Humboldt County Childcare Needs Assessment

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The California Center for Rural Policy at Cal Poly Humboldt is a research and policy center committed to informing policy, building community, and promoting the health and wellbeing of rural people and environments.

Cal Poly Humboldt
California Center for Rural Policy
1 Harpst Street
Arcata, CA 95521
(707) 826-3400
http://www.humboldt.edu/ccrp
ccrp@humboldt.edu

EXECUTIVE SUMMARY

Access to affordable and high-quality childcare is a critical issue in Humboldt County, impacting workforce participation, economic stability, and child development. With only **4% of parents** having an at-home care provider, the majority must rely on external childcare options, many of which are inaccessible due to cost, scheduling constraints, and limited availability. As a result, **75% of parents** report missing work or depending on household members for care, straining families and reducing workforce productivity (Humboldt County Child Care Access Survey, 2024).

Demographic shifts further complicate childcare infrastructure planning. While the county's overall population is projected to grow modestly over the next decade, the number of children under 15 is expected to decline due to outmigration and lower birth rates. Notably, **30% of children are under six**, underscoring the need for a robust early education system that supports working families (U.S. Census Bureau, 2023).

Economic barriers significantly limit access to childcare in Humboldt County, with **16% of families with children living in poverty**, a rate **4% higher than the state average**, making childcare unaffordable for many (U.S. Census Bureau, 2023). Additionally, **6% of children under 18 have disabilities**, exceeding the **state average of 3.8%**, highlighting the need for greater access to specialized education and financial support to ensure that families can secure appropriate care for their children (U.S. Census Bureau, 2023). The high cost of childcare and workforce shortages further reduce accessibility, disproportionately affecting single-parent households and those with nontraditional work schedules.

Households in Humboldt County spend an average of **43% of their income** on **childcare** for two children, a burden that far surpasses the **state average of 30%** and the **national average of 27%** (County Health Rankings and Roadmaps, 2024). This substantial cost underscores the financial strain on families, particularly those with lower incomes, and highlights the urgent need for more affordable childcare solutions in the region.

According to the Humboldt County Child Care Access Survey (2024), **56% of parents** use childcare services that follow **traditional weekday schedules**, while only **9% utilize evening care** and **6% rely on weekend care**. However, nearly **55% of parents** express a preference for nontraditional options, revealing a significant unmet need for extended-hour childcare services (Humboldt County Child Care Access Survey, 2024). The lack of flexible scheduling forces many parents to adapt by working from home, bringing children to work, or relying on other family members, all of which have potential to reduce productivity and create additional stress.

Structural barriers further hinder childcare access. **Twenty-four percent of families** cite cost as a primary obstacle, while **13% report unavailability as a key challenge** (Humboldt County Child Care Access Survey, 2024). Unaligned preschool hours and a shortage of part-time childcare options limit opportunities for working parents. Families of children with disabilities face even greater difficulties due to a lack of trained providers and inclusive childcare programs.

The economic implications of inadequate childcare services are significant. Insufficient access to childcare contributes to **employee turnover and absenteeism**, costing businesses an estimated **$1,150 annually per working parent** (UC Berkeley Labor Center, 2019). Additionally, the introduction of universal transitional kindergarten (TK), coupled with fragmented policies, has diverted resources and exacerbated staffing shortages, highlighting the urgent need for a **cohesive and locally tailored early childhood education strategy**.

Addressing these systemic challenges requires a **multifaceted approach** that includes expanding flexible childcare options, increasing financial assistance for low to middle income families, strengthening workforce development in the childcare sector, and integrating early childhood education policies to better align with local needs. Strategic investments in childcare infrastructure will not only support working families but also bolster economic stability and long-term community well-being.

SECTION 1: INTRODUCTION

Purpose of the Assessment

Humboldt County, like many rural and semi-rural communities across the United States, faces mounting challenges in providing accessible, affordable, and high-quality childcare. Over the past decade, families in the region have struggled with limited childcare availability, high costs, and a shortage of qualified providers, all of which have been exacerbated by shifting demographic patterns, economic instability, and the lingering effects of the COVID-19 pandemic. Businesses have also reported increased employee absenteeism and turnover due to inadequate childcare options, affecting local economic growth (County of Humboldt, 2022; Lost Coast Outpost, 2021). In response to these pressing challenges, this assessment was initiated to systematically evaluate the current childcare landscape, identify gaps in service provision, and develop data-driven recommendations to improve access, affordability, and quality of childcare for all families in Humboldt County.

Childcare plays a pivotal role in promoting family, economic, and community well-being, delivering a range of both monetary and non-monetary benefits. The purpose of this assessment is to underscore the multifaceted significance of childcare and its far-reaching impacts on various stakeholders.

For families, access to quality childcare is essential for enabling parents to engage in the workforce or increase their working hours, thereby boosting household income and alleviating financial stress (Herbst, 2022). This, in turn, supports career growth and contributes to long-term financial stability. Moreover, structured, high-quality childcare environments foster the social, emotional, and cognitive development of children, laying a strong foundation for their future success (Heckman et al., 2010).

From the perspective of children, childcare provides critical early learning opportunities and socialization within a safe, structured environment. These experiences are instrumental in setting the stage for academic achievement and personal growth. Furthermore, access to equitable developmental opportunities through childcare helps reduce educational disparities, ensuring that all children, regardless of background, have the tools necessary for success (Bakken, Brown, & Downing, 2017).

On a broader scale, the availability of childcare has significant implications for the economy and community. By enabling more parents to participate fully in the workforce, childcare supports local economic growth. It also generates employment within the childcare sector itself, stimulating business activity and increasing household spending. Communities benefit from enhanced stability as reliable childcare reduces reliance on public assistance programs and contributes to improved public health and safety through early interventions and consistent care.

Beyond its economic impact, childcare serves as a cornerstone for strengthening families and communities. It reduces stress for working parents, facilitating a more effective balance between work and family life. Childcare also promotes equity by ensuring that all children have access to quality early childhood education, regardless of socioeconomic status. Furthermore, it fosters community connections, enabling families to build supportive networks that enhance both child development and overall well-being.

Scope and Objectives

This Childcare Needs Assessment and work associated with it was funded through the American Rescue Plan Act (ARPA). In May 2022, the Humboldt County Board of Supervisors unanimously approved a $4.8 million program funded by the American Rescue Plan Act (ARPA) to help stabilize the local childcare system. Now known as the Humboldt County Child Care Stabilization Fund, this initiative has provided financial support to childcare providers across the county. The program model was first developed through a collaboration between the County of Humboldt, First 5 Humboldt, the Local Child Care Planning Council, Changing Tides Family Services, the Humboldt Quality Counts Consortium, the Emergency Child Care Taskforce, and North Edge: Business Financing and Community Development (formerly Arcata Economic Development Corporation, or AEDC), which was responsible for administering the funds.

Since the allocation of funding in 2022, North Edge, in partnership with the original collaborators, has done an outstanding job distributing the funds through innovative programs. In addition to convening a local Child Care Champions group and funding this Humboldt County Childcare Needs Assessment, they have successfully launched four key programs designed to support families and childcare providers throughout the community: 1) Employee & Facility Retention Bonuses, 2) Facility Improvement Forgivable Loans, 3) Childcare Employee Hiring Bonuses, and 4) Parent Subsidy Program. More information on the ARPA program and Humboldt County Child Care Stabilization Fund is available in Appendix A of this report.

This assessment specifically focuses on evaluating the availability, accessibility, affordability, and quality of childcare services in Humboldt County. The primary objective is to identify existing gaps and provide data-driven insights that can support strategic decision-making by policymakers, childcare providers, and community stakeholders.

The assessment aims to achieve several key objectives. First, it seeks to understand the current supply and demand for childcare by examining existing options, including licensed centers, home-based providers, and informal care arrangements. This analysis will be compared against the childcare needs of families throughout the county to highlight any discrepancies.

Second, the assessment will identify barriers that hinder families from accessing adequate childcare. These barriers may include high costs, limited availability for specific age groups, geographic disparities, and linguistic challenges that prevent certain populations from utilizing available services.

Third, the assessment will analyze the impact of current childcare services on various facets of the community, including economic activity, family well-being, and child development outcomes. By evaluating these effects, the assessment will provide a comprehensive understanding of how childcare services contribute to the overall health and prosperity of the community.

Finally, the assessment will develop actionable recommendations to address identified gaps and enhance the provision of childcare services. These strategies will focus on ensuring that childcare offerings are equitable, sustainable, and responsive to the diverse needs of families in Humboldt County. By achieving these objectives, the Childcare Needs Assessment will serve as a critical tool for guiding policy decisions, allocating resources effectively, and fostering partnerships that support families and strengthen the local economy.

Methodology Overview

The Childcare Needs Assessment conducted by the California Center for Rural Policy (CCRP) employs a qualitative approach, integrating qualitative insights with descriptive statistics to offer a comprehensive understanding of childcare needs in Humboldt County.

Data Sources and Approach

This study utilizes both secondary and primary data sources to ensure a robust and multifaceted analysis.

Secondary Data: The assessment draws from the U.S. Census Bureau's 2023 American Community Survey (ACS) 5-Year Estimates, which provides detailed demographic, social, and economic data. The use of five-year estimates enhances accuracy, particularly when analyzing small, rural populations like Humboldt County. In addition to census data, CCRP reviewed academic articles and national reports to compare childcare trends, policies, and challenges across various regions, providing a broader context for the local findings.

Primary Data: Primary data collection involved a community survey, which gathered direct feedback from Humboldt County families regarding their childcare needs, challenges, and preferences. The Humboldt County Child Care Access Survey received a total of 459 respondents, representing 579 children and over twenty workforce industries. Interviews with childcare providers were conducted to capture firsthand experiences related to service availability, affordability, and workforce challenges. Listening sessions with the Child Care Champions Group and Humboldt Network of Family Resource Centers, both key stakeholder networks, were held to incorporate local expertise and lived experiences into the analysis. Additionally, recommendations were developed during the Child Care Champion Luncheon, an event hosted by NorthEdge that convened local business leaders, philanthropic organizations, and early childhood care providers to explore strategies for strengthening the local childcare system.

Research Framework: Community-Based Participatory Research (CBPR)

The assessment is grounded in a Community-Based Participatory Research (CBPR) framework, which emphasizes the active involvement of local stakeholders in both data collection and analysis (Shalowitz et al., 2009). This approach ensures that the research is collaborative and driven by those most affected by childcare challenges. As a result, the findings reflect real-world experiences and go beyond mere statistical trends. Additionally, policy recommendations derived from this study are community-informed and practical for implementation.

Structure of the Report

The report is structured to integrate both quantitative and qualitative insights, providing a holistic view of the childcare landscape in Humboldt County:

- *Section 2- Community Context:* Utilizes ACS 5-Year Estimates to deliver a macro-level analysis of childcare accessibility, demographic trends, and economic conditions. Given that national datasets often lack detailed statistics for rural areas, local organizations contributed up-to-date, community-specific data to address these gaps.
- *Section 3- Current State of Childcare in Humboldt County:* Merges quantitative statistics with qualitative insights from local childcare organizations and stakeholders, ensuring that the data reflects both statistical patterns and on-the-ground realities. Presents findings from the Humboldt County Child Care Access Survey, distributed by the Child Care Champions Group, which collected direct input from parents and caregivers regarding their childcare needs and experiences.
- *Section 4- Policy Recommendations:* Builds on the quantitative and qualitative data analysis to present policy recommendations aimed at improving childcare accessibility and quality in Humboldt County. These recommendations are informed by statistical trends, stakeholder insights, and community-specific challenges identified in earlier sections. Additionally, this section highlights funding policies as a critical area for further research, emphasizing the need for sustainable financial strategies to support childcare providers and families.

