



CC4A

Child Care 4 All

Study Report

Clackamas County, OR

Clackamas CC4A

Child Care 4 All
Task Force
Study Report





CC4A

Dear CC4A, this report is a summary of discussions, interviews, meetings, surveys, analysis, and study of your intention to create child care for all within Clackamas County.

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Executive Summary



Executive Summary: Context & Purpose

Childcare is a critical issue for Clackamas County's families and employers. There is significant support for understanding the issues, creating solutions, and paving the way for a future with child care for all.

Like many areas across our country, there are families that struggle with obtaining childcare. The COVID-19 pandemic has highlighted the weaknesses in the industry, where affordability has decreased, wages have increased, and standards are not always certain. As a result, families and the local workforce have suffered, with marginalized communities experiencing disproportionate effects. This taskforce seeks to develop solutions to this issue. Concerned entities throughout Clackamas County have been mandated to solve this issue.

Neighboring Multnomah County conducted a similar study for its Preschool for All initiative. Additionally, neighboring Washington County has also launched a Preschool for All initiative, similar to that of Multnomah County. Clackamas County seeks to pursue solutions that include both preschool and the entirety of the child care industry. The Clackamas County Child Care for All Task Force believes that larger problems exist beyond the scope of preschool. The Task Force believes that the scope of the study should include all aspects of child care starting from six weeks of age up to 12 years of age. This scope will allow the Task Force to develop a holistic approach to care, encompassing preschool as well as other areas of child care.

The Child Care for All work began in November 2021, and began contracting with Morant McLeod to facilitate the Task Force in February 2022. There is significant community interest towards change. Recommendations and next steps will determine how partners in Clackamas County and the region proceed with funding and policy solutions.

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Child care plays a critical role in ensuring parents can work, children can learn, and the economy can thrive. In recent years, there has been broad bipartisan support at all levels of government to ensure all working parents have access to child care. And during the coronavirus pandemic support for child care has only grown.

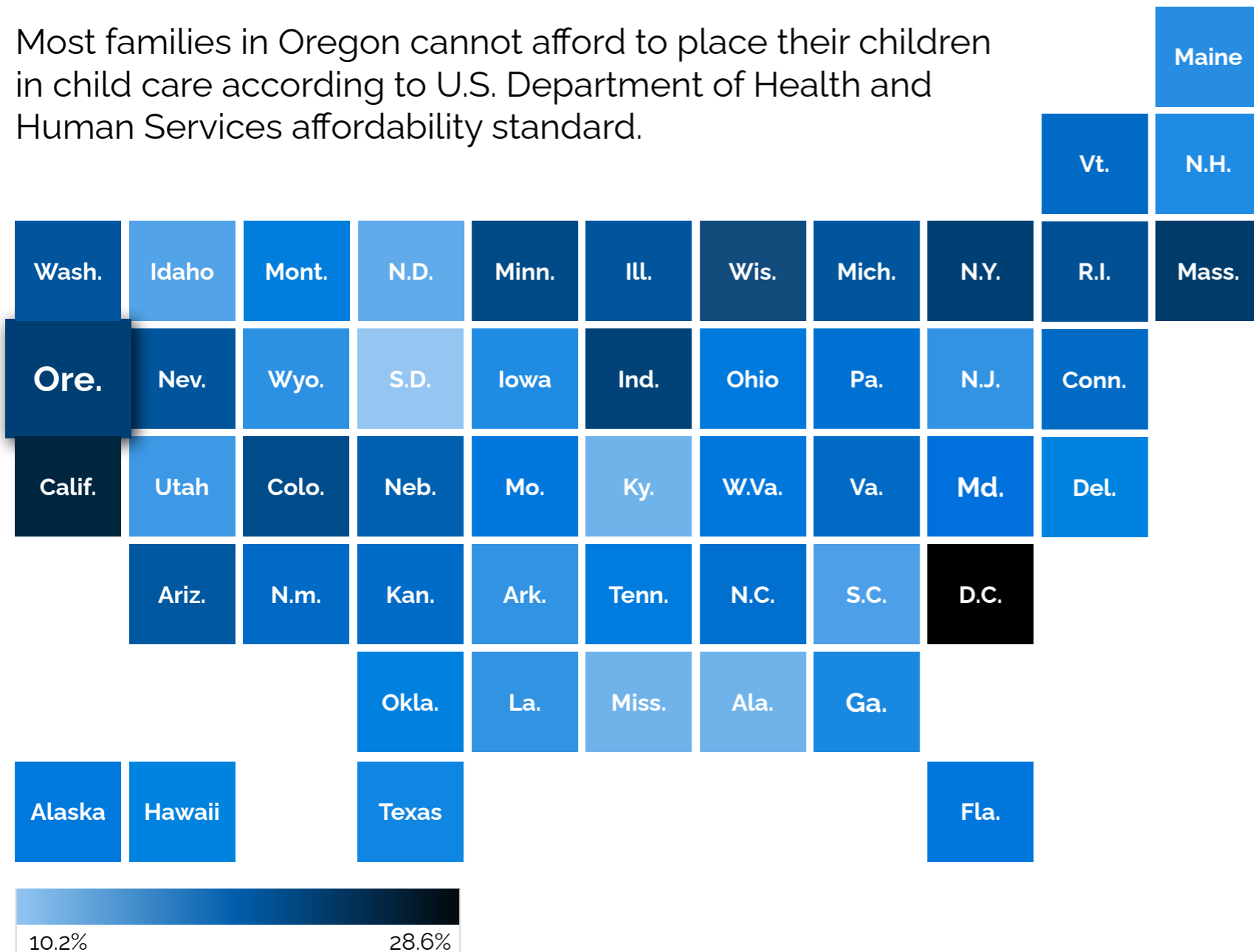
Bipartisan Policy Center Early Childhood Initiative, 2020

Executive Summary: Case for the Study

Infant care costs 22.2% of residents income

With the HHS affordability for child care set at 7%, Oregon residents are experiencing a significant challenge, where child care is a far higher percentage of income as compared to most states in the nation.

Most families in Oregon cannot afford to place their children in child care according to U.S. Department of Health and Human Services affordability standard.



Oregon

Infant care cost as a share of median family income: **22.2%**

Based on calculations of:

- Annual infant care costs: **\$13,616**
- Median family income: **\$61,447**

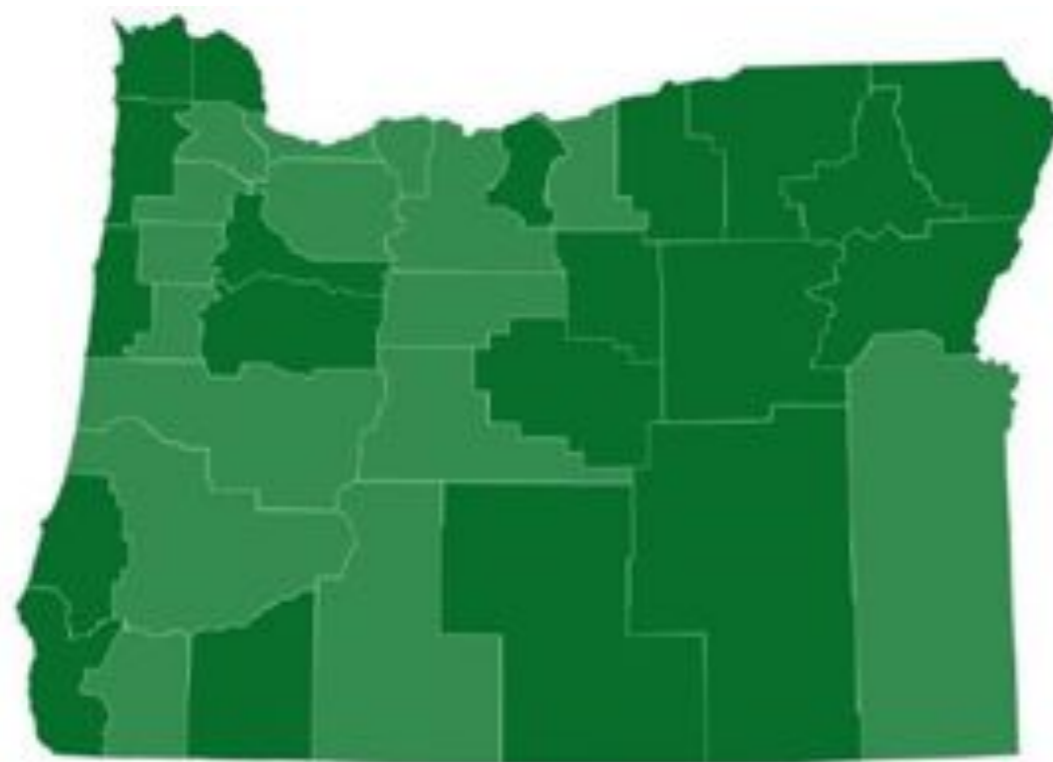
| State | Infant care as a percentage of income | Annual infant care costs | Median family income |
|----------------------|---------------------------------------|--------------------------|----------------------|
| District of Columbia | 28.6% | \$24,243 | \$84,892 |
| California | 24.9% | \$16,945 | \$68,034 |
| Massachusetts | 22.7% | \$20,913 | \$92,108 |
| Oregon | 22.2% | \$13,616 | \$61,447 |
| New York | 22.1% | \$15,394 | \$69,651 |

Executive Summary: Current State

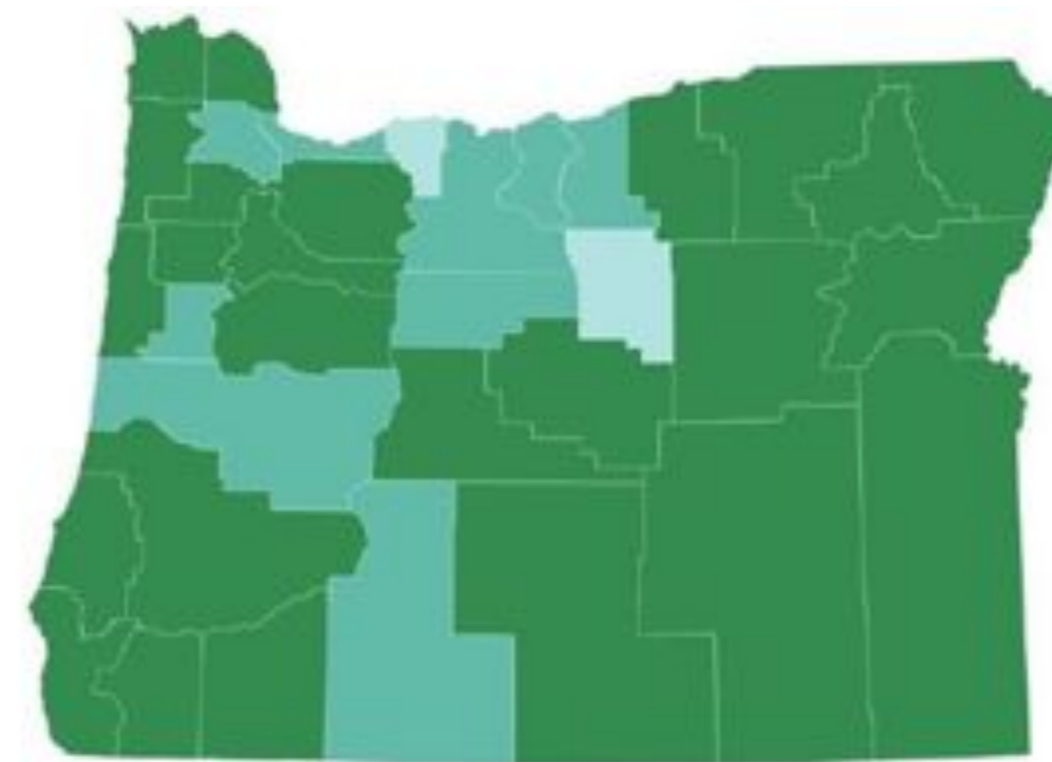
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Child Care Desert

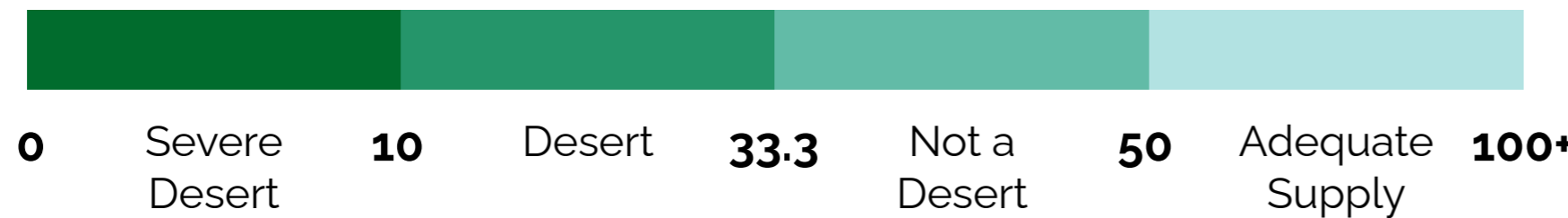
Due to a weakened child care industry across the State of Oregon, many places are considered to be a child care desert for infants and toddlers.



0-2 years old



3-5 years old

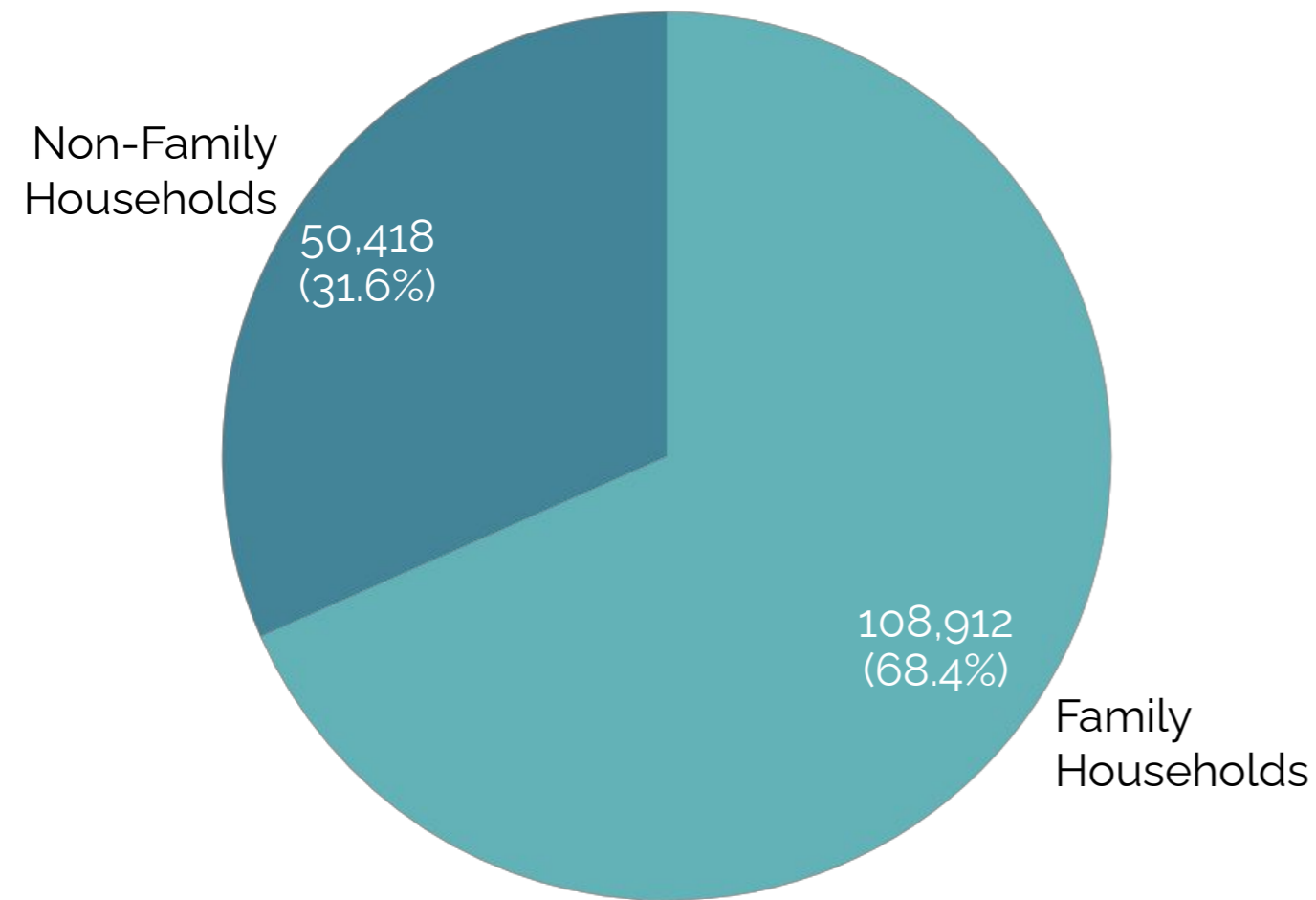


Percent of young children with access to a regulated child care program slot

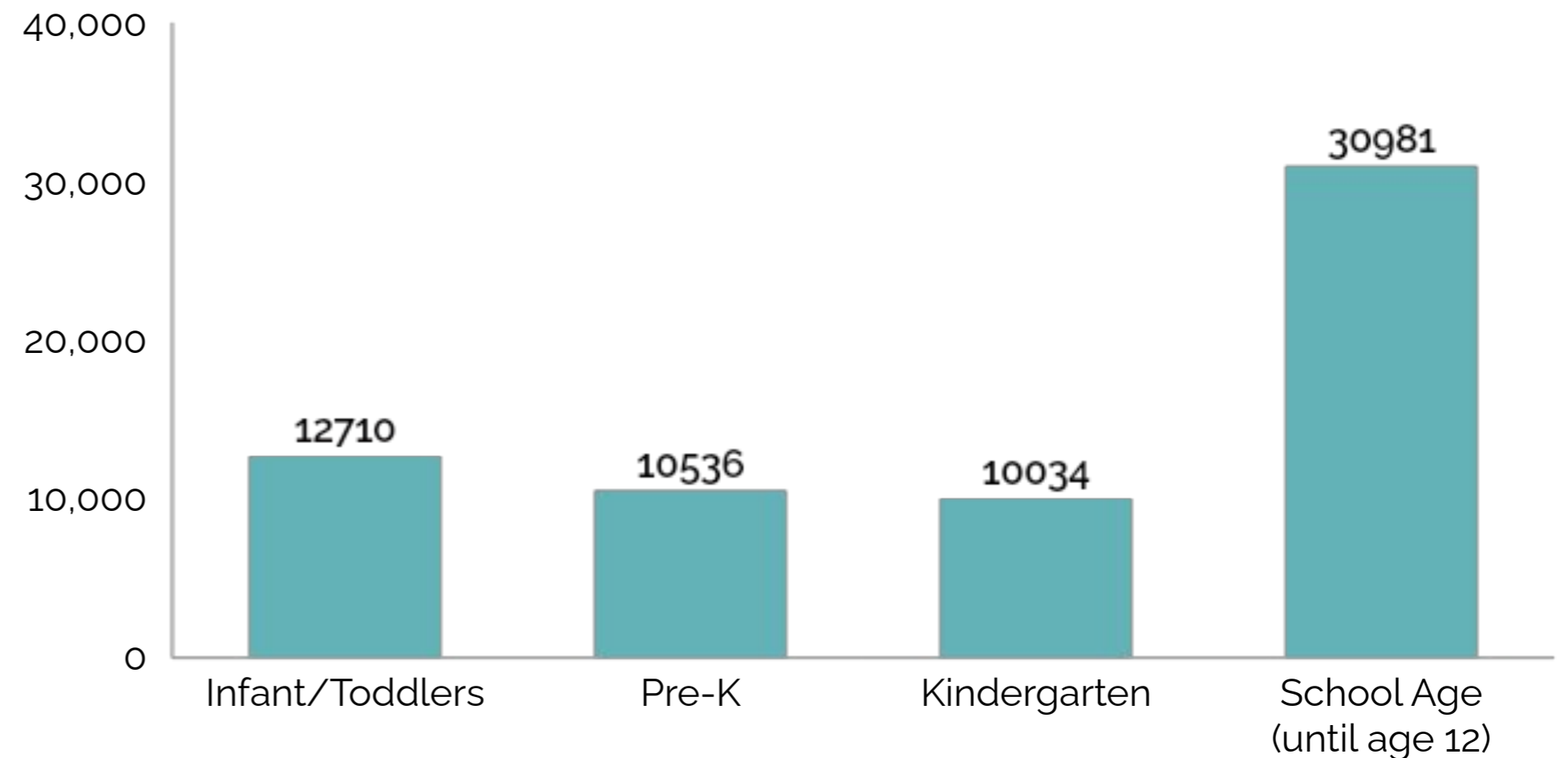
Executive Summary: Current State

422,537 Residents in Clackamas County

The child care for all market size encompasses care for 64,261 children between ages 6 weeks to 12 years of age; living in 108,912 households.



