio (1-5). However, the capacity numbers include part-day preschool programs such as State Preschool and Head Start. It is not clear at this time how many of the families needing full-day services are also using these part-day options.

School-Age Issues

License-exempt before- and after-school programs on school sites can be found in four of the nine zip code areas, which have 500 or more school-age children needing after-school supervision due to parental work status. With the exception of zip code 93534, the areas with both licensed center care and license-exempt school-based programs continue to have a gap between need and capacity. Generally speaking, the ratio of school-age capacity-to-need is going to be less, compared with the ratios for other age groups. This is due to the high use of licensed-exempt care options which are not counted in the capacity totals. This type of exempt care is not easy to count, since it generally may consist of kith and kin providing care, only temporarily, based on a personal relationship with the family.

Implications for Universal Preschool

In looking at data on capacity and population, there are some implications for the efforts to create a universal system of preschool currently underway. There are six zip code areas centered in Lancaster and Palmdale that would fall short by 300 to 1,000 spaces in serving all four-year-old children, given the current supply of licensed center and FCC spaces.

Household Income and Affordability

According to data provided by the County of Los Angeles Children’s Planning Council (Planning Council)’s web site (www.childreplansplanningcouncil.org), at least 38 percent of families with children have annual incomes less than \$35,000 per year. This amount is approximately equal to 75 percent of the State Median Income (SMI) for a family of three. Seventy-five percent of SMI is the eligibility cap for State-funded child care and development services. Of all children 0-17 years of age in Antelope Valley, 20.8 percent are living in poverty. The zip code areas for Lancaster and Palmdale, as well as additional zip codes (93543 and 93591), have sufficient numbers of children in qualifying families to justify the creation of additional subsidized child care. These areas are considered first priority areas for the development of new subsidized child care services. As of January 2005, there were 2,067 SPA-1 children, of all ages, registered on the County of Los Angeles Centralized Eligibility List (CEL) whose families are waiting for financial support to pay for child care services.

SPA 2 - Santa Clarita and San Fernando Valleys

SPA 2 has the largest resident child population of any of the eight SPAs, with approximately 393,000 children between the ages of 0 and 12 years. Of these children, 51 percent have parents who are in the workforce and are likely to need child care services. The following table indicates the current licensed capacity in FCC and center-based programs, and in licensed exempt centers for school-age children only, as well as the gap between availability and need for care.

	Infants		Preschool		School-Age	
	FCC	Center	FCC	Center	FCC	Center*
Number of Spaces	4,547	1,646	7,638	32,408	6,001	6,876+14,322
Number of Gap Between Capacity and Need**	+1,052	-4,805	+3,486	-6,743	+1,485	-4,559

* Capacity number includes both licensed and license-exempt spaces.

** For complete breakdown of numbers and calculations, go to: <http://gismap.co.la.ca.us.childcare>

As in other SPAs, SPA 2 has a general surplus of family child care homes, although this will vary when looking at specific communities. Of all the zip codes areas in SPA 2, two-thirds (2/3) appear to have a surplus, and one-third (1/3) has a shortage of family child care. There is a shortage of center-based care (16,000+ spaces) across all age groups. Even if all the available FCC spaces were utilized, there would still be a substantial shortage of center-based spaces (6,000+). When we compare licensed capacity and license-exempt, school-based center capacity to overall need, the results are:

Age Group	Infants	Preschool	School-age
Percent of Capacity Compared to Need	23%	68%	22%
Space: Child Ratio	1:4	7:10	1:5

It is clear that the availability of infant and school-age care options is limited when compared to the numbers of children in the market for child care. A higher percentage of the children in these age groups currently tend to use license-exempt, kith and kin; but lack of availability of licensed or school-based options could be a reason for this. Preschool capacity is closer to matching the estimated need. However, the capacity numbers include part-day preschool programs such as State Preschool and Head Start.

School-Age Care

Generally speaking, there are, in areas with high population, school-age programs on public school sites. However, the availability of on-site, after-school programs in northwest areas of the San Fernando Valley and portions of the Santa Clarita Valley, are insufficient despite sizeable populations of school-age children. On the other hand, it appears that one-third (1/3) of all zip code areas in SPA 2 have a surplus of license-exempt, school-based center programs; while two-thirds (2/3) show a shortage of license-exempt center-based school-age care. Despite the surplus of school-age care in neighboring communities, it cannot be applied to the shortages. Unlike care for infants and preschoolers, care for school-age children needs to be close to the school sites to accommodate school schedules and to minimize transportation needs.

Implications for Universal Preschool

Despite the huge numbers of preschool spaces, there are some areas that will need intensive development to meet the demand for preschool for four-year-old children envisioned in the efforts to create a universal system of preschool currently underway. At least 23 zip codes in SPA 2 will fall short by 300 to 1,500+ spaces in serving all four year olds, given the current supply of licensed center and family child care spaces. Included in these areas are the “hot zones” for facility development designated by LAUP.

Household Income and Affordability

According to data provided by the Planning Council’s web site, at least 35.5 percent of families with children have annual incomes that are less than \$35,000 per year. This is approximately equal to 75 percent of SMI for a family of three, and is the eligibility cap for State-funded child care and development services. Of all children 0-17 years of age in SPA 2, a total of 18.2 percent are living in poverty. In terms of the need for subsidized care, 43 of the 76 zip code areas in SPA 2 have sufficient numbers of children in qualifying families to justify the creation of additional subsidized care. These areas are considered first priority areas for the development of new subsidized child care. As of January 2005, there were 7,553 children of all ages in SPA 2, registered on the CEL waiting for financial support to pay for child care services.