Ensuring Data Reliability and Accuracy

To enhance the validity of the findings, the study employs data triangulation—a research strategy that cross-verifies information from multiple sources. This method helps reduce bias, increase accuracy, and ensure a comprehensive understanding of childcare challenges. By building a strong, evidence-based foundation, the assessment provides relevant, actionable, and locally informed recommendations aimed at improving childcare access, affordability, and quality in Humboldt County.

Contextual Limitations

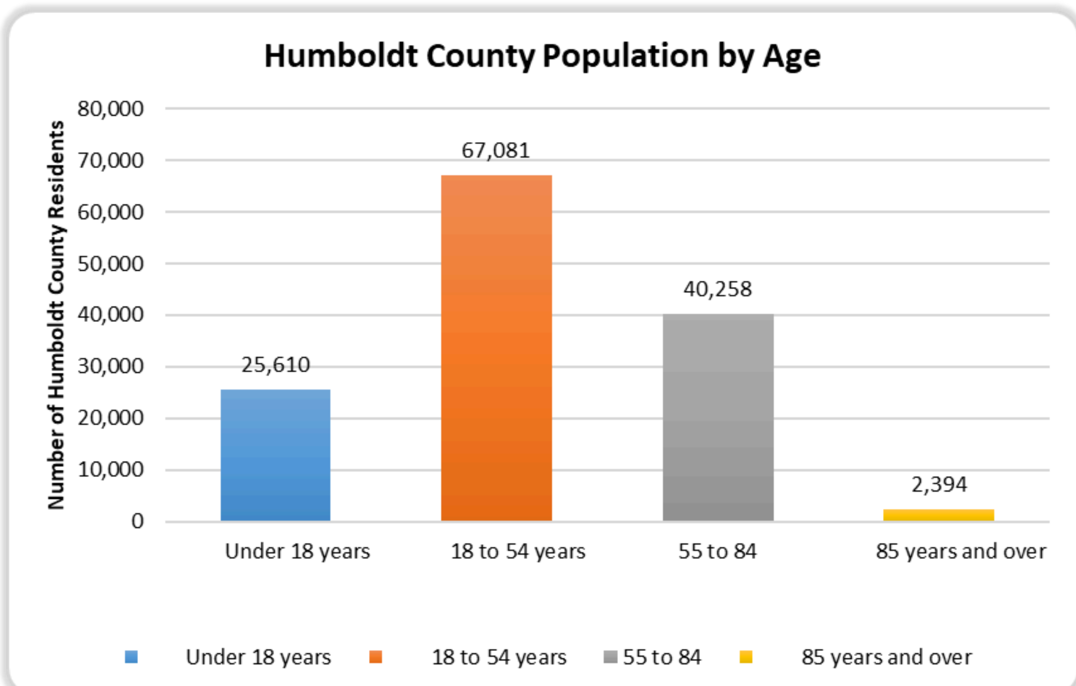
While this report offers a comprehensive overview of childcare needs and access across Humboldt County, it does not present data specific to Indigenous communities. This omission reflects the reality that tribal nations operate distinct childcare systems, often governed by sovereign protocols and supported by tribal, federal, or intertribal funding mechanisms. Indigenous families in the region, including those served by the Hoopa Valley Tribe, Resighini Rancheria, Elk Valley Rancheria, and Big Lagoon Rancheria, may receive services and subsidies through tribal programs with eligibility criteria and delivery structures that differ from county-administered care. As such, data on Indigenous childcare access is typically collected separately and requires a culturally grounded, community-led approach. A dedicated study—developed in partnership and with approval from tribal governments and organizations—is essential to fully understand and honor the specific needs, strengths, and childcare priorities of Humboldt County's Indigenous communities.

SECTION 2: COMMUNITY CONTEXT

Demographics

Population Size and Age Distribution

Figure 2.1
Humboldt County Population by Age



Note: Data sourced from U.S. Census Bureau, 2023

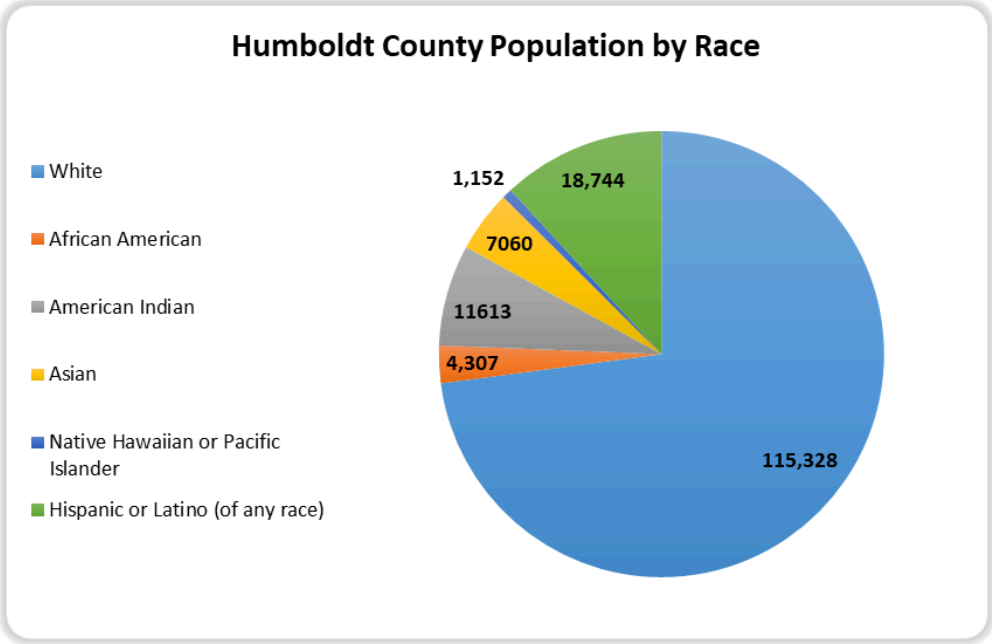
Humboldt County, with a total **population of 135,418**, exhibits childcare needs that are closely linked to its demographic structure. Approximately 25,610 residents, or 19% of the population, are under 18 years old, representing the primary group requiring childcare services, including infants, toddlers, and school-aged children with diverse care and educational needs. Additionally, 67,081 individuals, making up 50% of the population, fall within the 18-to-54 age range. This group includes young adults pursuing higher education or entering the workforce, as well as working parents who depend on childcare to balance professional and family responsibilities.

Beyond the direct need for childcare, the county's older population also plays a role in the childcare landscape. Residents aged 55 to 84 make up 30% of the population (40,258 individuals), many of whom may be grandparents providing informal childcare support to family members. Meanwhile, the 85-and-older age group, accounting for 2% of the population (2,394 individuals), may require additional care and support themselves, potentially impacting multigenerational family dynamics and the availability of informal childcare within households. Understanding these demographic patterns is crucial for assessing childcare demand and ensuring adequate support for families across all generations in the county (U.S. Census Bureau, 2023).

Racial Composition and Cultural Considerations

Figure 2.2

Humboldt County Population by Race



Note: Data sourced from U.S. Census Bureau, 2023

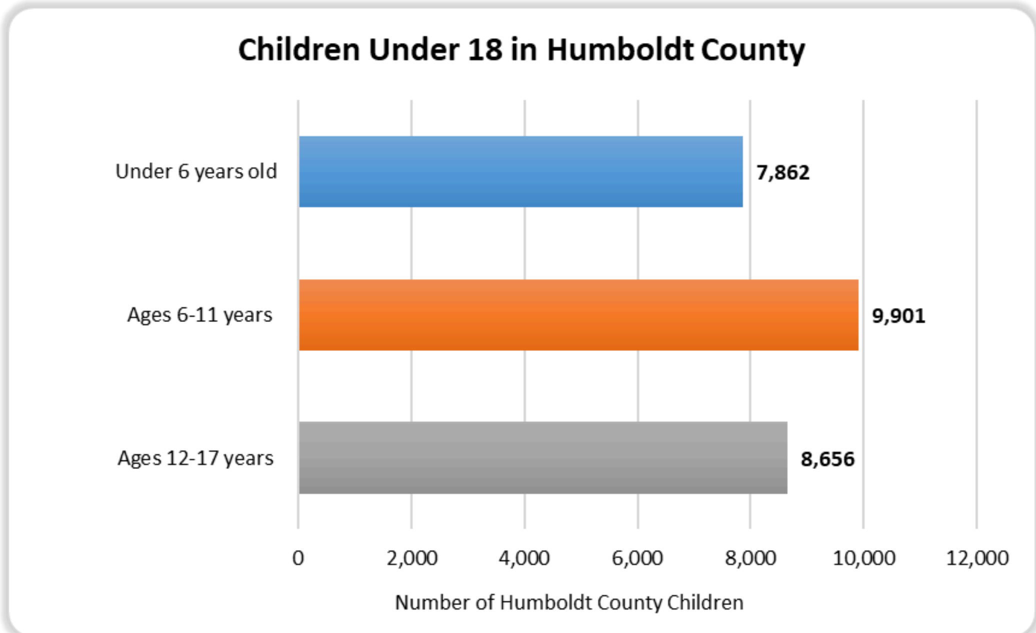
The racial and cultural composition of Humboldt County further influences the demand for childcare services that are inclusive and culturally responsive. The majority of the population, 115,328 residents or 73%, identify as White. However, the county is also home to significant minority populations, including 11,613 individuals (7%) who identify as American Indian or Alaska Native, 7,060 individuals (5%) as Asian, 4,307 individuals (3%) as African American, and 1,152 individuals (1%) as Native Hawaiian or Pacific Islander. Furthermore, 18,744 residents, representing 12% of the population, identify as Hispanic or Latino, a category that spans multiple racial groups (U.S. Census Bureau, 2023). This diversity underscores the necessity for childcare programs that are sensitive to the linguistic, cultural, and social needs of the community. By ensuring that childcare services are equitable and accessible to all families, the county can foster an inclusive environment that supports the well-being and development of all children.

Population Growth Trends

Projections from the California Department of Finance's Demographic Research Unit (DRU) suggest that Humboldt County will experience modest population growth over the next decade. The population, estimated at 135,000 in 2024, is expected to increase to approximately 136,000 by 2035, reflecting a growth of about 1,000 residents over 11 years. This slow growth trajectory is indicative of broader trends in birth rates, aging populations, and migration patterns.

Children Under 18: Distribution by Age Group

Figure 2.3
Children Under 18 in Humboldt County



Note: Data sourced from U.S. Census Bureau, 2023

A closer examination of the child population in Humboldt County reveals diverse childcare and educational needs across different age groups. The county is home to **25,610 children under the age of 18**, distributed as follows: 7,862 children (30%) are infants and young children aged 0–5 years, 9,901 children (38%) are elementary-aged children between 6–11 years, and 8,656 adolescents (33%) are aged 12–17 years (U.S. Census Bureau, 2023). The highest demand for childcare services is observed among children under six, as they are the most reliant on early childhood education. These services are critical for fostering cognitive, emotional, and social development during the formative years. Conversely, school-aged children and adolescents require after-school programs and structured extracurricular activities that support their continued educational and developmental growth.

Declining Child Population and Its Impact

Despite modest overall population growth, Humboldt County is projected to experience a significant decline in its child population, which may have profound long-term implications for schools, childcare services, and broader community planning. According to projections from the California Department of Finance (DRU), the number of children under the age of 15 is expected to decrease substantially by 2035. Specifically, the population of children aged 0–5 is anticipated to decline from 7,862 to 5,727; those aged 6–9 from 7,535 to 5,915; and children aged 10–14 from 7,840 to 6,320. These figures reflect shifts in birth rates, family migration patterns, and an aging population, suggesting that fewer young families are moving into the area. Additionally, there may be a trend of outmigration among families with children, as they seek improved economic or educational opportunities elsewhere.

