Guidelines for Addressing the Vermont Child Care Planning Goal

Prepared by Windham Regional Commission and Windham Child Care Association
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Brattleboro, Vermont
Purpose/Background

The purpose of this planning guideline is to assist municipal planning officials in addressing the 13th planning goal pertaining to child care. In June 2003, Public Act 67 amended Chapter 117 of 24 VSA (Municipal and Regional Planning and Development) to add the following goal number 13:

“To ensure the availability of safe and affordable child care and to integrate child care issues into the planning process, including child care financing, infrastructure, business assistance for child care providers, and child care workforce development.”

Child care, in this context, encompasses children ages birth to twelve. Ensuring accessible, affordable, quality child care is integral to sound economic development planning. Recognizing the reality that most families lead lives that require full or at least part-time child care outside of their homes, these guidelines recognize child care as a critical community need and offer assistance on how to plan to meet the need.

Investments in the child care infrastructure, like investments in the infrastructures of transportation, public works, affordable housing and higher education, can have direct positive effects on the growth and vitality of Vermont’s economy. As a recent report details, the total annual economic impact of Vermont’s child care industry (including direct expenditures on child care and indirect spending by child care workers and centers) is $426 million. Child care is the seventh largest occupation in Vermont, employing 5,000 state-regulated child care providers. The industry employs more people than some sectors like food processing, utilities, and communications. The Vermont workforce includes approximately 37,500 working parents who rely on the availability of affordable and reliable child care.

The child care industry is largely financed through parent fees to child care providers. Nationally, parent fees represent 60% of all revenue sources for child care. At the household level, child care expenses can take as much from a Vermont family budget as food or rent. When child care is under funded, the symptoms include uneven care, inability of parents to pay the full cost of child care, and an insufficient number of slots for children, especially infants. While the state offers eligible families a child care subsidy to offset child care expenses, the average subsidy currently covers only 58% of the average price of child care.

Because the child care industry cannot survive on parent fees alone, the quality of care is compromised. High quality child care is highly correlated to consistency of caregivers.

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1 In congruence with the Vermont Child Care Services Division definition of child care.
3 Regulated child care system – all licensed child care centers, licensed and registered family child care homes, regulated by the Vermont Agency of Human Services Child Care Services Division.
4 The Joint Fiscal Office estimates that child care represents 17% of a basic needs budget for a Vermont family.
The turnover rate among the child care workforce is 40% per year. This is due, in large part, to low wages and poor benefits. The median hourly wage for child care workers in Vermont is $7.60; many child care providers do not receive health benefits.
Where in a Municipal Plan Can Child Care be Addressed?

Planners may incorporate the new planning goal in the following elements in the municipal plan:

- Utility and Facility Plan
- Educational Facilities Plan
- Economic Development Plan

**Utility and Facility and Educational Facility Plans**

To address the new planning goal within the utility and facility or the educational facility elements, the existing child care facilities could be mapped and included on the required maps in these elements. Child care resource and referral agencies (CCRRA), which are located throughout Vermont (to locate the nearest CCRRA, visit: [www.vermontchildcare.org](http://www.vermontchildcare.org)), maintain lists of regulated child care facilities in each town. This list includes both licensed child care centers and licensed and registered family child care homes, and the capacity of each facility.

In addition to maps of the location and capacity of existing child care facilities, these elements could include a discussion of present and prospective child care needs and recommendations for addressing them. The following chart lists possible sources of information to determine present and prospective child care needs.

<table>
<thead>
<tr>
<th>Data</th>
<th>Source</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population by Age Distribution</td>
<td>U.S. Census <a href="http://www.census.gov">www.census.gov</a></td>
<td>The percent change of children under 5 between 1990 and 2000 could be reviewed to determine if there has been an overall growth in this segment of the population.</td>
</tr>
<tr>
<td>Families in 2000 with Children Under 18</td>
<td>U.S. Census <a href="http://www.census.gov">www.census.gov</a></td>
<td>This information is broken down by married couple household, female householder (no husband present) and other family household. This information may be important because female-headed households are more likely to need child care.</td>
</tr>
<tr>
<td>Employment by Industry</td>
<td>Vermont Department of Employment and Training <a href="http://www.det.state.vt.us">www.det.state.vt.us</a></td>
<td>This information is broken down by employment sector. The reason to look at this information is that certain employment sectors may have different child care needs. For example, if a municipality has a large percentage of people working in the service sector it might indicate a need for child care facilities during non-traditional hours (evenings, nights, and weekends).</td>
</tr>
</tbody>
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5 The U.S Census defines a family as a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.
Additional sources of information are the local schools and large employers. School principals and guidance counselors, and human resource directors may know whether parents in the community are having difficulty finding child care.

