Caring Cities

LEARNING FROM THE CAREGIVERS SUSTAINING OUR COMMUNITIES
Learning from Early Child Care Providers in Los Angeles
The research featured in this report is part of the City Hub and Network for Gender Equity (CHANGE) Caring Cities program. CHANGE has partnered with three cities in its global network – Bogotá, Buenos Aires, and Los Angeles – to implement community-based research efforts that invite caregivers to shape local services and policies.

CHANGE believes that care is critical to gender equity and is partnering with cities to celebrate, learn from, and invest in caregivers.

Learn more at [CitiesChange.org](http://CitiesChange.org)

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Introduction

“We are the backbone of communities. The kids we care for go on to become the future of Los Angeles – teachers, lawyers, basketball players, and doctors. It starts with us.”

- CHILD CARE PROVIDER IN SOUTH LOS ANGELES

Like most cities in the United States, Los Angeles has a decentralized child care system made up of public and private entities, nonprofits, and schools. In this system, private paid providers form the backbone of the early care and education landscape. These providers are educators leveraging deep experience, passion, and resilience to advance the development and safety of children, the financial security of families, and the future of communities.

CHANGE and the recently-created Child Care Policy and Equity unit in the City of Los Angeles’ Community Investment for Families Department (CIFD) led a research effort to learn directly from private early child care providers across Los Angeles to better understand the challenges they face and the support they need to thrive.

Recognizing the Impact and Challenges of Child Care in the United States

“Evidence shows that a dollar invested in high-quality early childhood programs for low-income children will result in up to $7.30 in [significant long-term economic] benefits, including increased wages, improved health, and reduced crime.”

2021 BIDEN WHITE HOUSE BRIEFING

At every level of government in the United States, there is a mounting recognition of the economic and societal importance of investing in child care. When a young child and their family have access to high-quality and affordable care, the impact can be transformational – enriching the lives of children, allowing parents to stay in the workforce, and boosting the economy.

Child care breaks the cycle of poverty. For low-income families in the United States, early child care is a proven policy intervention that can help break the cycle of intergenerational poverty.

- 90% of the brain is developed by age 5.
- Children who receive high-quality child care during this critical period of early development experience stronger cognitive and social-emotional growth.
- As adults, children who attended quality child care programs have lower rates of arrests and incarceration, have a reduced likelihood of needing government assistance, and are more likely to graduate from high school.
- For families, access to child care can result in an economic boost by enabling parents to pursue stable employment or schooling. Parents with access to child care also perform better at their jobs, have fewer absences, and build the experience needed to advance in their careers. This is especially impactful for mothers, who are more likely to adjust professional responsibilities due to childcare.

Families are struggling to find care. Despite widespread recognition of the immediate and long-term benefits of child care, the United States faces a caregiving crisis marked by a shortage of quality and affordable early child care options.

- More than one-third of parents across the United States with kids under 5 years of age report challenges finding child care options when adults need to work.
More than one-third of parents across the United States with kids under 5 years of age report challenges finding child care options when adults need to work.8

Recent research demonstrates that over 50% of Americans are living in child care deserts, where young children outnumber licensed seats by three times or more. These deserts are more common in low-income areas, perpetuating the cycle of poverty by limiting a family’s ability to build wealth.9

In the State of California where Los Angeles is located, 60% of all residents and 72% of low-income residents live in child care deserts.10

The caregiving workforce is shrinking, due largely to lack of sustainable compensation. A number of contributing factors have led to the current child care crisis, but the most notable is the severe underpayment of providers. Despite the high standards child care providers are expected to meet – including extensive licensing requirements, health and safety regulations, and educational attainment – the standard compensation provided to professionals is not enough to meet basic needs.

When occupations are ranked by annual pay, child care workers sit consistently in the bottom percentiles across all states.11

At an average salary of less than $30,000 annually, over 50% of providers nationwide are on some form of government assistance and very few are afforded benefits.12,13 In California, 17% of child care providers live in poverty.14

These low rates of pay make it extremely difficult to attract qualified staff, resulting in a fast-disappearing child care workforce and a weak pipeline of new providers.15

From a gender equity lens, the underpayment of providers in the United States is partially attributed to systemic sexism and racism that has undervalued the impact of caregivers in its policies – the vast majority of whom are women, with a large percentage identifying as women of color.16

The lack of investment in child care has major consequences for both individual families and national economic growth. Forecasts cited by the Biden White House show that if the U.S. fails to address the lack of affordable child care, the country is expected to experience losses of $290 billion each year in gross domestic product starting in 2030.17

Understanding Child Care in Los Angeles

As part of the growing movement to support caregiving in the United States, the Mayor and Los Angeles City Council have funded dedicated staff within the Community Investment for Families Department (CIFD) to focus on policies and initiatives that increase families’ access to quality care. The Child Care Policy and Equity unit was launched in January 2023 and is guided by the mission of reducing poverty and stimulating the economy by strengthening the City of Los Angeles’ child care infrastructure and alleviating major barriers to access for low-income families.