SPA 3 - San Gabriel Valley

SPA 3 has the second largest resident child population of any of the eight SPAs, with approximately 354,000 children between the ages of 0 and 12 years. Of these children, 50 percent have parents who are in the workforce and are likely to need child care services. The following table indicates the current capacity in licensed FCC and center-based, and in license-exempt school-based programs for school-age children, as well as the gap between availability and need for care.

	Infants		Preschool		School-Age	
	FCC	Center	FCC	Center	FCC	Center*
Number of Spaces	3,992	1,780	6,706	28,956	5,280	7,571+9,175
Number of Gap Between Capacity and Need**	+892	-3,942	+3,486	-5,805	+1,264	-6,154

* Capacity number includes both licensed and license-exempt spaces.

** For complete breakdown of numbers and calculations, go to: <http://qismap.co.la.ca.us.childcare>.

As in other SPAs, SPA 3 has a small surplus of Family Child Care Homes in some areas, although this will vary when looking at specific communities. At the same time, there is a shortage of center-based care (15,901 spaces across all age groups). Even if all the FCC spaces were utilized, there would still be a substantial shortage of center-based spaces (10,000+). This is a greater gap proportionally, than the gap in care in SPA 2. When we compare licensed capacity and license-exempt, school-based center capacity for school-age only to overall need, the results are:

Age Group	Infants	Preschool	School-Age
Percent of Capacity Compared to Need	24%	66%	20%
Space: Child Ratio	1:4	7:10	1:5

The gap between what is needed and what is available is more pronounced for infants and school-age children. A higher percentage of the children in these age groups tend to use license-exempt, kith and kin care, currently, which explains some of the disparity. However, it is unclear how many more of these families would choose/use licensed care or license-exempt centers for school-age children, if such settings were more available. The disparity between licensed and license-exempt, center-based options and child care need, is a reflection of what exists now, as compared to what parents would like to have available. Preschool capacity is closer to matching estimated need. However, the capacity numbers include part-day preschool programs such as State Preschool and Head Start. SPA 3 has the highest percentage of part-day preschool programs and spaces of any SPA.

School-Age Care

Generally speaking, in areas with a large school-age population, there are school-age programs on public school sites. However, in 17 zip codes areas there are substantial shortages of center-based care for school-age children and little surplus in family child care to compensate. These areas include the communities of Azusa, Covina, El Monte, South El Monte, La Puente, Hacienda Heights, La Verne, Monterey Park, Diamond Bar, Pomona, Phillips Ranch, Rosemead, San Gabriel, West Covina, and Temple City. In some cases, there is a surplus of school-age care in neighboring communities. However, unlike care for infants and preschoolers, care for school-age children needs to be close to the school sites to accommodate school schedules and to minimize the need for transportation.

Implications for Universal Preschool

Despite the huge numbers of preschool spaces, there are some areas that will need intensive development to meet the demand for preschool for four-year-old children envisioned in the efforts to create a universal system of preschool currently underway. At least 23 zip codes in SPA 3 will fall short by 300 to 1,300+ spaces in serving all four year olds, given the current supply of licensed center and family child care spaces. Included in this list are the “hot zones” for facility development designated by LAUP.

Household Income and Affordability

According to data provided by the Planning Council’s web site, at least 35.3 percent of families with children have annual incomes that are less than \$35,000 per year. This is approximately equal to 75 percent of SMI for a family of three, and is the eligibility cap for State-funded child care and development services. Of all children 0-17 years of age in SPA 3, a total of 18.7 percent are living in poverty. In terms of the need for subsidized care, 42 of the 49 zip codes in SPA 3 have sufficient numbers of children in qualifying families to justify the creation of additional subsidized care. These areas are considered first priority areas for the development of new subsidized child care. As of January 2005, there were 2,563 children of all ages in SPA 2, registered on the CEL waiting for financial support to pay for child care services.

SPA 4 - Metro (Central Los Angeles County)

Geographically the smallest, SPA 4 has a resident child population of approximately 213,274 children between the ages of 0 and 12 years. Of these children, 42 percent have parents who are in the workforce and are likely to need child care services. The following table indicates the current capacity in licensed family child care and centers, and in license-exempt, school-based programs, as well as the gap between availability and need for care.

	Infants		Preschool		School-Age	
	FCC	Center	FCC	Center	FCC	Center*
Number of Spaces	1,754	927	2,946	14,427	2,261	1,986+11,350
Number of Gap Between Capacity and Need**	+89	-2,145	+900	-4,860	+376	+2,591

* Capacity number includes both licensed and license-exempt spaces.

** For complete breakdown of numbers and calculations, go to: <http://qismap.co.la.ca.us.childcare>.

While SPA 4, as a whole, has a surplus of family child care, the surplus is so small as to be insignificant when looking at the child population, particularly for infants. As in other SPAs, there is a shortage of center-based care (7,000+ spaces), but only for infants and preschool-age children. There appears to be a surplus of licensed and license-exempt center care options for school-age children. That is not to say that these spaces are not used or may not be used in the future. However, as compared to infant and preschool care, there is no shortfall. Even if all the FCC spaces were utilized, there would still be a substantial shortage of center-based spaces (6,000+) for infants and preschool-age children.

