The Child Care Gap in Lake City

EDAM Conference, June 2017
Family child care centers can care for up to 14 children depending on the license type and are licensed by the county.
- The maximum number of infants (under 12 mos) that a family provider can care for is 2 unless there are two providers present then the limit is 3.

Child care centers can care for up to 99 children, depending on the license type and are licensed by the State.
- Lake City has 15 family child care providers and no child care centers.
Lake City Context

- **About Lake City**
  - On Lake Pepin, 1.25 hours from MSP; 35 minutes from Rochester
  - 5,000 residents, no growth in past 10 years
  - Straddle Goodhue and Wabasha Counties

- **Lake City financially healthy**
  - Owns and operates Marina and Utility

- **Employment**
  - 25% of jobs are in manufacturing
  - Many jobs visitor oriented
  - 1,900 commuters to Lake City for work
  - 950 live and work in Lake City
  - 1,200 residents work elsewhere
  - Estimated 80 job openings

- **EDA Director started job June 2016**
Anecdote or Analysis?

The Child Care Gap in Lake City
Winter 2016/2017

The Child Care Gap in Lake City Employee Survey Responses
Updated April 2017
The numbers: child care by county

MN CENTER FOR RURAL POLICY AND DEVELOPMENT

- State-wide data on child care providers and spaces by county
- Trends since 2006
- www.ruralmn.org
The numbers: employment

**DEED REGIONAL LABOR MARKET ANALYSIS**

- DEED Labor Market Information Office Economic Development Region 10; 2015 Regional Profile
- [www.mndeed.com](http://www.mndeed.com)

**Why does it matter? We need workers.**

- Unemployment in Southeast Minnesota is very low.
  - In November of 2016 Goodhue County unemployment was 3% and Wabasha County unemployment was 2.7%
  - For every 1.0 job openings, there are only 1.1 job seekers.
  - Many Lake City employers report challenges finding workers to fill openings.

Source: DEED Regional Labor Market Analysis; DEED Labor Market Information Office Economic Development Region 10, 2015 Regional Profile; Interviews Lake City EDA
The numbers: commuting

U.S. CENSUS ON THE MAP

- Telling the area story, not just Lake City
- [https://onthemap.ces.census.gov](https://onthemap.ces.census.gov)
- Using your zip code or City name commuting patterns are available
- 2014 most recent data
The numbers: potential employees

DEED QUARTERLY CENSUS OF EMPLOYMENT AND WAGES

- To estimate number of job openings go to https://mn.gov/deed/data/data-tools/qcew/
- For individuals not in the workforce with children under 18 use American Fact Finder Table S2302
The numbers: two parents in the workforce

U.S. CENSUS AMERICAN FACT FINDER

- Google US Census American Fact Finder
- Use Fact Finder Advanced Search
- Employment Characteristics, Table S2302

Most two parent families participate in the workforce

Data for families with children under 18

Source: Table S2302 US Census, 2011-2015 American Communities Survey; Note: Goodhue and Wabasha County average 77%
The numbers: our gap

CHILD CARE PROVIDER TELEPHONE SURVEY

- Estimate numbers of children under 5 with data on births: [www.health.state.mn.us/divs/chs/countytables](http://www.health.state.mn.us/divs/chs/countytables)
- Multiply that figure by your percent two-working families to estimate demand (previous slide)
- Compare your demand to capacity either with data from MN Center for Rural Policy and Development or your own figures
  - Lake City figures from child care provider survey – next slides
The numbers: our child care providers

MINNESOTA DEPARTMENT OF HEALTH

- http://licensinglookup.dhs.state.mn.us/
- Contacted 13 of the 15 in home child care providers by letter; called the following week
The numbers: our child care capacity

TELEPHONE SURVEY LAKE CITY CHILD CARE PROVIDERS

- Sent letter to each licensed provider with list of questions and telling them I would be calling
- Spoke to 13 of our 15 licensed family child care providers
  - Note: providers may be licensed for more children than they accept

Questions for local child care providers

- How many children do you care for today? How many infants do you take?
- How many families that you serve live in Lake City? How many live somewhere else?
- How many families that you serve work in Lake City?
- Do you have a waiting list? If so, how many children and for what ages?
- Do you plan to stay in business over the next five years?
- Do you think there is a local need for additional child care spaces? If so, what ages?
- Do you have an interest in opening a child care center?
- What are your rates?
- What are your hours?
Telling the story: providers survey

Lake City Providers Say...

Lake City is feeling the pinch: ‘It’s ridiculous!’
- “I just told two mothers that they could go ahead and get pregnant – I would hold a space for their babies. It’s ridiculous!”
- “I posted two openings on FaceBook and had seven calls in 4 hours.”
- “I get calls all the time from parents looking for care.”
- “I’m holding four spaces for babies who aren’t born yet.”
- “I’ve gotten calls from parents who have been looking for care for a year.”
- “I don’t keep a waiting list because I don’t want to manage it, but I get 2 – 3 calls a week looking for care. Especially for infants.”
- “This week (12/20/15), I had calls to find care for babies in starting in August and December of 2017.”

Morning Hours Lake City Child Care

Source: Dec 2016 Lake City EDA Telephone Survey 13/15 registered in home child care providers, St. John’s Learning Center
Gave employee child care survey to five major employers to distribute.
Of approximately 950 employees at these 5 employers, 18% (or 171) are estimated to have children 5 and under.
Achieved a 29 percent response rate to the survey.
Employee survey results: confirmed child care linked to employment

Do you need childcare so you or someone in your family can work?

- Yes: 72%
- No: 28%

Do you know someone who wants to work but cannot because of child care issues?

- Yes: 100%
- No: 0%
Employee survey results: time and money are a challenge

The cost of child care is...

- Reasonably affordable: 38%
- Difficult to meet on my budget: 44%
- Unaffordable: 12%
- Reasonably affordable: 6%

How long did it take for you to find child care?

- 2 weeks - 3 months: 6
- 5 - 6 months: 6
- 8 months: 1
- More than 8 months: 2

Source: Lake City Employee Child Care Survey 2017
Creating understanding of the need in the community

NETWORKING
- Families First
- First Children’s Finance
- Early Childhood and Family Education group
- Wabasha County administrator
- Wabasha County child care licensor
- Goodhue County Administrator, Director of Health & Human Services
- Goodhue County child care licensor
- Child care center operators in Harmony and Red Wing
- Lake City Child Care Association

SPEAKING OPPORTUNITIES
- EDA Board
- Quarterly Large Employer’s luncheon
- City Council
- Goodhue County Commissioners
- Kiwanis
- Rotary
- EDAM Presentation
- UMN Extension
- Article submitted to local paper
- Chamber of Commerce annual meeting
- Lake City Historical Society
ENCOURAGE CAPACITY BUILDING

- **Child Care Center**
  - Partnering with First Children’s Finance create financial pro forma and RFP – what levers can we pull to make this financially feasible?

- **Family Care Licenses**
  - Informational sessions for potential new business owners

GOVERNMENT LEVERS

- State Legislature passed a bill that includes $500,000 in grants (through DEED) to fund child care start-ups, expansions, training, facility modifications or improvements
- Wabasha County has waived the application fee
- Zoning – County licensing permits family child care centers in commercial buildings; but Lake City zoning does not currently allow
- City incentives possible: land or utility support
Questions?