SPOTLIGHT

Child Care is Fundamental to Advancing Gender Equity in the Workforce

Investing in early child care systems advances gender equity by addressing a key barrier to women’s participation in the workforce and economic autonomy and advancement. Of the many women who left their jobs during the COVID-19 pandemic and have not returned, 22% cite a lack of child care as the reason.18

As part of CHANGE’s 2022 Voluntary Gender Review, the City of Los Angeles examined data indicators related to gender equity on topics like economic opportunity. Los Angeles has made significant progress in reducing the labor force gender gap from 12.7% to 9.3% since 2015. To counter the impacts of COVID-19 and continue to close the gap, Los Angeles needs to make new and significant investments to address ongoing barriers that prevent women from entering the workforce, including the overburden of unpaid domestic work and insufficient access to child care.
There are about 230,000 children aged 5 and under in the City of Los Angeles, 45% of whom are eligible for subsidized care.¹⁹ In contrast, based on Department of Social Services records, there are just over 2,000 licensed child care programs in the City for a maximum of about 51,000 licensed child care seats.*

Families in Los Angeles are burdened by the high cost and limited availability of care. In many cases, the cost of care is rising faster than wages. Between 2005 and 2013, wages in Los Angeles County increased by 13%, but the cost of child care skyrocketed by 33%.²⁰ Child care costs now constitute the highest household expense, surpassing housing, in nearly every part of California, including in Los Angeles County.²¹ While low-income families can qualify for government subsidies to help pay for care, these assistance programs can be challenging to enroll in and use. Less than 27% of children eligible for subsidy in Los Angeles County are enrolled in the program.²²,²³ Finding care is especially challenging with the current shortage of child care options. In the City of Los Angeles, less than 22% of children under the age of 5 have access to a seat in a licensed child care facility. Opportunities for infants and toddlers are even scarcer, with only 4% having access to a seat.²⁴

It is challenging to make child care a sustainable business. Commonly motivated to open programs through a love of children or as a progression from caring for their own families’ children, many providers have not received formal training on business foundations. Even with business training, Los Angeles providers run their businesses on extremely slim margins. The rate at which providers are reimbursed by the State of California for children receiving subsidized care is significantly lower than the true cost to care for children, with the discrepancy being especially wide for infants and toddlers who require more resources and closer care. Often, providers take the unmet costs for operating their programs from their own paychecks.²⁵

The COVID-19 pandemic exacerbated child care challenges. In Los Angeles County, over 500 licensed child care centers and home-based facilities reported permanent shutdowns to the California Department of Social Services and thousands more temporarily closed due to under-enrollment and the high costs of pandemic safety measures.²⁶ Alongside these closures, California lost over 7,000 child care workers, constituting almost 10% of the workforce.²⁷

As the State of California expands its involvement in early care and education, Los Angeles’ already fragile child care delivery system is being further strained. California is currently implementing Universal Transitional Kindergarten (UTK) to provide free preschool for all 4-year-olds. While UTK is an important investment to expand care options for families, the program is leading to unintended negative consequences within the child care delivery system.²⁸ These include a loss of enrollment and staff for existing private child care programs, which are the only care options for many families with children aged 3 and under. Because of these dynamics, CIFD is focusing efforts on stabilizing the child care infrastructure serving infants and toddlers so that families continue to have options for care as UTK is implemented.

*The number of children a family child care provider can serve is based on the ages of the children and the ratios regulated by the California Department of Social Services. Depending on the number of children under 2 years of age in their care, providers may not be able to care for the maximum number of children allowed by their licenses due to the lower supervisory ratios required for very young children. It is challenging to identify the exact number of seats available for care in Los Angeles because it relies so heavily on the enrollment choices a family child care provider makes.
This chapter largely reflects the experiences of Family Child Care Home (FCCs) providers, who made up the majority of participants in the Caring Cities research. In California, over 98% of FCC providers identify as women and 71% are people of color. More than half speak languages other than English and 42% are born outside the United States. Many bring extensive experience to their work, with a median tenure of 17 years in child care and more than 50% holding an associate’s or bachelor’s degree, or higher. Similar demographics exist for providers and workers at California’s child care centers, and for the providers engaged in the Caring Cities research.

In Los Angeles County, 60% of home-based providers do not have access to any benefits. These include health insurance, paid sick leave, paid vacation time, or a retirement savings plan. The average family child care provider in Los Angeles County has an annual salary of $36,000.

Home-based child care providers like FCCs are critical to supporting low-income families and those living in historically under-resourced communities. Home-based options are more likely to offer care during non-traditional hours and provide services that are culturally relevant and responsive, including dual-language environments. A recent study found that more than 75% of children receiving subsidized voucher-based care in Los Angeles County are in home-based child care.
Engaging Child Care Providers as Experts and Partners

“The CIFD Child Care Policy and Equity unit is committed to learning from families and providers who have direct experience navigating the care system in Los Angeles. Investing in the collaborative development of policies and services leads to more effective interventions and builds on the principles of equity and inclusion that drive all of CIFD’s work.