When we compare licensed capacity and license-exempt, school-based center capacity, for school-age only, to overall need, the results are:

Age Group	Infants	Preschool	School-Age
Percent of Capacity Compared to Need	21%	59%	31%
Space: Child Ratio	1:5	3:5	3:10

Here, the apparent surplus in school-age care shows up in the lower ratio of spaces to children (3:10). This is a better ratio than in most other SPAs; however, it is still half of what is potentially needed. The gap between what is needed and what is available is more pronounced for infants (1:5). The preschool capacity ratio is lower in SPA 4 (3:5) than in most other SPAS. However, this ratio includes part-day State Preschool and Head Start spaces which do not meet families' needs for full-day care, or for multiple-age children.

School-Age Care

Generally speaking, there is good availability of care for the school-age population whose families are looking for licensed care or license-exempt school-site programs. However, there are a few communities that lack sufficient center-based school-age care: Atwater, a portion of Hollywood (East); Eagle Rock; Highland Park; and West Lake. These areas have even small shortages of FCC. In some cases, there is a surplus of school-age care in neighboring communities. However, unlike care for infants and preschoolers, care for school-age children needs to be close to the school sites to accommodate school schedules and to minimize transportation needs.

Implications for Universal Preschool

Despite the large number of preschool spaces, there are some areas that will need intensive development to meet the demand for preschool for four-year-old children, envisioned in the efforts to create a universal system of preschool currently underway. At least 18 zip codes in SPA 4 will fall short by 300 to 1,000+ spaces in serving all four-year-olds, given the current supply of licensed center and family child care spaces. Included in this list is Highland Park, one of the “facility hot zones” as defined by LAUP.

Household Income and Affordability

According to data provided by the Planning Council's web site, nearly 64 percent of families with children have annual incomes that are less than \$35,000 per year. This is approximately equal to 75 percent of SMI for a family of three, and is the eligibility cap for State-funded child care and development. Of all children 0-17 years of age in SPA 4, a total of 36.6 percent are living in poverty. This area has a greater need for subsidy, given the income levels of families, despite the fact that the overall population is smaller than in other SPAs. There are sufficient numbers of children in qualifying families in 24 of the 42 zip codes in SPA 4, to justify the creation of additional subsidized child care. These areas are considered first priority areas for the development of new subsidized child care. As of January 2005, there were 5,160 children of all ages in SPA 4, registered on the CEL waiting for financial support to pay for child care services.

SPA 5 - West

SPA 5 has a resident child population of approximately 76,837 children between the ages of 0 and 12 years. Of these, 53% have parents who are in the workforce and are likely to need child care services. This is the highest percent of workforce participation of any of the SPAs. The following table indicates the current capacity in licensed family child care and center, and license-exempt, school-based programs, as well as the gap between availability and need for care.

	Infants		Preschool		School-Age	
	FCC	Center	FCC	Center	FCC	Center*
Number of Spaces	806	435	1,354	10,406	1,141	2,580+2,271
Number of Gap Between Capacity and Need**	+29	-999	+518	+2,525	+220	-250

* Capacity number includes both licensed and license-exempt spaces.

* For complete breakdown of numbers and calculations, go to: <http://qismap.co.la.ca.us.childcare>.

While SPA 5, as a whole, has a surplus of family child care, the surplus is so small as to be insignificant when looking at the child population, particularly for infants. There is a shortage of center-based care (1,200+ spaces) primarily for infants. In this SPA, there appears to be a surplus of preschool-age care in both family child care and in licensed centers. One factor to be considered for specific communities in SPA 5 is that many people commute to work to communities such as Santa Monica and Westwood. These commuters often use the child care available to them near work. This implies that the 0-5 population needing care could be larger than the resident population alone. When we compare licensed capacity and exempt, center-based capacity school-age to overall need, the results are:

Age Group	Infants	Preschool	School-Age
Percent of Capacity Compared to Need	49%	98%	25%
Space: Child Ratio	1:2	1:1	1:4

Here, the biggest disparity between overall need and care occurs with the school-age group. While research data indicate that 75 percent of working families with school-age children appear to be using kith and kin options, this figure represents a snap shot of what is currently happening. It is possible that more families would use a licensed option or a center-based school-age program if these were more available. SPA 5, overall, has the lowest capacity-to-need ratios for children ages 0-5: One space for every two infants as opposed to one space for every four or five infants, as in other SPAs; and a one to one ratio for preschool-age children.

School-Age Care

Generally speaking, there is good availability of care for the school-age population whose families are looking for licensed care or licensed-exempt school-site programs. However, there are a few communities (zip codes 90034 and 90066) which lack sufficient center-based school-age care. Even the small surpluses in family child care would not erase the shortfalls in these areas. In addition, some areas of Beverly Hills show shortages of both after-school care and family child care spaces for school-age children. The numbers are not huge, but pervasive across the types of care. In some cases, there is a surplus of school-age care in neighboring communities. However, unlike care for infants and preschoolers, care for school-age children needs to be close to school sites to accommodate school schedules and to minimize transportation needs.

Implications for Universal Preschool

Despite the large number of preschool spaces, there are three (3) areas that will need more development to meet the demand for preschool for four-year-old children, envisioned in the efforts to create a universal system of preschool currently underway. Zip codes 90034, 90045, and 90066 all have potential shortages of 300 to 400+ spaces to serve four-year-olds, given the current supply of licensed center and family child care spaces.