Economic and Social Challenges for Families

Child Poverty in Humboldt County

Economic hardships remain a significant concern for many families in Humboldt County, particularly those with children. According to recent data, 16% of families with children under the age of 18 live in poverty, a figure that exceeds the California state average of 12% by four percentage points (U.S. Census Bureau, 2023). This elevated poverty rate presents considerable challenges for families, making it difficult to afford essential needs such as housing, food, healthcare, and childcare. The prevalence of economic disparities in the region underscores the urgent need for targeted support services aimed at improving financial stability and expanding access to critical resources for low-income families.

Higher Rates of Children with Disabilities

In addition to economic challenges, Humboldt County exhibits a higher prevalence of children with disabilities compared to the rest of California. **Approximately 6% of households with children under 18 include at least one child with a disability, significantly surpassing the statewide average of 3.8%** (U.S. Census Bureau, 2023). Families raising children with disabilities face additional financial burdens due to the need for specialized care, adaptive resources, and early intervention programs. These resources are often limited in rural areas, further exacerbating the difficulties faced by these families. The intersection of higher disability rates and economic hardship highlights the compounded challenges that many families in Humboldt County must navigate.

> **"Inclusivity in childcare is a serious issue for both the children and families engaging childcare services in this area. It's been really rough for us"**
>
> Child Care Access Survey Participant

SECTION 3: CURRENT STATE OF CHILDCARE IN HUMBOLDT COUNTY

Childcare in Humboldt County, California, faces significant challenges due to limited availability, high costs, and a shortage of qualified providers. Many families struggle to find accessible and affordable early childhood education options, particularly in rural areas where providers are scarce. Economic and geographic factors further exacerbate these issues, making it difficult for working parents—especially those with non-traditional work hours—to secure reliable childcare. Additionally, providers themselves face financial instability, workforce shortages, and regulatory burdens, further straining the system. This section examines key barriers faced by families and providers, highlighting potential solutions to strengthen the county's early childhood education infrastructure.

Childcare Industry Overview

Types of Childcare Settings

In California, state and federally funded childcare assistance programs recognize three types of childcare settings: Licensed Family Child Care Homes, Child Care Centers, and Family, Friend, or Neighbor Care (California Department of Social Services). Each type operates under its own set of regulations, but this section provides a brief overview of the formal childcare options available in Humboldt County.

The most prevalent childcare setting in Humboldt County is Family Child Care Homes (FCCH). These are licensed facilities where care is provided in the childcare provider's home. Depending on the home's size and the available adult-to-child ratio, licensing capacity ranges from 8 to 14 children. Families often choose FCCH because they offer a home-like environment, have smaller adult-to-child ratios, and are generally more affordable than childcare centers.

The second type of licensed facility is Child Care Centers, which operate in commercial settings. These centers vary in size and may be run by community-based organizations, school districts, private businesses, or religious institutions. While typically more expensive than FCCH, Child Care Centers provide a more structured, classroom-like environment, have more staff on-site, and often offer a wider range of equipment, supplies, and activities.

The third type of care, known as Family, Friend, or Neighbor Care (FFN), is license-exempt. This form of care takes place in either the child's or caregiver's home and is provided by a relative, friend, neighbor, or other trusted individual. Since FFN care is not required to be licensed by the State of California, families may choose it for various reasons, including familiarity with the caregiver, linguistic or cultural considerations, flexible scheduling needs, or transportation convenience.

Childcare Policies and Regulations

A majority of the childcare industry in Humboldt County operates under **strict state and federal regulations** that dictate key aspects such as staff-to-child ratios, facility safety, curriculum standards, and health protocols. While these regulations are essential for maintaining high-quality care and ensuring children's well-being, they also place significant financial and administrative burdens on providers. These challenges are particularly acute for Family Childcare Home (FCCH) facilities, which often lack the necessary resources to efficiently navigate complex regulatory requirements. Compliance demands both time and financial investment, diverting resources from critical areas such as staff development and program enrichment, ultimately limiting the capacity of providers to offer high-quality care.

California's expansion of the State Preschool Program has further complicated the early childhood education landscape, leading to a fragmented system that poses challenges for both providers and families (California Budget & Policy Center, 2024). Many parents prefer childcare vouchers that offer flexible care arrangements tailored to their needs, yet existing policies prioritize structured, school-based programs. This misalignment has resulted in inefficiencies in resource allocation, as evidenced by the pandemic-era policy failure that left $713 million in childcare funds unspent—demonstrating a critical gap between policy design and actual family needs (Nguyen, 2024).

Competitive Wages

One of the most pressing financial challenges for local childcare providers is the difficulty to **maintain competitive wages** for teachers and staff. Low wages and limited benefits contribute to persistent workforce shortages, making it difficult to attract and retain qualified professionals. At the same time, providers are limited in their ability to raise tuition fees, as significant increases would make childcare unaffordable for many families. This financial strain creates a precarious balancing act: providers must keep tuition rates manageable while ensuring fair compensation for staff. These constraints ultimately limit their capacity to expand services, even when demand for childcare remains high. Addressing these financial and workforce challenges requires systemic solutions that enhance both provider sustainability and affordability for families.

> “Child care is also very hard to find and always cost prohibitive. Child care providers should be recognized for the critical role they play in the community and economy and compensated as such”
>
> Child Care Access Survey Participant

Retaining qualified childcare providers in Humboldt County remains particularly challenging due to low wages and limited benefits, making it difficult for many childcare workers to view their roles as sustainable long-term careers. This has resulted in high turnover rates and staffing shortages, further straining an already fragile system. The situation has been exacerbated by California’s expansion of Transitional Kindergarten (TK) for all four-year-olds by the 2025-26 academic year. This state-funded initiative offers higher salaries and better benefits, drawing teachers away from childcare centers and family childcare homes. As a result, private childcare centers face intensified staffing shortages, reducing their capacity to meet the growing demand for services. The shifting distribution of resources and personnel toward TK programs underscores the need for balanced policy interventions that support both public and private childcare providers, ensuring comprehensive and equitable early childhood education options.

Operating Costs

The financial viability of childcare facilities is further shaped by **high operating costs**, which vary significantly depending on the type and size of the provider. While costs are typically calculated based on full enrollment, many providers intentionally operate below capacity to maintain higher-quality care, particularly for younger children. Interviews with providers revealed that some choose to enroll fewer children than their licensed slots allow to provide more individualized attention. However, operating below full capacity exacerbates financial pressures.

Spotlight Example: Facility Costs

The costs of establishing and running a childcare facility begin with licensing fees, which amount to a minimum $464 for a Small Family Childcare Home (FCCH) provider (serving up to 8 children) and $531 for a Large FCCH provider (serving up to 14 children). Beyond licensing, annual operating expenses are substantial: Small FCCH providers face costs of approximately $24,772 per year, while Large FCCH providers incur around $59,256. For center-based childcare, the financial burden is even greater, with average annual operating expenses reaching $769,043. Despite these costs, the net annual profit varies by provider type, with Small FCCH providers earning an average of $37,000 per year, Large FCCH providers earning approximately $51,000 per year, and center-based providers averaging $63,000 per year. These figures illustrate the significant financial investment required to sustain childcare operations, highlighting the structural challenges that make it difficult for providers to remain financially viable while delivering high-quality care.

This data was collected from local childcare providers that applied for a facility improvement loan through NorthEdge. With permission from the providers, data was summarized by the Small Business Development Center (SBDC) and was used for business projections in SBDC childcare business course series.

Quality of Care

Even when childcare providers have the physical capacity to accommodate more children, many hesitate to increase enrollment due to staffing shortages and concerns about maintaining the quality of care. High-quality childcare, particularly for infants and toddlers, requires **smaller class sizes and lower staff-to-child ratios**, which are essential for fostering a safe and nurturing environment. However, these standards also limit the financial viability of childcare operations, as fewer children per staff member reduces potential revenue without corresponding increases in funding. This creates a difficult balance for providers, who must weigh financial sustainability against the imperative of maintaining high standards of care.

The childcare workforce in Humboldt County faces significant challenges related to staff shortages and retention. Providers report that **low wages, the absence of healthcare benefits**, and **limited opportunities for career advancement** are key factors contributing to these issues. The perception of childcare work as a temporary job rather than a viable long-term career further exacerbates high turnover rates, leading to instability within the workforce. Despite these persistent challenges, some childcare providers have made efforts to mitigate staffing shortages by partnering with Cal Poly Humboldt's School of Education and College of the Redwoods Early Childhood Education program to recruit new staff. While these partnerships provide a valuable pipeline of potential employees, they do not fully address the systemic issues affecting workforce stability. Addressing these structural challenges requires comprehensive policy interventions aimed at improving compensation, benefits, and professional development opportunities to support a sustainable and committed childcare workforce.

Parents in Humboldt County have consistently voiced the need for childcare staff who are trained to support **children with special needs** or those who have experienced trauma. Families seek caregivers who understand the unique developmental, emotional, and educational challenges their children face and can provide the specialized care they require. Many parents would like to see more professional development opportunities for childcare workers to build expertise in these areas. However, high staff turnover makes it difficult for providers to invest in long-term training, leading to inconsistencies in care. Without a stable and well-trained workforce, parents struggle to find childcare options that meet their children's specific needs, highlighting the urgent need for systemic improvements in staff training and retention.

Availability

Licensed Childcare Availability

Humboldt County faces a substantial gap in licensed childcare availability, which poses significant challenges for families with young children. The shortage is particularly acute for infants and toddlers, where demand frequently exceeds supply. As a result, families without access to licensed care may rely on Family, Friend or Neighbor care, other informal caregiving arrangements, or forgo childcare entirely. Such limitations can create barriers to workforce participation and financial stability for parents, particularly those seeking to maintain or advance their employment.

Based on the latest data from the California Resource & Referral Network—the primary resource for families seeking childcare in our region—**there are 3,192 licensed childcare spaces available in the county**. This includes 2,108 spaces in childcare centers: 158 for infants (0-23 months), 1,698 for preschool-aged children (2-5 years), and 252 for school-aged children (6+ years). Additionally, family childcare homes provide 1,084 spaces, though age group availability is not specified.

Spotlight Example: **Licensed Childcare Availability**

The county is home to 7,862 children under the age of six (U.S. Census Bureau, 2023), yet there are only 3,192 licensed childcare spaces distributed across 160 facilities (CA Resource & Referral Network, 2021). These facilities include 55 center-based providers and 105 family childcare homes, collectively meeting approximately 41% of the potential need. This leaves a shortfall of 59%, indicating that nearly half of the children under six may not have access to licensed childcare. It is important to note that not all children under six require care in licensed facilities—some are cared for by parents, or other family members.