Through the Caring Cities program, CHANGE and CIFD designed a short-term research effort to hear directly from private child care providers, who offer important early care and education for low-income families in Los Angeles. Through qualitative and participatory research methods, providers were invited to share their experiences and opinions. The research was guided by the following questions:

- What are the challenges and opportunities you have faced running a child care business in Los Angeles?
- What existing resources have been helpful?
- What are your goals for the future and what support do you need to reach them?
- What can the City government do to help you thrive?

To reach providers, CHANGE and CIFD partnered with local Resource and Referral Agencies (R&Rs), whose services include enrollment support and professional development for child care providers. Participating R&Rs included:

<table>
<thead>
<tr>
<th>Resource &amp; Referral Agencies (R&amp;Rs)</th>
<th>Primary Service Area</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Child Care Resource Center (CCRC)</strong></td>
<td>Antelope, San Fernando, and Santa Clarita Valleys</td>
</tr>
<tr>
<td><strong>Connections for Children</strong></td>
<td>West Los Angeles, Santa Monica, Culver City, Torrance, Lomita and the beach cities</td>
</tr>
<tr>
<td><strong>African American Provider Network (AAPN), an affiliate of Crystal Stairs</strong></td>
<td>South Los Angeles, Inglewood, Compton, Gardena, Lynwood, Lawndale &amp; Hawthorne</td>
</tr>
<tr>
<td><strong>Pathways LA</strong></td>
<td>Metro Los Angeles, West Hollywood, Mid-Wilshire, Koreatown, Northeast Los Angeles</td>
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“Historic and systemic racism, sexism and classism have resulted in policies and programs that, at best, are ineffective and, at worst, harmful to those they intend to serve. One recommendation is to actively involve providers in every phase of the design, implementation and evaluation of programs and policies that are intended to benefit them. By incorporating and honoring the lived experience of providers, programs and policies are more likely to be relevant, fiscally sound, and maximize impact for our communities.”

- "THE LANDSCAPE OF HOME-BASED CHILD CARE IN LOS ANGELES COUNTY: A FRAMEWORK FOR FUTURE PLANNING," A 2023 REPORT BY FIRST FIVE LOS ANGELES AND CHILD CARE ALLIANCE OF LOS ANGELES”
The research engaged a diverse cross-section of providers serving different types of families in geographies across Los Angeles. A total of thirty-four providers were engaged through five facilitated focus groups and three interviews, including a focus group organized specifically for Spanish-speaking providers. For providers’ convenience, sessions were conducted online during weekday evenings. Each participating provider received a financial honorarium to recognize their time and expertise.

Around 75% of the providers who participated in the research indicated that they run family child care homes (FCCs). Also represented in the research were child care center providers and providers offering Family, Friend, and Neighbor (FFN) care. Roughly 60% of all participating providers served between nine and fourteen children. Around one-third employed part-time help, and half employed at least one full-time caregiver besides themselves. More than three-quarters of all providers engaged in the research serve predominantly low-income families, with at least 50% of families at their child care center using government assistance to pay for care.

To complement provider outreach, CIFD also independently launched a multilingual survey to learn from families about their experiences seeking and paying for care. Building on their work with CHANGE, the CIFD Child Care Policy and Equity unit will continue to engage R&Rs and providers as ongoing collaborators to help inform the development of strategies, resources, and initiatives.

As part of the Caring Cities research in Los Angeles, child care providers participated in online focus groups.
Research Findings

The Caring Cites program seeks to celebrate and amplify the unique perspectives of caregivers. CHANGE and CIFD invited a diverse cross-section of Los Angeles child care providers to share their experiences and expertise, with an emphasis on those serving low-income families and communities.

Using a system of qualitative data coding and analysis, CHANGE and CIFD identified five key findings from across the different research engagements conducted with providers:

1. Child care providers are devoted to the children and families they serve, and desire greater visibility and respect for their labor.
2. Providers identified the need for increased pay as the number one challenge facing their businesses.
3. Providers often feel like they are navigating business operations alone. They are excited by opportunities for guidance and mentorship.
4. Many providers want to grow their businesses and serve more families. There is a strong interest in efforts to clarify and streamline processes for starting and expanding child care programs.
5. When providers thrive, they leave a lasting impact on communities.

Structured around these five findings, this section features direct quotations from providers to honor their expertise and allow them to speak in their own voices. The provider perspectives shared here are intended to humanize and add more nuance to the statistics and challenges surrounding childcare in Los Angeles shared above. The Caring Cities research is one of many quantitative and qualitative sources of data informing the strategies, resources, and initiatives being developed by CIFD’s Child Care Policy and Equity unit.
**FINDING 1**

Child care providers are devoted to the children and families they serve, and desire greater visibility and respect for their labor.