Household Income and Affordability

According to data provided by the Planning Council's web site, nearly 26 percent of families with children have annual incomes that are less than \$35,000 per year. This is approximately equal to 75 percent of SMI for a family of three, and is the eligibility cap for State-funded child care and development. Of all children 0-17 years of age in SPA 5, a total of 13.9 percent are living in poverty. In terms of the need for subsidized care, only 9 of 34 zip codes in SPA 5 have sufficient numbers of children in qualifying families to justify the creation of additional subsidized care, including zip codes 90034, 90045, and 90066. These areas are considered first priority areas for the development of new subsidized child care. As of January 2005, there were a total of 1,411 children of all ages in SPA 5, registered on the CEL waiting for financial support to pay for child care services.

SPA 6 - South

SPA 6 has a resident child population of approximately 267,527 children between the ages of 0 and 12 years. Of these children, 41.7 percent have parents who are in the workforce and are likely to need child care services. This is one of the lowest rates of working families among all SPAs, and is reflected in the percentages of low-income families (see Household Income). The following table indicates the current capacity in licensed FCC and centers and in license-exempt, school-based programs, as well as the gap between availability and need for care:

	Infants		Preschool		School-Age	
	FCC	Center	FCC	Center	FCC	Center*
Number of Spaces	5,297	665	8,899	16,604	7,609	2,682+10,795
Number of Gap Between Capacity and Need**	+3,329	-2,968	+6,639	-5,247	+5,187	-336

* *Capacity number includes both licensed and license-exempt spaces.*

** *For complete breakdown of numbers and calculations, go to: <http://gismap.co.la.ca.us.childcare>.*

SPA 6 has the greatest surplus in family child care spaces with an overall surplus of 15,000 spaces. There is a shortage of center-based care (8,000+ spaces), particularly for infants and preschool-age children. When we compare licensed capacity (FCC and center) and license-exempt, center-based capacity for school-age to the overall need, the results are:

Age Group	Infants	Preschool	School-age
Percent of Capacity Compared to Need	39%	79%	32%
Space: Child	2:5	4:5	3:10

All of these capacity percentages are higher than the Countywide average, and they reflect the amount of capacity development that has taken place over that last ten years, primarily in the subsidized sector. The high numbers of family child care providers are a reflection of initiatives to create home businesses for low-income women in the wake of welfare reform. However, in this SPA, the family child care market is clearly saturated. The only area to have a family child care shortfall is zip code 90058, Vernon. However, the numbers are very small (i.e., 8 for preschool-age children); and actual demand for family child care is probably met easily in surrounding neighborhoods.

While nearly two out of five infants can be accommodated by current licensed capacity, the fact that parents are not choosing to use family child care over license-exempt options has contributed to the large surplus of family child care providers. Altering public perception about the viability of family child care as an alternative to center-based and license-exempt care options could assist in better utilization of this resource for SPA 6. Again, income should be factored into an understanding of the current situation in SPA 6, since the lower the household income, the more dependent the family is on child care subsidies. If subsidies are not available, then families do not purchase licensed, market rate child care.

School-Age Care

Generally speaking, there is good availability of care for the school-age population whose families are looking for licensed care or license-exempt school-site programs. The supply ratio of school-age is lower than in other SPAs (except SPA 4), with nearly three out of ten children able to access a licensed option (family child care or center) or a license-exempt school-based program. However, there are a few communities (Compton, Lynwood, and Paramount) that have sizeable gaps between need and capacity. It may be advisable to help family child care providers focus on this age group in those communities, although cost of care will be a factor unless more families can access subsidies.

Implications for Universal Preschool

Despite the large number of preschool spaces, more than half of the zip codes (17) are areas that will need more development to meet the demand for preschool for four-year-olds envisioned in the efforts to create a universal system of preschool currently underway. These communities have potential shortfalls of between 300 and 2,000 spaces to serve four-year-olds, given the current supply of licensed center and family child care spaces. Three of the zip codes are on the LAUP “hot zone” list and include: Los Angeles (90011), Paramount, and Lynwood.

Household Income and Affordability

According to data provided by the Planning Council’s web site, over 64 percent of families with children have annual incomes that are less than \$35,000 per year. This is approximately equal to 75 percent of SMI for a family of three, and is the eligibility cap for State-funded child care and development services. This is the largest percent of low-income families among all the SPAs. Of all children 0-17 years of age in SPA 6, a total of 40.4 percent are living in poverty. This too, is the highest percent among all SPAs. In terms of the need for subsidized care, 80 percent of all zip codes in SPA 6 have sufficient numbers of children in qualifying families to justify the creation of additional subsidized care. These areas are considered first priority areas for the development of new subsidized child care. As of January 2005, there were 7,152 children of all ages in SPA 6, registered on the CEL waiting for financial support to pay for child care services.

SPA 7 - East

SPA 7 has a resident child population of approximately 305,120 children between the ages of 0 and 12 years. Of these children, 47 percent have parents who are in the workforce and are likely to need child care services. The following table indicates the current capacity in licensed FCC and centers and in license-exempt school-based programs, as well as the gap between availability and need for care:

	Infants		Preschool		School-Age	
	FCC	Center	FCC	Center	FCC	Center*
Number of Spaces	3,367	592	5,656	15,753	4,444	2,888+7,429
Number of Gap Between Capacity and Need**	+773	-4,196	+2,562	-13,419	+1,326	-7,465

* Capacity number includes both licensed and license-exempt spaces.

