



Annual Report 2023

**Supporting Families.
Stabilizing Child Care.
Strengthening our Economy.**



A Message From Our Program Manager

Child Care STABILIZATION FUND



As the program manager for the Child Care Stabilization Fund, I am deeply involved in supporting the child care industry. My role allows me to appreciate the importance of reliable child care, both personally and professionally. It enables me to balance my responsibilities as a mother with my career, while also providing financial stability for my family.

In my work, I oversee the distribution of financial support to child care providers and teachers, acknowledging their dedication in a field that often lacks adequate compensation. Child care is a labor of love, and our efforts aim to alleviate some of the financial challenges faced by those in this sector.

One of our key initiatives, the Child Care Facility Improvement Forgivable Loan program, has been particularly fulfilling to administer. This program provides up to \$10,000 for child care providers to invest in their facilities, enhancing the quality of care and learning environments for children. The constraints of enrollment ratios and financial limitations in child care businesses make such improvements challenging, often requiring providers to fund them out of pocket.

We have funded 28 projects so far, ranging from creating outdoor classrooms to modernizing businesses and improving play areas. A memorable project for me was when my daughter's daycare used the funding to replenish their sandbox, which she adores. Witnessing the children's joy firsthand reinforced the impact of this program.

Besides the facility loans, we offer hiring bonuses for new child care industry employees. Upcoming initiatives include a Parent Subsidy Support Program, an Education & Workforce Development Program, and a Child Care Business workshop series in collaboration with the North Coast SBDC. We continue to seek long-term sustainable funding solutions with Child Care Champions, recognizing that the Stabilization Fund is a temporary solution to a longstanding crisis in child care. The goal is to secure ongoing funding to ensure the viability of this essential industry.

Jade Hoff,
Program Manager



Program Highlights

In 2023, the Arcata Economic Development Corporation (AEDC), in partnership with Humboldt County and partner agencies, launched three programs under the Humboldt Child Care Stabilization Fund to support the child care industry in Humboldt County.



Employee & Facility Retention Bonuses

To combat high turnover rates exacerbated by COVID-19, this program offered financial incentives to child care facility owners and employees, aiming to boost morale and ensure service continuity.



Facility Improvement Forgivable Loans

By repaying SBA loans up to \$10,000 upon completion of approved projects, this program facilitated improvements in efficiency, safety, and learning environments. It also enabled providers to cater to younger children, expanding their service range.



Hiring Bonuses

The Child Care Hiring Bonus offers an incentive to employees who joined the child care workforce starting in 2023. This funding seeks to increase certified providers and more access to care, especially in our most rural communities.

Turner Learning Center -- Forgivable Loan Participant

The Child Care Stabilization Forgivable Loan Program gave our preschool an opportunity to upgrade and vastly improve our children's locker system, teacher work area and office storage. These upgrades would not have happened without this program.

The application process was straightforward and with the assistance AEDC provided, all the set timelines were successfully completed by each deadline. Child care is a

marginal business with little discretionary income for larger projects without additional funding. This program gave us a rare opportunity to change our school environment to make the day to day operations run smoother.

Thank you for facilitating this wonderful program in our community.

Kimberly Turner,
Turner Learning Center, McKinleyville

Before and After: Pictured the children's locker/cubby system at Turner's Learning Center



Partner Organization Testimonial

There has been so much hard work, good work, done by so many of us to support child care in our county over the years, along with so many good ideas for strengthening this industry. One of the best outcomes of the Child Care Stabilization Project has not only been the direct, immediate support for child care providers and families, but also the ability to bring some of those ideas and the data behind them to life. We now have the ability to really draw a concrete picture of what it costs to run a child care business in Humboldt County and what it costs to access child care if you are a working family, and what it takes to make both better. I hear the conversations and the imaginations being fired up as we make this journey together!

Kerry Venegas,

Executive Director Changing Tides Family Services

A Word About Data

California Center for Rural Policy (CCRP) has been collecting data to help paint a picture of the child care community. This is their message:

Like the rest of the country, Humboldt County continues to face a child care crisis in which quality, affordable child care is hard for many families to come by. Due to capacity limitations and high costs, many families are forced to stay home with their children and/or turn to childcare solutions that may not provide the level of quality child care that is best for their child's academic, social, and emotional development.

The California Center for Rural Policy (CCRP) at Cal Poly Humboldt is committed to working with the Child Care Champions group to not only gather primary data that helps define the local landscape of childcare needs and gaps, but also gather the secondary data that highlights the short- and long-term benefits of child care services for both children and families.