Childcare Capacity by Age Group

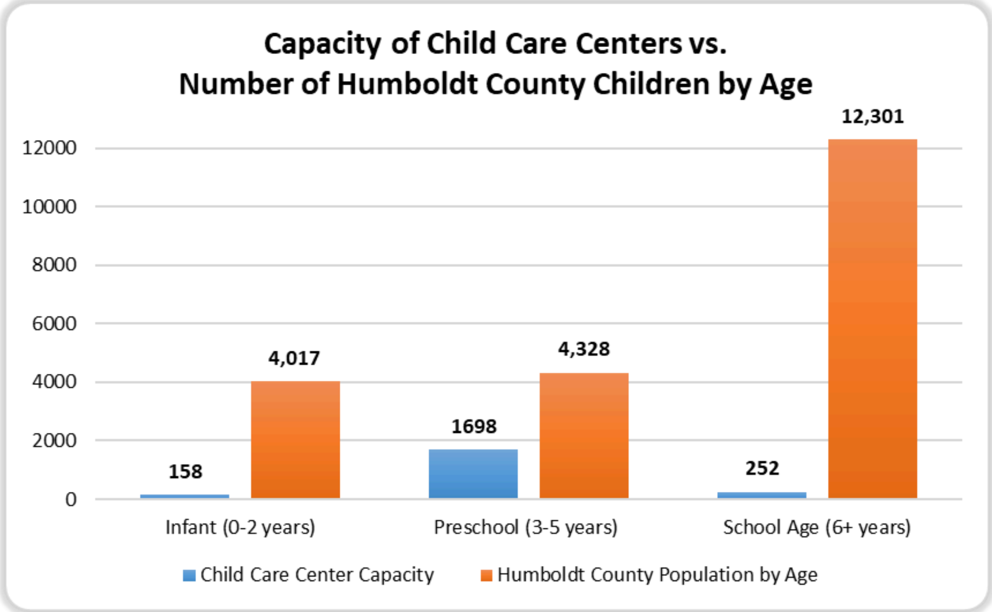
The distribution of childcare availability in Humboldt County also varies significantly by age group, further complicating access for families with young children. Infant care, in particular, is the hardest to find, with many providers having long waitlists or not offering infant slots at all. Based on interviews with childcare providers in Humboldt County, it was clear that infants and toddlers are more expensive to care for due to the increased level of attention they require, and the higher teacher-to-child ratios mandated by licensing regulations. Many providers limit the number of infant slots they offer because caring for this age group is less financially sustainable compared to older children, who require fewer caregivers per child. As a result, families seeking infant care often face limited options, higher costs, and significant challenges in securing a spot, especially those in Humboldt's remote areas where providers are even more scarce. Expanding support for infant and toddler care, including increased subsidies and incentives for providers to offer more infant slots, could help alleviate this critical gap in Humboldt County's childcare system.

"Finding infant care is next to impossible...no one wants to take a child less than 6 months old for less than $1,500 a month. And with maternity leave being 6 weeks, what are your options? There are none. Childcare is too expensive and is starting to affect people's decision towards having a child."

Child Care Access Survey Participant

Figure 3.1

Capacity of Child Care Centers vs. Number of Humboldt County Children by Age



Note. Data sourced from CA Resource & Referral Network (2021) and Kids Data (2021).

Spotlight Example:

Availability by Age Group

According to Kids Data (2021), Humboldt County has 4,017 infants (0-2 years), 4,328 preschool-aged children (3-5 years), and 12,301 school-aged children (6-12 years), yet childcare availability remains highly uneven. Of the 2,108 total center-based childcare spaces, only 158 are for infants, compared to 1,698 for preschoolers and 252 for school-aged children. This stark imbalance underscores a critical shortage of infant care, often forcing families to delay returning to work or rely on informal care. While data on age distribution within family-based childcare facilities is unavailable, the need for infant care is especially crucial given that the total number of childcare slots in family-based facilities is nearly half that of center-based facilities. This further limit access for families with infants and underscores the urgent need for targeted expansion of infant care options in Humboldt County.

The 2024 parent survey highlighted the continued prevalence of waitlists, with families often waiting approximately nine months to secure a spot for infant care. These findings were corroborated by interviews with childcare providers, many of whom reported being unable to accommodate the growing number of families on their waitlists. Providers frequently prioritize siblings of currently enrolled children, further limiting access for new families. The scarcity of available childcare slots has created intense competition for the limited licensed spaces.

"I have been on many waitlists, just to be told my spot was taken or given to someone else after waiting upwards to 9 months. I had a daycare center close after 4 months of care, just after returning to work full time"

Child Care Access Survey Participant

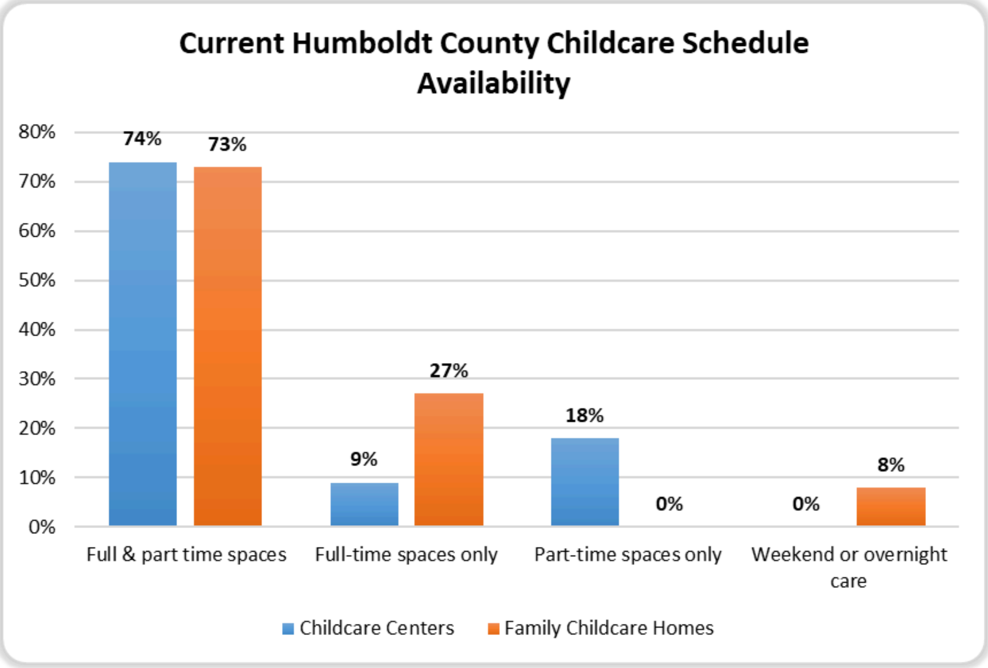
Accessibility

Types of Childcare Schedules

The flexibility of childcare options in Humboldt County varies significantly between childcare centers and family childcare homes, each offering distinct advantages and limitations in meeting diverse family needs. Childcare center providers often operate on fixed schedules, making them a reliable option for families with traditional work hours, while family childcare home providers may offer greater flexibility in accommodating irregular or non-traditional schedules. However, many families working in industries such as healthcare, hospitality, and agriculture require non-standard childcare hours, which are often difficult to find. Addressing these gaps by expanding part-time, evening, and weekend care options is critical to supporting Humboldt County's diverse workforce and ensuring that families can access childcare that aligns with their employment demands. Additionally, more flexible childcare options can benefit students, single parents, and those working multiple jobs who may struggle to find care that fits their unique schedules.

According to CA Child Care Resource and Referral Network (2021), the Humboldt County childcare centers predominantly provide a combination of full-time and part-time spaces, with 74% of their capacity falling within this mixed-use category. However, only 9% of their spaces are exclusively designated for full-time care, while 18% are reserved for part-time care. In contrast, family childcare homes offer slightly more flexibility, with 73% of spaces allocated for a mix of full-time and part-time care, and 27% exclusively for full-time care. Notably, family-based providers do not offer part-time-only spaces, which can present challenges for families seeking flexible childcare arrangements, such as those with reduced work hours or non-traditional schedules. See Figure 3.2 below for an overview.

Figure 3.2
Current Humboldt County Childcare Schedule Availability



Note. Data sourced from CA Resource & Referral Network (2021).

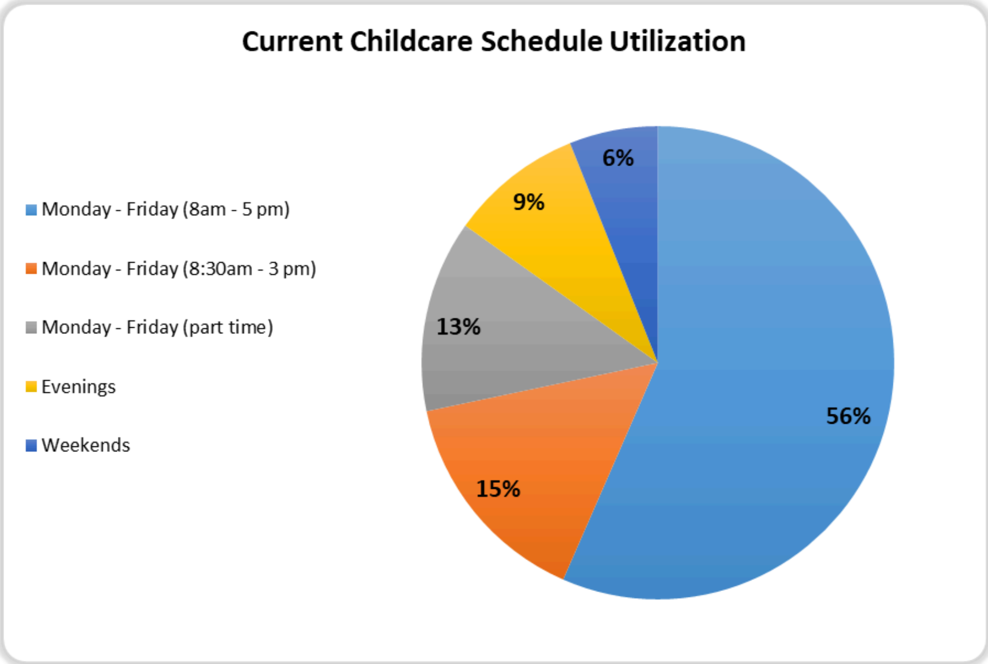
Families requiring part-time care often face financial strain, as they may be obligated to pay for full-time spaces even when they do not require them. This issue is particularly problematic for parents with evening, overnight, or weekend work shifts, as center-based facilities seldom accommodate these non-standard schedules. Although 8% of home-based childcare facilities provide weekend or overnight care, the overall availability remains insufficient to meet the needs of families working outside traditional hours.

The limited availability of part-time childcare options further exacerbates financial pressures on families in Humboldt County. Approximately 6,342 married couples rely on a single income, placing additional strain on household budgets (U.S. Census Bureau, 2023). However, only 18% of center-based childcare facilities offer part-time care, making flexible childcare options scarce (CA Resource & Referral Network, 2021). Families seeking part-time childcare often encounter the additional challenge of having to pay for full-time services, even when their needs do not require them. This mismatch between available services and family needs contributes to the overall affordability crisis and underscores the necessity for more flexible, cost-effective childcare solutions.

Current Childcare Utilization

Childcare availability in Humboldt County is predominantly confined to traditional weekday hours, creating significant limitations for families with non-traditional work schedules. Based on findings from the 459 respondents to the Humboldt County Child Care Access Survey (2024), 56% of families currently use full-time childcare services that operate Monday through Friday from 8:00 a.m. to 5:00 p.m., while 15% rely on care available during standard school hours (8:30 a.m. to 3:00 p.m.). Additionally, 13% of families use part-time care, typically divided into morning and afternoon sessions. However, only 9% families utilize evening care, and just 6% rely on weekend childcare, highlighting a significant gap in flexible care options. Figure 3.3 below provides an overview. This lack of flexibility presents substantial challenges for caregivers working evenings, weekends, or irregular shifts, underscoring a critical gap in childcare accessibility that affects both family well-being and workforce participation.