** For complete breakdown of numbers and calculations, go to: <http://gismap.co.la.ca.us.childcare>.

SPA 7, as a whole, has a surplus of family child care. The shortage of center-based care (24,000+ spaces) is substantial across all age groups. When we compare licensed capacity and license-exempt, school-based center capacity (school-age) to the overall need, the results are:

Age Group	Infants	Preschool	School-age
Percent of Capacity Compared to Need	20%	48%	18%
Space: Child Ratio	1:5	1:2	1:5

Across all age groups, SPA 7 has the least amount of care for the number of children likely to need child care and development services. SPA 7 has the highest capacity-to-need ratios. Only one in five children (infants and school-age) has access to a licensed space or to a license-exempt, school-based program space. For preschoolers, only one in two has access, compared to three out of five in several other SPAs. The biggest disparity between overall need and capacity is with the school-age group. Capacity development is imperative in this area of the County.

School-Age Care

Countywide, 75 percent of families of school-age children appear to be using kith and kin care options. However, the 18 percent figure in the chart above is even lower than in other SPAs, which may indicate that higher numbers of children are using exempt kith and kin options or self care. These figures represent a snapshot of what is currently happening. It is possible that more families would use a licensed option or a center-based (license-exempt) school-age program if these options were more available.

The areas with the most severe shortages of licensed or license-exempt school-based care for school-age children are: Bell/Bell Gardens, South Downey, Huntington Park, South Gate, South Whittier, Santa Fe Springs, Commerce, Montebello, and Bellflower. In these communities, the unmet need ranges from 300 to 900+ spaces. There may be small surpluses of family child care in these communities, but not nearly enough to make up the shortages.

Implications for Universal Preschool

There are 19 zip codes that need more capacity development to meet the demand for preschool for four-year-olds, envisioned in the efforts to create a universal system of preschool currently underway. These areas all have potential shortages of 300 to 1,800+ spaces to serve four-year-olds, given the current supply of licensed center and family child care spaces. The most severe potential shortfalls appear to be in Bell/Bell Gardens, East Los Angeles (90022), Huntington Park, South Gate, Bellflower, and Norwalk. Most of these communities are also listed as facility “hot zones” for LAUP.

Household Income and Affordability

According to data provided by the Planning Council’s web site, nearly 42.9 percent of families with children have annual incomes that are less than \$35,000 per year. This is approximately equal to 75 percent of SMI for a family of three, and is the eligibility cap for State-funded child care and development. Of all children 0-17 years of age in SPA 7, a total of 21.5 percent are living in poverty. In terms of the need for subsidized care, 85 percent of all zip code areas in SPA 7 have sufficient numbers of children in qualifying families to justify the creation of additional subsidized care. The same zip codes that lack licensed care options or center-based exempt care for school-age children fall into these high-need areas. The inability of so many families to afford market-rate child care may explain the lack of development of care options. These areas are considered first priority areas for the development of new subsidized child care. As of January 2005, there were 2,530 children of all ages in SPA 7, registered on the CEL waiting for financial support to pay for child care services.

SPA 8 - South Bay/Harbor

SPA 8 has a resident child population of approximately 314,760 children between the ages of 0 and 12 years. Of these children, 50 percent have parents who are in the workforce and are likely to need child care services. The following table indicates the current capacity in licensed FCC and centers, and in license-exempt, school-based programs (school-age only), as well as the gap between availability and need for care.

	Infants		Preschool		School-Age	
	FCC	Center	FCC	Center	FCC	Center*
Number of Spaces	5,350	1,674	8,988	24,514	6,437	6,373+6,874
Number of Gap Between Capacity and Need**	+2,513	-3,564	+5,539	-8,004	+3,010	-6,298

* Capacity number includes both licensed and license-exempt spaces.

** For complete breakdown of numbers and calculations, go to: <http://qismap.co.la.ca.us.childcare>.

SPA 8, as a whole, has a surplus of family child care. However, there are a few communities that appear to have a greater surplus: North Long Beach, Carson, Los Angeles (90047), Inglewood, Hawthorne, and Gardena. The shortage of center-based care (17,000+ spaces) is substantial across all age groups. When licensed capacity and license-exempt center-based capacity (school-age) is compared to the overall need, the results are:

Age Group	Infants	Preschool	School-Age
Percent of Capacity Compared to Need	32%	68%	21%
Space: Child Ratio	1:3	7:10	1:5

The biggest disparity between overall need and licensed or license-exempt school-based capacity is with the school-age group. In SPA 8, nearly 7 in 10 preschool-age children have access to a licensed care option. The ratio of 1 to 3 for licensed spaces to number of infants is better than some other SPAs, which generally have a space to infant ratio of 1 to 4 or 5.

School-Age Care

Countywide, 75 percent of families with school-age children appear to be using license-exempt kith and kin options. The 21 percent figure in the chart above represents a snapshot of what is currently happening related to use of licensed or license-exempt, school-based options. It is possible that more families would use a licensed option or a center-based (license-exempt) school-age program if these options were more available. The areas with the most severe shortages of licensed or license-exempt, center-based care for school-age children are: Long Beach (90805, 90806, and 90813); Rancho Palos Verdes; sections of Torrance; Carson; Hawthorne; Lawndale; and Gardena. In these communities, the unmet need ranges from 300 to 1,100+ spaces. There may be small surpluses of family child care in these communities, but not nearly enough to make up the shortages.

Implications for Universal Preschool

Despite the large number of preschool spaces, there are 20 zip codes that need more development to meet the demand for preschool for four-year-olds envisioned in the efforts to create a universal system of preschool currently underway. These areas all have potential shortages of 300 to 1,400+ spaces to serve four-year-olds, given the current supply of licensed center and FCC spaces. The most severe potential shortfalls appear to be in North and West Long Beach, Wilmington, Carson, Gardena, Hawthorne, Lawndale, Harbor City, parts of Torrance, San Pedro, and Los Angeles (90044). Several of these communities are also listed as facility “hot zones” for LAUP.