*Number of Children in Clackamas County



Executive Summary: Current State

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Insights on the Family Experience

The current state of limited number of providers cannot meet the "market" needs, and is further exacerbated by wage compression experienced by workers.

Clackamas County Employment Data, Child Care Industry



- 122 employer providers
- 916 employee providers
- Child care employee average hourly wage: \$17.54
- Child care employee average annual income: \$36,483

Clackamas County Population Data, by Age Group (Children)



- 0-2 yrs: 12,710
- 3-4 yrs: 10,536
- 5-6 yrs: 10,034
- 7-12 yrs: 30,981

Clackamas County Household Data, Families



- Population: 422,537 (v2021)
- Households: 159,330 (2020)
- Persons / household: 2.59 (2020)
- Households near providers: 83,986
- Household expenditures: 1 Adult, 2 children: Child care: \$16,564 Total: \$89,314

Executive Summary: Conceptual Future State

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The Goal of Child Care for All

Every child should have access to early care and education means that parents can enroll their child in an arrangement that supports child's development and meets the parents' needs.



Reasonable effort

This dimension contemplates the supply and demand of the child care industry. The reasonable effort dimension captures the interaction between the supply of programs, the use of programs by families, and the extent to which information about programs is readily available to parents.



Affordability

Out-of-pocket cost is a central constraint in families' decision-making and selection, with child care costs accounting for a significant portion of family expenditures and exceeding 20 to 30 percent for some low-income families, depending on their location and ages of children served. Affordability as a dimension of access reflecting the cost to parents and the cost to programs of providing early care and education services.



Supports child development

Stable participation in high-quality programs can promote positive child development and support children's unique, individual needs. Program practices should meet or exceed educational quality standards, provide coordination with other sectors, ensure stability for socio-emotional development, and meet children's unique needs.



Meets parents needs

In selecting child care, parents consider not only the needs of their child, but also the needs of their family as a whole. Parents needs encompass program type, the availability of transportation, and program hours of operation.



Equitable

A healthy child care industry should have equitable access, staff representation, and cultural relevance for all groups. A lack of quality child care contributes to the under-resourcing of marginalized groups. A health child care industry should solve for these historical equity issues.

Friese, S., Lin, V. K., Forry, N., & Tout, K. (2017). Defining and Measuring Access to High-Quality Early Care and Education (ECE): A Guidebook for Policymakers and Researchers. Research Brief. OPRE 2017-08. Office of Planning, Research and Evaluation.

Gould, E. & Cooke, T. (2015) High Quality Child Care is Out of Reach for Working Families. Issue Brief 404. Washington, DC: Economic Policy Institute.

Campbell, F. A., Ramey, C. T., Pungello, E. P., Sparling, J., & Miller-Johnson, S. (2002). Early childhood education: Young adult outcomes from the Abecedarian Project. *Applied Developmental Science* 6, 42–57;

Reynolds, A. J., Temple, J. A., Ou, S., Robertson, D. L., Mersky, J. P., Topitzes, J. W., & Niles, M. D. (2007). Effects of a school-based, early childhood intervention on adult health and well-being: A 19 year follow-up of low-income families. *Archives of Pediatric and Adolescent Medicine*, 161(8), 730-739;

Schweinhart, L. J., Barnes, H. V., & Weikart, D. P. (1993). Significant benefits: The High/Scope Perry preschool study through age 27. Ypsilanti, MI: High/Scope Press.

Executive Summary: Recommendations

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Based on the workgroup recommendations gathered from the study, four broad categories of recommendations emerged. Like any other industry, the child care industry requires various internal and external supports.



Industry Functions



Industry Sustainability



Industry Economics

Funding is needed to drive the industry

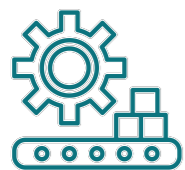
Ensure funding supports the full amount of operating costs.

- Personnel and program expenses
- Allowances for administrative expenses
- Transportation programs

Livable wages and career longevity are needed to sustain the industry

Industry wages should support employee cost of living and long-term career mobility.

- Livable wage standards based on cost of living
- Educator recruitment and retention
- Parity with comparable market opportunities



Industry Substructures

Coordination is needed for industry level supports

Policy and regulations should align with industry needs.

- Quality of care
- Implementation pathways to licensure
- Equitable policies
- Facilities expansion

Shared participation is needed for industry health

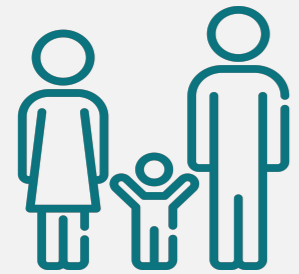
Industry wages should support employee cost of living. Governments, households, and commercial entities should support industry costs.

- Local, State, and Federal governments coordination
- Maximum household contributions thresholds
- Commercial industries to participate in funding

Focus on the health of the child care industry

This approach includes supporting the critical economic elements to create a strong industry. A healthy child care industry acts as a support for other commercial industries by providing greater employment participation and higher levels of economic activity. A healthy child care industry also supports the emotional, mental, physical, social, and academic growth of the youngest members of our society, producing additional social and economic benefits over time.

Elements of the child care industry



Families



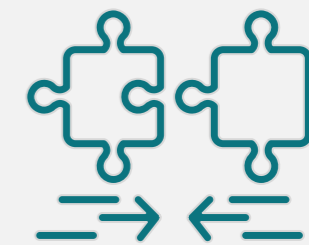
Child
care operators



Child
care educators



Governments &
Commercial
industries



CBO's* and
nonprofits

**Community-based organizations*

Funding:

At this time, child care industry revenues are not sufficient to cover the expenses of operating a child care facility. In response, operators are forced to compress wages and navigate expenses to maintain business operations.

Current rates should accurately reflect the costs of operating a child care facility. Costs have been examined in a profit-and-loss statement format to accurately communicate the necessary accounts of business operation. These accounts should be made with standardized allowances, granting flexibility that allows the operator to competitively manage the business in a manner that also reflects the quality expectation from the demand-side of the industry (expectations from local families).

Rates should (currently) be at the following levels:

| Average Infant Care Rate Required | Average PreSchool Care Rate Required | Average School Age Care Rate Required |
|-----------------------------------|--------------------------------------|---------------------------------------|
| \$3,068 per child, per month | \$1,611 per child, per month | \$1,195 per child, per month |

Transportation programs should also be funded to support the costs of transportation for child to and from care facilities. These programs use cost models that differ from the home or center based care programs, but are also necessary for the health of the industry.

Career sustainability

As a service-based industry, the child care industry requires qualified individuals (educators) to support the supply side (service delivery) and maintain the talent levels required to fulfill the expectations of families, communities, and industry standards. To maintain service levels, educators must be trained, recruited, and retained at levels necessary to fulfill the demand. Without this, care will not be accessible or affordable to all families.

To retain an active workforce, the following factors must be put in place:

Livable wages paid to educators

This standard of pay is based on the actual living expenses of the local community. Living expenses are modeled to determine the income sufficient to meet minimum standards given the local cost of living, based on the U.S. Bureau of Labor Statistics and the North American Industry Classification System (NAICS). Living wages change based on what an individual in a household must earn to support themselves and their family. Based on the size and structure of the family, this wage will change.

The living wage standard used in this report is the minimum wage required for a one adult, one child household for Clackamas County, OR.

This amount is \$38.89 per hour.

Career pathways opened to educators

Educators have market options outside of the child care industry. These options should be taken into consideration when examining the career prospects for educators. Most notably, child care educators can choose to work for a school as a teacher. Because of this parity, local school district career structures have been used to create a similar structure for the child care industry. *Note that teacher pay is often below the living wage standard.* Our models have been updated to reflect the living wage standards, and we believe that teacher pay should also reflect this standard.

Coordination:

This study finds child care industry regulation to reflect various parts of the local industry, while no single local organization acts to uphold and maintain the health of the child care industry. We believe that the interests of the child care industry should be coordinated from several perspectives to a single perspective to ensure the health of the child care industry.

Financial coordination:

Child care rate standards should be provided by the contribution of all beneficiaries and distributed to operators based on the number of children in their programs. Financial administration should be coordinated with quality and licensure efforts

Quality coordination:

Standard financial allowances should be made for the child care industry to fund the quality necessary to meet the expectations of families. Communities should be engaged to determine the delivery (demand) expectations, and these expectations should be implemented in the services (supply) provided. Quality administration should be coordinated with financial and licensure efforts.

Licensure coordination:

Licensure should be coordinated across all regulatory bodies with jurisdiction to support the growth of the industry through efficiency of implementation. While upholding quality, licensure should act as a support mechanism for operators to overcome barriers to entry while maintaining industry standards. Licensure administration should be coordinated with financial and quality efforts.

Shared participation

The child care industry acts as a foundation industry that supports the local economy. The child care industry allows more active participation in the employment markets and the local economic activity. This produces greater tax revenue, increased sales for commercial organizations, and capacity to work for families. All members of the economy benefit from a healthy child care industry, and thus all parties should participate in the funding of the industry revenue.

Governments

Additional tax revenue is projected due to the increase in economic activity. These revenues present as income tax, property tax, and other taxes received by local, state, and federal government. This additional tax revenue should be shared with the child care industry in the form of revenue participation.

Commercial organizations (businesses)

Increases in economic activity forecast higher sales to local and non-local industries alike. Like governments, this increase in economic activity (sales) should be shared with the child care industry in the form of revenue participation.

Households

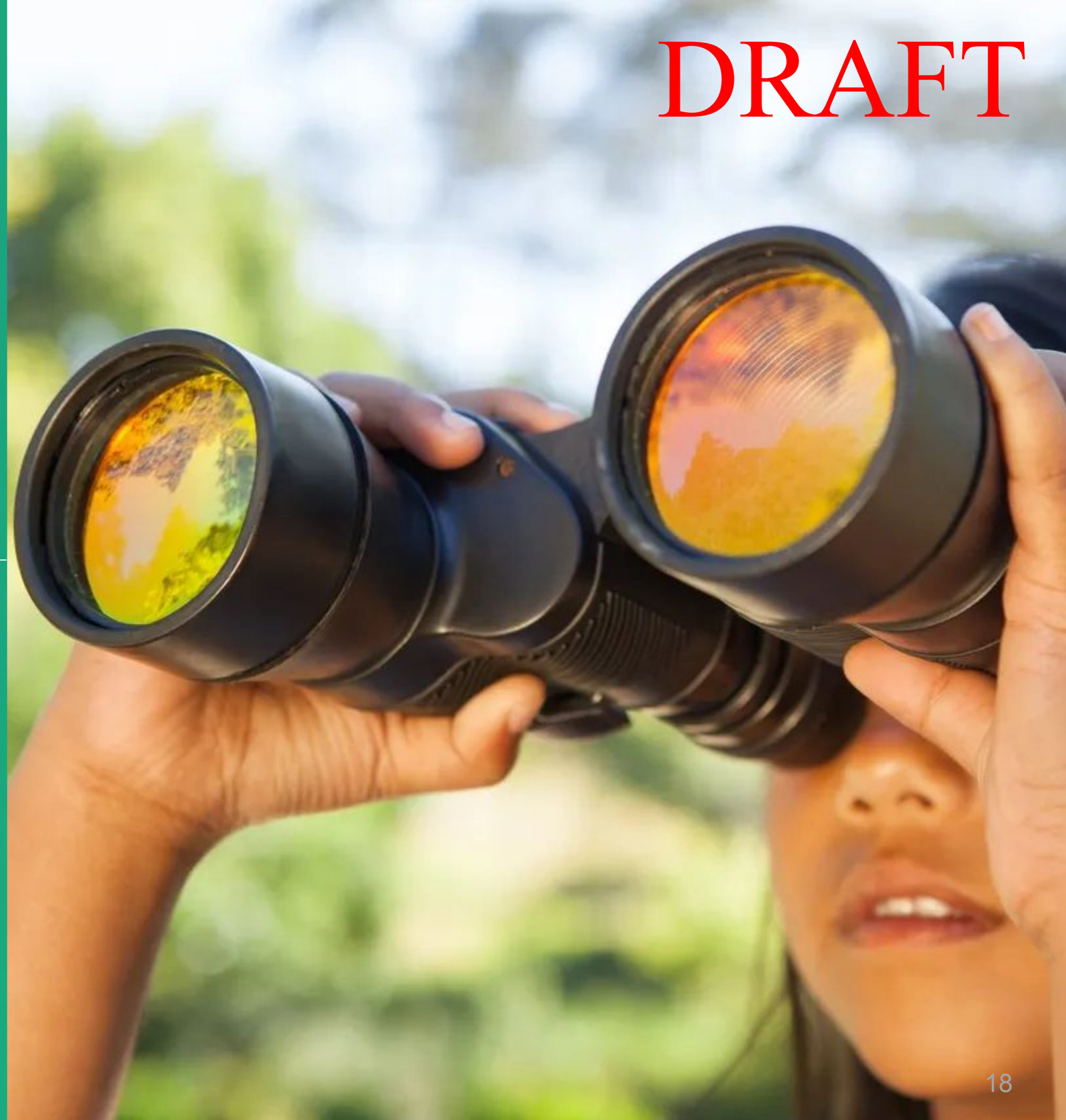
Today, families are the primary contributor to funding for child care industry. Due to the portion of income that is allocated to child care, families are incentivized to find alternatives including non-registered child care, not participating in the workforce, and other means. This is costly for all members of society in the form of missing economic activity, increased costs of public programs, and other socio-economic issues. Households should contribute at a rate that is sustainable, no more than 7% of income, in addition to government and commercial organization participation of revenue for the child care industry.



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Project Overview



A

Project Approach



A mixed community based participatory approach was the Task Force's preferred research methodology. This method allows for shared decision-making and in-depth study intended to provide the most relevant coordinated outcomes. This approach anticipates consistent implementation across all forms of government and industry.

Community based participatory research emphasizes the importance of creating partnerships between researchers and the people for whom the research is ultimately meant to be of use, and considers the community members' knowledge as legitimate and expert in nature. It's a collaborative approach to research that equitably involves all partners in the research process and recognizes the unique strengths that each brings.

Qualitative approach

Qualitative research is a type of research that explores and provides deeper insights into real-world problems. Qualitative research gathers participants' experiences, perceptions, and behavior. At its core, this research asks open-ended questions whose answers are not easily put into numbers such as 'how' and 'why'.

Study approach:

- Review literature, trends, and histories of the County and surrounding areas to determine the current state of local child care.
- Review national and global trends regarding child care.
- Interview workgroup members and key industry stakeholders from the following groups:
 - Parents
 - Child care operators
 - Child care educators
 - Industry administrators
 - Industry non-profits and other non-governmental organizations
 - Educational institutions
 - Employers
 - Research institutions
 - Local governments
 - State governments
- Determine key themes and investigate with workgroups.
- Validate data across workgroups and within stakeholders, test hypotheses.
- Observe outcomes and generate findings

Quantitative approach

Quantitative research encompasses a range of methods concerned with the systematic investigation of social phenomena, using statistical or numerical data. Therefore, quantitative research involves measurement and assumes that the phenomena under study can be measured. It sets out to analyse data for trends and relationships and to verify the measurements made.

Study approach:

- Reviews to determine current state of local child care.
- Determine local variables.
- Determine variables associated with qualitative data.
- Request data from key industry stakeholders:
 - Parents
 - Child care operators
 - Child care marketplaces
 - Child care regulators
 - Revenue departments
 - Economic development governments (local)
 - Research institutions
- Validate variables and determine hypothesis
- Generate models and test hypotheses
- Observe outcomes and generate findings

Data Sharing and Information Sharing Approach

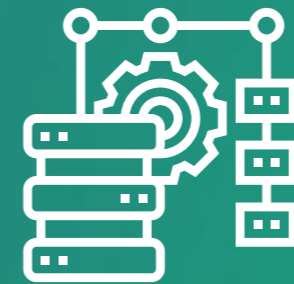
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Coordination is Critical

By structuring the project into specific disciplines, our working teams were able to develop discipline-specific research and share it across teams in order to accelerate the community based participatory research process.

| | | To | | | |
|------|--------------------|-------------------------------|---------------------------|----------------------------------|--------------------------------|
| | | Finance & Strategy | Infrastructure | Program & Policy | Workforce |
| From | Finance & Strategy | Supply/demand Exp/revenues | Geography implications | Time of day, age implications | Livable wages License costs |
| | Infrastructure | Expenditures | Facilities inventory | Availability | Availability |
| | Program & Policy | Subsidies Rates | Location requirements | Equity Values | Wage basis |
| | Workforce | Wage bounds | Geographies | Equity Wage bounds | Culture |

B Project Governance



Governance Structure

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The project groups consist of:

- Executive Committee: Clackamas Workforce Partnership, Early Learning Hub of Clackamas County, and Clackamas Educational Service District
 - This group will receive recommendations from the Steering Committee
- Steering Committee: Chairpersons from the workgroups and leadership from the Morant McLeod Engagement Manager
 - This group will receive monthly updates from the workstreams and deliberate recommendations
- Four Workstreams (also called workgroups): Participants from the workgroups and leadership from the Morant McLeod Engagement Teams

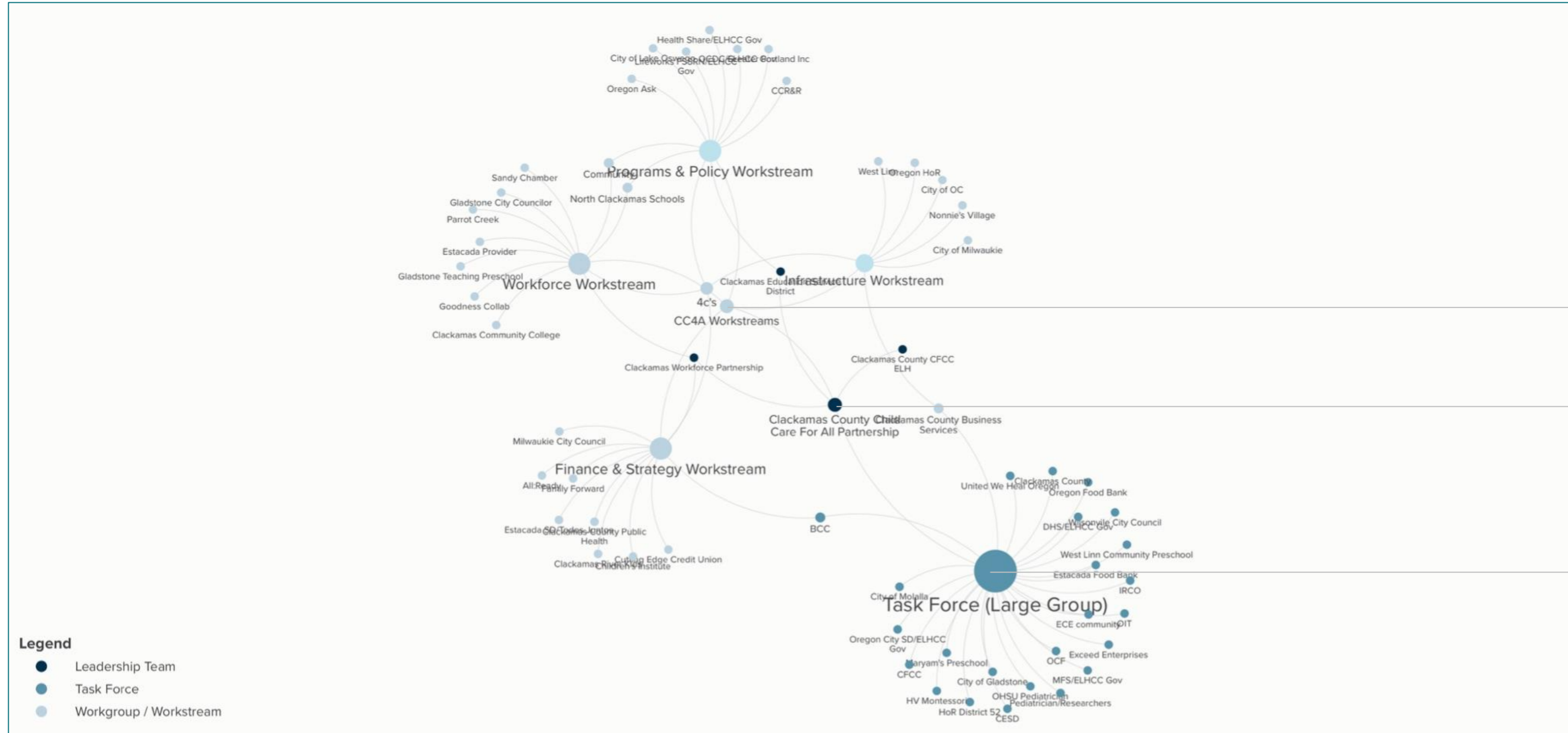


Governance Structure: Stakeholder Map

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Creating a Wide Table

To ensure a strong flow of information, the project governance structure is underpinned by a strong stakeholder engagement plan.



