

CHILD CARE INITIATIVE

Quality child care is a key component of a thriving, diverse community. The social benefits of early childhood education have long been recognized and promoted; now, new fiscal and economic benefits have been recently identified. For Arlington to remain competitive as the preeminent place to live, work, and play in the region, a focus on access to quality child care is essential.

How does Arlington create an environment conducive for quality (and affordable) child care facilities? To solve for this question we must: review the supply, including levels of affordability and quality, of child care providers in Arlington; understand the current and future demand; discern barriers to entry; recognize on-going work to address this dearth; and chart a path for actionable solutions.

Child Care Supply in Arlington

As of January 2017, Arlington has a total of 7,421 spaces/slots for children in its various child care facilities. The adjacent chart provides information as to the type of child care, the number of programs and the capacity of each type. It is important to note that a program may have capacity but is unable to fill all of its spaces. Additionally, these numbers account for the known and/or regulated spaces and do not include those offered by neighbors or family members.

Type of Child Care	Number of Providers/Programs	Capacity
Child Care Centers	42	3,468
Cooperative Playgroups	4	85
Parent's Day Out	7	250
Preschools	9	396
Private Schools	6	1,749
Religious Exempt	10	726
Family Day Homes	148	747
TOTAL	226	7,421

As posited above, Arlington must not limit its review of providers to numbers only: quality and affordability are also key elements toward a comprehensive child care approach.

Quality: There are two accreditation programs available to providers in Arlington; however, both are voluntary designations which child care providers may choose to pursue.

- One program is Virginia-centric. The Quality Rating and Improvement System (QRIS) is called Virginia Quality. As of January 1, 2017, there are five Quality rated programs in Arlington – two centers and three family day homes.¹
- The other commonly-used proxy for quality is the National Association for the Education of Young Children (NAEYC) accreditation. As of January 2017, there are six NAEYC-accredited centers in Arlington.²

The low participation levels stem from several contributing factors: the extensive process involved (NAEYC accreditation, for example, is a four-step process that can take two years or more to complete); the overall high demand for *any* child care in Arlington; and the actual lack of any requirement.

¹ [Virginia Quality list](#) for Arlington and additional information on Virginia Quality [here](#).

² [NAEYC-accredited centers in Arlington](#) and additional information about [NAEYC](#)

Affordability: In its child care subsidy programs, the US Department of Health and Human Services has established that in order to be considered “affordable,” families would spend no more than 10% of their gross income on child care. In Arlington, a family of four making \$108,600 (2016 AMI) would have to spend no more than \$10,860 per year or \$905 per month on child care. According to Child Care Aware of America, the annual cost of care for two children (an infant and a 4-year-old) in a Virginia child care center is, on average, \$21,476.³ In Washington, DC, a more comparable metric for Arlington, the annual cost for two children (an infant and a 4-year-old) is \$40,521 – almost double of the average for Virginia. Therefore, based on national standards, many options for child care in Arlington may not be considered affordable.

State child care subsidies are available to low-income families for children from birth to age 13, but not accepted by all providers for a variety of reasons. As of January 1, 2017, there are 222 children/158 households receiving a child care subsidy in Arlington with a waitlist of 18 children/16 households.

In addition, there are two other programs available to income-eligible Arlington children to help cover the affordability gap:

- Head Start, a national child development program for children from birth to age 5, provides services to promote academic, social and emotional development for income-eligible families. Presently there is capacity for 24 children in Arlington Early Head Start programs, and 204 children in Arlington Head Start programs; these spaces are included in the table above.
- The Virginia Preschool Initiative (VPI) is a high quality Pre-k program for four-year-old children at Arlington Public Schools and is free to all income-eligible students. There are 34 VPI Pre-Kindergarten classes available in Arlington in School Year 2016-2017, each with a maximum class size of 18 students.

Child Care Demand in Arlington

To better understand the demand for child care in Arlington, we need to evaluate two viewpoints: consumer and provider demand.

Consumer Demand: Current demand is evidenced in the waitlists of Arlington’s child care providers. In the 2009 report, *Child Care in the Commercial Corridors*, all full-day licensed providers within commercial corridors had waitlists. Today, most of Arlington’s child care providers have waitlists for children under the age of 2. This demand is not isolated to Arlington – all nearby jurisdictions have high demand⁴. Surveying Arlington’s child care providers to determine the number and length of waitlists is important to document as a benchmark.