Figure 3.3
Current Childcare Schedule Utilization

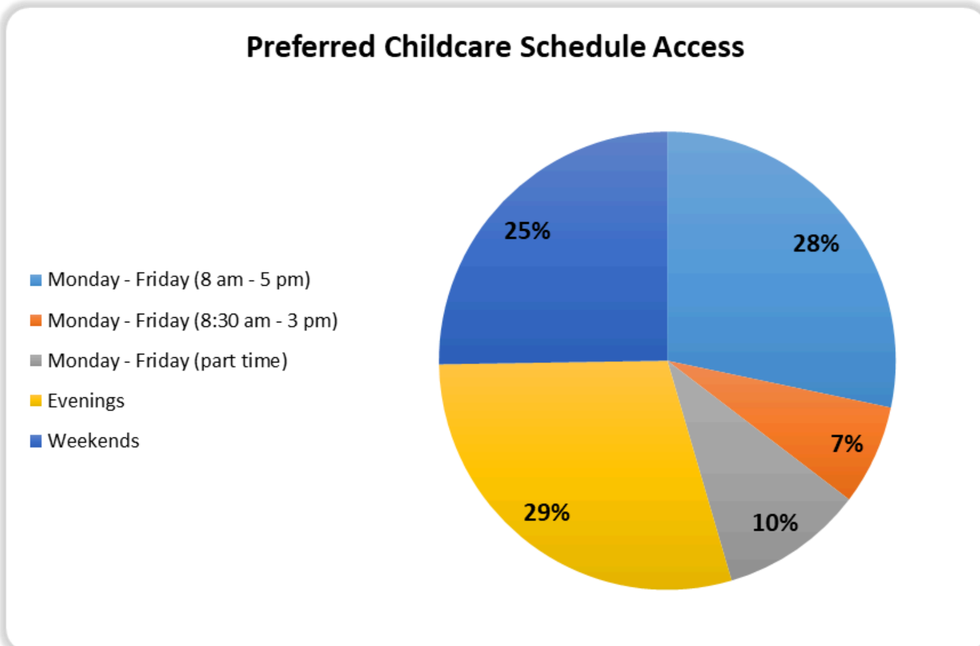


Note. Data sourced from Humboldt County Child Care Access Survey (2024).

Parental Preferences

The same survey provided valuable insights into childcare preferences and scheduling requirements. The findings revealed a substantial demand for childcare services outside of traditional working hours, reflecting the diverse needs of the county's workforce. Specifically, 28% of parents preferred childcare during standard full-time work hours, while 7% favored childcare during school-like hours. Additionally, 10% of respondents required part-time childcare options to accommodate flexible work schedules. Notably, 29% of parents expressed a preference for evening childcare, and 25% preferred weekend childcare.

Figure 3.4
Preferred Childcare Schedule Access



Note. Data sourced from Humboldt County Child Care Access Survey (2024).

The fact that 54% of parents—those preferring evening and weekend care—require childcare outside standard work hours highlights a significant service gap. This unmet demand indicates that the current childcare infrastructure does not adequately support families with non-traditional work schedules. Expanding non-traditional childcare options, including evening, weekend, and part-time care, is essential to better support working families and enhance workforce participation.

"I am a registered nurse. I have had to limit my jobs based upon child care availability. For example, I am unable to work three 12-hour shifts schedule and instead have to work at a doctor's office which has more traditional hours. In effect limiting my ability to earn income. I would earn more money working in a hospital. A lot more."

Child Care Access
Survey Participant

Special Education Needs

The availability of specialized childcare services for children with disabilities in Humboldt County is notably limited, creating significant challenges for affected families. Approximately 6% of children in the county have a disability, yet parents consistently report a lack of specialized childcare programs and trained providers capable of meeting their children's unique needs (U.S. Census Bureau, 2023). Many childcare centers lack adequate staff training to effectively accommodate children with disabilities, limiting the inclusivity and accessibility of available services. This gap in training and resources restricts the ability of providers to offer tailored support, leaving families with few viable childcare options.

"One of my kids has a disability and the schools can't accomodate him for the after-school program, so we are struggling financially because someone needs to be home, we can't afford childcare."

Child Care Access Survey Participant

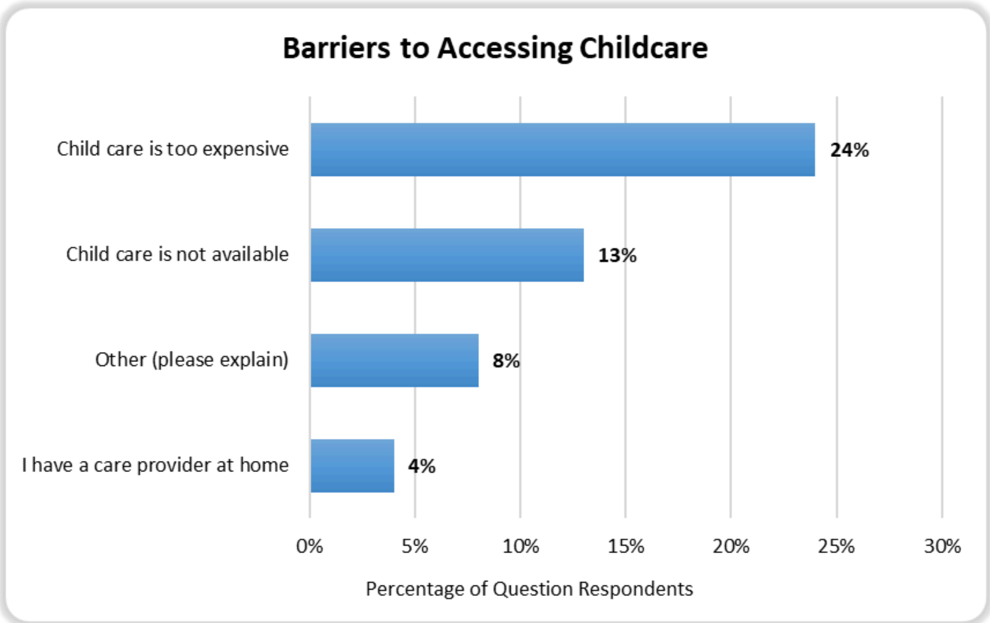
Families in remote areas of the county face additional barriers, as the geographic dispersion of services further limits access to specialized childcare programs. The scarcity of trained providers and inclusive facilities exacerbates the difficulties these families encounter. These systemic gaps highlight the urgent need for more inclusive childcare services, comprehensive staff training, and expanded support systems for families raising children with disabilities. Addressing these issues requires targeted policy interventions, increased funding for specialized programs, and community-driven initiatives to ensure that all children, regardless of ability, have access to quality childcare services in Humboldt County.

Financial and Logistical Barriers

Families in Humboldt County encounter significant financial and logistical barriers when attempting to secure reliable childcare. According to the Humboldt County Child Care Access Survey (2024), only 4% of parents have access to in-home care providers, meaning the vast majority must rely on external childcare options. Among these families, 24% cite high childcare costs as the most pressing challenge, underscoring the financial strain associated with securing quality care. Additionally, 13% of parents report that childcare simply is not available when and where they need it, while 8% face other barriers such as inconvenient operating hours, lack of transportation, or concerns regarding the quality of care provided. The additional 51% of respondents are already accessing childcare, and therefore did not provide information on barriers to access. These obstacles collectively hinder families' ability to access consistent and affordable childcare, impacting both family well-being and workforce participation.

Figure 3.5

Barriers to Accessing Childcare



Note. Data sourced from Humboldt County Child Care Access Survey (2024).

Beyond the more apparent financial and logistical challenges, many families face hidden barriers that further complicate their ability to utilize available childcare services. Among parents who selected "Other" as a reason for struggling to access childcare, several recurring themes emerged. Many parents opt for part-time childcare instead of full-time arrangements due to prohibitive costs, highlighting the financial constraints that limit their options. The limited availability of weekend and evening childcare further prevents families from securing care that aligns with their work schedules, particularly for those with non-traditional or irregular shifts.

Additionally, childcare hours often do not align with the work schedules of parents, especially those with long commutes, creating further logistical challenges. Parents of children with special needs report particular difficulty in finding inclusive care options that meet their children's unique requirements. For some families, the high cost of childcare makes it more cost-effective for one parent to stay home, foregoing employment opportunities in favor of providing care directly. These insights illustrate the complex interplay of affordability, accessibility, and logistical constraints that prevent many families from fully utilizing available childcare services.

Affordability

Cost of Living and Childcare Expenses

The cost of living in Humboldt County poses significant challenges for families, especially those with young children. According to the MIT Living Wage Calculator (2024), a single working adult with one child requires a minimum annual income of $87,204 to cover essential expenses, including food, childcare, housing, healthcare, and transportation. Table 3.1 below provides a detailed breakdown of the minimum annual income needed for families to meet their basic needs.

Table 3.1
MIT Living Wage Minimums

	1 Working Adult in Household			2 Working Adults in Household		
Number of Children in Household	1 Child	2 Children	3 Children	1 Child	2 Children	3 Children
Required Annual Income (before taxes) to Afford Essential Needs	$87,204	$109,849	$137,870	$99,006	$121,183	$144,992

Income Disparities

Significant income disparities among household types in Humboldt County directly impact the affordability of childcare. Married-couple families with children under 18 have a median income of $105,183, closely aligning with the estimated cost of living for a single working parent (U.S. Census Bureau, 2023). In stark contrast, single-parent households—which make up 30% of all family households—have a median income of just $42,530, less than half the amount needed to cover basic living expenses (U.S. Census Bureau, 2023). This substantial income gap leaves single-parent families at a severe financial disadvantage, making essential services like childcare increasingly out of reach. Even two-parent households with two children face significant economic strain, falling nearly $15,000 short of the estimated annual living cost of $121,183. These disparities underscore the urgent need for targeted financial assistance and policy interventions to support working families and ensure equitable access to high-quality, affordable childcare.

Average Childcare Costs

Childcare costs in Humboldt County impose a significant financial strain on families, far exceeding both state and national averages. According to the County Health Rankings and Roadmaps data from 2022 to 2023 (2024), families in the county allocate an average of 43% of their income to childcare for two children. This is substantially higher than the 30% state average and the 27% national average, illustrating the heightened financial challenges faced by families in the region. This burden is even more pronounced when compared to the Department of Health and Human Services' affordability threshold, which recommends that childcare expenses should not exceed 7% of household income. The disparity between actual costs and recommended affordability levels underscores the difficulties many families encounter in securing high-quality, affordable childcare options.

When compared to other counties in California, Humboldt ranks among the least affordable regions for childcare. According to the California Budget & Policy Center (2024), Humboldt County ranks 57th out of 58 counties, with childcare costs consuming 74% of a single mother's median income, compared to the statewide average of 60%. Things are even worse for single-parent families, who face even greater financial hardship due to the lack of a second income to offset rising childcare expenses. This stark ranking highlights the severity of the affordability crisis, reinforcing the need for comprehensive policy interventions that can alleviate the financial strain on families.

"Watching a quarter to half of a paycheck go towards childcare costs is so devastating and I feel it does not have to be this way."

"My entire paycheck went to the child care provider, so we had to live off my husband's income along. I can only imagine how this plays out for single working parents."

Child Care Access
Survey Participant

Spotlight Example: Average Childcare Costs for Families

Childcare costs in Humboldt County vary depending on the child's age and the type of care—whether a childcare center or a licensed family childcare home. On average, monthly childcare costs per child are approximately $1,084 for an infant, $1,028 for a toddler, and $933 for a preschooler.

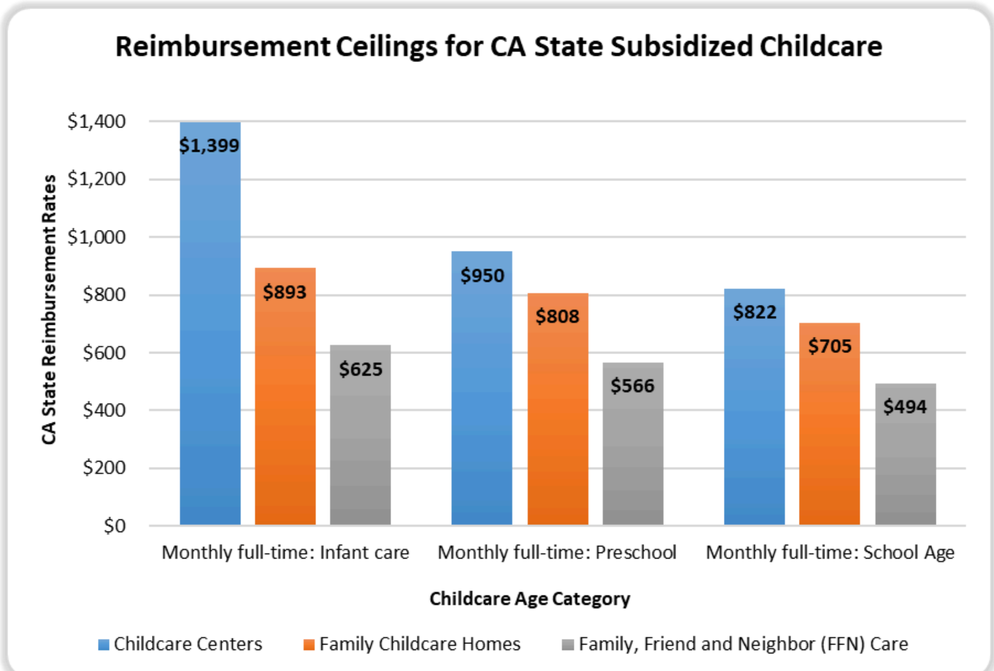
To further illustrate the financial strain, consider a single parent earning the median income of $42,530 (U.S. Census Bureau, 2023). Based on this income level and average childcare costs, childcare expenses would consume an estimated 43% of their monthly income for infant care, 41% for toddler care, and 37% for preschool care. These figures, calculated by the researcher for illustrative purposes, demonstrate how even lower-end childcare expenses can represent a substantial portion of a single parent's budget.