Workgroups (Workstreams)
 Monthly public meetings to discuss and direct research, validation of information, generating data, testing models, and creating

Clackamas County Child Care for All Partnership (Executive Committee)
 To commission, receive, and approve deliverables.

Child Care for All Task Force
 Monthly public meetings to receive updates, community-level discussion on findings, review of work product, data generation, and validation of research.

Steering Committee Membership

Regular Review and Community Coordination

The steering committee performs an organizing function between the Executive Committee and the Child Care for All Task Force. The committee provides access to community partners and ensures that information is available for study.

| | |
|--------------------|--|
| Bridget Dazey. | Clackamas Workforce Partnership.* |
| Dani Stamm Thomas. | Early Learning Hub of Clackamas County.* |
| Brett Walker. | Clackamas Education Service District (Head Start, Child Care Resource and Referral).* |
| Adam Freer. | Clackamas County Children, Family, and Community Connections. |
| Jessica Duke. | Clackamas County Children, Family, and Community Connections Prevention Unit. |
| Bryan Fuentez. | Clackamas Workforce Partnership. |
| Sara Snow. | Clackamas Education Service District (Early Childhood Special Education & Early Prevention). |
| Courtney Holstein. | Family Forward Oregon. |

**also on the Executive Committee*



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Workgroup Research




A

Case for Action





If I could afford to bring my child to a high quality child care center, it would change the path our family life is currently taking. My partner and I could have a moment together to begin building the business we dream of, we could have more time together than simply passing along information about our child's day before heading out to our respective jobs and passing the duty of care to the other, and most importantly, my son could have the opportunity to learn with and from other people his age in an environment which was built with him in mind.



Industry Related Discussion Points

Career Pathways

- Creating a sustainable "career" vs a "job" .

Provider Quality

- Basis for training, competency, etc.
- Steps to align with compensation?

Scale

- Recruitment and retention.
- How to approach large scale recruitment? Phases?

“

Parents trust us with their youngest children, we're teaching the youngest populations during the time in life when they're absorbing the most information... you want educators who can teach to this critical time.

“

I feel like without a living wage, if we can't support people and give them a path forward, we're never going to achieve this thing. I had to cancel my clinics because all of the MA's left. Really focusing on that is key, it won't work any other way.

“

Every industry needs to recruit. If you don't recruit new talent and keep it, any industry will get weaker. The child care industry is no different, only that you need this industry to have other healthy industries because they depend on this one. Other industries rely on childcare.

The child care industry is an industry that supports the majority of the local workforce. Without a healthy child care industry, employment and economic activity shrink, harming all residents, employers, and employees inside of the County.

Policies support families that work traditional schedules over non-traditional schedules. Non-traditional schedules require proportional support and supply. For example, this means that families who work as medical professionals, first responders, or in transportation industries would face additional challenges in receiving care.

The estimated total market size for Child Care is above \$1b in Clackamas County alone. Currently, there is not enough supply to meet this demand.

Current wages for educators in the Child Care market do not support the estimated household expenditures for most families without another source of income. This is not only an economic issue, but an equity issue for under-resourced communities and disadvantaged groups.

All constituents inside of the County benefit from a healthy child care industry.

B

Workgroups



Workgroup Purpose and Goals

Focal Points

Each workgroup took on separate focal points and sought to research each area, its issues, and identify solutions that lead to the larger project goals. Research was actively shared and used to support each group's goals. Each workgroup sought to understand and overcome the issues pertaining to the following points:



Supply & Demand
(current, potential)

Expenditures, Revenue
options

Projections



Geography

Facilities

Zoning/Regulations



Alignments

Implementation
Pathways

Quality



Equity

Culture

Wages

Workgroup Stakeholders

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Four of the six workgroups included external stakeholders who regularly participated in the study. These stakeholders represented their professional organizations in the study, and were differentiated from stakeholders who participated in single, irregular, or ad-hoc interviews due to consistent participation, feedback, and validation.

| Finance & Strategy Workgroup | |
|------------------------------|---------------------------------------|
| Dana Hepper | Children's Institute |
| Ronna Idzenga | Cutting Edge Credit Union |
| Erika Zoller | Clackamas County Public Health |
| Kathy Hyzy | Milwaukie City Council |
| Commissioner Schrader | BCC |
| Kari Lyons | All:Ready |
| Julie Syring | Estacada SD/Todos Juntos |
| Brittany Hill | Clackamas River Kids |
| Darcee Kilsdonk | 4c's |
| Courtney Holstein | Family Forward |
| Larry Didway | Clackamas ESD |
| Peg King | Health Share |
| Seth Lyon | State of Oregon |
| Darcee Kilsdonk | Clackamas County Childrens Commission |
| Ian Galloway | Federal Reserve Bank of San Francisco |
| Vicki Bellacosa | Vicki Bellacosa Child Care |
| Simon Fulford | Parrot Creek |
| Ruby Ramirez | OCF |
| Matt Lorenzen | City of Wilsonville |
| David Plotkin | CCC |
| Libra Forde | SEI |
| Larry Didway | Clackamas ESD |
| Tiffany Pillars | Cutting Edge |
| Bridget Dazey | Clackamas Workforce Partnership |
| Amanda Wall | Clackamas Workforce Partnership |
| Christina Fadenrecht | Clackamas County |
| Anne Adler | Community Member |
| Sherrri Vanderpool | Community Member |
| Kimberlee DeSantis | Clackamas County |

| Infrastructure & Facilities Workgroup | |
|---------------------------------------|----------------------------------|
| Stephanie Whitmore | Nonnie's Village |
| Jules Walters | West Linn |
| Angel Falconer | City of Milwaukie |
| Ann Griffin | Oregon City Economic Development |
| Rep Neron | Oregon HoR |
| Adam Marl | City of OC |
| Erich Brill | 4c's |
| James Graham | Oregon City Economic Development |
| Dani Stamm Thomas | Clackamas County ELH |
| Taylor Campi | City of Estacada |
| Christine Lewis | Metro |
| Christine Moore | Clackamas County |
| Julie Syring | Estacada School District |

| Program & Policy Workgroup | |
|----------------------------|----------------------------|
| Brett Walker | Clackamas ESD |
| Donalda Dodson | OCDC/ELHCC Gov |
| Peg King | Health Share/ELHCC Gov |
| Beth Unverzagt | Oregon Ask |
| Massene Mboup | City of Lake Oswego |
| Natalie Whisler | North Clackamas Schools |
| Sandy Meados | CCR&R |
| Christina Aguirre | 4c's |
| Brittany Bagent | Greater Portland Inc |
| Charles Gallia | Community Member |
| Denise Glascock | Lifeworks FSSRN/ELHCC Gov |
| Dana Hepper | Childrens Institute |
| Jessica Duke | Clackamas County |
| Stephanie Whitmore | Nonnies Village Child Care |
| Tracy Moreland | Clackamas County |
| Christina Fadenrecht | Clackamas County |
| Regan Grey | Family Forward |

| Workforce Workgroup | |
|----------------------|---------------------------------|
| Vicki Bellacosa | Estacada Provider |
| Simon Fulford | Parrot Creek |
| Caitlin Crocker | Goodness Collab |
| Christyn Dundorf | Gladstone Teaching Preschool |
| Jen Burkart | North Clackamas Schools |
| Jerry Cohen | AARP Oregon |
| Lori Bell | Community |
| Khrys Jones | Sandy Chamber |
| David Plotkin | Clackamas Community College |
| Liz Kyle | 4c's |
| Annessa Hartman | Gladstone City Councilor |
| Dawn Hendricks | Clackamas Community College |
| Amanda Wall | Clackamas Workforce Partnership |
| Ann Griffin | Oregon City |
| Victoria | Oregon City |
| Regan Gray | Family Forward |
| Christina Fadenrecht | Clackamas County |
| Tracy Moreland | Clackamas County |
| Bridget Dazey | Clackamas Workforce Partnership |
| Samir Randolph | Clackamas Workforce Partnership |
| Vicki Bellacosa | Estacada Provider |
| Simon Fulford | Parrot Creek |
| Caitlin Crocker | Goodness Collab |

Round 1

Initial Findings and Early Recommendations

Workgroups will develop initial recommendations for the Steering Committee

Round 2

Interim Recommendations

Workgroups will revise recommendations or further validate for final recommendations to the Steering Committee

Round 3

Final Recommendations

Final sets of recommendations will go to the Steering Committee

C

Workgroup Findings



Finance & Strategy Workgroup: Discussion of Needs

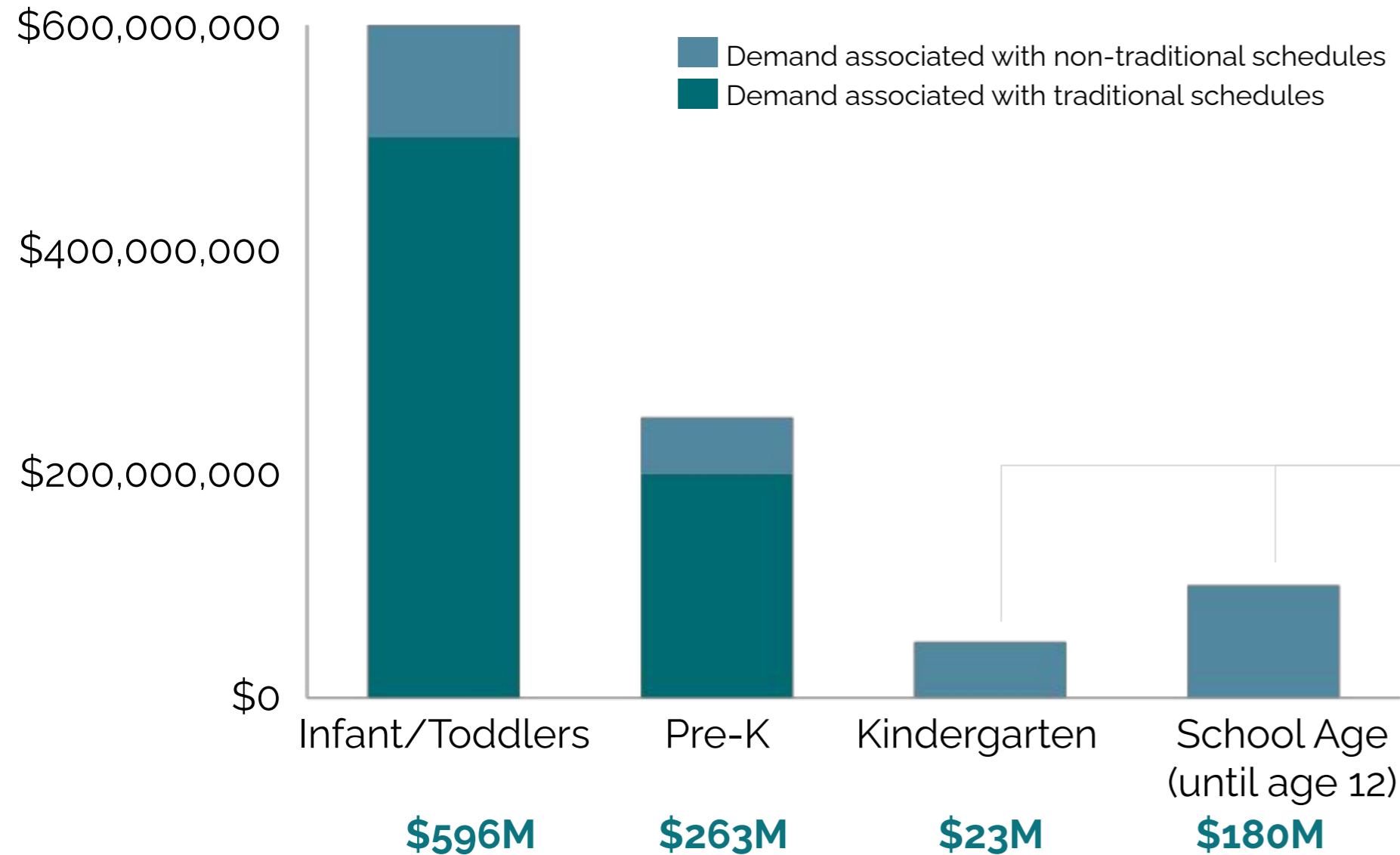
Initial Discussion of Goals

- How can we increase capacity?
- Professional early childhood services through after-school?
- Increase affordability?
- Recognize strengths and assets?
- Consider scope and sequence that gets us to universal care?
- Assessment of what is the dollar amount to make this happen?
- Develop community awareness and support through strategy plan?
- Design the path that brings people along in the solutions?
- Community building / Co-design?
- Communications will be key to strategy?
- Ask what is the true cost of universal care?
- Costs for planning and building the system?
- Mixed model approaches?



Status quo demand estimate \$1B

Total demand estimated at \$1,051,690,490 assuming children require child care for both traditional and non-traditional schedules. Some factors may adjust this estimate downward, while other factors bring adjustments back upward.



Although not all families would require child care, market rates have increased since the 2020 rate study (potentially increasing this estimate). Additionally, these estimates do not include factors regarding wage compression; with sustainable wages we expect these figures to increase further.

Assumes current school and after-school programming supports families with traditional working schedules. However, after-school programming costs should be added to final calculations.

Child care rate data: 2020 Oregon Child Care Market Price Study
 Schedule data: U.S. Bureau of Labor and Statistics, 2018

Finance & Strategy Workgroup: Understanding Supply

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Status quo demand estimate \$1B

Clackamas County shows 122 employers and 916 employees within employment records.

| EMPLOYER | CITY |
|-------------------------------------|--------------|
| 4 R KIDS LLC | MILWAUKIE |
| A&4D ENTERPRISES INC | GLADSTONE |
| ACADEMY FOR KIDS INC | HAPPY VALLEY |
| AMIGUITOS PRESCHOOL INC | MILWAUKIE |
| ANNIE'S LIL KIDZ | CLACKAMAS |
| AUNTIE PORTIE'S | OREGON CITY |
| AUNTIE PORTIES | OREGON CITY |
| BARLOW HEAD START | CANBY |
| BELOVED MONTESSORI | WEST LINN |
| BETHLEHEM CHRISTIAN PRESCHOOL | LAKE OSWEGO |
| BIZZY BUMBLE BEE PRESCHOOL LLC | WILSONVILLE |
| BRIGHT BEGINNINGS LEARNING CENTER A | SANDY |
| BRIGHT MINDS CHRISTIAN DAYSCHOOL LL | OREGON CITY |
| BRIGHTEN MONTESSORI LLC | WILSONVILLE |
| BUILDING BLOCKS EARLY LEARNING CENT | WILSONVILLE |
| CANBY COMMUNITY PRESCHOOL | CANBY |
| CARUS PRESCHOOL | OREGON CITY |
| CATERPILLAR CLUBHOUSE | MOLALLA |
| CHINESE AMERICAN INTERNATIONAL SCHO | LAKE OSWEGO |
| CLACKAMAS CC CENTER | OREGON CITY |
| CLACKAMAS CO CHILDRENS COMMISSION | OREGON CITY |
| CLACKAMAS CO. CHILDRENS COMMISSION | MOLALLA |
| CLACKAMAS COUNTY CHILDREN'S COMM | OREGON CITY |
| CLACKAMAS RIVER CHILDCARE | ESTACADA |
| CLT INC | CANBY |
| COMMUNITY ACTION ORGANAZITION | TUALATIN |
| COMMUNITY ARTS PRE-SCHOOL, INC | LAKE OSWEGO |
| COMMUNITY MONTESSORI SCHOOL LLC | LAKE OSWEGO |
| COUNTRY COTTAGE PRESCHOOL | SANDY |
| COUNTRY KIDS PRESCHOOL LLC | DAMASCUS |
| COUNTRY VIEW ELC LLC | SHERWOOD |
| CREATIVE HANDS PRESCHOOL INC | SHERWOOD |
| CREATIVE MINDS LEARNING CENTER | CLACKAMAS |
| CREATIVE MINDS LEARNING CENTER | TUALATIN |
| CUDDLE TIME PRESCHOOL | MILWAUKIE |
| EARLY BIRD LEARN AND PLAY | CLACKAMAS |
| EARLY CHILDHOOD EDUCATION MANAGEMEN | OREGON CITY |
| EARLY YEARS LLC | LAKE OSWEGO |
| EARLY YEARS LLC | WILSONVILLE |
| ESTACADA DAY CARE | ESTACADA |
| ESTACADA HEAD START | ESTACADA |
| FERNWOOD | MILWAUKIE |