Los Angeles child care providers discussed the passion and dedication required to work in child care. Many view caregiving as a personal and professional calling, sharing how much they love their jobs and feel connected to the mission of care.

“I've been doing child care for twenty-three years. Growing up, I was the one always watching family and neighborhood kids. I wanted to read to them. I wanted to do arts and crafts. I just love teaching kids and especially kids with special needs. That's what I specialized in when I went to college. I wouldn't have any other job.”
- CHILD CARE PROVIDER IN SOUTH LOS ANGELES

“I became a provider because I didn't see a lot of brown or black engineers that looked like me. My hope is to inspire more children.”
- CHILD CARE PROVIDER IN SOUTH LOS ANGELES

Working long hours and wearing multiple hats, providers invest a large amount of time and energy into their work. They are committed to building deep relationships with children and their families.

“It doesn't stop at the children. We really put the emphasis on family when we say Family Child Care Home. I have parents coming in just getting off work and they seem a little frazzled. They're really hungry. I like inviting them to come and eat: ‘Hey, have a seat on the couch. Take a load off. Talk to me about what is going on.’”
- CHILD CARE PROVIDER IN THE ANTELOPE VALLEY

Nearly two-thirds of providers engaged through the research have over twenty years of experience in the child care and education sector, and many shared their commitment to seeking out new curriculums and training to keep improving their services. Some bring formal credentials to the role, including degrees in social work, psychology, childhood development, and teaching. Yet, providers discussed how they struggle to be seen as valued educators and often face perceptions that they are unskilled.

“A lot of us providers are not appreciated. They look at us as babysitters. And I tell them, ‘No, I'm a professional. I've gotten my degree.’ We have children for ten or twelve hours a day. If we don't put our time into educating and teaching life skills, then who's gonna do it?”
- CHILD CARE PROVIDER IN THE ANTELOPE VALLEY

Many providers described feeling undervalued by system leaders and the public. There was disappointment that the recognition child care workers received during the COVID-19 pandemic was short-lived, even as the challenges of providing care in a post-pandemic context continue to persist.

“Because of the pandemic, I'm noticing that a lot of families are in breakdown. They're having a lot of challenges domestically and it's very apparent that the children are suffering as a result. And so that as providers, that makes our work even more challenging. I help bridge that gap, offering a calm, peaceful learning environment, even when they are not having that experience at home.”
- CHILD CARE PROVIDER IN SOUTH LOS ANGELES

Some discussed the larger systemic inequities at play when it comes to child care. They acknowledged that their status as women, especially women of color, contributes to the lack of recognition and support they receive.

“There are a lot of providers who are women of color, black women, that are not receiving referrals, they're not receiving contracts, they're not receiving the level of support that children who look like us need. We are minimized, we’re marginalized... I want people to know that we are still very committed to providing care to families. I have been an educator for a long time and it feels like helping us stay afloat in this industry is not a priority anymore.”
- CHILD CARE PROVIDER IN MID-CITY
“I'm proud of the results that I see in families. The satisfaction and the trust they place in me. There's so many children that have left the daycare and remember us, even as adults. I recently went to a wedding of one child, another comes back for my arroz con leche. I know that in that little heart we left a mark. That’s why we're still fighting to become better every day – for our community and for a brighter future for our children.”

- PROVIDER IN NORTHEAST LOS ANGELES
(TRANSLATED FROM SPANISH)

“I would challenge any policymaker to spend one day at a Family Child Care Center and see how much it takes. During the pandemic, I was able to have parents come and volunteer. They told me, ‘I don’t know how you do it. There's no way that I could stand more than a day in your shoes.’ You don't realize how much goes into [being a provider]... Just like husbands don't always realize how much a mother does to raise her child and how much work it is throughout the day.”

- CHILD CARE PROVIDER IN SOUTH LOS ANGELES
When Motherhood Leads to Professional Caregiving

Over half of the providers who were engaged through this research explained that their own journey with motherhood inspired them to become professional caregivers. Some providers shared that they wanted to be present and take the lead with caring for their young children. Becoming a provider was a job that allowed them to care for their own children along with others:

“As a single mom, I was spending long days working traditional nine-to-five hours. I wanted to be home more with my child. I was missing a lot of firsts. So that inspired me to get started in child care and share my love with more children.”
- CHILD CARE PROVIDER IN SOUTH LOS ANGELES

Others discussed the challenging economic reality of working a job while paying someone else to care for their children. This was especially true for providers who were working as caregivers or educators. The pay in these roles was often not enough to cover the cost of their own child care:

“I was working in a preschool before I opened my daycare. I had a 2-year-old daughter that I put in another preschool. My salary at the time was just $640 every month and I was paying $375 for her child care. It’s not enough. Half of my paycheck was going to [child care]. So I found an opportunity to open my own daycare, so I could take care of my daughter and take care of other children too. I wanted to help parents go to work and find jobs.”
- CHILD CARE PROVIDER IN MID-CITY
Almost all providers cited challenges related to the mismatch between what they get paid to provide child care and what it actually costs to provide quality care. The slim business margins lead to providers earning very low salaries and large numbers choosing to leave the profession. In Los Angeles County, the average family child care provider has an annual salary of only $36,000. Many discussed how such low rates of pay make it hard to stay in business.