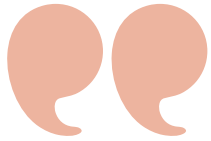
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Dawn Arledge and Alannah Smith, CCRP

Facts:

- According to California's Resource and Referral Network, in 2021, Humboldt County child care centers and family child care homes were licensed for a maximum of 2,940 children from infancy through preschool. With a population of 8,345 children aged 0-5 in Humboldt County (Kids Data, 2021), this data indicates there are only childcare spots available for about 35% of the 0-5 population.
- In 2018, center-based care accounted for 37% of the median full time earnings for Humboldt County residents with infant age children, and 24% of median full time earnings for those with preschool age children. Family child care cost a bit less with 23% of earnings for infant care, and 21% for preschool care.
- Long-term benefits for parents include stress reduction and employee commitment when child care services are paid by employers. For rural areas this means higher employee retention rates for parents and caregivers who are able to access child care.





The Forgivable Loan Program allowed me to get a whole home generator so that in the event the power does go out I would be able to keep the kids warm, fed, and happy.



Loan Forgiveness Offers a Needed Lifeline

I would like to start off by saying how truly grateful I am as a small business owner of a large family child care to have been able to participate in a selection of grants, stipends, and forgivable loans throughout the unfortunate years of the pandemic.

Although the pandemic is essentially over the economic ripples are still in effect. I am still personally feeling the ripple effects of the lack of children attending my child care. For years my child care was very fruitful and I was able to serve the community at capacity. Since the pandemic, I have seen fewer children and many fewer phone calls for child care happening. That said, I am not sure that my child care would have financially survived had I not had the opportunity to participate in these programs.

Today I would like to make a special mention of the Child Care Stability Fund and the programs it offers to family child care homes that I was able to utilize.

First off, I was able to receive the child care retention bonus to help ends meet while capacity is down. The child care stability fund was used to help out with my monthly costs of doing child care.

Secondly, I would like to share with you how I benefited greatly from the Forgivable Loan Program. As we all know living in Humboldt County our power goes out quite frequently in the winter months and in the summer when PG&E was doing the scheduled power outages. The Forgivable Loan Program allowed me to get a whole home generator so that in the event the power does go out I would be able to keep the kids warm, fed, and happy. I will no longer have to call my day care parents to pick up their kids when there is a power outage. Now daycare will be able to remain open and operate at 100% in a safe environment.

The Arcata Economic Development Corporation (AEDC) made the forgivable loan process seamless and easy to apply for. Any time I had questions or needed assistance the staff was easy to get ahold of, friendly, and extremely helpful.

In closing, I just want to say thank you to AEDC for all they do for the community.

Thank you,
Roberta Sidoti,
Owner of Child Care Home in Eureka



Partner Organization Testimonial

The Humboldt Child Care Stabilization Fund's programs have been an incredible set of tools to address the child care crisis in Humboldt County. Over the past year, First 5 Humboldt has held "child care listening sessions" in Garberville, Willow Creek, Hoopa, Fortuna, McKinleyville, and Eureka. In each session, child care providers cited the Humboldt Child Care Stabilization Fund as assisting them in staying open, making needed repairs, helping them attract new staff, and weather the increased challenges brought on by the COVID-19 pandemic. The systems perspective taken by the Child Care

Champions stakeholder group is a cutting-edge approach to looking at the essential component of child care in the county's economic well-being and resilience. When their report is finished, it will provide the community with a roadmap of potential options to continue to build a strong child care infrastructure so that all families can thrive.

Mary Ann Hansen, First 5 Humboldt

Teachers Pet -- Forgivable Loan Participant

Teacher's Pet has been in operation since 1980. We had our current site built in 1995. The roof on the center was 28 years old. I had been worried about how I would pay for a new roof for several years. My husband patched areas as they came up, but we knew the roof would not last much longer. Teacher's Pet is funded through parent tuition. This covers our day-to-day costs. However, when large expenses—such as major building repairs—come up, paying for them can be very stressful.

loan and having it forgiven was seamless. I felt that Jade Hoff and her team did an amazing job informing us about the loan and guiding us to completion.

Thank you for everything you have done to help our program, and many other programs, continue to serve our community's children and their families.