| EMPLOYER | CITY |
|-------------------------------------|--------------|
| GLADSTONE | GLADSTONE |
| GLADSTONE HEADSTART | GLADSTONE |
| GRANDMAS HOUSE LLC | SANDY |
| HAPPY VALLEY MONTESSORI SCHOOL LLC | CLACKAMAS |
| HAPPY VALLEY PRESCHOOL/CHILD CARE | HAPPY VALLEY |
| HILLSVIEW MONTESSORI SCHOOL | DAMASCUS |
| HOLLIDAY INVESTMENTS INC | MOLALLA |
| JOYFUL NOISE PRESCHOOL PARTNERS INC | BORING |
| KC KIDS CARE | SANDY |
| KIDS COVE | WILSONVILLE |
| KINDERCARE EDUCATION LLC | LAKE OSWEGO |
| KINDERCARE EDUCATION LLC | ESTACADA |
| KINDERCARE EDUCATION LLC | CLACKAMAS |
| KINDERCARE EDUCATION LLC | WEST LINN |
| KINDERCARE EDUCATION LLC | DAMASCUS |
| KINGER KIDS DAY SCHOOL | OREGON CITY |
| KIROSHANI INC | LAKE OSWEGO |
| KRISSIE'S WEE ONES DAYCARE LLC | MOLALLA |
| LA PETITE ACADEMY, INC | WEST LINN |
| LADY BUGS DAYCARE LLC | HAPPY VALLEY |
| LAKE OSWEGO CHILDREN LEARNING AND | LAKE OSWEGO |
| LAURIES LITTLE LEAPSTERS DAYCARE | MILWAUKIE |
| LEAPS & BOUNDS LLC | OREGON CITY |
| LILLYS PAD LEARNING LLC | CANBY |
| LILY POND PRESCHOOL AND CHILD CARE | WEST LINN |
| LITTLE BEAR PLAY CARE AND PRESCHOOL | OREGON CITY |
| LITTLE FRIENDS EARLY CHILDHOOD COMM | WEST LINN |
| LYNNE & WYN INC | OREGON CITY |
| MAC PRESCHOOL | WEST LINN |
| MILWAUKIE MONTESSORI INC | MILWAUKIE |
| MILWAUKIE PRESCHOOL | MILWAUKIE |
| MM KIDS INC | WILSONVILLE |
| MONROE STREET CDC | MILWAUKIE |
| MT HOOD LEARNING CENTER | WELCHES |
| NEW HOPE CHILD DEVELOPEMENT | PORTLAND |
| NONNIE'S VILLAGE LLC | BEAVERCREEK |
| OAK GROVE PRESCHOOL AND DAYCARE INC | OAK GROVE |
| OCVM HEAD START | OREGON CITY |
| OONA'S PLAYCARE | LAKE OSWEGO |
| OREGON CHILD DEVELOPMENT COALITION | MULINO |
| OREGON CITY PRESCHOOL | OREGON CITY |
| OSWEGO PLAYSCHOOL | LAKE OSWEGO |

| EMPLOYER | CITY |
|-------------------------------------|--------------|
| P.A.L.C. ENTERPRISES INC | HAPPY VALLEY |
| PLEASANT VALLEY SPRINGS *CASA DEL | OREGON CITY |
| PLEASANT VALLEY SPRINGS LLC | OREGON CITY |
| PUDDLE JUMPERS PRESCHOOL AND CHILDC | WILSONVILLE |
| R KIDS CLACKAMAS INC | CLACKAMAS |
| RED BARN COOPERATIVE PRESCHOOL AND | ESTACADA |
| RIVER ROAD OFFICE | MILWAUKIE |
| SANDY RIDGE HEAD START | SANDY |
| SARAH R BROWN | MOLALLA |
| SILLY MONKEYS DAYCARE & PRESCHOOL L | GLADSTONE |
| STAFFORD MONTESSORI LLC | TUALATIN |
| STEPHANIE DODGE | OREGON CITY |
| STORYBOOK DAYCARE | LAKE OSWEGO |
| SUGARPLUMS LEARNING CENTER | CLACKAMAS |
| SUNFLOWERS PRESCHOOL | PORTLAND |
| SUNGARDEN MONTESSORI CENTER, INC | WEST LINN |
| SUNNY SKIES ECC | WEST LINN |
| SUNNYSIDE MONTESSORI HOUSE...INC | HAPPY VALLEY |
| SUNSHINE EARLY LEARNING CENTER LLC | MILWAUKIE |
| SWEET PEA PRESCHOOL LLC | MILWAUKIE |
| T'S FOR TOTS | WEST LINN |
| TENDERHEART CHILDCARE AND PRESCHOOL | MILWAUKIE |
| THE CHILDRENS HOUR ACADEMY INC | LAKE OSWEGO |
| THE GODDARD SCHOOL | CLACKAMAS |
| THE PLAY BOUTIQUE | LAKE OSWEGO |
| TO EVERY KID | LAKE OSWEGO |
| TOTS ON THE SPOT INC | SANDY |
| TREASURED BLESSINGS CHILD CARE | HAPPY VALLEY |
| TRIUMPHANT KING LUTHERAN CHURCH | LAKE OSWEGO |
| VILLAGE MONTESSORI INC | LAKE OSWEGO |
| WEST LINN COMMUNITY PRESCHOOL INC | WEST LINN |
| WILD PRIMROSE PRESCHOOL INC | PORTLAND |
| WILSONVILLE | WILSONVILLE |
| WITCHITA HEADSTART | MILWAUKIE |
| WONDER WORLD PRESCHOOL LLC | TUALATIN |
| YELLOW DOOR DAYCARE LLC | WEST LINN |
| YMCA CLACKAMAS COMMUNITY COLLEGE | OREGON CITY |
| ZOAR LUTHERAN PRESCHOOL | CANBY |

Business Models

Market data and studies suggest a prevalence of three primary business types. These business types are: small home-based, large home-based, and centers.



Small Home-based

Residential based business, typically run out of the home.



Large Home-based

Scaled small home-based business with a single extended location or multiple locations.



Center

Commercial business, school-based, or other organization with multiple employees and administrative structure.

Current rates do not support healthy business models; wages expenses should not exceed 30-40% as a percentage of income. Center rates (below) are the highest; home-based providers receive 28% lower rates than centers.

| Group Area A: Urban Areas, Centers | | | |
|------------------------------------|---------------------------------|--|--|
| Type of care | Max Monthly Income per Educator | Current Wages Expense Percentage of Income | Livable Wages Expense Percentage of Income |
| Infant | \$6,252 | 49% | 97% |
| Toddler | \$9,408 | 32% | 64% |
| Preschool | \$12,290 | 25% | 49% |
| School Age | \$13,245 | 23% | 46% |
| Special Needs | \$6,252 | 49% | 97% |

| Group Area B&C: Rural Areas, Centers | | | |
|--------------------------------------|---------------------------------|--|--|
| Type of care | Max Monthly Income per Educator | Current Wages Expense Percentage of Income | Livable Wages Expense Percentage of Income |
| Infant | \$3,892 | 78% | 156% |
| Toddler | \$5,730 | 53% | 106% |
| Preschool | \$7,650 | 40% | 79% |
| School Age | \$8,850 | 34% | 68% |
| Special Needs | \$3,892 | 78% | 156% |

Wage do not include employer taxes, benefits, or other fringe items. Livable wages based on household expenditures for one adult, one child household

Rate data: Oregon DHS, 2022.

Wage data: Oregon Employment Department, 2021.

Household expenditures: US Census Bureau, 2020; Glasmeier, Amy K. Living Wage Calculator. 2020. Massachusetts Institute of Technology. livingwage.mit.edu

Finance & Strategy Workgroup: Areas for Improvement

Key Areas of Workgroup Research

- The provider business model should be examined to determine viability for operators (business owners).
- Provider rates should be examined to determine the minimum rates necessary to operate a child care center.
- Transportation is a key equity issue; provider transportation programs should be examined to determine a viable business model.
- The child care industry should be examined to determine a suitable business model for sustainably fulfilling industry demand.
- Allowable costs should be examined to coordinate with federal and state rules.
- Examine how a healthy child care industry affects other local industries.



Infrastructure & Facilities Workgroup: Discussion of Needs

Initial Discussion

- What are the key policy barriers preventing providers from opening, surviving or expanding?
- What does child care for all physically look like?
- Where is it located?
- How to create more facilities?
- How do we define safety in a way that creates flexibility?
- How can we lower barriers to entry for home-based providers?
- How can we assess the current landscape?
- What organizations should we partner with?
- Should pilots be considered?
- What costs should be included?

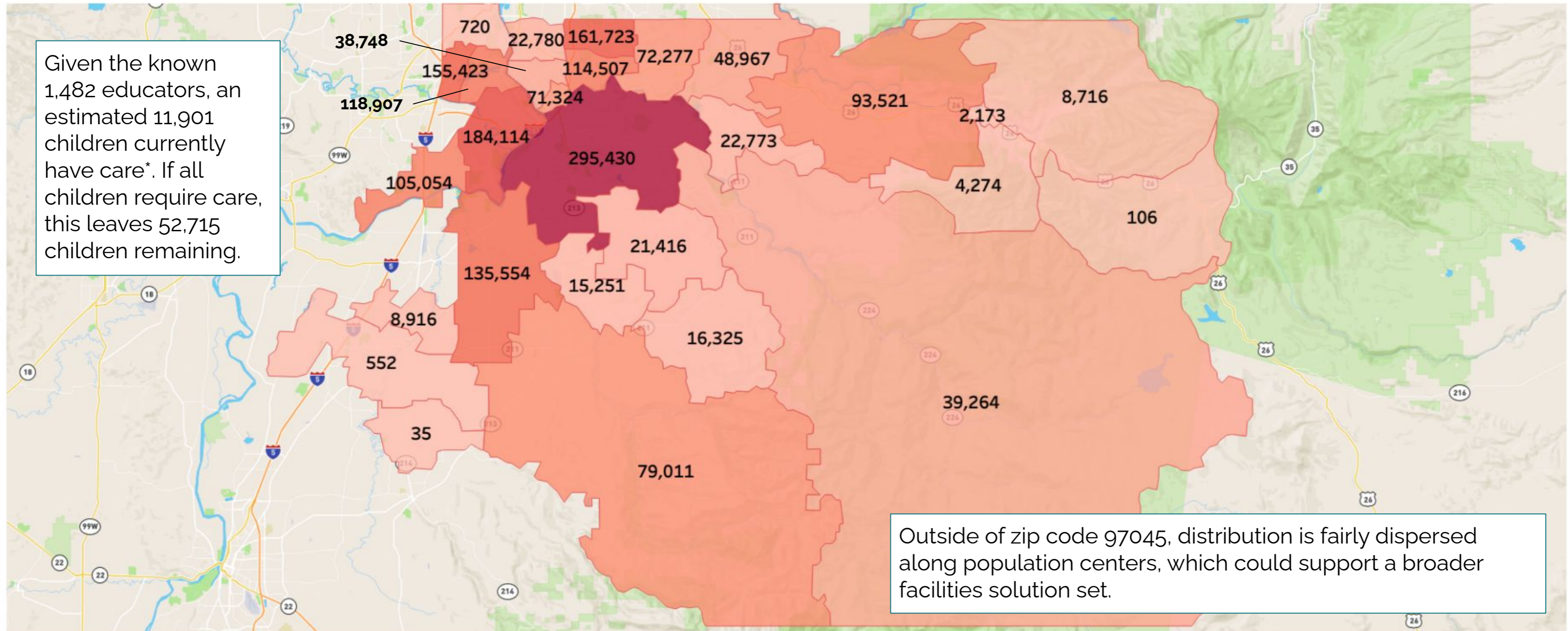


Infrastructure & Facilities Workgroup: Issues

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Locations Estimate

An estimated 1,845,029 sq ft is needed to meet the unmet demand (remainder).



Population data: US Census Bureau, 2020. *average 1:8 ratio across age ranges
Provider data: Oregon Employment Department, 2021; Oregon Dept of Human Services, 2022

Initial assessment of alternatives aids in determining workgroup scope.

| Option | Costs | Advantages | Disadvantages |
|--|---|---|--|
| Privately funded (either through social impact investors or traditional real estate investors) | Lease: \$44 million. Build-out: \$646 million. | Social impact investors are only paid when agreed-upon goals are achieved. By using traditional real estate investors, the project gains valuable insight into the most efficient allocation of financial resources in that private entities with a profit motive are the most skilled at allocating capital. | May be more expensive than publicly funded options. It also may be cumbersome negotiating and regulating the private market. Private allocation of capital may be most efficient and profitable, but may not be the most desirable for children. |
| Publicly funded centers | Lease: \$44 million Build-out: \$830 million | Publicly funded centers may be less expensive than privately run centers because of tax advantages and the limits of government appropriations. | Publicly run centers typically have more bureaucracy when changing policies and procedures. |
| Public education funded centers | Depends on the requirements. If no new construction, and the program is offered no-cost leases, then \$0. | Public education centers may be relatively cost effective. | May require some reworking to ensure the center can handle non-education-related activities. |

Infrastructure & Facilities Workgroup: Areas for Improvement

Key Areas of Workgroup Research

- Facility costs should be examined to determine the viability of business financial sustainability.
- Industry wide delivery system (facility types) should be examined to determine ideal facility allocation.
- Allowable costs of rent / lease should be regularly updated to reflect market conditions.
- Location availability is a key equity issue that should be examined to determine equitable access.
- Coordination between governments should be examined to determine system delivery restrictions (and if they cause industry harm).



Programs & Policy Workgroup: Discussion of Needs

Initial Discussion

- What are the implications on programs of the revisions to core knowledge categories and licensing requirements?
- How can we align child care regulations with regulatory requirements for schools and school-aged child care programs?
- How can we build out a systematic approach to professional development?
- How can we create or influence public policy to strengthen programmatic elements?
- How can we strengthen alignment across agencies, sectors, and funding streams?
- How can leverage the coordinated enrollment system?
- How can we increase access to odd hour care?
- How can we best leverage the role of the Early Learning Hub as a convener and facilitator of cross-sector collaboration?
- What can we do build the capacity of child care providers to support after school care for Pre-K students and/or school aged children?
- What are some creative strategies that we can employ to bring in new child care providers? What's the value proposition?








Programs & Policy Workgroup: Issues

Policy structure has time- and age-based considerations that primarily support traditional schedules, with additional program requirements for non-traditional schedules.

All "blocks" must be covered to meet child care for all definition; however services during non-traditional hours are uncommon.

| | 0 - 2 yrs | 2 - 3 yrs | 3 yrs - K | School age |
|------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| 7am - 6pm | Traditional, Non-traditional | Traditional, Non-traditional | Traditional, Non-traditional | Traditional, Non-traditional |
| 3pm - 6pm | Traditional, Non-traditional | Traditional, Non-traditional | Traditional, Non-traditional | Traditional, Non-traditional |
| 6pm - 7am | Non-traditional | Non-traditional | Non-traditional | Non-traditional |
| Weekends | Non-traditional | Non-traditional | Non-traditional | Non-traditional |

| | 0 - 2 yrs | 2 - 3 yrs | 3 yrs - K | School age |
|------------------|---|---|---|---|
| 7am - 6pm | |  |  |  |
| 3pm - 6pm |  | | | |
| 6pm - 7am |  | | | |
| Weekends | | | | |

Parents with non-traditional schedules require "vertical" continuity (later or earlier open hours of service).

Providers can better manage staff and facilities with "horizontal" continuity (offering services for more age groups).

Programs & Policy Workgroup: Issues

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| | Characteristic | Total workers (in thousands) | Percent working regular daytime schedule | Percent working a non-daytime schedule, by shift | | | | | | |
|------------|--|---------------------------------|---|--|---------|-------|----------|-----------|-------------|-------|
| | | | | Total | Evening | Night | Rotating | Irregular | Split shift | Other |
| Age | Total, 15 years and over | 144,295 | 83.6 | 16.4 | 5.9 | 3.6 | 2.4 | 2.6 | 0.7 | 1.2 |
| | 15 to 24 years | 21,296 | 68.1 | 31.9 | 15.9 | 5.6 | 4.5 | 4.6 | 0.3 | 1.0 |
| | 25 to 34 years | 33,682 | 84.7 | 15.3 | 5.4 | 3.8 | 2.0 | 2.8 | 0.8 | 0.6 |
| | 35 to 44 years | 30,159 | 87.7 | 12.3 | 3.7 | 3.1 | 1.7 | 1.8 | 0.6 | 1.3 |
| | 45 to 54 years | 29,484 | 87.4 | 12.6 | 3.0 | 3.3 | 1.9 | 1.8 | 0.7 | 1.9 |
| | 55 to 64 years | 22,514 | 85.7 | 14.3 | 4.1 | 2.4 | 2.6 | 2.7 | 1.1 | 1.4 |
| | 65 years and over | 7,160 | 84.7 | 15.3 | 5.8 | 3.3 | 1.7 | 2.8 | 0.6 | 1.1 |
| Occupation | Management, business, and financial operations | 22,754 | 93.8 | 6.2 | 1.2 | 1.6 | 0.8 | 1.5 | 0.4 | 0.8 |
| | Professional and related | 40,284 | 89.8 | 10.2 | 2.8 | 2.7 | 1.4 | 1.9 | 0.3 | 1.1 |
| | Services | 23,548 | 66.6 | 33.4 | 16.2 | 6.0 | 3.4 | 5.1 | 1.1 | 1.5 |
| | Sales and related | 11,290 | 74.9 | 25.1 | 10.6 | 2.2 | 5.8 | 4.3 | 0.5 | 1.8 |
| | Office and administrative support | 18,967 | 89.5 | 10.5 | 4.0 | 2.2 | 1.9 | 1.3 | 0.5 | 0.6 |
| | Farming, fishing, and forestry | S | S | S | S | S | S | S | S | S |
| | Construction and extraction | 5,853 | 95.3 | 4.7 | 0.6 | 1.5 | 1.4 | 0.3 | Z | 0.9 |
| | Installation, maintenance, and repair | 4,053 | 87.1 | 12.9 | 4.5 | 4.9 | 0.9 | 0.9 | 0.7 | 1.0 |
| | Production | 8,560 | 74.6 | 25.4 | 8.8 | 9.1 | 3.9 | 1.1 | 1.8 | 0.6 |
| | Transportation and material moving | 7,859 | 70.8 | 29.2 | 4.7 | 5.3 | 4.9 | 7.4 | 2.6 | 4.2 |

U.S. Bureau of Labor Statistics. (n.d) Table 7. Workers by shift usually worked and selected characteristics, averages for the period 2017-2018. Retrieved from <https://www.bls.gov/news.release/flex2.t07.htm>

Programs & Policy Workgroup: Issues

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| Step | CCC | CCC and/or CBT |
|------|--|--|
| 1 | Office of child care registered, met DHS enhanced rate requirements, or 12 hours in any CKCs | |
| 2 | Step 1 plus 8 additional hours or 20 hours in any CKCs | |
| 3 | 3 quarter credits in one CKC | 35 hours (4 in HGD and 4 in an additional CKC) |
| 4 | 5 quarter credits in two CKCs (3 in HGD or UGB) | 50 hours (4 in HGD, 4 in UGB, and 4 in two additional CKCs) |
| 5 | 7 quarter credits in two CKCs (3 in HGD or UGB) | 70 hours (6 in HGD, 6 in UGB, and 6 in four additional CKCs) |
| 6 | 9 quarter credits in two CKCs (3 in HGD or UGB) | 90 hours (8 in HGD, 8 in UGB, and 8 in six additional CKCs) |

| Step | DCC | CCC | CCC and/or CBT |
|------|--|---|--|
| 7 | Child development associate (CDA) credential | 12 quarter credits in two CKCs (3 in HGD or UGB) | 120 hours (10 in each CKC) |
| 7.5 | CDA plus 8 quarter credits in two CKCs (3 in HGD or UGB) | 20 quarter credits in four CKCs (6 across HGD or UGB) | Reflective overview statement required 200 hours (15 in each CKC) 80 hours must be CCC or Set Two/Three training hours 300 hours (20 in each CKC) 180 hours must be CCC or Set Two/Three training hours 400 hours (25 in each CKC) 280 hours must be CCC or Set Two/Three training hours 600 hours (30 in each CKC) 390 hours must be CCC or Set Two/Three training hours (9 quarter credits required) 700 hours (40 in each CKC) 380 hours must be CCC or Set Two/Three training hours (20 quarter credits required) 800 hours (50 in each CKC) 480 hours must be CCC or Set Two/Three training hours (30 quarter credits required) |
| 8 | Articulated certificate in the field | 30 quarter credits in four CKCs (6 across HGD or UGB) | |
| 8.5 | Articulated certificate in the field | 40 quarter credits in five CKCs (9 across HGD, LEC and UGB) | |
| 9 | Associate degree in the field or Associate degree out-of-field and 20 quarter credits in five CKCs (9 across HGD, LEC, and UGB) | 60 quarter credits in five CKCs (9 across HGD, LEC and UGB) | |
| 9.5 | Meets all DCC step 9 requirements and 10 upper division credits (9 across HGD, LEC, and UGB) | 70 quarter credits in five CKCs (10 upper division credits and 9 across HGD, LEC and UGB) | |
| 10 | Baccalaureate degree in the field or Baccalaureate degree out-of-field and 30 quarter credits in five CKCs (9 across HGD, LEC and UGB) | 80 quarter credits in five CKCs (20 upper division credits and 9 across HGD, LEC and UGB) | |

| Step | DCC |
|------|---|
| 11 | Master's degree in the field or Master's degree out-of-field and 30 quarter graduate level credits in 5 CKCs (9 across HGD, LEC, and UGB) |
| 12 | Doctorate degree in the field or Doctorate degree out-of-field and 30 quarter graduate level credits in 5 CKCs (9 across HGD, LEC, and UGB) |

Programs & Policy Workgroup: Areas for Improvement

Key Areas of Workgroup Research

- Child care industry should be examined to consider service delivery to all families with various working hours.
- Industry alignment with the adjacent industries, like the public school systems and after school programs, should be examined.
- Qualification policies for educators should be examined, alignments with outside market opportunities (other jobs outside of the child care industry) should be determined.
- Examine systemic supports for the industry, determine required supports for a healthy child care industry.
- Examine how policies open the child care educator pipeline necessary for a healthy child care industry.