"Every single day we have to open that door and be our best self, put our soul into the work to provide the care these children deserve. That's the biggest payback. But getting paid what we deserve would be a big help. We'll be able to give more jobs to other people. It's like a chain. But we're not gonna be able to take care of ourselves or hire if we have to work long hours and still not get paid enough. I have struggled just to meet the end-of-the-month bills."

- CHILD CARE PROVIDER IN CENTRAL LOS ANGELES

Low pay is particularly challenging for providers serving communities with lower incomes and higher levels of poverty. This is because many of the families they serve are using subsidy programs funded by the State that offer very low reimbursement rates for care. Even the families who do not qualify for or enroll in subsidy programs struggle to pay for their care.

"The [State reimbursement] rates we get do not make sense. Milk costs more than what we're getting paid. Most of the families that I care for are living paycheck to paycheck, even the ones paying cash [and not using subsidies]. Somebody needs to wake up and say this model is not fair."

- CHILD CARE PROVIDER IN SOUTH LOS ANGELES

For many, low pay has led to challenges recruiting and retaining high-quality employees. It has also limited their ability to provide benefits for their employees and themselves.

"My biggest challenge is retaining my employees because we do not make enough money to be providing all of the benefits people deserve. And my employees, they deserve everything because they're really good at what they do. But obviously sometimes we cannot compete with McDonald's or with In-N-Out. They have better pay and better benefits than whatever we can offer."

- CHILD CARE PROVIDER IN WEST LOS ANGELES

In Los Angeles County, over 60% of home-based providers do not have access to any benefits. Many of the providers engaged were worried about their ability to save for retirement because of their businesses' low profit margins.

"We're growing old and our retirement is not enough because we're underpaid. I've been working for twenty-six years... I'm not gonna stop working until I'm 70 or 75 [years old] because we don't have an employer to give us the retirement benefits. We're a business owner and if we don't have extra money to save, then we don't have a retirement."

- CHILD CARE PROVIDER IN MID-CITY

Providers discussed how limited pay is a barrier to offering the quality environment they want for children and families. Many expressed challenges with covering the cost of repairs, facility maintenance, and supplies.

"The little ones wear and tear on your facility and you're constantly having to paint or buy new flooring. It can cost more than what you're making every month. Some of the children do not have nice toys at home. We want to offer that. We need to get paid more as providers so that we can have the best materials and environment, plus top-quality staff for the children."

- CHILD CARE PROVIDER IN SOUTH LOS ANGELES

Many providers also discussed challenges serving families who rely on government subsidies to pay for care. Some providers were struggling to support families who were navigating the challenging enrollment process to access subsidized child care.
Many cited how repayment models based on attendance made serving the highest-needs children—those with disabilities, trauma, and family instability—more challenging. They called on the State to offer higher reimbursement rates and provide full payments regardless of attendance.

“I serve a lot of children that are coming from foster homes or who have had a lot of trauma. They have therapy and extra doctor’s appointments. Especially for one of my children, he has sickle cell disease and misses quite a bit of care. I notice my pay is not what it should be because I’m only paid for the actual times he is [in my care].

If you're helping with children who need the most support, it feels unfair to then see that as a reduction in your pay.... You want to serve them, but they are also taking a spot where somebody could be there for more hours. We should be compensated for the time they are in outside appointments, since we are holding a space for them in our center.”

- CHILD CARE PROVIDER IN MID-CITY

**SPOTLIGHT**

**The Unintended Impact of Universal Transitional Kindergarten (UTK)**

California is currently implementing Universal Transitional Kindergarten (UTK) to provide free preschool for all 4-year-olds. While UTK is an important investment to expand care options for families, the new program is leading to a loss of enrollment and staff for existing child care programs. UTK is written into education code so that services must be provided for free by local education agencies like public school districts and charter schools, making it a desirable option for both families and child care workers who receive better benefits from working for schools.

Many providers expressed disappointment about being excluded in the rollout of California’s UTK program. Some felt like the program undervalued their services. As Jessica* who has been a provider for twenty-three years in Northeast Los Angeles explained:

“I feel very frustrated and discriminated against. They still see [providers] as babysitters. We've studied not just for one or two years, but five to ten years. We offer a comprehensive program with nutritional meals. We prepare students for kindergarten. Many of us are currently taking two classes with three units at a college to continue to be up-to-date. I think it's really sad that they just kick us to the side.”