Household Income and Affordability

According to data provided by the Planning Council’s web site, 43.8 percent of families with children have annual incomes that are less than \$35,000 per year. This amount is approximately equal to 75 percent of SMI for a family of three, and is the eligibility cap for State-funded child care and development services. Of all children 0-17 years of age in SPA 8, a total of 25 percent are living in poverty. In terms of the need for subsidized care, 30 zip codes in SPA 8 have sufficient numbers of children in qualifying families to justify the creation of additional subsidized care. Many of the same zip codes that lack licensed care options or center-based, exempt care for school-age children fall into these low-income areas. The inability of families to afford market-rate child care may explain the lack of development of care options. These areas are considered first priority areas for the development of new subsidized child care. As of January 2005, there were 7,559 children of all ages in SPA 8 registered on CEL waiting for financial support to pay for child care services.

E. CAPACITY DEVELOPMENT IN RELATION TO AFFORDABILITY

There are thousands of families in the County of Los Angeles whose incomes are insufficient to cover the cost of market-rate child care. On the Countywide eligibility list, CEL, there are over 23,000 families and more than 33,000 children registered and waiting for some type of subsidized child care program. Substantial numbers of families earn less than 75 percent of the SMI, which is the income limit to be eligible for subsidized care; and an average of one (1) in four (4) children lives in poverty in the County of Los Angeles. Most of these children are in working families. From these families, 97,669 children from ages 0-13 are enrolled in some form of subsidized care, including State Preschool, according to the 2004 report from the California Department of Education, Child Development Division.

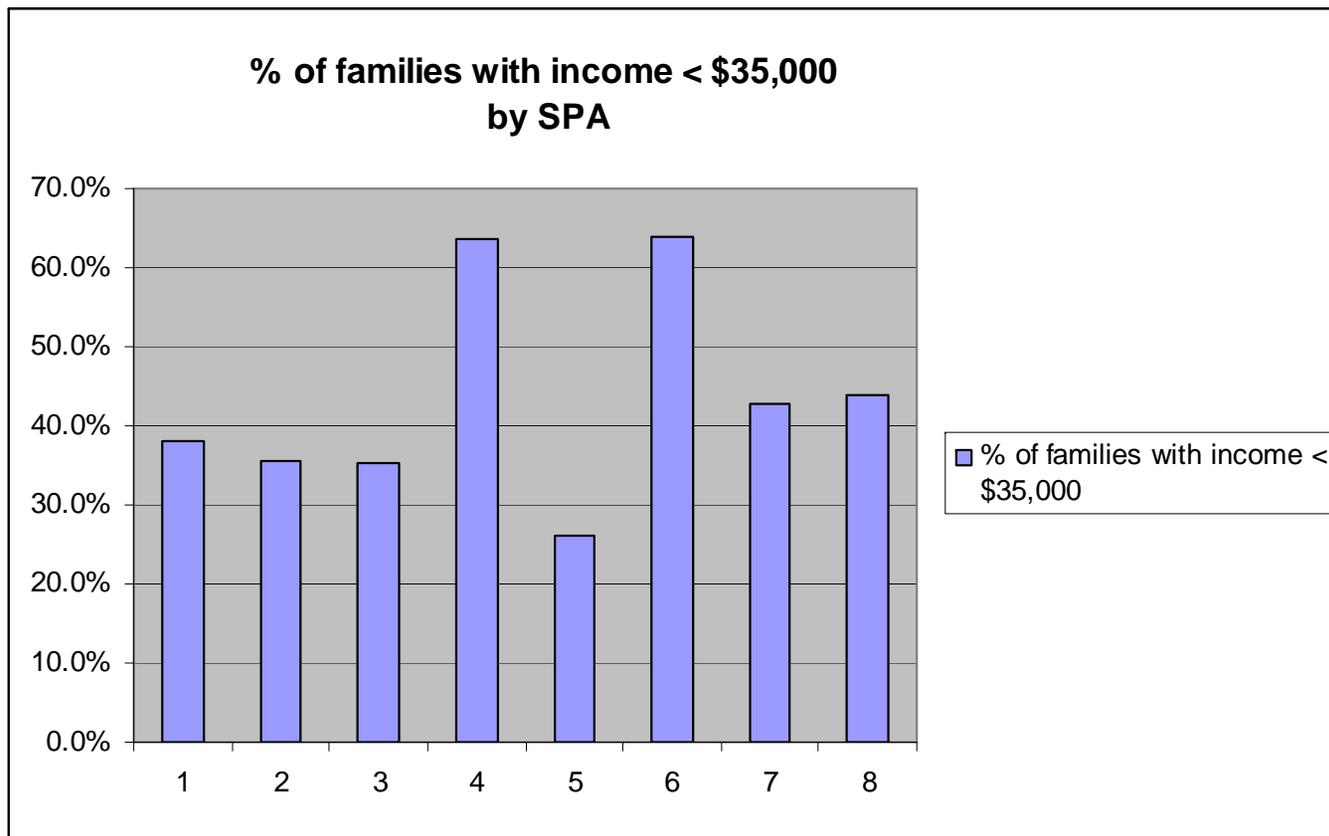
The following table provides a comparison of several factors related to need for subsidized child care. The second column presents a summary number in terms of the overall child care supply (all types) without regard to cost or quality. It is interesting to note that there are only two (2) SPAs that have an overall surplus in child care spaces: SPA 5 and SPA 6. SPA 5 has the highest percent of families in the workforce, and has the fewest families with incomes less than \$35,000 per year. SPA 6 on the other hand, has the most families with very low incomes, and the smallest percentage of families in the workforce. In the case of SPA 5, the apparently higher supply of care is due primarily to market forces in which families that have a need, and can pay for care, have created sufficient demand to facilitate the development of many care options without requiring a subsidy to cover the cost. In the case of SPA 6, the high supply numbers are due to the following factors: the creation of hundreds of licensed family child care homes in response to welfare reform (many of which are operating with vacancies); and the influx of government funds over the last 20 years to create many subsidized centers and programs.