**Economic Development Plan**

Many municipalities have an economic development plan as part of the town plan. This element, although not a required municipal plan element, is a possible location within the plan to focus on the new planning goal. The child care planning goal could be addressed in this element of the plan in the following two ways:

1. The plan could discuss how the accessibility, affordability and quality of child care in the area affects parents’ ability to enter the workforce, be productive while at work, and remain employed.

2. The plan could discuss how the child care industry itself contributes to the local economy, through the jobs it sustains, the revenues child care workers take in, and the taxes they pay.
Options for Addressing Components of Child Care Planning Goal

The new planning goal encourages state agencies, regional planning commissions, and towns to develop plans that address child care financing, infrastructure, business assistance to child care providers, and child care workforce development. Each of these issues is explained below, with suggestions for how they can be addressed.

As a first step, a municipality may consider holding a town-wide forum on child care. Local forums on child care can help a planning commission gain a fuller understanding of families’ child care needs and the town’s child care industry, including its capacity to meet community needs, how it can be bolstered, and the community’s level of satisfaction with it. This forum can be used to highlight the strengths and weaknesses of the local child care infrastructure. Parents, child care providers, businesses, and others should be encouraged to attend the forum. Prior to holding the forum, a survey could be conducted to determine parents’ reliance on local child care programs, the fees they pay, their level of satisfaction with their child care arrangements, and options for improving the child care infrastructure. It also may be helpful to take into consideration regional availability of child care, since residents of small towns are more likely to use services in neighboring communities.

Financing
Several options for addressing child care financing are outlined below. For additional ideas, please refer to “Creating Dedicated Local Revenue Sources for Early Care and Education” at www.financeproject.org.

Options:
1. Develop a town-wide approach to funding child care.
   A local or regional forum on early care and education may highlight possibilities for diversifying the revenue sources for the child care industry.

2. Use Average Daily Membership (ADM) funds.
   The state will reimburse school districts for 10 hours of class time per week provided to preschool children (aged 3 and 4) either through the school or through qualifying preschool programs in the community. The preschoolers must be enrolled in a qualifying preschool program with a licensed early educator. For more information on this program, contact the supervisory union office or the Early Education Coordinator at the Vermont Department of Education.

3. Collaborate with other organizations.
   No single organization or entity alone will be able to adequately fund the early care and education infrastructure. Therefore, collaborative financing strategies need to be developed. Towns can provide support by reaching out to community action agencies,
local United Way organizations, regional partnerships, chambers of commerce, rotary clubs, and others to help providers develop a financing strategy.

4. **Work with local banks.**
The Community Reinvestment Act (CRA) is designed to encourage banks to meet the financial, credit, and service needs of low and moderate income neighborhoods. CRA resources can be used for a broad range of community development lending, investment, and service activities, including child care. Town officials could hold meetings with local bankers to inform them of the potential for applying CRA resources to assist the child care industry. (For more information, see “Using the Community Reinvestment Act to Help Finance Initiatives for Children, Families and Communities” at [www.financeproject.org](http://www.financeproject.org).)

5. **Consider property tax abatement for family child care providers.**
Towns may want to consider property tax abatement for child care providers operating out of their homes. Just as tax relief is offered to businesses considering relocating or expanding, this type of economic development incentive may be considered as a support to the child care industry.

**Infrastructure**
There are several ways that a town can work to improve the child care infrastructure, either independently or in conjunction with other towns and the regional planning commission. Several options for addressing child care infrastructure are outlined below.

**Options:**

1. **Work with the regional planning commission to conduct a child care needs assessment.**
Understanding child care supply and demand is essential to effectively supporting and developing the child care infrastructure. If local information about child care supply and demand is not adequate (including infant, toddler, and preschool age care) then the town may want to consider conducting a child care needs assessment. For a sample, see the Windham County Child Care Needs Assessment, June 2002, available at [www.windhamchildcare.org](http://www.windhamchildcare.org).