Workforce Workgroup: Discussion of Needs

Initial Discussion

- How do we reimburse/compensate/professionalize wages across the sector?
- How do we encourage and support culturally specific/responsive care providers and remove barriers for certification for non-native English speakers?
- How do we make this a sustainable career?
- How do we retain caregivers?
- How can we train them and improve quality.
- How do we honor equivalency of skills?
- How should we consider the following items?
 - Consistent sustainable workforce for a thriving future
 - Reduce turnover and increase quality and pay for early learning educators
 - Wages & benefits
 - Culturally specific and responsive workforce
 - Diversity of care options



Wage Basis for the Study

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Livable wages are sustainable for those who chose to enter the workforce as child care educators

This wage basis considers the cost of living and considers the minimum wage required to financially support the household.

| Expenditures for a 1 Adult Household in Clackamas County, OR | | | | |
|--|-----------------|-----------------|-----------------|------------------|
| | 0 Children | 1 Child | 2 Children | 3 Children |
| Food | \$4,091 | \$6,029 | \$9,057 | \$12,013 |
| Child Care | \$0 | \$8,282 | \$16,564 | \$24,845 |
| Medical | \$2,279 | \$8,427 | \$8,205 | \$8,528 |
| Housing | \$14,940 | \$18,432 | \$18,432 | \$26,316 |
| Transportation | \$4,264 | \$7,567 | \$9,838 | \$11,620 |
| Civic | \$2,628 | \$4,219 | \$5,213 | \$6,807 |
| Other | \$4,524 | \$6,746 | \$6,171 | \$8,979 |
| Required annual income after taxes | \$32,855 | \$59,831 | \$73,608 | \$99,237 |
| Annual taxes | \$6,973 | \$12,850 | \$15,706 | \$21,145 |
| Required annual income before taxes | \$39,828 | \$72,681 | \$89,314 | \$120,382 |

As households grow, working adults require a wage that increases during their career. This supports career sustainability, a critical factor for the health of any service-based industry. This issue is paramount to the health of the child care industry.

Workforce Workgroup: Discussion of Needs

Insights on the Sustainable Wages

Employees working for childcare providers experience hardships when they have children of their own or do not have another adult to provide support.

| Current hourly wages for child care provider employees | One adult Household Living Expenditures | Two Adult household Living Expenditures (both working) |
|---|---|--|
| <ul style="list-style-type: none">• Average \$17.54 per hour for employees• Average \$36,483 annual income for employees | <ul style="list-style-type: none">• One child: \$72,681<ul style="list-style-type: none">– \$34.94 wage required• Two children: \$89,314<ul style="list-style-type: none">– \$42.94 wage required• Three children: \$120,382<ul style="list-style-type: none">– \$57.88 wage required | <ul style="list-style-type: none">• One child: \$79,552<ul style="list-style-type: none">– \$19.12 wage required• Two children: \$100,740<ul style="list-style-type: none">– \$24.22 wage required• Three children: \$122,289<ul style="list-style-type: none">– \$29.40 wage required |

Educator Wages: Why Livable Wages Are Needed

Current Wages In The Child Care Industry Are Not Sustainable For Most Educator Households

Considering various household structures, the average child care educator wage in clackamas county only works for one household structure out of the 16 structures that were considered. Sustainability decreases further as the number of children in the household increases.

1 Adult Household

| | 0 Children | 1 Child | 2 Children | 3 Children |
|-------------|------------|---------|------------|------------|
| Living Wage | \$19.15 | \$34.94 | \$42.94 | \$57.88 |

2 Adult Household

| | 0 Children | 1 Child | 2 Children | 3 Children |
|-------------|------------|---------|------------|------------|
| Living Wage | \$27.73 | \$33.39 | \$38.72 | \$44.22 |

2 Adult Household, Both Working

| | 0 Children | 1 Child | 2 Children | 3 Children |
|-------------|------------|---------|------------|------------|
| Living Wage | \$13.86 | \$19.12 | \$24.22 | \$29.40 |

Only one type of household structure sustainably allows for the average wage of a child care educator in Clackamas County

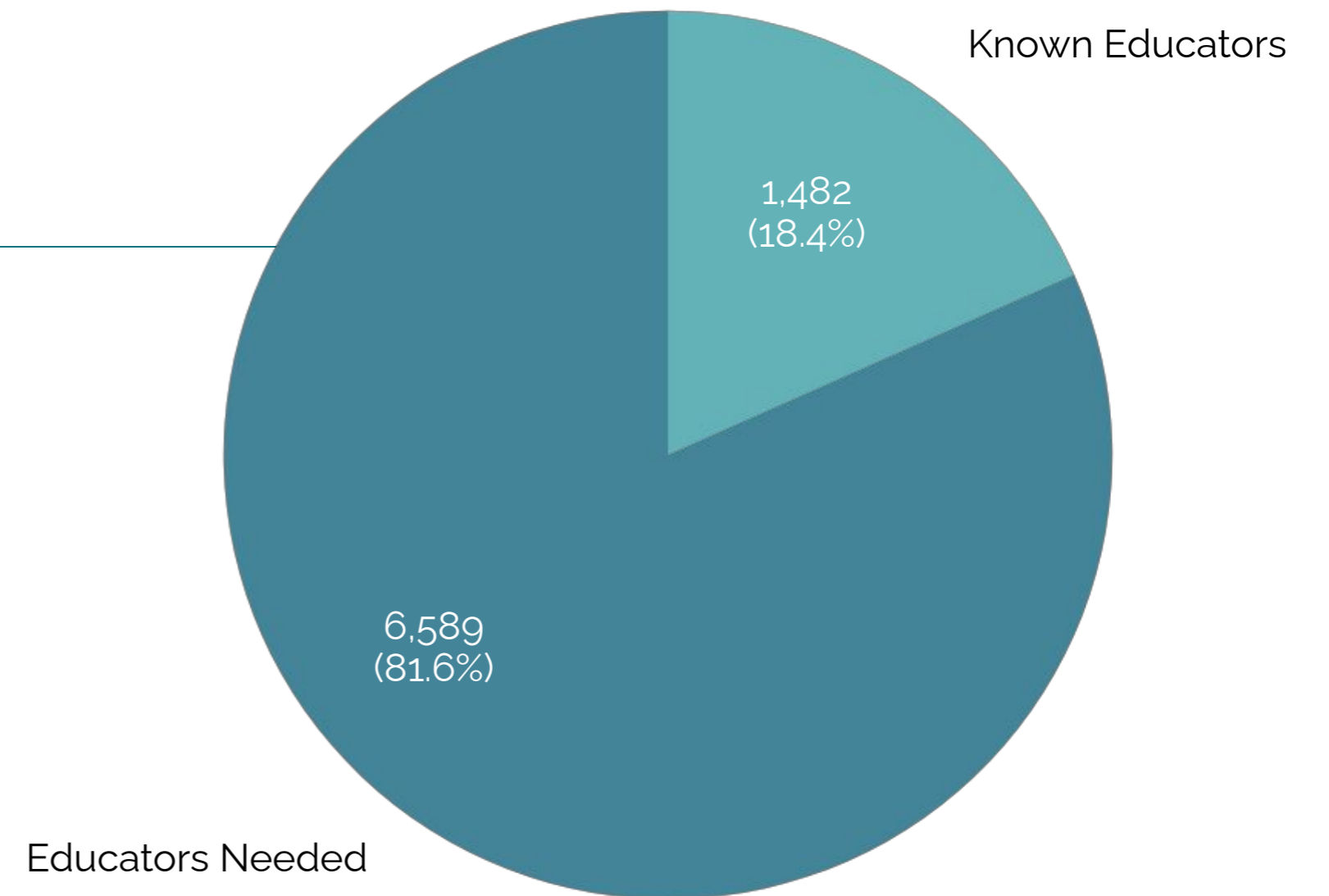
Workforce Workgroup: Discussion of Needs

Few Known Providers in Clackamas

At an average 1:8 ratio, another 6,589 licensed educators are needed to provide care for all children not served by the currently known 1,482 educators

A portion of this need is currently met by family, friends, and neighbor care; unlicensed care; and care that is not financially captured through payroll or ERDC. Additionally, there is a portion of the population who would elect not to receive child care by licensed providers. (One working adult households who care for the child at home, for example) However, studies show that

Significant scale is required to meet the workforce needs



Workforce Workgroup: Areas for Improvement

Key Areas of Workgroup Research

- Career opportunities should be examined along with the effects of livable wage.
- Increased levels of educator qualification should be examined from an industry perspective.
- Educator compensation should be examined in reference to other market opportunities available to the educator.
- An industry career ladder should be examined in light of industry-wide retention.
- Benefits (such as retirement contributions, professional development, medical and dental healthcare, etc) should be examined from both a workforce and operator point of view.
- Equity related issues should be examined within workforce considerations.





Solution Building

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Assumptions

The following assumptions are stipulated in the study and validated during the project governance validation process.

1

Providers will seek to maximize income as a business management strategy in order to create affordable practice (i.e., the business does not maintain space that it cannot use).

2

Providers recognize the spending elasticities of their customers and seek to develop fees tolerable by the market (i.e., providers seek to charge higher fees where possible).

3

Providers seek to limit expenses by using staff to child ratios efficiently (i.e., the business does not hire more staff than is necessary).

4

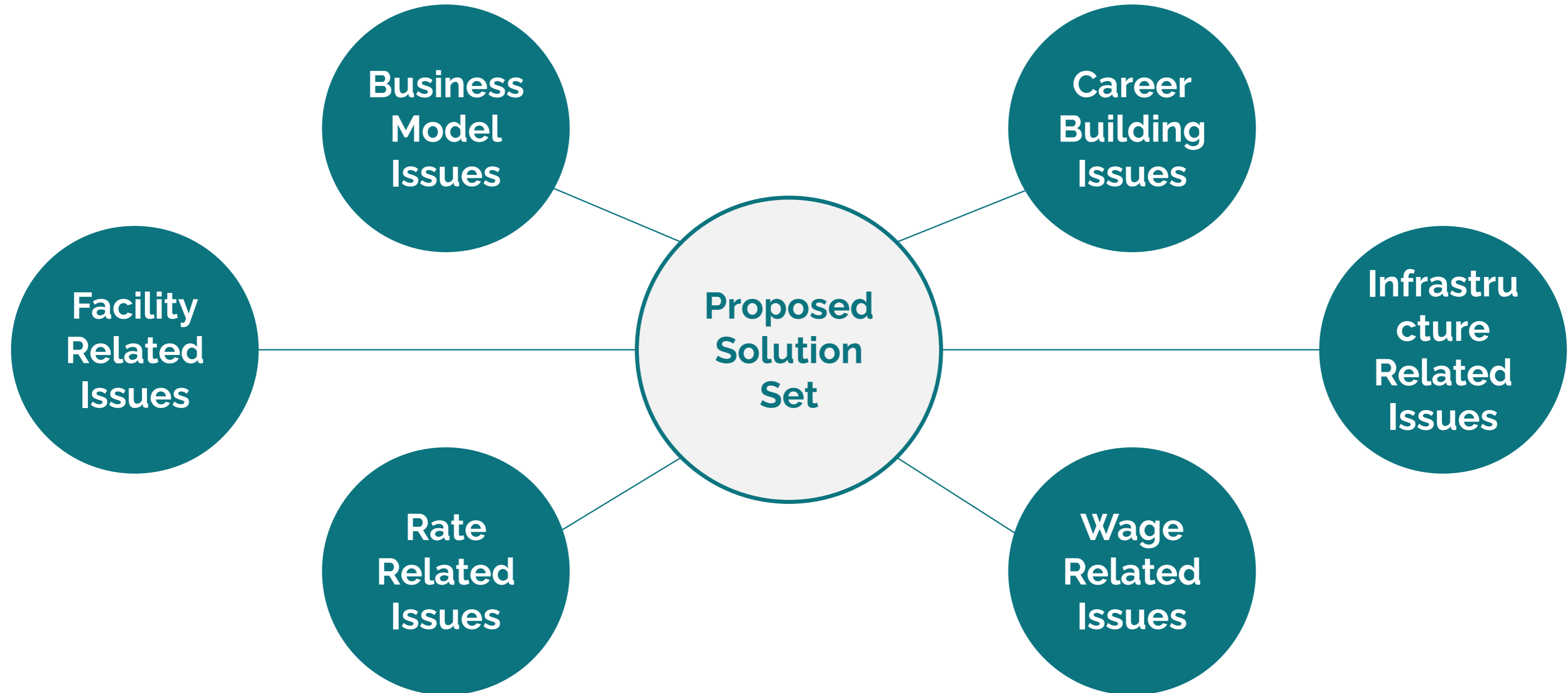
All estimates in this model may be codified in regulatory standards as maximum allowances.

5

Models are based on publicly available data and can be verified by external sources. Models can be executed using publicly available data to support codifying into policy.

Issue Clustering

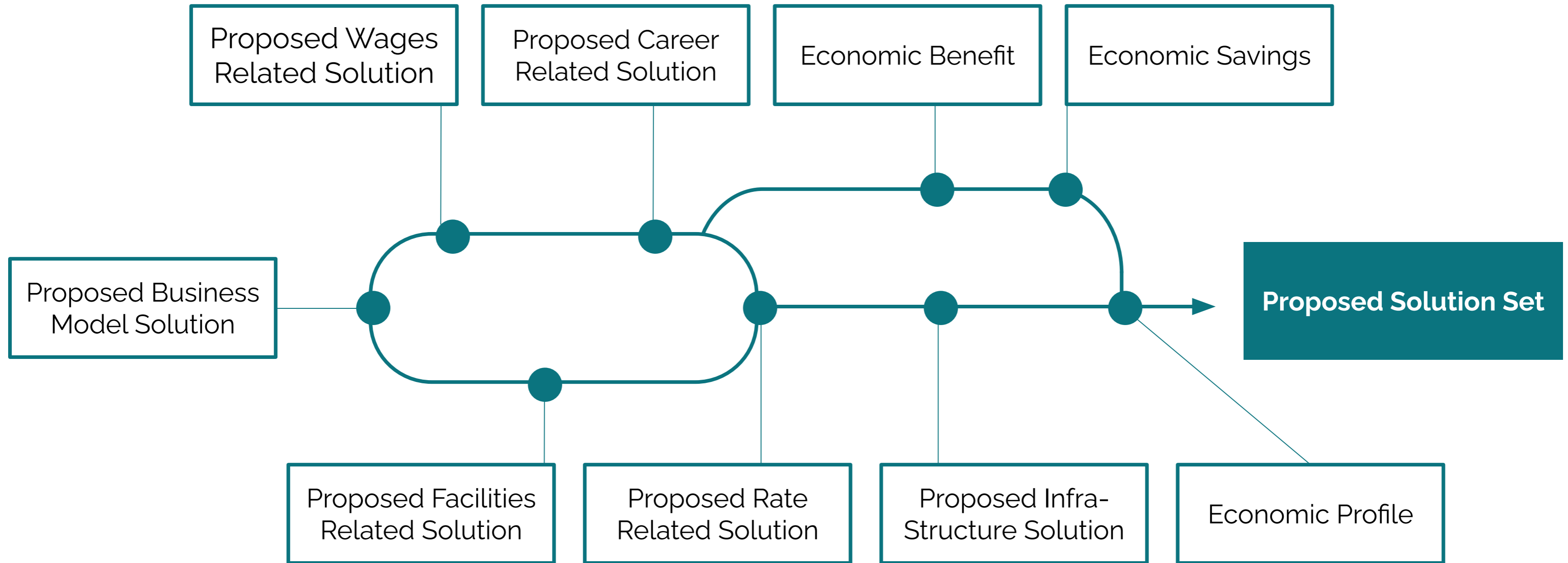
After surveying the issues, they can be clustered into six related categories, serving as the foundation for the critical path towards the proposed solution set.



Critical path towards solution

Critical path towards solution

The sequential critical path outlines the solution building structure of the Steering Committee. Each workgroup will respond and validate along the way



Provider Business Model & Rates

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| | 1,000 sq ft | 1,500 sq ft | 2,000 sq ft | 2,500 sq ft | 3,000 sq ft | 3,500 sq ft | 4,000 sq ft |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|------------------------|------------------------|
| Salaries | \$250,762.72 | \$412,545.12 | \$493,436.32 | \$574,327.52 | \$736,109.92 | \$1,221,457.12 | \$978,783.52 |
| Personnel related costs & benefits | \$123,514.58 | \$204,784.48 | \$245,419.43 | \$286,054.38 | \$367,324.27 | \$611,133.97 | \$489,229.12 |
| Facilities related expenses | \$33,935.18 | \$42,195.00 | \$50,532.00 | \$60,465.00 | \$76,602.00 | \$89,415.00 | \$103,276.66 |
| Consumables | \$7,194.83 | \$11,119.28 | \$14,389.65 | \$18,314.10 | \$22,238.55 | \$39,244.50 | \$29,433.38 |
| Program related expenses | \$1,972.80 | \$3,057.60 | \$3,945.60 | \$5,006.40 | \$6,091.20 | \$10,728.00 | \$8,064.00 |
| Administrative expenses | \$8,777.34 | \$13,564.98 | \$17,554.68 | \$22,342.32 | \$27,129.96 | \$47,876.40 | \$35,907.30 |
| Total expenses | \$ 426,157.45 | \$ 687,266.45 | \$ 825,277.68 | \$ 966,509.72 | \$ 1,235,495.90 | \$ 2,019,854.99 | \$ 1,644,693.98 |
| Rate Required per Child | \$3,228.47 | \$3,368.95 | \$3,126.05 | \$2,876.52 | \$3,028.18 | \$2,805.35 | \$3,045.73 |

Provider Business Model & Rates

After extensive analysis, we find that current market rates are insufficient for the child care business model within Clackamas County. The income received by providers is not enough to provide staff with a livable wage, and is also not enough to keep most businesses afloat, causing significant pressure on both child care educators and their employers. We have determined the estimated amount needed to support the business model at the status quo (non-livable) wages, in addition to the rate required to support livable wages. **We recommend rates that support livable wages for child care educators.**

Provider Rates Needed to Maintain Status Quo (and maintaining current wages)

| Average Infant Care Rate Required | Average PreSchool Care Rate Required | Average School Age Care Rate Required |
|-----------------------------------|--------------------------------------|---------------------------------------|
| \$1,864 per child, per month | \$1,039 per child, per month | \$801 per child, per month |

Amount needed for provider to remain solvent while paying current wages, \$17.54 per hr average.