SPA	Overall Shortfall or Surplus of Care (all ages)	Percent of Families with Annual Income < \$35,000	Percent of Children at or Below Poverty Level	Number of Children Registered on CEL*
1	-1,741	38.0%	20.8%	2,235
2	-10,084	35.5%	18.2%	7,394
3	-10,259	35.3%	18.7%	2,318
4	-8,231	63.7%	36.6%	7,448
5	2,043	26.0%	13.9%	1,239
6	6,604	64.0%	40.4%	7,225
7	-20,419	42.9%	21.5%	2,123
8	-6,804	43.8%	25.0%	3,645

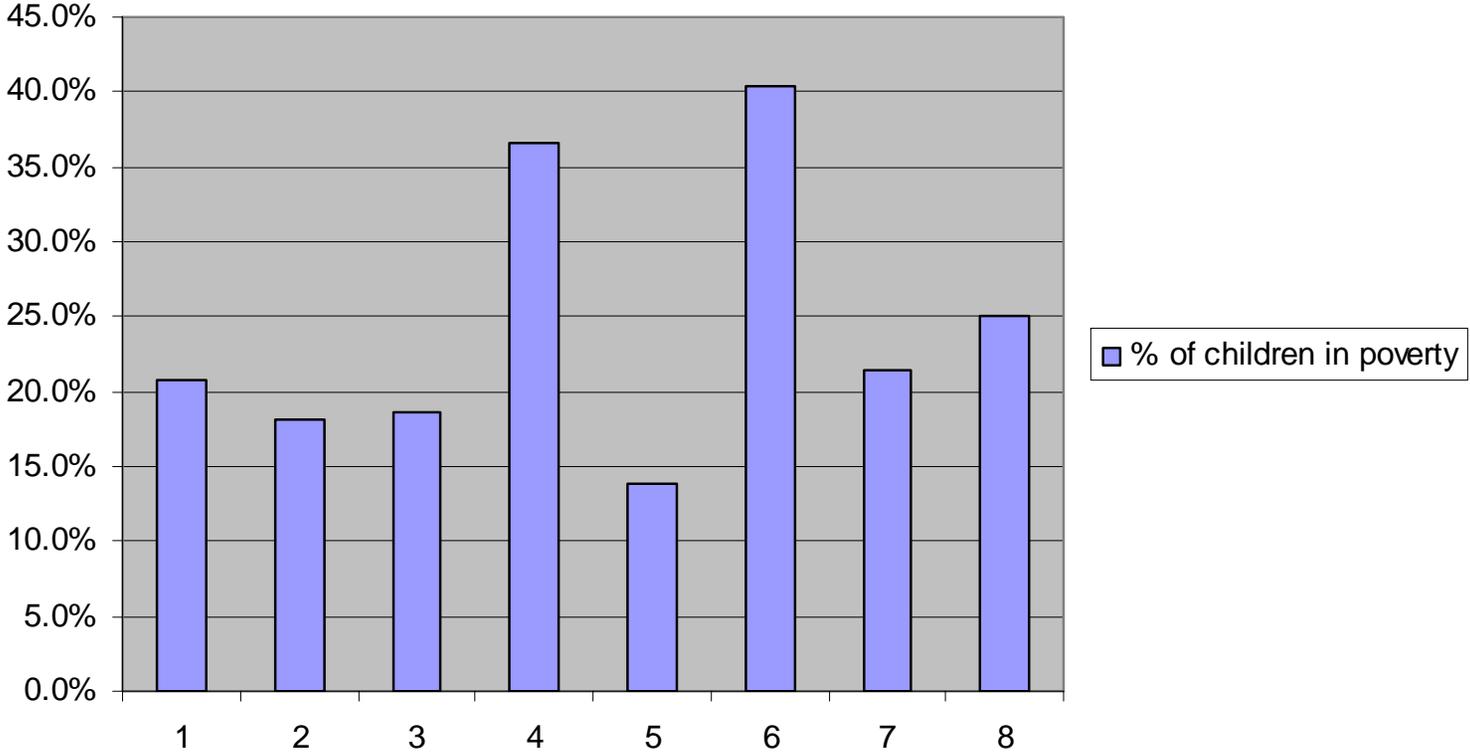
* CEL: Centralized Eligibility List

The differences between SPA 5 and SPA 6 are further confirmed by the number of children on CEL. SPA 5 has the fewest and SPA 6 has the second highest. In general, the SPAs with higher rates of low-income families will display larger capacity shortfalls relative to population size as illustrated by SPA 4. In SPA 4, there is a capacity shortfall only a little less than the two most populous SPAs (2 and 3), and SPA 4 falls just below SPA 6 in terms of the number of low-income families. SPA 4 has the highest number of families on CEL, as of April 2005. Developing more care for SPA 4 will be very difficult without additional public funding to underwrite the cost of the care. SPA 7 is another area where capacity development must be coupled with operating subsidies, since four (4) out of every ten (10) children live in a household earning less than 75 percent of the SMI.