   A child care needs assessment can help to determine the supply of, and need for, child care in an area, taking into account employment centers, commuting patterns, etc. Child care needs assessments often are best done at a regional level, and can be conducted or supported by a regional planning commission, which can use its Geographic Information System (GIS) to analyze location, capacity, and other data for child care programs. The GIS can then be used to create overlay maps of child care programs, transportation systems, low income areas, commercial centers, and other variables to indicate where new child care capacity may be needed.

2. **Maintain an inventory of all child care programs in the town and their capacity.**
The local child care resource and referral agency can provide a list of state-regulated family and center-based child care programs, and their capacities
(www.vermontchildcare.org). To the greatest extent possible, the town’s inventory of child care programs should include unregulated child care programs, those programs serving three families or fewer which are not regulated by the state. It also would be prudent to share this information with the fire department in case of an emergency.

3. **Address barriers to increasing child care capacity created by zoning bylaws.**
   In some cases, local zoning bylaws may prohibit the expansion of existing child care programs or the creation of new child care programs. For example, some local zoning bylaws may not permit licensed family child care programs (which provide care in a residence for up to 12 children with two adults) to operate in a residential district. This restriction can constrain the community’s ability to provide home-based child care. It is important that zoning bylaws clearly define child care programs, making the distinction between child care centers, and regulated and licensed family child care homes. For more information on how zoning bylaws impact child care facilities, please see “Zoning for Child Care” American Planning Association Planning Advisory Service Report Number 422.

4. **Work with realtors and the regional development corporations to maintain an inventory of space available and suitable for child care businesses.**
   Child care centers have space and facility requirements that must be met in order to operate. Realtors or regional development corporations could facilitate the startup of child care programs by understanding these requirements and maintaining a listing of suitable sites as they become available.

5. **Work with developers to consider their impact on child care supply.**
   One community impact of job creation is increased use of child care programs. As business development occurs, town officials could educate developers about the potential impact on the child care infrastructure of this new development and work with them to address the potential lack of supply of child care for their workers.

6. **Consider use of federal and state funds to assist with the development of child care infrastructure.**
   Towns may consider applying for federal or state funds, such as Community Development Block Grant (CDBG) funds or United States Department of Agriculture (USDA) Rural Development Community Facilities Grants, to assist in addressing child care infrastructure needs.

7. **Provide opportunities for child care providers to enhance their programs.**
   Community resources and activities can enrich the educational programs offered by child care providers. For example, some town libraries offer story hour for preschoolers and include arts and crafts activities after the story. Local garden clubs could work with child care programs to provide gardening experiences for children. This type of experience not only benefits children, but also provides an opportunity for child care providers, many of whom are isolated in home-based programs, to get together.
Business Assistance to Child Care Providers

Another possible way to create financial stability in the child care industry is to boost the business skills of the operators of child care businesses. Many child care providers need assistance in basic business practices e.g. accounting, bookkeeping, and payroll. An option for addressing business assistance is outlined below.

Option:

1. **Encourage local businesses to offer assistance to child care businesses.**

   A town plan could raise awareness in the community about the business side of child care and could encourage local businesses to offer their assistance in this area. Local business people could provide one-on-one assistance to child care programs. For example, local businesses may be able to directly or indirectly support the industry. Indirect support can be offered in the form of business assistance (e.g. accounting, business plan development, payroll services); maintenance (e.g. plowing, facility repairs); and/or serving on the boards of directors of child care centers. Direct support could include subsidies, vouchers for employee child care, etc.

Child Care Work Force Development

According to the National Center for the Early Childhood Workforce, “the single most important determinant of child care quality, according to a growing body of research, is the presence of consistent, sensitive, well-trained and well-compensated caregivers.”

For many in the child care workforce, costs are a barrier to receiving training. Several options for addressing work force development are outlined below.

Options:

1. **Educate regional Workforce Investment Boards (WIB) about the need to develop the child care workforce.**

   Workforce Investment Boards (WIB) work with employers to meet the workforce needs of their employees. Some WIBs are addressing child care workforce development through the use of Workforce Education and Training Funds (WETF) to assist child care providers to obtain training. The results of child care assessments or surveys can be shared with WIBs to educate them about the needs of the local child care workforce.