Provider Rates Needed to Provide Quality Care (and pay livable wages) (Recommended)

| Average Infant Care Rate Required | Average PreSchool Care Rate Required | Average School Age Care Rate Required |
|-------------------------------------|--------------------------------------|---------------------------------------|
| \$3,068 per child, per month | \$1,611 per child, per month | \$1,195 per child, per month |

Amount needed to provide quality care while paying livable wages, \$38.89 per hr average.

The ability for employers to pay child care educators a livable wage is critical to providing quality child care and maintaining long-term, sustainable employment. For this reason, we consider the ability to pay livable wages be a **critical factor** for child care provision, the ability for employers to maintain a healthy business, and a sustainable child care industry. In addition to livable wages, our models include full benefits, professional development, curriculum support, and other line items necessary to sustain quality care.

Transportation Model

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The ability for children to have consistent transportation is an important factor in providing child care in an equitable manner, ensuring that care is accessible to all families. This accessibility is critical for creating the social and economic benefit needed to support a healthy childcare industry and adjacent industries that rely upon it. **We recommend that transportation is included as a key, necessary component to the child care industry.**

| Est. Costs per Day | Est. Costs per Month |
|--------------------|----------------------|
| \$137.09 | \$2,741.78 |

Per center, per 15 children transported within a 3.5 mile radius.

Transportation can be offered directly by the child care provider or another industry provider. We consider transportation providers to be educators as they are responsible for the care of children, and must provide the similar levels of care as other child care providers in addition to their transportation responsibilities. Because of this, our models have a **living wage** basis embedded within them, in line with our recommendations.

Wages Model

In surveying the available data, we find that there are several wage standards within Clackamas County that could apply to child care educators. We acknowledge and appreciate the hard work that has gone into developing many of these standards.

We recommend that the livable wage standard is used to support the wages model for the child care industry, as it best reflects the amount of income that educators need to support their most common household expenses, and makes their employment sustainable for career development.

| Wage Source | Lead Teacher Wages (BA, Level 10) |
|---|--------------------------------------|
| Current Child Care Educator Wages Clackamas County avg | \$17.54 / hour |
| Preschool Promise Minimum | \$25 / hour |
| Clackamas County Teacher Base Per-hour equivalent | \$27.38 / hour |
| Preschool Promise Target | \$36 / hour |
| Living Wage (Recommended) | \$38.89 / hour |

Career Retention Model

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| Career minimum pay scale to support industry retention of educators. | Living Wages (Recommended) | |
|--|----------------------------|-------------|
| | Wage | Population |
| Career Wage Scale (Base Minimums) | | |
| Step 1 (Oregon Registry Steps) | 20.00 | 22.4% |
| Step 7 - CDA | 33.15 | up to 27.4% |
| Step 8 - Articulated Certificate | 35.34 | |
| Step 9 - Associates Degree | 37.53 | 9.3% |
| Step 10 - Bachelors Degree | 38.89 | 22.0% |
| Step 10.5 - BA+60 | 40.60 | |
| Step 11 - Masters Degree | 42.30 | 8.4% |
| Step 12 - Doctorate Degree | 45.99 | 1.2% |

We find that a wage structure that supports professional career development is necessary to support a sustainable workforce within the child care industry. Our recommended structure reaches the livable wage standard for a one adult, one child (1A1C) household at the point of earning a Bachelor degree while also supporting other household structures outside of the 1A1C household structure at varying points of the wage scale. This model includes steps that align with the Oregon Registry Step and Clackamas County school districts' step systems to encourage industry professionalism, career growth, and industry retention of talent.

Facilities & Infrastructure Options

Our recommendations determine the need for **up to 1,845,000 square foot of space needed** for the child care industry within Clackamas County. This space could come in many forms, including that of privately-owned providers, institutional investors, publicly funded centers, or public education funded centers. Our model holds the maximum amount to allow for any mix of space.

| Facility Type | Annual Rent / Lease | Updating Expense (Allowance 10%) | Buildout (if new construction) | Est. Locations Needed |
|-------------------------------|---------------------|----------------------------------|--------------------------------|-----------------------|
| Residential homes (certified) | \$109,153,435 | \$10,915,344 | \$36,622,453 | 1,862 homes |
| Commercial facilities | \$2,019,605 | \$201,960 | \$17,860,744 | 177 centers |

Rent & lease figures annualized. Buildout estimated at 5% 30 year terms, shown annually. Residential homes shown at 2,443 sq ft avg; Commercial centers shown at 4,546 sq ft avg. Residential homes shown at 23% usable activity area per OAR 414-350, commercial centers assumed at 80% usable activity space per OAR 414-300. Updated 08/09/22. Final mix of facility types are subject to further planning.

We find that all many areas of community investment will be necessary to create a quality child care program. Administration is key to obtaining the funds from all contributing sources and administering them directly to a program responsible for **maintaining the recommended quality standards** within our associated models.

| Financial Administration | Program Administration |
|--|--|
| 1.5% of costs (est. \$13.8 M annually) | 13.5% of costs (est. \$124.7 M annually) |

Administration costs to provide infrastructure. Percentages of total expenses. Totals on p 10.

Economic Benefit

Maintaining a healthy child care industry within Clackamas County will produce a significant positive impact on the local economy. The impact of the recommended program shows up through at least two broad avenues - economic benefits and economic savings. Overall, the total estimated economic benefits sums to \$2.5 billion, including an increase in employment of 18,400 (+9%). This is shown in the following table.

| | Est. Amount |
|---|-----------------|
| Increase in local employment and workforce participation | 18,400 |
| Increased income going into local households due to employment increase | \$1,046,255,216 |
| Increased value added to local commercial industry / businesses | \$1,611,090,763 |
| Increased economic output (sales) to the local economy | \$2,512,517,940 |

Tax revenue is most closely related to changes in personal income. Using the dynamic personal income increase from just the increased business activity to the childcare industry, Clackamas County may see an increase in revenue of about \$37 million per year, while the State of Oregon may see an increase of \$245 million per year and the Federal Government may see an increase of \$465 million per year. **We recommend that a portion of these benefits are used to support the costs of the program.**

| Clackamas County | State of Oregon | Federal Government |
|------------------|-----------------|--------------------|
| \$36,980,000 | \$244,570,000 | \$465,140,000 |

Economic Benefit

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Economic benefits include increased labor force participation, higher parental earnings, increased childcare employment, and higher earnings for employees working in the industry.

Increased Labor Force Participation, Childcare Employment, and Earnings

At an average ratio of one provider to eight children, there would be demand for an additional 6,589 licensed educators for all children not being served by the currently known 1,482 educators. These new 6,589 employees/proprietors are assumed to potentially make \$557 million in earnings, with new total sales for the industry of \$1,051,690,000. Using standard multipliers provided by IMPLAN, the total economic impact from these three forces sums to \$1,412,967,752 in Clackamas County. Total employment in Clackamas County is estimated to increase by 10,010 net new jobs and total net new labor income of \$685,083,000. A summary of the direct, indirect, and induced economic impact is reported in the following table. Overall, the total economic impact represents an increase in employment of about 4.9% and an increase in personal income of about 2.5%.

| Impact Type | Employment | Labor Income | Value Added | Output |
|---------------------|---------------|----------------------|----------------------|------------------------|
| Direct Effect | 4,557 | \$461,855,177 | \$536,238,390 | \$712,843,540 |
| Indirect Effect | 1,649 | \$61,059,969 | \$112,497,806 | \$207,540,666 |
| Induced Effect | 3,804 | \$162,167,580 | \$297,991,065 | \$492,583,546 |
| Total Effect | 10,010 | \$685,082,726 | \$946,727,261 | \$1,412,967,752 |

The employment figure assumes base employment of 204,267 and base personal income of \$27,315,706,000.

Economic Benefit: Impact to Clackamas County by Sector

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| Sector | Description | Employment | Labor Income | Value Added | Output |
|--------|--|------------|---------------|---------------|---------------|
| 399 | Child day care services | 4,597 | \$462,605,815 | \$537,180,460 | \$714,678,113 |
| 360 | Real estate establishment | 608 | \$7,557,602 | \$55,384,101 | \$68,747,614 |
| 413 | Food services and drinking places | 540 | \$12,017,503 | \$18,346,252 | \$35,707,433 |
| 356 | Securities, commodity contracts, investments, and related activities | 403 | \$5,595,952 | \$5,894,974 | \$25,007,354 |
| 394 | Offices of physicians, dentists, and other health practitioners | 221 | \$16,524,522 | \$17,063,527 | \$31,482,524 |
| 355 | Nondepository credit intermediation and related activities | 165 | \$11,158,095 | \$13,086,690 | \$25,386,708 |
| 382 | Employment services | 155 | \$5,176,380 | \$5,569,641 | \$7,015,530 |
| 319 | Wholesale trade businesses | 140 | \$10,947,574 | \$19,409,834 | \$18,675,121 |
| 397 | Private hospitals | 130 | \$9,110,905 | \$9,948,815 | \$20,995,738 |
| 388 | Services to buildings and dwellings | 128 | \$3,337,582 | \$4,405,789 | \$9,640,332 |

Economic Benefit: Impact to Parental Earnings

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In addition to the increased employment and wages in the childcare industry, the policy shift may increase the earning power of parents by increasing the availability of labor that was previously allocated to child care. Potentially, the number of new labor force participants could be over 52,000, many of which may choose to work in Clackamas County. Assuming 25,000 of the potential new labor force participants join the labor force and earn an entry level wage of \$40,000 per year, the direct net new wage income sums to \$1 billion. Because the impact is mostly felt at the household level, the model counted only the induced economic effect, which included leakages and supply side changes. The bottom line result is an increase in employment of 8,391 and an increase in labor income of about \$361 million, as reported in Table 3.

| Impact Type | Employment | Labor Income | Value Added | Output |
|---------------------|--------------|----------------------|----------------------|------------------------|
| Direct Effect | 0 | \$0 | \$0 | \$0 |
| Indirect Effect | 0 | \$0 | \$0 | \$0 |
| Induced Effect | 8,391 | \$361,172,490 | \$664,363,502 | \$1,099,550,188 |
| Total Effect | 8,391 | \$361,172,490 | \$664,363,502 | \$1,099,550,188 |

Economic Savings

A healthy local child care industry acts as a preventative measure for other community needs, creating economic savings across Clackamas County and beyond. Economic savings include reduced usage of public subsidies, increased food security and health, reduced drug and alcohol addiction, reduced juvenile and adult crime, and increased graduation rates/reduced grade repetition. A summary of the economic savings is presented below.

| Area of Impact | Est. Amount |
|---|--------------|
| TANF / cash assistance need | \$3,977,676 |
| Oregon Health Plan need | \$12,111,513 |
| EBT / food assistance need | \$8,614,655 |
| Food insecurity need | \$564,597 |
| Juvenile and adult crime and incarceration need | \$9,611,300 |
| Graduation, grade repeats, and other education support need | \$1,416,551 |

We recommend that a portion of these benefits are used to support the costs of the program.

Economic Profile from Recommendations

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Financial profile of proposed program.

| | Costs | Contributions |
|---|------------------------|------------------------|
| Provider Reimbursements & Transportation (Quality, 100% of need) | \$923,755,001 | -- |
| Annual Facilities Cost (mixed delivery, excluding new construction) | \$122,290,344 | -- |
| Annual Infrastructure Cost (15% max) | \$138,563,250 | -- |
| Tax Revenue Contribution (85% of added benefit) | -- | \$634,686,500 |
| Program Savings Contribution (20% of added benefit) | -- | \$9,074,073 |
| Household contributions (ERDC scale and 7% household max) | | \$187,720,379 |
| Contributions Required | -- | \$353,127,643 |
| Totals | \$1,184,608,595 | \$1,184,608,595 |



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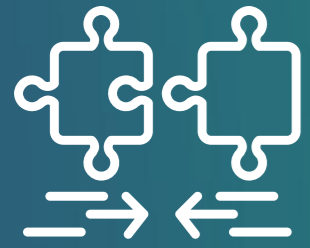
Recommendations



1. Provider rates should be set at a level that supports business operations.
 - a. Allowances for cost-related line items to be standardized.
 - b. Allowances to include all items in the solution set, including livable wages, benefits, and allowances for professional development.
2. Separate provider rates should be created for transportation programs related to child care.
3. Wages should be set against a living wage standard that reflects current cost of living.
 - a. Wages should increase based on education and experience (career ladder).
4. Financial coordination should be administered to provide funding for the industry.
5. All types of organizations that benefit from a healthy child care industry should contribute to the funding of the industry:
 - a. Governments
 - b. Households / Families
 - c. Commercial industries



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Implications & Further Study



Implications Overview

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The following implications are made by the study recommendations.

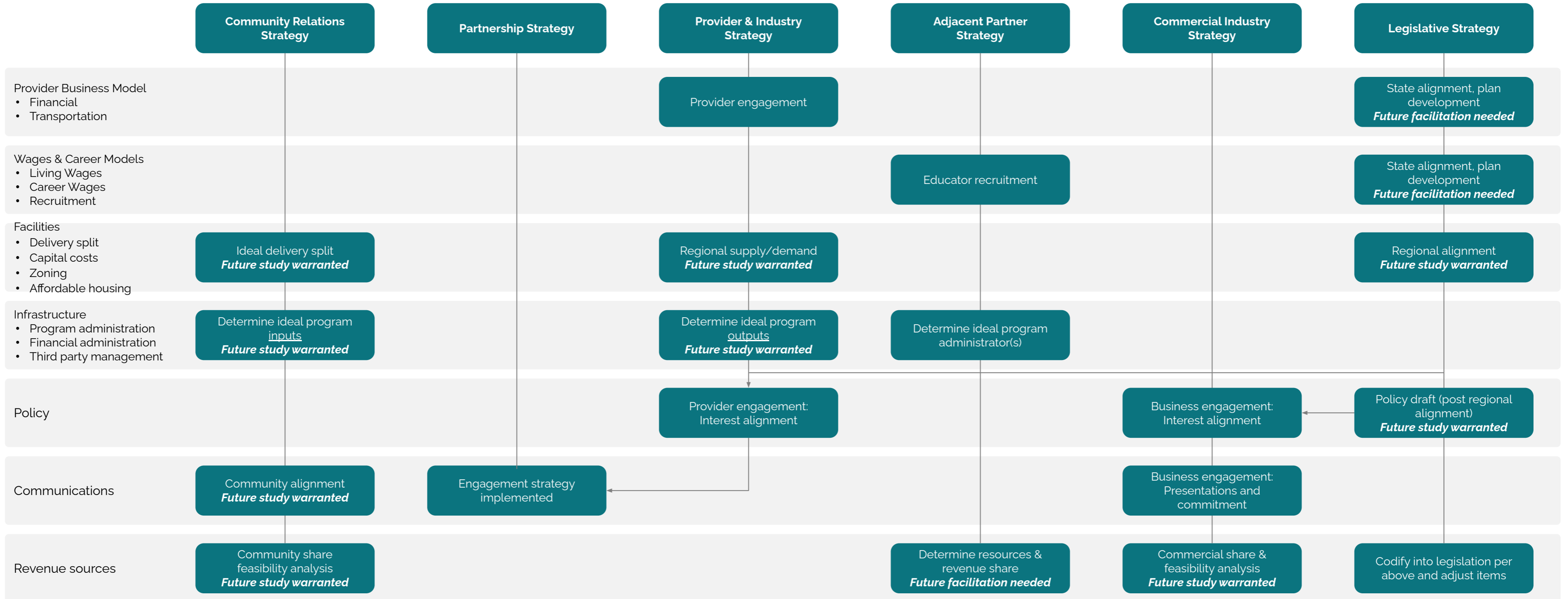
| | |
|------------------------------|---|
| Child Care Industry | The Clackamas County child care industry has capacity for additional operators (employers), educators (employees), and programs that can fulfill the industry demand. Providers should be engaged on offering the service levels that are expected by families, as well as the financial propositions for entering the industry. |
| Community Relations | This study assumes a scaling of the current delivery system (home based and center based care), although there is some interest in expansion of large facility based care similar to public schools. The implications of our assumption is that a scaled delivery system would involve proportional scaling. However, this assumption should be sent to the community or other decision-makers to determine if this is the ideal delivery system. Additionally, the child care service levels that are expected by families should be studied and aligned to the industry service availability. |
| Partnerships | There are many non-profit, special interest, or advocacy organizations and individuals that are concerned with the child care industry. These organizations should be collectively engaged as partners to develop momentum towards creating social and policy change. |
| Adjacent Partnerships | Adjacent industries that feed inputs into the child care industry are universities (new educators), hospitals (new children), public schools, and similar industries, and should all be engaged. These types of organizations help drive the supply and demand sides of the child care industry and are important for its long term stability. |
| Commercial Industry | Businesses realize significant benefit from a healthy child care industry. This benefit is twofold, as commercial organizations realize benefit from an expanded workforce, as well as the additional economic output created by additional sales. The case should be made to local businesses and their industries as part of the engagement efforts. |
| Legislative Movement | The study recommendations will lead to several legislative alignments throughout all levels of government. Further work is needed to draft policy that aligns with local, State, and Federal efforts. The task force should ensure alignment with other government bodies in an effort to craft viable policy. |

Further Study Overview

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Additional study may be warranted to implement CC4A recommendations

A multi-disciplinary partnership approach is needed to drive these recommendations to reality.