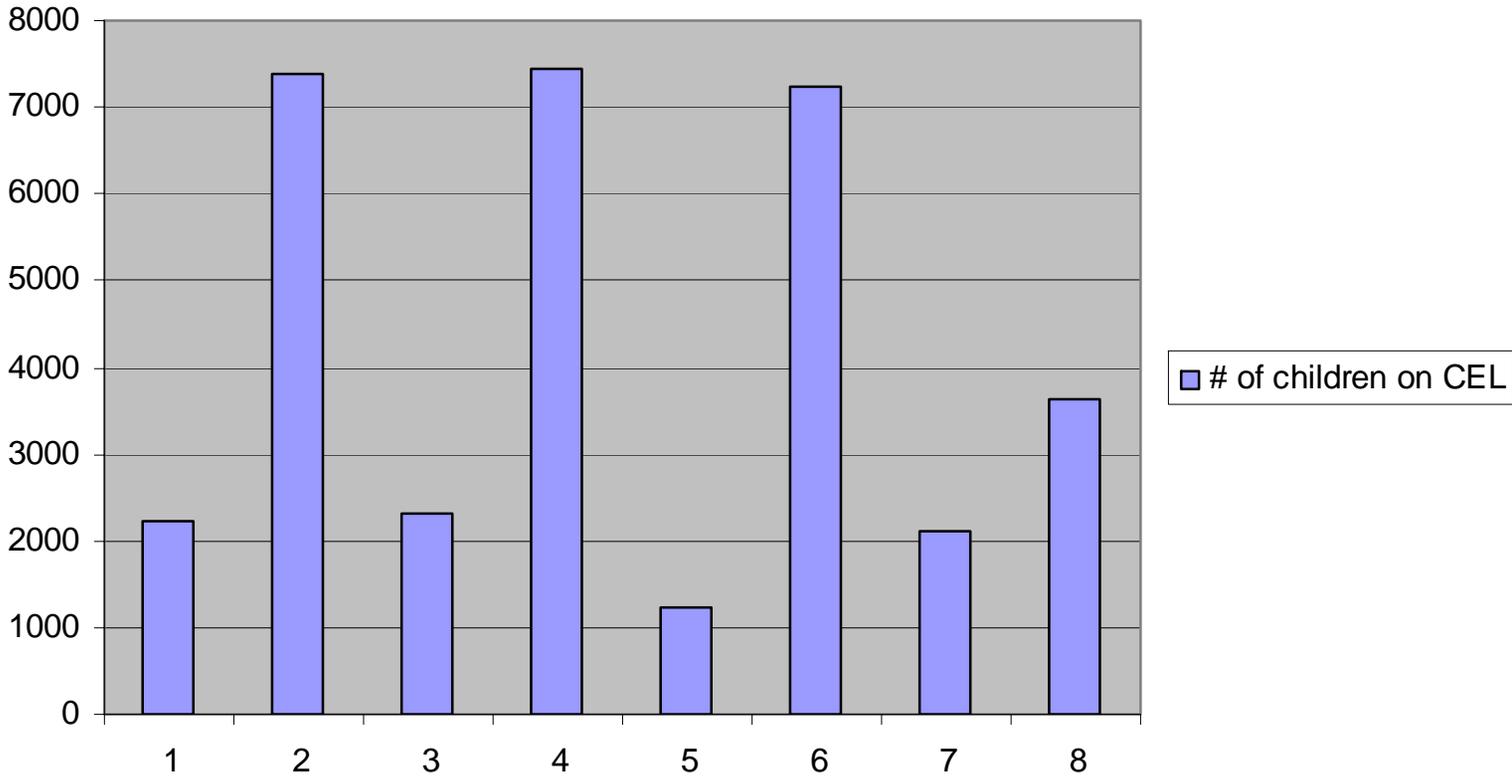
The following charts illustrate more graphically the differences related to income and need for subsidy:



% of children in poverty by SPA



of children on CEL by SPA



F. CONCLUSION

The Planning Committee is pleased to offer this report, its recommendations, and the aforementioned web site (<http://gismap.co.la.ca.us/childcare>), as an important tool to facilitate continued building of the child care and development infrastructure for the County of Los Angeles.

While there are still large shortfalls in the availability of child care throughout the County of Los Angeles, capacity development must be thoughtfully planned and must take into consideration other factors besides land use and capital costs.

For the most part, there are unique conditions in every corner of the County that demand careful review before engaging in capacity building efforts. Where are the surpluses and shortfalls, and in what type of care? Family child care development should not be promoted as the capacity “gap-filler” without looking carefully at current or potential surpluses, which serve to undermine the viability of these fragile home businesses. What efforts are underway at local elementary schools, related to school-age care that may impact the development of community-based alternatives?

Most importantly, what is the picture of family incomes for the area under consideration? With an average of four (4) out of every ten (10) children in low-income households across the County, the issue of operating revenues can not be underestimated. Development in some of the areas most lacking in child care options cannot proceed successfully unless there is greater financial support from public sources to ensure that families needing care can afford it.

The staff of the Office of Child Care and the Planning Committee encourage your questions and comments, and can be reached at:

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