Jessica also communicated her strong belief, which was shared by other providers, that the home-based education model of family child care programs offers unique benefits:

“We have children in a family environment. That's fundamental for supporting future generations, because ... our children grow with an environment and culture of belonging.”

With the current rollout, Jessica is worried about not being able to keep her center open. Many longtime families who are struggling to pay for child care are moving over to UTK, even if they prefer her service, because it is free:

“Now children that we have had with us for years are leaving early. We won't have a future as providers if [UTK] takes those children away.”

Efforts are underway to address many of the stresses the rollout of UTK has placed on providers. The concerns raised during the engagement process illuminate the complexity of the current multi-stakeholder care system and can help direct government investments to support provider sustainability.

* Name has been changed to respect this provider’s privacy.
Providers often feel like they are navigating business operations alone. They are excited by opportunities for guidance and mentorship.

Running a child care business is challenging and many providers, who come to the profession motivated by passion and necessity, possess limited business experience. Often, providers feel that they have no clear roadmap for navigating business challenges.

“Being a family child care provider, we're not taught the business aspect of child care, like how to deal with taxes and all that good stuff. I am in a workshop right now and, even though I’ve been doing child care for twenty-five years, all [the information] is brand new.”
- CHILD CARE PROVIDER IN SOUTH LOS ANGELES

Many providers value learning from each other. Peer mentorship and community-building were often cited as critical to their business success. Many wanted more opportunities for this form of support.

“Opportunities where I’m able to meet other providers have been very helpful to me. Because we’re at home by ourselves, it’s hard to stay abreast of the current trends. I like to build my network and hear what other providers are trying.”
- CHILD CARE PROVIDER IN SOUTH LOS ANGELES

Providers also shared examples of how they offer support to others wanting to start or grow a business in child care. Many were interested in playing more formal roles as mentors.

“I learned from other providers before I got started. Now, I find other providers are coming to me and asking me questions. One particular parent was interested in how to become a child care provider herself. I told her from A through Z exactly how to do it. I gave her all the information that she would need that I didn't get [when I was starting out]. I always tell people that we’re in this together, we have the same love for the children. It’s not anything that we should try to keep to ourselves. If someone else needs help, we should try to help them.”
- CHILD CARE PROVIDER IN THE ANTELOPE VALLEY
“Everything that I have learned about child care and running my business has been through trial and error. I was a preschool teacher before opening my own child care. I didn't deal with anything beyond teaching. Now, I'm the teacher, I'm the nurse, I'm the chef, I'm doing the paperwork.”

- CHILD CARE PROVIDER IN THE ANTELOPE VALLEY
SPOTLIGHT

What support do providers want?

Providers discussed having limited time to seek out help and were eager for user-friendly resources, workshops, and coaching that would address business questions. Included here is a summary of some of the existing resources providers found helpful and suggested topics for future support.

Helpful organizations and resources:

- Child Care Providers United (CCPU) and SEIU Local 99
- Quality Start LA (QSLA)
- Early Head Start
- Resource & Referral Agencies (R&Rs)
- Support from Licensing Program Analysts
- Small business services – Some providers mentioned using small business services provided through the City, federal government, or chambers of commerce. Some found these helpful, while others wanted resources to be better tailored to the needs of providers.
- Mental health resources for both providers and the families they serve
- Informal mentoring and relationships with other providers

Suggested topics for future support:

- Administrative support
  - Tax prep
  - Compliance support – incident reports, paperwork for inspections
  - Human resources
  - Bookkeeping and payroll
  - Saving for retirement
  - Accessing healthcare
- Support to expand and open a new location
  - Navigating zoning, permitting, and licensing process
  - Marketing a new location
- How to pivot business model to address the impacts of Universal Transitional Kindergarten (UTK)
- Emergency preparedness
- Self-care for providers
FINDING 4

Many providers want to grow their businesses and serve more families. There is a strong interest in efforts to clarify and streamline processes for starting and expanding child care programs.

More than one-third of providers engaged through the research process had recently expanded or were passionate about the opportunity to expand their business to support more families and employ more people.

“I am planning to open a second location to grow the service because there’s a lot of families, migrant families and people without documents, that truly need the care. And we can offer that service tailored to their needs and with a high level of quality, as if we were serving the child of the President of the United States.”
- CHILD CARE PROVIDER IN NORTHEAST LOS ANGELES (TRANSLATED FROM SPANISH)

Despite a desire to grow, many identified challenges to growth, including the lack of clear information on expansion and frustration with zoning, permitting, and licensing roadblocks. There was a strong interest in efforts to provide clearer guidance and streamline bureaucratic hurdles.