Kathy Vitale, Teachers Pet, Eureka

The Forgivable Loan Program paid for nearly half of our new roof. It was such a blessing. The process of applying for the

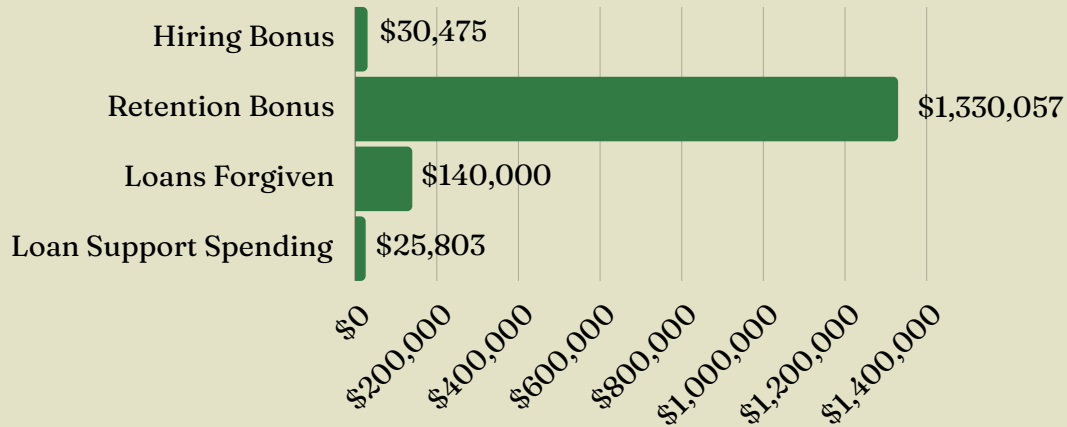
Before and After: Pictured is the new roof at Teacher's Pet



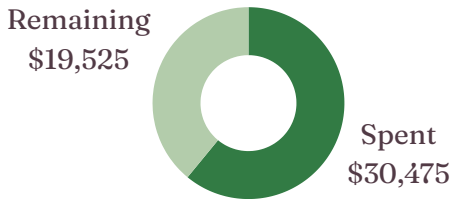
Financial Landscape

July 1, 2022 to Dec. 31, 2023

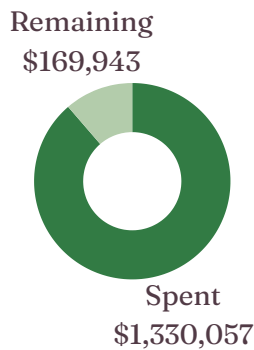
Total Spent to Date (actuals): \$1,526,335



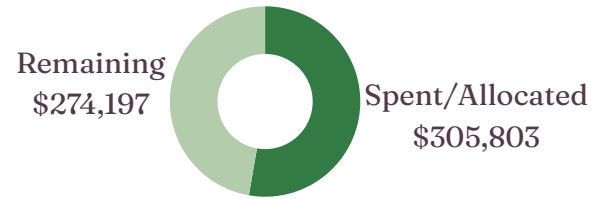
Hiring Bonus
Starting Amount:
\$50,000



Retention Bonuses
Starting Amount:
\$1,500,000.00

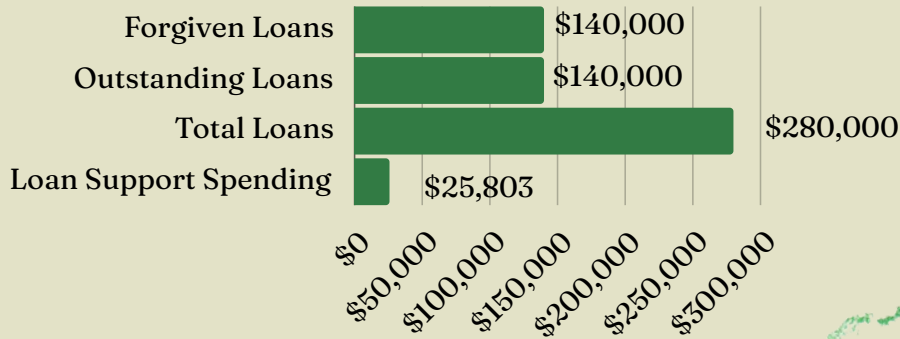


Forgivable Loans
Starting Amount:
\$580,000.00



Forgivable Loan Program*

Total Allocated as of 12/31/23: \$305,802.68



*Loan Support Spending includes loan fees and interest absorbed by the Childcare Stabilization Fund, allowing participants to receive their entire \$10,000 loan without additional loan expenses.

ARPA Programs Total:
\$1,526,334.33

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Our Partner Organizations