As indicated in the above capacity chart, Arlington has a total capacity for 7,421 children in regulated providers. A measure of current and future demand can be analyzed two ways:

- Full child population (13,700 residents under the age of 5)⁵; or
- Number of children with all available parents in the labor force (67.6% of Arlington’s children under the age of 6)⁶ or approximately 10,000 children

³ More information on the cost of child care in Virginia [here](#). Information about other states, as well as Washington, DC, may be found [here](#).

⁴ A recent five-part series about the Child Care Crisis was run by WTOP. Information pertaining to the demand may be found in this [article](#).

⁵ January 2016 County Profile (CPHD)

⁶ [Voices for Virginia’s Children](#) (2015)

Using this measure, there appears to be a significant gap between available spaces and the number of children. However, as personal preference dictates how a child is cared for, parents may choose other options (e.g. stay-at-home parents, family members, nanny – full-time or shared, etc.). Therefore, 100 percent of the children within the child care age range will not require a space within a child care program.

Another way to quantify the demand, at least of our employee base, are the requests of tenants for accessible child care. Recently, as the County has worked with tenants looking to remain, expand or relocate to Arlington, we have not heard specific requests for child care. This does not unilaterally indicate it is not a need; rather, this particular need is not a stated priority. To understand potential demand, we may wish to engage in subsequent conversations with the human resources departments of our businesses.

Provider Demand: In addition to consumer demand, there is also an evidenced need among providers. Over the years, Arlington's BizLaunch program has seen an increased number of providers interested in opening or expanding operations within Arlington (approximately one client per month). If successful in finding space, the provider has typically worked with BizLaunch for almost two years from developing a business plan to opening the program. We do not see this number decreasing.

Barriers to Entry

There are numerous barriers to child care providers as they seek to open or expand into Arlington including, but not limited to: physical space needs and constraints; costs; regulatory requirements; and overcoming perceptions.

Space needs: While not a specific requirement, child care providers prefer to be located on the first floor of a building within a contiguous space: finding 6,000 – 10,000 square feet of such space is quite challenging. In addition to these indoor space needs, child care providers must provide an outdoor element for the children. Therefore, easily accessible play area(s) or appropriate walking routes is a large consideration.

Costs: Discussions with child care providers suggest that \$30- low \$30s per square foot is the maximum rent they can afford. This rate is considerably less than rents for buildings in Arlington – particularly on the first floor. Several years ago there was discussion about the provision of incentives, provided through the special exception site plan, to assist in reducing the rates for a child care provider. The County has, on an ad hoc basis, achieved child care within new buildings through modifications and incentives through density. Rather than this ad hoc approach, it may be more appropriate to review all such incentives for special exception projects in a more holistic manner. Finally, while the actual fees associated with a use permit is fairly low, costs associated with plan submittals can escalate quickly due to the level of detail the County requires.

Regulatory requirements: Several County requirements for child care providers, particularly around ratios and staff education levels, are more stringent than that of the Commonwealth. These requirements can, and in some instances have, caused staffing challenges which, in turn, reduces the capacity of the programs. Another County requirement, parking, can also create a barrier to entry if a project does not have parking to accommodate the provider or increase costs if a provider must find parking elsewhere. Currently there is no mechanism for the County Board to modify the required parking ratios.

Perceptions: While not pervasive, there have been negative perception of child care uses within office buildings: the noise and the visual impact and aesthetic in particular. As we work with property owners and brokers, the County should constantly educate about the importance of child care and how it can be seen as an amenity to the building, the tenants and the community.

On-going Efforts

While numerous challenges have been identified, it is important to highlight the work already underway to increase the supply of high-quality, affordable child care options in Arlington. The work includes, but is not limited to:

- Assistance to providers from the Child Care Office and BizLaunch
 - Business assistance (business plans, space searches, etc.)
 - One-on-one consultations to anyone interested in offering child care in Arlington County
 - Periodic Pre-Licensing Workshops (required prior to use permit application)
 - Emergency Preparedness in partnership with Child Care Aware of America in response to providers' requests
 - First session: February 4
 - Two additional sessions: February 25 and March 25
- Regulations: Child care licensing and regulation is changing nationwide. New federal mandates created by the Child Care and Development Block Grant (CCDBG) Act of 2014 require states to establish and enhance health, safety, consumer education, and quality standards.
 - Virginia is moving towards CCDBG compliance by improving child care and preschool:
 - Effective November 1, 2016, all child care vendors receiving a state child care subsidy are required to participate in mandatory pre-service and ongoing trainings, undergo annual unannounced inspections addressing basic health and safety standards, abide by group size limits and appropriate child-to-provider ratios, and develop emergency plans including steps for parent/child reunification;
 - It is expected that VDSS will have draft revised Standards for Licensed Child Day Centers available for public comment in Spring 2017. It is expected that the draft revised Standards will, at a minimum, incorporate the new child care subsidy requirements detailed in the bullet above.
 - If Virginia's Standards are raised to reflect the national trend to meet or exceed CCDBG requirements, then Arlington may no longer have to differentiate itself from the State. Since the development of new state Standards is ongoing and not yet final, however, DHS is waiting to make this determination until Virginia's revisions are finalized.
- Promotion and enhancing existing partnerships between affordable housing providers and religious institutions and child care providers.
- Change in policies related to ground floor uses to accommodate child care programs with the adoption of the Arlington County Retail Plan (2015).

Opportunities for Arlington County Employees

In addition to accommodating the demand for child care of Arlington's residents and employees, to remain an employer of choice, Arlington County must also address the demand from its own employees. Current County employee demand is estimated using parental leave requests. There are approximately 120 parental leave requests per year; over the course of four years required for child care, this amounts to a need of 500 slots for employees. Not all slots may be needed within Arlington due to residency location or other child care options and arrangements. To address this demand, Arlington offers the following:

- Existing facility, Arlington Children's Center, located on North Uhle Street (near Courthouse) with a maximum capacity of 64 children. The County has access to 32 spaces. One challenge is that there are a small number of infant spaces and it is a challenge for

employees to secure one of these. Employees are offered a steep discount (approximately 25%) due to the agreement between the provider and the County.

- With extended lease negotiations for CHP, a potential new facility with a capacity of 74 children. Test fits and logistics are still under discussion.
- Possibility of employee compensation options related to dependent care. The proposed budget includes a proposal to match \$500 in contributions towards an employee's dependent care flexible spending plan.

Potential solutions

Arlington will not manage the gaps between high-quality, affordable child care options and the demand of its residents, employees and providers with one solution: rather a multi-pronged, multi-department approach is necessary. The following work plan highlights elements that address this approach. Certain elements can be achieved quickly while others will take substantial time and conversations with numerous stakeholders within Arlington's community.

Short term (0 – 3 months)

- Map the locations of the providers and programs and analyze to determine if there are any parts of the County that are under-served, especially in relation to population and need.
- Review broker listings for ground floor space availability.
- Conduct provider survey to, among other things, determine:
 - waitlist status for various age groups
 - approved capacity versus actual capacity and, if a difference, why
 - tuition rates
 - willingness to accept subsidies and, if not willing, why
 - lease rate maximums
- Provide "starting a business" resources to providers through the BizLaunch program, as suggested in the Proposed FY 2018 budget (1.0 FTE).
- Offer new trainings on Wolf Trap, CLASS, Virginia Quality, and Mental Health First Aid.
 - Wolf Trap trainings help providers learn how to integrate music, art, puppetry and dance into their curriculum.
 - CLASS training teaches providers about a Classroom Assessment Scoring System (CLASS) – an observation tool that assesses teacher – child interactions
 - Offer Emergency Preparedness trainings in February and March (75 providers anticipated to attend)
- Continue to facilitate partnerships between Arlington's affordable housing providers (e.g. APAH & AHC) and religious institutions in working with child care providers

Mid-term (3 – 6 months)

- Review current practices and requirements for submission of use permit applications
 - Modify and streamline if appropriate
 - Review filing fees associated with child care (particularly those in site plan buildings) and recommend modification if appropriate

Long Term (6+ months)

- Survey business community to determine if it is a need for child care *after* relocation.
- Education for property owners about the merits of child care facilities within commercial buildings
- Zoning Ordinance Amendments
 - Consideration of providing authority for County Board to modify required parking ratios
 - Consideration of how incentives for child care within residential/commercial/mixed-use buildings could be incorporated through revisions to modification and bonus regulations for site plan buildings.

- Review current and future County and Arlington Public School facilities (and needs) for opportunities and co-location for child care facilities
- Evaluate the use of public parks and open space for child care uses
- Evaluate whether to pursue an analysis of the effectiveness of direct financial assistance to child care providers or alternative methods of assistance.