“After working in child care for fifteen years and running a family care center for four [years], I was so ready to open my child care center last year. Because I was not aware of the process, it took way longer than expected. I called around before starting to get information on how to open a center, but no one told me, ‘Be aware of the zone and the occupancy. You might need these permits. You might need a fire alarm system that is over $25,000.’ I was not made aware of all of that, and then you’re stuck in a [rental] contract still waiting for your permits.”
- CHILD CARE PROVIDER IN WEST LOS ANGELES

“I have 56 children on my waitlist, but I can’t expand to accommodate those families. It shouldn’t be that way. I don’t have time to run to City Hall and go through all those departments or pay somebody to do so. If the City is on board with providing as many child care slots as they say they would like to, they need to help us. If there was a streamlined process, it would make it easier for us to open.”
- CHILD CARE PROVIDER IN SOUTH LOS ANGELES

The need for support was especially acute for home-based providers wanting to expand to a larger home-based model, open a second home-based location, or start a child care center. Many were interested in growing while maintaining the strengths of a home-based model.

“There’s something so beautiful that [home-based providers] are able to offer compared to larger preschools – more attention, more one-on-one, more of a family-style environment that a lot of parents appreciate. It’s difficult when you have to turn away so many families because you only have so many spaces. It would be amazing to figure out a pathway for [home-based providers] to open something larger. There could be classes on how to expand and guidelines that make it a bit easier.”
- CHILD CARE PROVIDER IN HOLLYWOOD
**Finding 5**

When providers thrive, they leave a lasting impact on communities.

Providers expressed pride in the impact of their work. Many shared examples of how running child care businesses allowed them to support the growth of their own families, their employees, and their communities.

“I am excited about the success I see with the children that leave my care. Many have gone to universities and graduated. A student recently got a master’s degree, another bought a house. One is a successful producer in Hollywood. I have a long list. This fuels my joy and motivation to continue into year 28.”

- Child care provider in South Los Angeles

“I’ve helped about twenty-five people open child care businesses, small and large. I’ve gotten a lot of child care providers to join [community organizations] and be advocates. The pandemic took a lot from the children, from our community. Somebody's gotta stand up and be an advocate. I want to see more programs and funding for our children.”

- Child care provider in the Antelope Valley

Providers also celebrated the ways in which their caregiving gives rise to new providers that uplift future generations of children, families, and communities.

“I’ve been able to help former employees become daycare providers themselves. I train and teach them. And I hire former students back. One working for me now will be 21 years old soon, and she started when she was 2 years old... I’m proud to get people out there working and helping children.”

- Child care provider in South Los Angeles
The Intergenerational Impact of Care

Introducing Sofia –

When Sofia* first arrived in Los Angeles from Guatemala with her children, she could not imagine leaving them in anyone else’s care. But she needed to work to bring in money for her family. She always loved working with children and decided to start a family child care center in her home. In business for fifteen years, Sofia now serves fourteen families in Northeast Los Angeles, caring for children from newborns to age 6. Almost all of the families she serves are Spanish-speaking and use government assistance to pay for care.

Sofia loves her work and has pursued extensive professional development as a child care provider, including taking college classes on childhood development. But her path has not been easy. During the pandemic, Sofia kept her daycare open and experienced a life-threatening case of COVID-19, spending five days in the hospital and a month with oxygen in her home. She has also experienced illegal discrimination** in the housing market when looking for a rental home for her business:

“Many of us don't have the privilege of owning our own home because maybe we don't have the money or because we don't have the [immigration] papers. The problem is that when we arrive to look at a property, the landlord asks, ‘Hey, what do you want it for? Are you gonna take care of children? I'm gonna ask you for $50 more each month for each child that you're going to take care of.' We want to serve families in our community, but how are we gonna be able to afford this? It's unfair.”

Sofia has stayed energized by her love of children and the impact she sees on the students she cares for:

“It is very comforting and rewarding to see the way our work changes children… It helps us to keep going. Even if it's tiny, we plant a little seed with each child. The older ones who have gotten married come back. They remember their time here and they tell their children to call me grandma. It's very motivating.”

Sofia has also seen the impact that this caregiving has had in her own family, crediting the profession with helping her children succeed:

“I’ve reached both of my life goals. One goal was to help children and the other was to see my own kids graduate. My daughter went to Harvard and is now a doctor, another daughter is going into law school, and I have a son that is a chef. Due to the fact that we're devoted to children, we can also help our own kids and that is priceless.”
SPOTLIGHT

The Intergenerational Impact of Care

Introducing Betty –

Betty* grew up in public housing and was inspired to become an early child care provider by experiencing the impact her grandmother had as a caregiver and community leader:

“My grandmother was a preschool teacher for thirty-five-plus years. I attended her preschool and then my school was located near her house, so we were always over there helping out when we were older. I remember being there late at night preparing things for the next day or for the week. She always had all the neighborhood parties. Just being around my grandmother made me have a love of education and reading.”

But Betty was discouraged from entering the profession due to the low pay:

“But Betty was discouraged from entering the profession due to the low pay:

“I knew early on that I wanted to be a teacher. I remember telling my parents, and they discouraged it by telling me, ‘Well, teachers don’t make any money.’ I was in school to become a political science major, but then I switched to child development after I took one child development class and loved it. How sad to get discouraged at first because teachers don’t make money. We still don’t.”