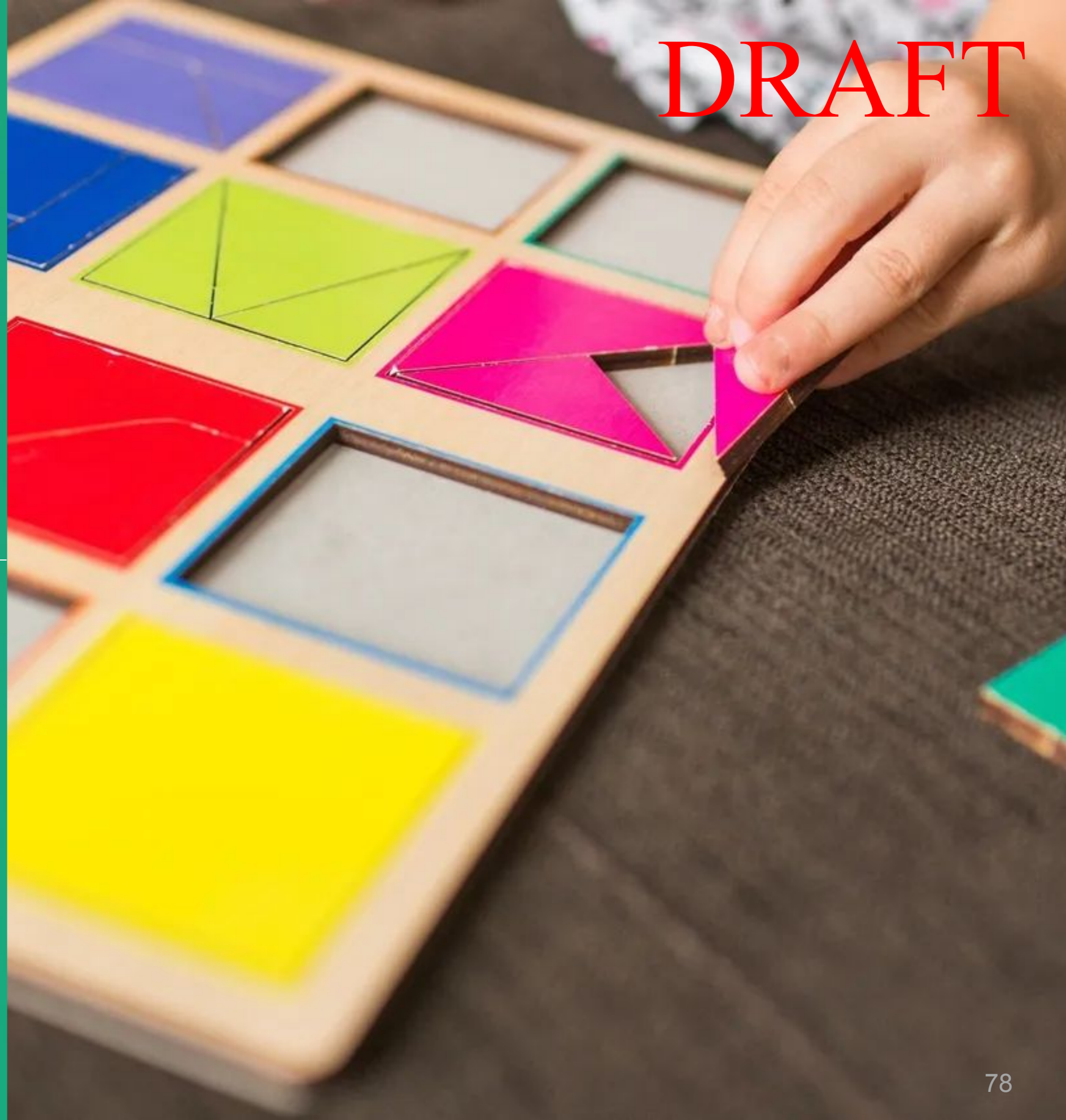




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Tables



A Tables

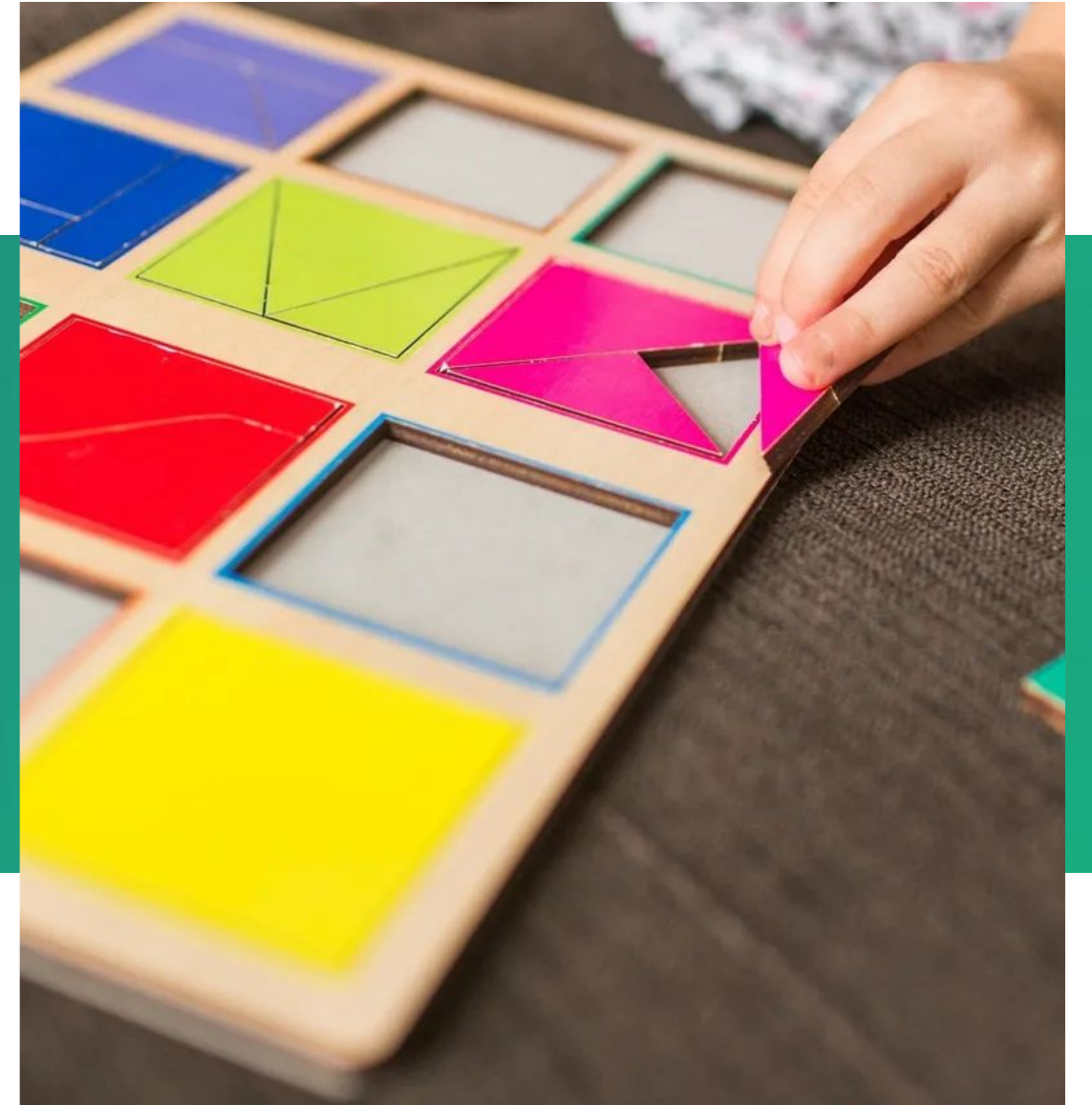


Table A: Anticipated Activity Space

| Square Footage Section | | | | | | | | |
|------------------------|---|-------|-------|-------|-------|-------|-------|-------|
| Square footage | Total | 1,000 | 1,500 | 2,000 | 2,500 | 3,000 | 3,500 | 4,000 |
| | Percentage of useable space | 40% | 40% | 40% | 40% | 40% | 60% | 40% |
| | Anticipated activity area per OAR 414-350-0010(1) | 400 | 600 | 800 | 1,000 | 1,200 | 2,100 | 1,600 |

Percent to vary based on average useable space or per facility useable space.

| Anticipated Educators Section | | | | | | | | |
|------------------------------------|---|------|------|------|------|------|------|------|
| Infant / Toddler care requirements | Infant requirements per rule | 35 | 35 | 35 | 35 | 35 | 35 | 35 |
| | Anticipated number of children | 11.0 | 17.0 | 22.0 | 28.0 | 34.0 | 60.0 | 45.0 |
| | Anticipated number of educators (caregiver per OAR 414-350-0010(4)) | 3.0 | 5.0 | 6.0 | 7.0 | 9.0 | 15.0 | 12.0 |
| Pre-K care requirements | Infant requirements per rule | 35 | 35 | 35 | 35 | 35 | 35 | 35 |
| | Anticipated number of children | 11.0 | 17.0 | 22.0 | 28.0 | 34.0 | 60.0 | 45.0 |
| | Anticipated number of educators (caregiver per OAR 414-350-0010(4)) | 2.0 | 2.0 | 3.0 | 3.0 | 4.0 | 6.0 | 5.0 |
| School age care requirements | Infant requirements per rule | 35 | 35 | 35 | 35 | 35 | 35 | 35 |
| | Anticipated number of children | 11.0 | 17.0 | 22.0 | 28.0 | 34.0 | 60.0 | 45.0 |
| | Anticipated number of educators (caregiver per OAR 414-350-0010(4)) | 1.0 | 2.0 | 2.0 | 2.0 | 3.0 | 4.0 | 3.0 |

Table A: Wage & Career Structure

| Oregon Registry Steps | Livable Wages | Educational attainment | Wage type | Wage | Steps | Educational attainment | Wage type | Wage | Steps |
|-----------------------|---------------|------------------------|-----------|---------|-------|------------------------|-----------|---------|-------|
| 1.0 | \$34.09 | BA | Base | \$38.89 | 12 | BA+90 | Base | \$41.62 | 16 |
| 1.5 | \$34.36 | | Max | \$57.11 | 12 | | Max | \$65.94 | 16 |
| 2.0 | \$34.62 | BA+15 | Base | \$39.23 | 8 | BA+105 | Base | \$41.96 | 17 |
| 2.5 | \$34.89 | | Max | \$58.21 | 8 | | Max | \$67.05 | 17 |
| 3.0 | \$35.16 | BA+24 | Base | \$39.57 | 12 | MA | Base | \$42.30 | 15 |
| 3.5 | \$35.42 | | Max | \$59.32 | 12 | | Max | \$68.15 | 15 |
| 4.0 | \$35.69 | BA+30 | Base | \$39.91 | 13 | MA+15 | Base | \$43.04 | 16 |
| 4.5 | \$35.96 | | Max | \$60.42 | 13 | | Max | \$69.44 | 16 |
| 5.0 | \$36.22 | BA+45 | Base | \$40.26 | 14 | MA+24 | Base | \$43.78 | 15 |
| 5.5 | \$36.49 | | Max | \$61.52 | 14 | | Max | \$70.73 | 15 |
| 6.0 | \$36.76 | BA+60 | Base | \$40.60 | 15 | MA+30 | Base | \$44.52 | 16 |
| 6.5 | \$37.02 | | Max | \$62.63 | 15 | | Max | \$72.02 | 16 |
| 7.0 | \$37.29 | BA+75 | Base | \$40.94 | 15 | MA+45 | Base | \$45.99 | 16 |
| 7.5 | \$37.56 | | Max | \$63.73 | 15 | | Max | \$74.60 | 16 |
| 8.0 | \$37.82 | BA+84 | Base | \$41.28 | 16 | | | | |
| 8.5 | \$38.09 | | Max | \$64.84 | 16 | | | | |
| 9.0 | \$38.36 | | | | | | | | |
| 9.5 | \$38.62 | | | | | | | | |

Table A. Transportation Model

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| | | | | Per Hour |
|---------------------------------|--|---|----------|--------------|
| Personnel Expenses | Salaries | Care Provider | \$38.89 | \$38.89 |
| | Payroll Costs | FICA | 15.30% | \$5.95 |
| | | State (new employer rate) | 2.40% | \$0.93 |
| | | Benefits (annual) | \$11.22 | \$11.22 |
| | | Training & staff development (per employee per month) | \$100.00 | \$0.58 |
| | | Workers comp | \$0.022 | \$0.022 |
| Time Formula | Average Zip Code Area | | | 39.27272727 |
| | Average Zip Code Radius | | 1 | 3.535660808 |
| | Hours @35 miles per hour | | 35 | 1.714285714 |
| | Average Time | | | 0.1010188802 |
| Pickup Formula | Pickup Locations | | 1 | 0.2020377604 |
| | Number of Children | | 15 | 1.515283203 |
| | Load / Unload Time Allotment (percent) | | 10 | 0.1717320964 |
| Standard mileage rate | | | \$0.50 | \$28.29 |
| Costs | Personnel Costs | | | \$108.80 |
| | Vehicle Costs | | | \$28.29 |
| Total Costs per Day | | | | \$137.09 |
| Operating Days per Month | | | 20 | |
| Total Costs per Month | | | | \$2,741.78 |

Table A: Fair Market Rents

| State_code | County_code | County_sub_code | Cntyname | Town_name | Areaname22 | Rent_50_0 | Rent_50_1 | Rent_50_2 | Rent_50_3 | Rent_50_4 | Cbsasub22 | Pop2017 |
|------------|-------------|-----------------|-------------------|-----------|--|-----------|-----------|-----------|-----------|-----------|-------------------|---------|
| 41 | 005 | 99999 | Clackamas County | | Portland-Vancouver-Hill sboro, OR-WA MSA | 1485 | 1586 | 1820 | 2571 | 3045 | METRO38900 M38900 | 399960 |
| 41 | 009 | 99999 | Columbia County | | Portland-Vancouver-Hill sboro, OR-WA MSA | 1485 | 1586 | 1820 | 2571 | 3045 | METRO38900 M38900 | 50205 |
| 41 | 051 | 99999 | Multnomah County | | Portland-Vancouver-Hill sboro, OR-WA MSA | 1485 | 1586 | 1820 | 2571 | 3045 | METRO38900 M38900 | 788460 |
| 41 | 067 | 99999 | Washington County | | Portland-Vancouver-Hill sboro, OR-WA MSA | 1485 | 1586 | 1820 | 2571 | 3045 | METRO38900 M38900 | 572070 |
| 41 | 071 | 99999 | Yamhill County | | Portland-Vancouver-Hill sboro, OR-WA MSA | 1485 | 1586 | 1820 | 2571 | 3045 | METRO38900 M38900 | 102365 |
| 53 | 011 | 99999 | Clark County | | Portland-Vancouver-Hill sboro, OR-WA MSA | 1485 | 1586 | 1820 | 2571 | 3045 | METRO38900 M38900 | 457475 |
| 53 | 059 | 99999 | Skamania County | | Portland-Vancouver-Hill sboro, OR-WA MSA | 1485 | 1586 | 1820 | 2571 | 3045 | METRO38900 M38900 | 11500 |

Table A: Facility Analysis

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Facility Cost Analysis

| Facilities | Mix | Children | No of homes | Usable square footage | Total square footage | Commercial Remainder Sq Ft (usable) | Number of facilities | Rent / Lease | Updating expense | Buildout |
|-------------|--------|-----------|-------------|-----------------------|----------------------|-------------------------------------|----------------------|---------------|------------------|--------------|
| Residential | 56.84% | 29,786.76 | 1,861.67 | 1,042,536.52 | 4,548,059.81 | | | \$109,153,435 | \$10,915,344 | \$36,622,453 |
| Commercial | 43.16% | 22,618.24 | | | | 802,492 | 177 | \$2,019,605 | \$201,960 | \$17,860,774 |

Commercial Market Survey

| Cost | Sq ft | Rate |
|-------------|-------|--------|
| \$2,566.00 | 1232 | \$2.08 |
| \$22,843.00 | 10965 | \$2.08 |
| \$1,366.00 | 565 | \$2.42 |
| \$435.00 | 417 | \$1.04 |
| \$4,260.00 | 2130 | \$2.00 |
| \$5,200.00 | 2400 | \$2.17 |
| \$5,028.00 | 2321 | \$2.17 |
| \$6,189.00 | 2321 | \$2.67 |
| \$15,983.00 | 13700 | \$1.17 |
| \$60,183.00 | 20375 | \$2.95 |
| \$1,890.00 | 840 | \$2.25 |
| \$3,062.00 | 1361 | \$2.25 |
| \$5,470.00 | 3140 | \$1.74 |
| \$2,000.00 | 1200 | \$1.67 |
| \$8,740.00 | 5244 | \$1.67 |
| \$3,074.00 | 1245 | \$2.47 |

| Cost | Sq ft | Rate |
|-------------|-------|--------|
| \$6,975.00 | 5400 | \$1.29 |
| \$1,133.00 | 800 | \$1.42 |
| \$6,800.00 | 4800 | \$1.42 |
| \$1,500.00 | 1250 | \$1.20 |
| \$5,683.00 | 2200 | \$2.58 |
| \$2,165.00 | 852 | \$2.54 |
| \$51,039.00 | 20081 | \$2.54 |
| \$9,897.00 | 7918 | \$1.25 |
| \$2,328.00 | 1863 | \$1.25 |
| \$3,450.00 | 2300 | \$1.50 |
| \$3,749.00 | 1800 | \$2.08 |
| \$6,249.00 | 3000 | \$2.08 |
| \$9,142.00 | 3783 | \$2.42 |
| \$666.00 | 160 | \$4.16 |
| \$4,470.00 | 1850 | \$2.42 |
| \$1,715.00 | 980 | \$1.75 |

| Cost | Sq ft | Rate |
|-------------|-------------|--------|
| \$1,886.00 | 1029 | \$1.83 |
| \$46,200.00 | 15400 | \$3.00 |
| \$5,328.00 | 2205 | \$2.42 |
| \$19,913.00 | 8240 | \$2.42 |
| \$38,695.00 | 32246 | \$1.20 |
| \$1,700.00 | 900 | \$1.89 |
| \$1,925.00 | 900 | \$2.14 |
| \$7,400.00 | 4800 | \$1.54 |
| \$6,474.00 | 2988 | \$2.17 |
| \$1,050.00 | 600 | \$1.75 |
| \$4,583.00 | 2200 | \$2.08 |
| \$6,166.00 | 3700 | \$1.67 |
| \$8,740.00 | 5244 | \$1.67 |
| \$2,835.00 | 1361 | \$2.08 |
| \$6,993.00 | 3357 | \$2.08 |
| \$9,045.49 | 4546.021277 | \$2.01 |

Table A: Clackamas County Zip Code Data

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| ZIP Code | Land Area (Sq. Meters) | Land Area (Sq. Miles) | Land Area (Sq. Kilometers) |
|----------|------------------------|-----------------------|----------------------------|
| 97002 | 110,755,000 | 43 | 111 |
| 97004 | 113,399,000 | 44 | 113 |
| 97009 | 79,232,000 | 31 | 79 |
| 97011 | 15,032,300 | 6 | 15 |
| 97013 | 147,220,000 | 57 | 147 |
| 97015 | 22,817,400 | 9 | 23 |
| 97023 | 330,221,000 | 127 | 330 |
| 97027 | 6,560,840 | 3 | 7 |
| 97028 | 98,452,900 | 38 | 98 |
| 97032 | 47,422,100 | 18 | 47 |
| 97034 | 19,030,900 | 7 | 19 |
| 97035 | 15,622,300 | 6 | 16 |
| 97038 | 323,822,000 | 125 | 324 |
| 97045 | 223,636,000 | 86 | 224 |
| 97049 | 398,265,000 | 154 | 398 |
| 97055 | 305,202,000 | 118 | 305 |
| 97062 | 35,971,400 | 14 | 36 |

| ZIP Code | Land Area (Sq. Meters) | Land Area (Sq. Miles) | Land Area (Sq. Kilometers) |
|----------|------------------------|-----------------------|----------------------------|
| 97067 | 113,145,000 | 44 | 113 |
| 97068 | 58,185,000 | 22 | 58 |
| 97070 | 49,416,100 | 19 | 49 |
| 97071 | 136,002,000 | 53 | 136 |
| 97080 | 55,840,500 | 22 | 56 |
| 97086 | 27,332,900 | 11 | 27 |
| 97089 | 56,370,800 | 22 | 56 |
| 97132 | 161,656,000 | 62 | 162 |
| 97140 | 113,286,000 | 44 | 113 |
| 97202 | 16,386,500 | 6 | 16 |
| 97206 | 16,907,000 | 7 | 17 |
| 97219 | 30,448,900 | 12 | 30 |
| 97222 | 21,915,600 | 8 | 22 |
| 97267 | 18,921,200 | 7 | 19 |
| 97362 | 61,855,800 | 24 | 62 |
| 97375 | 121,510,000 | 47 | 122 |
| | Average Area | 39.27272727 | |