2. **Encourage schools to stimulate interest in early education careers through community service and apprenticeship programs.**

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6 Cited in ERIC/EECE, 1997, p.5
Definitions

Child Care Facility
Any place operated under a state child care facility license or registration as a business or service on a regular or continuous basis, whether for compensation or not, whose primary function is the protection, care, and supervision of children under sixteen years of age outside their homes for periods of less than twenty-four hours a day by a person other than a child’s own parent, guardian or relative, but not including a kindergarten approved by the state board of education.

Registered Family Child Care Home
A child care facility, registered with the state, which provides for care on a regular basis in the caregiver’s own residence for not more than ten children at any one time. Of this number, up to six children may be provided care on a full-time basis and the remainder on a part-time basis. Care of a child on a part-time basis shall mean care of a school-age child for not more than four hours a day, except that these part-time school-age children may be cared for on a full-day basis during school closing days, snow days and vacation days which occur during the school year. These limits shall not include children who reside in the residence of the caregiver. The caregiver operating such a facility may have two additional caregivers, who need not be a resident of the dwelling in which the facility is located. Areas on the lot on which the caregiver’s residence is located may be used in conjunction with the facility.

Licensed Family Child Care Home
A child care facility which provides care on a regular basis in the caregiver’s own residence or accessory structures for not more than twelve children on a full-time basis. The caregiver operating such a facility may have two additional caregivers, who need not be a resident of the dwelling in which the facility is located. Areas on the lot which the caregiver’s residence is located may be used in connection with the facility.
Resources

Data
U. S Census – Socio/Economic Data (www.census.gov)

Vermont Association of Child Care Resource and Referral Agencies (VACCRA) – (www.vermontchildcare.org) This organization’s website will provide contact information for each of Vermont’s 12 child care resource and referral agencies. These agencies have information on local child care programs, their location and capacity.

Vermont Department of Employment and Training - (www.det.state.vt.us)

Reports/Websites
“Creating Dedicated Local Revenue Sources for Early Care and Education” at www.financeproject.org.


The Economic Impact of Vermont’s Child Care Industry, published by Windham Child Care Association and the Peace and Justice Center, June 2002. To view on line, go to - www.windhamchildcare.org


Vermont Child Care: A Study of Wages, Credentials, Benefits and Market Rates, Child Care Services Division, March 2001.

Windham County Child Care Needs Assessment, Windham Regional Commission, June 2002. To view on line, go to: www.windhamchildcare.org

Organizations
Vermont Association of Child Care Resource and Referral Agencies (VACCRA). VACCRA’s website will provide contact information for each of Vermont’s 12 child care resource and referral agencies. These agencies have information on local child care programs, their location and capacity.
**Regional Planning Commissions**
For contact information on regional planning commissions, go to [www.thinkvermont.com](http://www.thinkvermont.com), click on “Regional Resources” under “Information and Resources.”

**Workforce Investment Boards**
For contact information on workforce investment boards, go to [www.thinkvermont.com](http://www.thinkvermont.com), click on “Workforce Training” under “Information and Resources.” Then click on Human Resource Investment Council on the right-hand side of the screen.

**Regional Development Corporations**
For contact information on regional development corporations, go to [www.thinkvermont.com](http://www.thinkvermont.com), click on “Regional Resources” under “Information and Resources.”

**Grants**
**The Building Bright Futures Fund**, created in 2002 by the Vermont Legislature, assists new and existing child care and youth programs expanding the supply and improving the quality of care available to Vermont families. The Fund is a grant resource that when blended with other financing sources, enables programs to start, relocate, expand, or improve their physical facility and accessibility. Administered by the Vermont Community Loan Fund (VCLF), the program is funded with revenue generated from the sale of specialty child care license plates, appropriations by the Vermont Legislature, and contributions from the general public. For more information, go to [http://www.vclf.org/Building%20Bright%20Futures.htm](http://www.vclf.org/Building%20Bright%20Futures.htm).

**The Vermont Community Loan Fund** recently released a report, “Finding Money For Child Care Facilities.” It can be downloaded at: [www.vclf.org](http://www.vclf.org).