Betty has now been in business for twenty-seven years in South LA and is inspiring the next generation of caregivers. Her daughter worked at her center for seven years along with a sister of one of her earliest clients, whom she considers like family. Betty tries hard to retain quality employees, even if the amount she can pay is limited, by showing her appreciation through lunches and setting up a modest 401k retirement matching program.

Betty is also devoted to the kids and families she serves, the majority of whom have low incomes. When a family was having a hard time advocating for an older child, she joined a meeting with the school principal. Betty hosts community events and dinners for parents, and she mentors other providers. She is particularly passionate that child care providers avoid burnout and take care of their heath:

“I was very surprised that a lot of women [providers] are not getting their physicals done. They are not getting mammograms and taking time out to make sure that they’re healthy. If they’re not healthy, they can’t care for these kids.”

Betty loves her work and takes pride in the impact she has had:

“My proudest moment is seeing kids later in life. Their parents tell me that the time they spent here gave them that love for education and it made them who they are today. Like, I was part of their family… It is a great reminder of how much time and effort that you put into the individual children. They will never forget it.”

* Names have been changed to respect the privacy of providers.

** Discrimination against family child care providers is illegal under California law based on The Keeping Kids Close to Home Act (SB 234).
Conclusion

In the face of significant external challenges, providers continue to care for children and families while investing in communities and inspiring new generations of caregivers. Yet, longstanding government disinvestment has led to an unsustainable child care system that cannot survive on the passion and generosity of providers alone. According to a recent study conducted by the Child Care Alliance of Los Angeles, almost one-third of family child care providers plan to cease caring for children in their current capacity within five years.\(^3\)\(^6\) One quarter of those planning to leave are doing so because of low compensation and challenging work conditions.

Cities across the United States rely almost exclusively on a private-pay market model for child care, while systems and policies prevent providers at the front lines from making livable wages. The current model has been widely considered a market failure, with communities sourcing child care at the expense of providers. With the introduction of Universal Transitional Kindergarten and the lasting impacts of COVID-19, the Los Angeles care system is closer than ever to a breaking point. Where government agencies have often played a supporting role in the child care landscape, the City of Los Angeles now faces a historic opportunity to actively steer the future of care toward a more sustainable and equitable model that supports providers and acknowledges their role as a critical engine powering the economy.

With the launch of the Child Care Policy and Equity unit within the City of LA’s Community Investment for Families Department (CIFD), the Mayor and City Council have seized this opportunity to make new investments in child care. The Child Care Policy and Equity unit is working to leverage government resources, policies, and partnerships to strengthen the infrastructure of child care in the City of Los Angeles. Their mission is to break the cycle of poverty through increased access to high-quality child care options.

Because the care ecosystem is complex and interdependent, initiatives that improve opportunities for providers ultimately benefit families, as those for families also benefit providers. Thus, the Child Care Policy and Equity unit has developed policy goals and interventions that holistically aim to strengthen the child care landscape by addressing the needs of both populations.

The following strategic goals and initiatives are grounded in the feedback collected from providers through the Caring Cities engagement, along with other extensive research and engagement efforts with families.

**Cost**

Increase the affordability of care for families and reduce cost barriers for providers to open new child care programs. The unit will explore advocacy and funding opportunities to help raise pay for providers and reduce fees for families.

**Capacity**

Increase the number of child care programs in the areas of highest need by reducing the barriers for providers to open or expand programs. The unit is developing a multilingual Facilities Toolkit to organize the complex processes for opening and expanding child care programs and will work to optimize and streamline these processes. The unit is also seeking resources to reduce fees associated with the application and permitting process.

**Communication**

Increase access to and clarity of critical child care information for families and providers. The unit has created a dedicated online hub that collates important child care information for the City’s providers and families. For providers, the website will include or link to information and tools to clarify and ease the process for opening new programs, as well as promote timely funding opportunities and opportunities for
professional learning and business development. The website supports families in understanding the types of care, the benefits of each care setting, and subsidy options and connects them with their local Resource and Referral agencies to locate and pay for child care. The unit will also engage with communities in the highest-need areas to ensure that this critical information reaches those who need it most.

Sustainability

Increase the sustainability of child care programs by supporting providers to strengthen business practices and advocating for long-term changes to the funding model for programs that receive state subsidies. The unit will work to develop a workshop series on the fundamentals of small business practices catered to current or aspiring child care providers and help develop learning communities for providers. They will also work with City stakeholders to advocate for legislation that increases the reimbursement rate through an alternative payment methodology.

Together, these efforts are a critical step to mobilizing City resources in support of providers and families. CIFD’s Child Care Policy and Equity unit is committed to continuing to uplift the impact providers have on children, families, and the economy and engage them as partners in the development of resources and initiatives.
Bibliography