Table A. Business Model Analysis Against Current Rates, 2021

| Employment Model Analysis, re: Employee | |
|---|-------------|
| One Adult, One Child | |
| Livable Wage, Hourly | \$34.94 |
| Livable Wage, Monthly | \$6,056.27 |
| Livable Wage, Annually | \$72,675.20 |

| Business Model Analysis: Group Area A | | | | | |
|---------------------------------------|------------|-------|-------------|----------------------|-----------------------|
| Service Type | Rate | Ratio | Income | Current Wage Expense | Livable Wage Expenses |
| Infant | \$1,563.00 | 4 | \$6,252.00 | 48.63% | 96.87% |
| Toddler | \$1,568.00 | 6 | \$9,408.00 | 32.32% | 64.37% |
| Preschool | \$1,229.00 | 10 | \$12,290.00 | 24.74% | 49.28% |
| School Age | \$883.00 | 15 | \$13,245.00 | 22.95% | 45.72% |
| Special Needs | \$1,563.00 | 4 | \$6,252.00 | 48.63% | 96.87% |

| Oregon Employment Dept Wages | |
|------------------------------|------------|
| Hourly | \$17.54 |
| Monthly | \$3,040.27 |

| Business Model Analysis: Group Area B | | | | | |
|---------------------------------------|----------|-------|------------|----------------------|-----------------------|
| Service Type | Rate | Ratio | Income | Current Wage Expense | Livable Wage Expenses |
| Infant | \$973.00 | 4 | \$3,892.00 | 78.12% | 155.61% |
| Toddler | \$955.00 | 6 | \$5,730.00 | 53.06% | 105.69% |
| Preschool | \$765.00 | 10 | \$7,650.00 | 39.74% | 79.17% |
| School Age | \$590.00 | 15 | \$8,850.00 | 34.35% | 68.43% |
| Special Needs | \$973.00 | 4 | \$3,892.00 | 78.12% | 155.61% |

Table A. State of Oregon Reimbursement Rates, 2022

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Group Area A

| | Licensed rate maximums | | | | | | | | |
|---------------|------------------------------|-----------|---------|-----------------------------|-----------|---------|-----------------------|-----------|---------|
| | Registered Family Rate (RFM) | | | Certified Family Rate (CFM) | | | Certified Center Rate | | |
| | 1-62 | 63-135 | 136-215 | 1-62 | 63-135 | 136-215 | 1-62 | 63-135 | 136-215 |
| | Hourly | Part-time | Monthly | Hourly | Part-time | Monthly | Hourly | Part-time | Monthly |
| Infant | \$4.67 | \$650 | \$867 | \$6.00 | \$1,013 | \$1,351 | \$12.00 | \$1,172 | \$1,563 |
| Toddler | \$4.33 | \$587 | \$783 | \$6.00 | \$938 | \$1,250 | \$7.93 | \$1,176 | \$1,568 |
| Preschool | \$4.13 | \$583 | \$777 | \$5.83 | \$800 | \$1,067 | \$8.50 | \$922 | \$1,229 |
| School | \$4.00 | \$478 | \$637 | \$5.67 | \$615 | \$820 | \$7.50 | \$662 | \$883 |
| Special Needs | \$4.67 | \$650 | \$867 | \$6.00 | \$1,013 | \$1,351 | \$12.00 | \$1,172 | \$1,563 |

Group Area B

| | Licensed rate maximums | | | | | | | | |
|---------------|------------------------------|-----------|---------|-----------------------------|-----------|---------|-----------------------|-----------|---------|
| | Registered Family Rate (RFM) | | | Certified Family Rate (CFM) | | | Certified Center Rate | | |
| | 1-62 | 63-135 | 136-215 | 1-62 | 63-135 | 136-215 | 1-62 | 63-135 | 136-215 |
| | Hourly | Part-time | Monthly | Hourly | Part-time | Monthly | Hourly | Part-time | Monthly |
| Infant | \$3.83 | \$475 | \$633 | \$4.33 | \$608 | \$810 | \$5.70 | \$730 | \$973 |
| Toddler | \$3.61 | \$450 | \$600 | \$4.17 | \$550 | \$733 | \$5.30 | \$716 | \$955 |
| Preschool | \$3.50 | \$441 | \$588 | \$4.67 | \$512 | \$683 | \$4.80 | \$574 | \$765 |
| School | \$3.50 | \$437 | \$583 | \$4.67 | \$475 | \$633 | \$4.48 | \$443 | \$590 |
| Special Needs | \$3.83 | \$475 | \$633 | \$4.33 | \$608 | \$810 | \$5.70 | \$730 | \$973 |

Group Area C

| | Licensed rate maximums | | | | | | | | |
|---------------|------------------------------|-----------|---------|-----------------------------|-----------|---------|-----------------------|-----------|---------|
| | Registered Family Rate (RFM) | | | Certified Family Rate (CFM) | | | Certified Center Rate | | |
| | 1-62 | 63-135 | 136-215 | 1-62 | 63-135 | 136-215 | 1-62 | 63-135 | 136-215 |
| | Hourly | Part-time | Monthly | Hourly | Part-time | Monthly | Hourly | Part-time | Monthly |
| Infant | \$3.83 | \$475 | \$633 | \$4.33 | \$608 | \$810 | \$5.70 | \$730 | \$973 |
| Toddler | \$3.61 | \$450 | \$600 | \$4.17 | \$550 | \$733 | \$5.30 | \$716 | \$955 |
| Preschool | \$3.50 | \$441 | \$588 | \$4.67 | \$512 | \$683 | \$4.80 | \$574 | \$765 |
| School | \$3.50 | \$437 | \$583 | \$4.67 | \$475 | \$633 | \$4.48 | \$443 | \$590 |
| Special Needs | \$3.83 | \$475 | \$633 | \$4.33 | \$608 | \$810 | \$5.70 | \$730 | \$973 |

Table A. Zip Code Group Area Analysis & Distribution

| Clackamas County Zip Codes | Is in Group Area A? | Is in Group Area B? | Is in Group Area C? |
|----------------------------|---------------------|---------------------|---------------------|
| 97045 | 97045 | #N/A | #N/A |
| 97222 | 97222 | #N/A | #N/A |
| 97267 | 97267 | #N/A | #N/A |
| 97140 | 97140 | #N/A | #N/A |
| 97086 | 97086 | #N/A | #N/A |
| 97068 | 97068 | #N/A | #N/A |
| 97071 | #N/A | 97071 | #N/A |
| 97062 | 97062 | #N/A | #N/A |
| 97035 | 97035 | #N/A | #N/A |
| 97015 | 97015 | #N/A | #N/A |
| 97013 | 97013 | #N/A | #N/A |
| 97070 | 97070 | #N/A | #N/A |
| 97034 | 97034 | #N/A | #N/A |
| 97055 | 97055 | #N/A | #N/A |
| 97038 | #N/A | 97038 | #N/A |
| 97089 | 97089 | #N/A | #N/A |
| 97027 | 97027 | #N/A | #N/A |
| 97023 | 97023 | #N/A | #N/A |
| 97009 | 97009 | #N/A | #N/A |
| 97002 | #N/A | 97002 | #N/A |
| 97004 | 97004 | #N/A | #N/A |
| 97032 | #N/A | #N/A | 97032 |
| 97362 | #N/A | 97362 | #N/A |
| 97022 | 97022 | #N/A | #N/A |
| 97358 | #N/A | #N/A | 97358 |
| 97042 | #N/A | 97042 | #N/A |
| 97017 | #N/A | 97017 | #N/A |
| 97049 | #N/A | 97049 | #N/A |
| 97067 | #N/A | 97067 | #N/A |
| 97375 | #N/A | #N/A | 97375 |
| 97011 | #N/A | 97011 | #N/A |
| 97028 | 97028 | #N/A | #N/A |
| 97036 | 97036 | #N/A | #N/A |
| 97268 | 97268 | #N/A | #N/A |
| 97269 | #N/A | #N/A | #N/A |
| In Group: | 22 | 9 | 3 |
| Percent of Total: | 64.71% | 26.47% | 8.82% |

Table A. Finance & Strategy Workgroup: Understanding Supply

Status quo demand estimate \$1B

Clackamas County shows 122 employers and 916 employees under employment records.

| EMPLOYER | CITY |
|-------------------------------------|--------------|
| 4 R KIDS LLC | MILWAUKIE |
| A&4D ENTERPRISES INC | GLADSTONE |
| ACADEMY FOR KIDS INC | HAPPY VALLEY |
| AMIGUITOS PRESCHOOL INC | MILWAUKIE |
| ANNIE'S LIL KIDZ | CLACKAMAS |
| AUNTIE PORTIE'S | OREGON CITY |
| AUNTIE PORTIES | OREGON CITY |
| BARLOW HEAD START | CANBY |
| BELOVED MONTESSORI | WEST LINN |
| BETHLEHEM CHRISTIAN PRESCHOOL | LAKE OSWEGO |
| BIZZY BUMBLE BEE PRESCHOOL LLC | WILSONVILLE |
| BRIGHT BEGINNINGS LEARNING CENTER A | SANDY |
| BRIGHT MINDS CHRISTIAN DAYSCHOOL LL | OREGON CITY |
| BRIGHTEN MONTESSORI LLC | WILSONVILLE |
| BUILDING BLOCKS EARLY LEARNING CENT | WILSONVILLE |
| CANBY COMMUNITY PRESCHOOL | CANBY |
| CARUS PRESCHOOL | OREGON CITY |
| CATERPILLAR CLUBHOUSE | MOLALLA |
| CHINESE AMERICAN INTERNATIONAL SCHO | LAKE OSWEGO |
| CLACKAMAS CC CENTER | OREGON CITY |
| CLACKAMAS CO CHILDRENS COMMISSION | OREGON CITY |
| CLACKAMAS CO. CHILDRENS COMMISSION | MOLALLA |
| CLACKAMAS COUNTY CHILDREN'S COMM | OREGON CITY |
| CLACKAMAS RIVER CHILDCARE | ESTACADA |
| CLT INC | CANBY |
| COMMUNITY ACTION ORGANAZITION | TUALATIN |
| COMMUNITY ARTS PRE-SCHOOL, INC | LAKE OSWEGO |
| COMMUNITY MONTESSORI SCHOOL LLC | LAKE OSWEGO |
| COUNTRY COTTAGE PRESCHOOL | SANDY |
| COUNTRY KIDS PRESCHOOL LLC | DAMASCUS |
| COUNTRY VIEW ELC LLC | SHERWOOD |
| CREATIVE HANDS PRESCHOOL INC | SHERWOOD |
| CREATIVE MINDS LEARNING CENTER | CLACKAMAS |
| CREATIVE MINDS LEARNING CENTER | TUALATIN |
| CUDDLE TIME PRESCHOOL | MILWAUKIE |
| EARLY BIRD LEARN AND PLAY | CLACKAMAS |
| EARLY CHILDHOOD EDUCATION MANAGEMEN | OREGON CITY |
| EARLY YEARS LLC | LAKE OSWEGO |
| EARLY YEARS LLC | WILSONVILLE |
| ESTACADA DAY CARE | ESTACADA |
| ESTACADA HEAD START | ESTACADA |
| FERNWOOD | MILWAUKIE |

| EMPLOYER | CITY |
|-------------------------------------|--------------|
| GLADSTONE | GLADSTONE |
| GLADSTONE HEADSTART | GLADSTONE |
| GRANDMAS HOUSE LLC | SANDY |
| HAPPY VALLEY MONTESSORI SCHOOL LLC | CLACKAMAS |
| HAPPY VALLEY PRESCHOOL/CHILD CARE | HAPPY VALLEY |
| HILLSVIEW MONTESSORI SCHOOL | DAMASCUS |
| HOLLIDAY INVESTMENTS INC | MOLALLA |
| JOYFUL NOISE PRESCHOOL PARTNERS INC | BORING |
| KC KIDS CARE | SANDY |
| KIDS COVE | WILSONVILLE |
| KINDERCARE EDUCATION LLC | LAKE OSWEGO |
| KINDERCARE EDUCATION LLC | ESTACADA |
| KINDERCARE EDUCATION LLC | CLACKAMAS |
| KINDERCARE EDUCATION LLC | WEST LINN |
| KINDERCARE EDUCATION LLC | DAMASCUS |
| KINGER KIDS DAY SCHOOL | OREGON CITY |
| KIROSHANI INC | LAKE OSWEGO |
| KRISSIE'S WEE ONES DAYCARE LLC | MOLALLA |
| LA PETITE ACADEMY, INC | WEST LINN |
| LADY BUGS DAYCARE LLC | HAPPY VALLEY |
| LAKE OSWEGO CHILDREN LEARNING AND | LAKE OSWEGO |
| LAURIES LITTLE LEAPSTERS DAYCARE | MILWAUKIE |
| LEAPS & BOUNDS LLC | OREGON CITY |
| LILLYS PAD LEARNING LLC | CANBY |
| LILY POND PRESCHOOL AND CHILD CARE | WEST LINN |
| LITTLE BEAR PLAY CARE AND PRESCHOOL | OREGON CITY |
| LITTLE FRIENDS EARLY CHILDHOOD COMM | WEST LINN |
| LYNNE & WYN INC | OREGON CITY |
| MAC PRESCHOOL | WEST LINN |
| MILWAUKIE MONTESSORI INC | MILWAUKIE |
| MILWAUKIE PRESCHOOL | MILWAUKIE |
| MM KIDS INC | WILSONVILLE |
| MONROE STREET CDC | MILWAUKIE |
| MT HOOD LEARNING CENTER | WELCHES |
| NEW HOPE CHILD DEVELOPEMENT | PORTLAND |
| NONNIE'S VILLAGE LLC | BEAVERCREEK |
| OAK GROVE PRESCHOOL AND DAYCARE INC | OAK GROVE |
| OCVM HEAD START | OREGON CITY |
| OONA'S PLAYCARE | LAKE OSWEGO |
| OREGON CHILD DEVELOPMENT COALITION | MULINO |
| OREGON CITY PRESCHOOL | OREGON CITY |
| OSWEGO PLAYSCHOOL | LAKE OSWEGO |

| EMPLOYER | CITY |
|-------------------------------------|--------------|
| P.A.L.C. ENTERPRISES INC | HAPPY VALLEY |
| PLEASANT VALLEY SPRINGS *CASA DEL | OREGON CITY |
| PLEASANT VALLEY SPRINGS LLC | OREGON CITY |
| PUDDLE JUMPERS PRESCHOOL AND CHILDC | WILSONVILLE |
| R KIDS CLACKAMAS INC | CLACKAMAS |
| RED BARN COOPERATIVE PRESCHOOL AND | ESTACADA |
| RIVER ROAD OFFICE | MILWAUKIE |
| SANDY RIDGE HEAD START | SANDY |
| SARAH R BROWN | MOLALLA |
| SILLY MONKEYS DAYCARE & PRESCHOOL L | GLADSTONE |
| STAFFORD MONTESSORI LLC | TUALATIN |
| STEPHANIE DODGE | OREGON CITY |
| STORYBOOK DAYCARE | LAKE OSWEGO |
| SUGARPLUMS LEARNING CENTER | CLACKAMAS |
| SUNFLOWERS PRESCHOOL | PORTLAND |
| SUNGARDEN MONTESSORI CENTER, INC | WEST LINN |
| SUNNY SKIES ECC | WEST LINN |
| SUNNYSIDE MONTESSORI HOUSE...INC | HAPPY VALLEY |
| SUNSHINE EARLY LEARNING CENTER LLC | MILWAUKIE |
| SWEET PEA PRESCHOOL LLC | MILWAUKIE |
| T'S FOR TOTS | WEST LINN |
| TENDERHEART CHILDCARE AND PRESCHOOL | MILWAUKIE |
| THE CHILDRENS HOUR ACADEMY INC | LAKE OSWEGO |
| THE GODDARD SCHOOL | CLACKAMAS |
| THE PLAY BOUTIQUE | LAKE OSWEGO |
| TO EVERY KID | LAKE OSWEGO |
| TOTS ON THE SPOT INC | SANDY |
| TREASURED BLESSINGS CHILD CARE | HAPPY VALLEY |
| TRIUMPHANT KING LUTHERAN CHURCH | LAKE OSWEGO |
| VILLAGE MONTESSORI INC | LAKE OSWEGO |
| WEST LINN COMMUNITY PRESCHOOL INC | WEST LINN |
| WILD PRIMROSE PRESCHOOL INC | PORTLAND |
| WILSONVILLE | WILSONVILLE |
| WITCHITA HEADSTART | MILWAUKIE |
| WONDER WORLD PRESCHOOL LLC | TUALATIN |
| YELLOW DOOR DAYCARE LLC | WEST LINN |
| YMCA CLACKAMAS COMMUNITY COLLEGE | OREGON CITY |
| ZOAR LUTHERAN PRESCHOOL | CANBY |

Table A. Educator Wages: Why Livable Wages Are Needed

Current Wages In The Child Care Industry Are Not Sustainable For Most Educator Households

Considering various household structures, the average child care educator wage in clackamas county only works for one household structure out of the 16 structures that were considered. Households with more than three children are less sustainable. All other forms

1 Adult Household

| | 0 Children | 1 Child | 2 Children | 3 Children |
|--------------|------------|---------|------------|------------|
| Living Wage | \$19.15 | \$34.94 | \$42.94 | \$57.88 |
| Poverty Wage | \$6.19 | \$8.38 | \$10.56 | \$12.74 |
| Minimum Wage | \$12.50 | \$12.50 | \$12.50 | \$12.50 |

2 Adult Household

| | 0 Children | 1 Child | 2 Children | 3 Children |
|--------------|------------|---------|------------|------------|
| Living Wage | \$27.73 | \$33.39 | \$38.72 | \$44.22 |
| Poverty Wage | \$8.38 | \$10.56 | \$12.74 | \$14.92 |
| Minimum Wage | \$12.50 | \$12.50 | \$12.50 | \$12.50 |

3 Adult Household

| | 0 Children | 1 Child | 2 Children | 3 Children |
|--------------|------------|---------|------------|------------|
| Living Wage | \$13.86 | \$19.12 | \$24.22 | \$29.40 |
| Poverty Wage | \$4.19 | \$5.28 | \$6.37 | \$7.46 |
| Minimum Wage | \$12.50 | \$12.50 | \$12.50 | \$12.50 |

Executive Summary: Context & Purpose

Childcare is a critical issue for Clackamas County's families and employers. There is significant support for understanding the issues, creating solutions, and paving the way for a future with child care for all.

Like many areas across our country, there are families that struggle with obtaining childcare. The COVID-19 pandemic has highlighted the weaknesses in the industry, where affordability has decreased, wages have increased, and standards are not always certain. As a result, families and the local workforce have suffered, with marginalized communities experiencing disproportionate effects. This taskforce seeks to develop solutions to this issue. Concerned entities throughout Clackamas County have been mandated to solve this issue.

Neighboring Multnomah County conducted a similar study for its Preschool for All initiative. Additionally, neighboring Washington County has also launched a Preschool for All initiative, similar to that of Multnomah County. Clackamas County seeks to pursue solutions that include both preschool and the entirety of the child care industry. The Clackamas County Child Care for All Task Force believes that larger problems exist beyond the scope of preschool. The Task Force believes that the scope of the study should include all aspects of child care starting from six weeks of age up to 12 years of age. This scope will allow the Task Force to develop a holistic approach to care, encompassing preschool as well as other areas of child care.

The Child Care for All work began in November 2021, as a collaborative effort between Clackamas Education Service District, Clackamas Early Learning Hub, and Clackamas Workforce Partnership. In February 2021 Morant McLeod was brought on to facilitate the taskforce as they identified recommendations. The recommendations from our work would help decide the critical pathway forward, and whether to pursue a future ballot measure or not.

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Child care plays a critical role in ensuring parents can work, children can learn, and the economy can thrive. In recent years, there has been broad bipartisan support at all levels of government to ensure all working parents have access to child care. And during the coronavirus pandemic support for child care has only grown.

Bipartisan Policy Center Early Childhood Initiative, 2020

Overcoming the Significant Challenges with Developing Child Care Industry Solutions

The challenges associated with creating a healthy child care industry are far-reaching, so the approach and solutions must cast a wide net.

Challenge

How to create solutions for an industry-wide issue?

Root causes associated with developing solutions for adequate child care for all are large, complex, and multifaceted. The issues are systemic, industry wide, and require community participation.

Intention

Ensuring everyone is able to participate in the solution.

To develop a community wide solution set driven by all stakeholders of the child care industry. Solutions should include equitable approaches that create an industry that works for everyone.

Results

Results for the initial phase of the study.

Our study has produced models that will increase the health of the child care industry: including financial, livable wage, career retention, facilities, economic, and operator business models.