This aligns with earlier findings from the California Budget & Policy Center (2024), which reported that childcare costs consume up to 74% of a single mother's median income in Humboldt County. Taken together, these estimates suggest that childcare expenses may consume anywhere from 37% to 74% of a single parent's income, depending on the child's age and the type of care used. This wide but consistently high range reinforces the urgent need for targeted supports and policy interventions to ease the financial burden on single-parent households.

Reimbursement Ceiling

Reimbursement ceilings for subsidized childcare in Humboldt County vary based on the type of care and the age of the child, reflecting differences in service costs and care settings. For infant care, the highest reimbursement rates are allocated to childcare center providers at $1,399 per month for full time care, followed by family childcare home providers at $893, and then family, friend, and neighbor (FFN) care at $625. Preschool aged care is reimbursed at slightly lower rates, with childcare centers capped at $950, family childcare homes at $808, and FFN care at $566. For school-aged children, reimbursement ceilings decrease further, with centers capped at $822, family childcare homes at $705, and FFN care at $494 (California Department of Social Services, 2022). It is important to note that the rates families receive are dependent on family size and income and therefore they may not receive the maximum rate.

Figure 3.6
Reimbursement Ceilings for CA State Subsidized Childcare



Note. Data sourced from California Department of Social Services (2022).

Figure 3.6 illustrates the higher costs associated with more formal care settings, particularly for infants, where the need for specialized care, lower child-to-staff ratios, and increased supervision drives up expenses. Families seeking subsidized childcare may face challenges if their care costs exceed these reimbursement limits or if they do not qualify for the maximum amount, potentially restricting their access to high-quality childcare options. Addressing these gaps through adjustments in reimbursement policies and increased funding is essential to ensure that all families have access to affordable, high-quality childcare.

A single-parent household with one child under the age of six, earning a median income of $42,530 annually (U.S. Census Bureau, 2023), faces significant financial strain due to the high cost of childcare. With an average monthly childcare expense of $1,015, this household qualifies for a subsidy of $806 per month (CA Child Care Referral Network, 2021), reducing the out-of-pocket cost to approximately $209. However, even with this subsidy, the household remains financially vulnerable, as their income falls significantly short of meeting the overall cost of living, estimated at $87,204 per year (MIT Wage Calculator, 2024). When factoring in essential expenses such as housing, food, healthcare, and transportation, this household experiences an annual shortfall of nearly $45,000, making it extremely difficult to achieve financial stability.

Similarly, a two-parent household with two children under six, earning a median income of $105,183 annually (U.S. Census Bureau, 2023), also struggles with the burden of childcare costs. With an average monthly childcare expense of $2,030, this household does not qualify for a subsidy, as their income exceeds the eligibility threshold. Despite earning above the state median income, they still face financial hardship, as the estimated annual cost of living for a family of four is approximately $121,183 (MIT Wage Calculator, 2024). As a result, this household experiences an annual shortfall of nearly $15,000, making it increasingly difficult to afford quality childcare while also covering basic living expenses.

"I also never qualified for subsidies. Just by making $1-2 per hour more doesn't mean that all of a sudden, your budget allows for $1200 month for child care."

Child Care Access Survey Participant

These two examples illustrate the significant financial gaps that families experience, regardless of income level. While lower-income families struggle despite receiving subsidies, middle-income families, who do not qualify for assistance, also face substantial financial challenges. This underscores the limitations of existing childcare subsidy programs, highlighting the need for more comprehensive financial support mechanisms to ensure that both low- and moderate-income families can afford quality childcare without compromising other essential needs.

Barriers to Financial Assistance

Many families in Humboldt County face significant obstacles in accessing childcare subsidies and financial assistance, further compounding the affordability issue. Strict income limits disqualify families who earn slightly above the eligibility thresholds, despite their inability to afford childcare without support. Additionally, a lack of awareness about available financial aid programs prevents some families from applying, while the complexity of the application process —which often requires extensive documentation, including proof of income, employment, and residency—discourages some eligible families from pursuing assistance. Furthermore, some childcare providers in the community choose not to accept subsidies due to lower reimbursement rates and the administrative burdens associated with managing subsidized care. These challenges leave a substantial portion of the population without the financial support needed to afford childcare, emphasizing the urgent need for policy reforms to improve access to subsidies and streamline the application process. Addressing these barriers is essential to making childcare more accessible and affordable for families across Humboldt County.

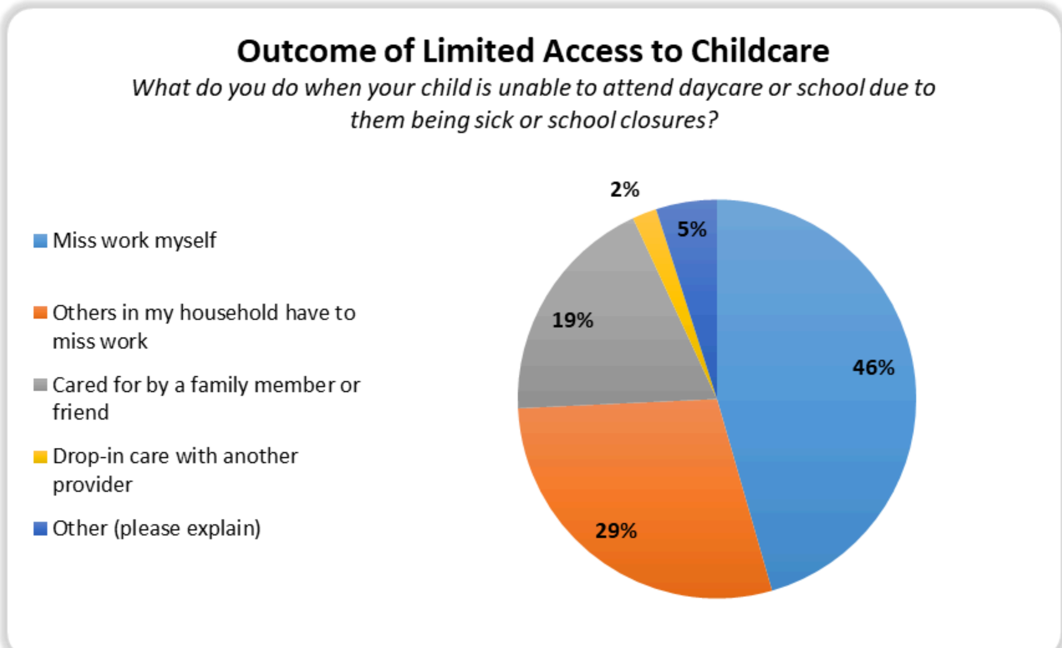
Economic Costs

The limited availability of flexible childcare in Humboldt County presents significant challenges for families, businesses, and the broader economy. When reliable childcare is inaccessible, parents often resort to alternative solutions that come with considerable personal and financial

> "It is very difficult to find flexible childcare and childcare that is affordable. My partner and I take turns missing work."
>
> Child Care Access Survey Participant

costs. According to the Humboldt County Child Care Access Survey (2024) approximately 46% of parents report missing work due to a lack of childcare, while 28% rely on another household member to forgo work, and 19% depend on family or friends for informal arrangements. Given the scarcity of drop-in care, with only 2% of parents able to access such services, many families are forced to bring their children to work, hire costly last-minute babysitters, or send their children to school despite health concerns. These coping mechanisms create stress within families, disrupt workplace productivity, and increase health risks in both educational and professional settings. Addressing these challenges requires expanding flexible childcare options, including evening and weekend care, to enhance family stability and support a resilient local workforce.

Figure 3.7
Outcome of Limited Access to Childcare



Note. Data sourced from Humboldt County Child Care Access Survey (2024).

The economic consequences of inadequate childcare access extend beyond individual families, affecting local businesses and regional economic growth. Employee absenteeism and turnover, directly linked to childcare shortages, cost businesses an estimated $1,150 per working parent annually (UC Berkeley Labor Center, 2019). National studies further demonstrate that improving childcare access can reduce employee absences by 20–30% and lower turnover rates by 37–60% (UC Berkeley Labor Center, 2019). These findings emphasize the dual benefits of investing in reliable childcare services—not only do such investments support family well-being, but they also enhance workforce stability and business productivity. For employers, the availability of dependable childcare translates into higher retention rates, reduced recruitment costs, and increased overall efficiency, reinforcing the essential role of childcare in sustaining long-term economic stability at both the local and regional levels.

Beyond addressing immediate workforce challenges, employer-sponsored childcare benefits have been shown to generate substantial returns, further incentivizing businesses to invest in such initiatives. A study by the Boston Consulting Group (2024) analyzed five companies across multiple industries and found that childcare benefits yielded a return on investment (ROI) of up to 425%. Notably, even retaining just 1% of eligible employees due to childcare support fully covered the cost of providing benefits to all eligible employees. Additionally, workers with access to childcare support were more likely to remain with their employers, reducing turnover-related expenses and promoting workforce stability. These findings suggest that employer-sponsored childcare is not only a socially responsible initiative, but also a strategic business decision that enhances talent retention, workplace satisfaction, and productivity (Boston Consulting Group, 2024). As companies seek to strengthen their competitive edge, offering childcare benefits emerges as a cost-effective solution that supports both employee participation and overall business sustainability.

"Coming here to serve a community who is lacking in resources seems positive on its fact, but once you need resources you realize why there aren't many here. I'm considering moving to a more populated area with more resources and options, as much as I love it here."

Child Care Access Survey Participant

At a broader level, long-term investments in early childhood education demonstrate significant economic and social returns, particularly for disadvantaged children. Heckman et al. (2010) found that every $1 invested in early education generates a return of $7 to $12, primarily due to higher lifetime earnings, greater educational attainment, and reduced criminal activity. Similarly, García, Heckman, Leaf, and Prados (2020) estimated that early childhood interventions yield approximately $7.3 per dollar spent by enhancing cognitive and social-emotional development, improving health outcomes, and increasing workforce participation. These findings reinforce the critical role of early education investments in fostering human capital development, while simultaneously reducing public expenditures on crime prevention, unemployment assistance, and remedial education programs. By prioritizing high-quality childcare and early learning opportunities, policymakers can create a stronger foundation for long-term economic growth, social mobility, and workforce resilience.

Expanding access to high-quality, flexible childcare is not just a matter of convenience for working families—it is a fundamental economic strategy that benefits businesses, communities, and society as a whole. The evidence overwhelmingly supports the notion that childcare investments generate significant financial and social returns, reducing workforce disruptions, improving business stability, and fostering early childhood development. As Humboldt County and other regions consider policy solutions, prioritizing accessible, affordable, and high-quality childcare must be central to economic development strategies.

SECTION 4: POLICY RECOMMENDATIONS

Expand Availability and Accessibility

The current childcare infrastructure in Humboldt County fails to meet demand, with licensed childcare **covering only 41% of the potential need** and a particularly acute shortage of infant care. Addressing these gaps requires targeted investments to expand availability and increase flexibility in childcare services. This policy recommendation outlines key strategies to enhance supply, improve accessibility, and ensure that childcare services align with the needs of working families.

A primary strategy is to increase the number of licensed childcare facilities where access is most limited (Northcoast Children's Services, 2023). Given the critical shortage of infant and toddler care, financial incentives such as grants and tax benefits should be provided to encourage providers to establish new programs. Additionally, diversifying care options beyond traditional hours is essential. The Humboldt County Child Care Access Survey (2024) indicates a strong demand for extended-hour services - **55% expressed interest** in these options, signaling an urgent need for **nontraditional scheduling** accommodations.

To further enhance accessibility, employer-sponsored childcare partnerships should be developed, encouraging businesses to invest in on-site childcare or subsidies for employees (Forward Analytics, 2023; Gaidhani, 2018). Employer engagement—described in more detail below—offers a promising strategy for improving both supply and affordability of care.

Engage Employers as Partners

Employers are critical partners in efforts to expand access to childcare in Humboldt County. By adopting family-supportive workplace policies and investing in care infrastructure, businesses can directly contribute to workforce stability, productivity, and employee well-being. In a region with significant service gaps, employer engagement offers a promising, underutilized strategy for addressing both supply and affordability. The following recommendations highlight practical ways local employers can become active partners in strengthening the childcare ecosystem. These recommendations were developed during the Child Care Champion Luncheon, an event hosted by NorthEdge that brought together local business leaders, philanthropic organizations, and early childhood care providers to explore ways to strengthen our local childcare system.

Offer Flexible Work Arrangements. Remote work options, staggered schedules, and compressed work weeks can help caregivers better balance professional and family responsibilities. These accommodations are particularly valuable in rural areas, where care options may be sparse or require long commutes. Increased flexibility also reduces absenteeism and improves workforce satisfaction.

Increase and Adapt Leave Policies. Family-supportive leave policies help employees navigate childcare or other family-related disruptions without risking income or job loss. Employers can offer dedicated family care leave to all employees—separate from sick or vacation time—and/or allow child and/or family-related use of existing sick leave. These changes reduce turnover and support consistent workforce participation.

Provide Childcare Financial Support. The high cost of care remains a barrier for many families. Employers can ease this burden by offering Dependent Care Flexible Spending Accounts (FSAs), direct subsidies or vouchers. Employers can also refer to and/or inform employees of local Resource and Referral agencies that can assist them with eligibility determination for state-subsidized childcare options. Businesses may also be eligible for up to $150,000 in federal tax credits for qualified childcare investments.

Build or Partner with Childcare Providers. Larger employers can consider the development of on-site care centers, such as the City of Eureka's Little Saplings program (Appendix B). However, most employers will find partnerships with existing providers to be a more feasible approach. These partnerships can secure reserved slots, reduced tuition, or priority enrollment for employees' children. The Open Door and Little Learners collaboration (Appendix C) exemplifies this model. Importantly, an investment in the expansion of established providers is more effective than the launch of new care operations, as existing providers already have the infrastructure, licensing, and community trust in place.

Enhance Affordability

The high cost of childcare in Humboldt County places a significant financial strain on families, **consuming up to 43% of the median family income** (County Health Rankings and Roadmaps, 2024). This burden is particularly severe for **single-parent households**, who face an affordability **gap of around $45,000** (U.S. Census Bureau, 2023).

One critical approach is to increase reimbursement ceilings for subsidized childcare, ensuring that payments reflect actual costs, particularly for infant care and specialized programs (Malik et al., 2018). Additionally, expanding eligibility for financial assistance will support families who earn slightly above the income thresholds but still struggle with affordability.

Further financial relief can be provided through enhanced tax credits for working families, helping offset the rising costs of childcare. Additionally, direct operational funding for providers can stabilize tuition rates while maintaining high-quality care (Malik et al., 2018). By reducing the financial burden of childcare, these strategies will allow more parents to participate in the workforce, promote economic stability, and ensure that children receive consistent, high-quality care.

Strengthen the Childcare Workforce

The persistent shortage of trained childcare workers is a major barrier to expanding childcare availability, with providers struggling to recruit and retain staff due to low wages, limited benefits, and high turnover rates. Addressing these workforce challenges is essential to ensuring stable, high-quality childcare services. Targeted investments in wages, professional development, and workforce incentives can help build a sustainable pipeline of early childhood educators.

A critical strategy is to **increase wages** and **benefits** for childcare workers, including **healthcare, retirement plans, and paid leave**, to improve retention and job stability (California Budget & Policy Center, 2024). Without competitive compensation, the sector will continue to lose skilled professionals to higher-paying industries. Additionally, funding professional development programs can equip workers with specialized training in support for children with disabilities and special needs, enhancing the overall quality of care (Buckeye Reporter, 2023).

To further strengthen the workforce, **tuition assistance and scholarships** should be made available for individuals pursuing careers in early childhood education (Gardner, Melnick, Meloy, & Barajas, 2019). Additionally, aligning state funding for childcare professionals with K-12 teacher salaries can help prevent talent loss to higher-paying public education jobs (California Budget & Policy Center, 2024). By investing in workforce development, policymakers can increase retention, improve service quality, and expand childcare capacity, ultimately making childcare more accessible and reliable for families.

Expand Accessibility for Children with Special Needs

Humboldt County's childcare system must be designed to meet the needs of all children, including those with disabilities. With **6% of children** in the county experiencing **disabilities**—higher than the national average—alongside a **16% child poverty rate**, there is an urgent need to ensure that all children receive the care and support necessary for their development (U.S. Census Bureau, 2023). Addressing these challenges requires a commitment to expanding specialized childcare services and reducing barriers for families seeking high-quality, developmentally appropriate care.

A critical step is to increase funding for childcare providers to support specialized training in working with children with disabilities and special needs. Additionally, expanding financial and logistical support for low-income families can help ensure that cost is not a barrier to accessing specialized childcare services (Malik et al., 2018). Investing in adaptive resources, such as sensory-friendly spaces and individualized learning materials, can further enhance childcare environments and ensure they meet the needs of all children.

Simplify Access to Childcare Subsidies and Financial Assistance

Many families struggle to navigate the complex childcare assistance system, leading to underutilization of critical financial aid. The bureaucratic hurdles associated with applying for, qualifying for, and renewing subsidies often discourage eligible families from accessing the support they need. Simplifying these processes and expanding outreach efforts are essential to ensuring that childcare assistance reaches those who need it most.

One key strategy is to streamline the subsidy application and renewal process, reducing administrative burdens and making it easier for families to secure assistance (U.S. Department of Health and Human Services, 2024). Increasing outreach and education efforts—especially in rural areas—can further ensure that families are aware of available financial aid and how to access it (Wilensky et al., 2023). Additionally, adopting flexible reimbursement models will allow families to use subsidies for a broader range of childcare options (U.S. Department of Health and Human Services, 2024).

Expanding funding for family childcare homes is another crucial step in increasing accessibility and choice for parents. Supporting these providers will create more flexible childcare options, particularly for families who have children with special needs (Cohen, 2023). By making childcare assistance more accessible and adaptable to family needs, more households will receive the financial support necessary to afford stable, high-quality childcare, ultimately improving early childhood outcomes and parental workforce participation.

Potential Research Areas

The childcare shortage in Humboldt County presents complex challenges that require multi-faceted policy interventions and sustainable funding strategies. As local governments seek solutions to improve access to quality childcare, further research is needed to explore key areas that can inform evidence-based decision-making. This report identifies four major areas of study that can contribute to a more comprehensive understanding of how to address childcare accessibility and affordability in the region. A deeper exploration of these topics could provide policymakers with actionable insights and innovative approaches to strengthening the childcare system in Humboldt County.

Land Use and Development Strategies for Childcare Expansion

A critical area of inquiry involves examining the role of land use policies and development incentives in expanding childcare infrastructure. Analysis could explore how zoning regulations and land use planning can be leveraged to require or encourage the inclusion of childcare facilities in residential and commercial developments. Additionally, the impact of property tax incentives, and Community Benefit Agreements (CBAs) on increasing childcare availability warrants further investigation. Understanding how these mechanisms influence developer decision-making and contribute to long-term childcare accessibility could inform policies that better integrate childcare needs into rural planning efforts.

Sustainable Funding and Revenue Mechanisms

Ensuring a stable and sustainable funding stream for childcare services requires an in-depth exploration of potential revenue mechanisms at the local level. Analysis could assess the feasibility of dedicated sales or parcel taxes, cannabis tax allocations, and public-private partnerships in supporting childcare infrastructure and workforce development. Additionally, impact fees for childcare could be examined as a potential tool for ensuring that new commercial and residential growth contributes to childcare accessibility. A comparative analysis of counties (Sonoma, San Francisco) that have successfully implemented similar funding models could offer valuable insights into best practices and potential challenges in Humboldt County.

Community-Based and Grant-Funded Childcare Solutions

Expanding childcare access through community-driven initiatives and external funding sources necessitates a thorough examination of available grant programs and localized financial support strategies. Research could investigate the role of state and federal grants, such as the Childcare and Development Block Grant (CCDBG) and Preschool Development Grant Birth through Five (PDG B-5), in funding facility expansion, workforce training, and childcare subsidies for low-income families. Additionally, neighborhood-based childcare microgrants could be explored as a means to support home-based providers, particularly in rural or underserved areas. Evaluating the effectiveness of these funding approaches could inform policy recommendations aimed at fostering equitable access to high-quality childcare services.

SECTION 5: CONCLUSION

Access to affordable, high-quality childcare is essential for the well-being of families, the strength of the local economy, and the long-term success of Humboldt County's children. This needs assessment has highlighted significant gaps in childcare availability, affordability, flexibility, and workforce sustainability. With childcare services failing to meet demand—particularly for nontraditional schedules and specialized care—many parents face substantial barriers that impact their employment, financial stability, and overall quality of life.

The economic consequences of inadequate childcare access are far-reaching, contributing to workforce disruptions, financial insecurity for families, and productivity losses for local businesses. Additionally, demographic shifts, including a declining child population and high poverty rates, present challenges that require forward-thinking policy interventions and sustainable investments in early childhood education infrastructure.

To address these pressing issues, Humboldt County must pursue a multi-pronged approach that includes expanding childcare supply, improving affordability, strengthening the childcare workforce, and ensuring equitable access for all families, especially those with disabilities or financial hardships. Targeted policy measures—such as increasing financial assistance, expanding flexible care options, and fostering public-private partnerships—can help bridge existing gaps and create a more resilient, responsive childcare system.

Investing in childcare is not just a social imperative but an economic necessity. By prioritizing strategic solutions that align with community needs, Humboldt County can build a sustainable childcare framework that supports working families, enhances economic growth, and fosters the healthy development of its youngest residents. The recommendations outlined in this report provide a clear roadmap for policymakers, childcare providers, and community stakeholders to collaborate on solutions that will create lasting positive change for families and the broader community.

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APPENDICES

Appendix A: Humboldt County Child Care Stabilization Fund Program Overview

Background: In May 2022, the Humboldt County Board of Supervisors unanimously approved a $4.8 million program funded by the American Rescue Plan Act (ARPA) to help stabilize the local childcare system. Now known as the Humboldt County Child Care Stabilization Fund, this initiative has provided financial support to childcare providers across the county. The program model was first developed through a collaboration between the County of Humboldt, First 5 Humboldt, the Local Child Care Planning Council, Changing Tides Family Services, the Humboldt Quality Counts Consortium, the Emergency Child Care Taskforce, and North Edge: Business Financing and Community Development (formerly Arcata Economic Development Corporation, or AEDC), which was responsible for administering the funds.

Since the allocation of funding in 2022, North Edge, in partnership with the original collaborators, has done an outstanding job distributing the funds through innovative programs. In addition to convening a local Child Care Champions group and funding the Humboldt County Child Care Needs Assessment, they have successfully launched four key programs designed to support families and childcare providers throughout the community.

1) Employee & Facility Retention Bonuses: To help combat the high turnover rates exacerbated by the COVID-19 pandemic, this retention bonus program provided financial incentives to childcare facility owners and employees. While the application window and bonus distribution periods have since closed, the program offered bonuses to both facility owners and employees.

Licensed childcare centers or family childcare providers that could demonstrate they were open between July 1, 2022, and June 30, 2023, were eligible for a bonus ranging from $4,000 to $6,000, depending on the type of facility they operated. Additionally, individuals who worked in or operated a childcare facility between July 1, 2021, and June 30, 2023, were also eligible for bonuses. Part-time employees received a total of $2,000, while full-time employees received $3,000. Though this was a one-time bonus paid in two installments, the goal was to boost morale and support service continuity.

Following completion of the program, North Edge successfully paid out $1,574,913 in retention bonuses.

> "Our field is often overlooked and seem as merely babysitting, but we do so much more for children and their families. During COVID and the last three years ECE workers were really stretched thin while trying to care for Humboldt County's youngest residents, ourselves, and our own families. This bonus made me feel tryly appreciated and valued by the county. Thank you Humboldt County for looking out for our ECE workers!"
>
> Retention Bonus Recipient

2) Facility Improvement Forgivable Loans: Childcare facilities are unique businesses that often struggle to achieve a clear dollar-for-dollar return on investment, making it difficult for them to access traditional funding and invest in necessary improvements. So far through this program, 38 childcare programs facilities have been issued Small Business Administration (SBA) loans of up to $10,000. As long as the project is completed within six months and enhances efficiency, safety, or learning at the facility—or enables providers to serve younger children—North Edge has used ARPA funds to pay off the loan balance, ensuring that providers do not have to make any payments. As of April 2025, 33 of the loans have been forgiven.

Testimonials from local providers highlight the significant benefits of this loan opportunity. Many were able to complete essential projects such as installing new cubby areas, purchasing generators, replacing roofs, and more, ultimately improving the quality of care they provide.

3) Hiring Bonuses: In an effort to increase the number of certified providers and expand access to childcare in our most rural communities, the hiring bonus program offers a one-time incentive to employees who joined the childcare workforce starting in 2023. Bonus amounts range from $500 for part-time employees (working 12–29 hours per week) to $1,000 for full-time employees (working 30 or more hours per week). The only requirement for payment is that employees must complete 90 days of employment before receiving the bonus. Since the program's launch, North Edge has distributed a total of $46,950 dollars to support the local childcare workforce.

4) Parent Subsidy Program: The fourth program, which just recently launched in 2025, aims to address the reality of high childcare costs faced by Humboldt families. By providing $1,200 per child to offset the cost of childcare for eligible families, the goal is to help alleviate some of the cost burden felt by families. This bonus is paid in monthly installments directly to the family's licensed childcare provider. By paying the provider directly, the funding will not count as income for the family and will not impact their eligibility for means-tested programs, which is a big concern for many parents.

Appendix B: Little Saplings and the City of Eureka: A Win-Win Partnership

A Vision for Childcare and Community Support: In March 2019, the City of Eureka launched Little Saplings Preschool, a licensed early childhood education center designed to support local families and city employees. The center serves children ages 2 ½ to 6 years old, with many transitioning to Transitional Kindergarten (TK) and Kindergarten. Initially licensed for 24 children, the program has since expanded licensing to 30 children but serves more families due to the part-time nature of many attendees.

The inspiration for Little Saplings came from Miles Slattery, then City of Eureka Community Services Department Head, who envisioned a city-supported childcare center offering discounted tuition for city employees. Over time, this evolved into a model where full tuition is now covered for full-time city employees, further reinforcing the city's commitment to workforce well-being.

A Strategic Partnership for Childcare Access: Little Saplings is operated directly by the City of Eureka, setting it apart from childcare models in larger urban cities that often contract services out. The center's flexible scheduling—offering full-time or part-time, and all day or a morning program—aligns with the Eureka City School District’s calendar, ensuring continuity of care for families.

City employees receive priority enrollment and full tuition coverage, while additional families pay through private tuition, Changing Tides subsidies, or military childcare assistance programs. The center remains open during most emergencies, including the COVID-19 pandemic, when it closed only for a short period before reopening to support essential workers.

Mutual Benefits for the City and Little Saplings: This partnership yields significant benefits for both the City of Eureka and the broader community. For city employees, access to high-quality, reliable childcare enhances work-life balance while alleviating financial burdens, thereby contributing to overall job satisfaction and productivity. Little Saplings, in turn, benefits from stable enrollment and financial sustainability, ensuring the continuity of its operations and enabling further program development. Additionally, the partnership has expanded access to early childhood education within the community, helping to address gaps in childcare availability for families in need.

How the Partnership Works: The structure of the partnership is designed to ensure both financial sustainability and accessibility for families. City employees receive priority placement, allowing them to secure childcare services more efficiently. Additionally, Little Saplings collaborates with various employers and agencies willing to subsidize childcare costs, further broadening access to affordable early education. The center operates through a diverse funding model, which includes financial support from City of Eureka funds, private tuition, government subsidies, and military assistance programs. Little Saplings employs 7 staff members, with a mix of full-time and part-time roles, ensuring a balance between operational efficiency and workforce flexibility.

Initially, the vision for Little Saplings included a model where Shannon Fazio, a city staff member, would oversee the program while also handling other city duties. However, as the program approached its launch, it became clear that a dedicated director was necessary, leading to the recruitment of Nancy Danel, who now oversees its operations as the Preschool Director. With over 40 years of experience in early childhood education, Nancy has played a crucial role in the program's growth and development. Her extensive background includes working in private preschools, state-funded programs, Head Start classrooms, and a community college child development center. As Resource Director and Specialty Trainer, she helped shape innovative early childhood programs, and she now brings her passion and expertise to ensure that Little Saplings thrives as a model childcare center in Eureka.

To strengthen its workforce, Little Saplings actively collaborates with local students and recent graduates who are pursuing careers in early childhood education. This approach not only helps with staffing but also provides valuable hands-on experience for those entering the field. The center follows a structured holiday schedule, closing for one week in the summer and spring, one week during Christmas, and all major holidays, ensuring both staff and families can plan accordingly while maintaining continuity of care throughout the year.

Overcoming Challenges in Implementation: While the program has been largely successful, it has faced several challenges that required strategic problem-solving and adaptability. One of the primary hurdles was navigating city and state preschool requirements, a complex process that demanded meticulous planning and compliance efforts. However, through dedicated coordination and adherence to regulatory standards, the center successfully met all necessary requirements. Additionally, staffing constraints posed initial limitations, as the program began with a predominantly part-time workforce. Over time, adjustments were made to establish a more sustainable staffing model, incorporating a mix of part-time and full-time roles to better meet operational needs. Despite these improvements, recruiting and retaining early childhood educators remains a challenge, as local preschools compete for the same limited workforce, necessitating ongoing efforts to attract and support qualified professionals.

A Model for the Future: The City of Eureka's approach to municipal childcare offers a compelling example of how public-private partnerships can effectively address early childhood education needs. By providing financially accessible, high-quality childcare while maintaining a sustainable operational model, Little Saplings has demonstrated the viability of city-supported early education.

This initiative serves as a blueprint for other municipalities seeking to balance childcare affordability, workforce support, and financial sustainability. As the program continues to evolve, it sets a precedent for future collaborations that bridge the gap between childcare accessibility and economic development, ultimately strengthening families, employers, and communities.

Appendix C: Little Learners and Open Door: A Win-Win Partnership Supporting Healthcare and Childcare

A Vision for Childcare and Community Support: For over 25 years, Shannon Hall, a Cal Poly Humboldt alumna, has dedicated herself to the childcare sector. Her venture, Little Learners, has successfully operated for the past 16 years, growing steadily since its inception in 2008 after winning a business competition grant. Expanding every two years, Little Learners now operates four centers between Eureka and Arcata, serving children from infancy to preschool. This remarkable growth reflects Hall's commitment to providing high-quality childcare while addressing the evolving needs of local working families.

A Strategic Partnership for Childcare Access: The partnership between Little Learners and Open Door Community Health Centers began nearly two years before the COVID-19 pandemic, making it a well-established collaboration spanning six to seven years. It was initially sparked by Open Door's Chief Clinical Officer, whose child was enrolled at Little Learners. Recognizing the critical need for reliable childcare for healthcare professionals, Open Door proposed a partnership to prioritize childcare access for their employees. Initially designed to support only physicians, the program quickly expanded to include all Open Door staff due to high demand.

Mutual Benefits for Both Organizations: This collaboration has created a sustainable, mutually beneficial system for both Little Learners and Open Door. Open Door employees receive priority access to childcare, helping healthcare professionals manage their demanding schedules while ensuring their children receive high-quality early education. In turn, Little Learners benefits from a stable enrollment base and financial security, allowing it to continue providing top-tier childcare services. Additionally, the presence of Open Door physicians ensures healthcare support for Little Learners' staff, fostering a healthier and more resilient workforce. The partnership enhances Open Door's recruitment of physicians to our area AND its employee benefits, making it an attractive employer for healthcare professionals seeking work-life balance.

How the Partnership Works: The structured approach to this partnership ensures both childcare access for Open Door employees and financial sustainability for Little Learners. Open Door families receive priority placement, moving to the top of the waitlist, with efforts made to secure a spot within three to six months based on availability. Families initially accept placement at any available site, but Little Learners works diligently to relocate them to their preferred center as soon as space opens, particularly for infant care.

To support these services, Open Door pays an annual retainer fee that covers childcare during sick care and holiday closures, guaranteeing that Little Learners has the necessary staffing resources. A key aspect of this arrangement is the provision of sick care services exclusively for Open Door's physicians. Given the crucial role medical physicians play in the community and the broader implications of their absence, Little Learners offers in-home childcare by a trained staff member if a physician notifies them the night before. This initiative minimizes disruptions in healthcare services while ensuring their children receive quality care even in emergencies.

Overcoming Logistical Challenges: While this partnership has been largely successful, it requires careful planning and organization to ensure sustainability. Little Learners' four-location model allows for flexibility and guaranteed childcare spots, a benefit that smaller centers with a single location may struggle to provide. Additionally, Open Door, as a large employer, can afford to pay a retainer fee regardless of childcare usage, a financial model that may not be feasible for smaller employers.

Planning for future childcare demand also requires long-term strategic foresight, often spanning one to two years. Furthermore, the success of childcare centers often depend on a three-classroom model—comprising infant, toddler, and preschool programs—which aligns with Transitional Kindergarten (TK) dynamics. While infant care often operates at a financial loss, it serves as an entry point for families, leading to continued enrollment in higher-margin toddler and preschool programs, which help sustain the overall operation.

A Model for the Future: The partnership between Little Learners and Open Door Community Health Centers serves as a compelling example of how innovative collaborations can address critical childcare needs while supporting essential healthcare workers. By offering flexible childcare solutions tailored to healthcare professionals and prioritizing staff well-being, Little Learners has developed a sustainable model that benefits families, employees, and the broader community.

The success of this initiative underscores the potential for similar collaborations between childcare providers and large employers. Strategic planning, financial sustainability, and adaptability are key to addressing the growing demand for quality childcare while supporting vital sectors like healthcare. As the partnership continues to thrive, it sets a precedent for future initiatives that bridge the gap between childcare accessibility and workforce needs, ultimately strengthening both families and communities.

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