

ESTES VALLEY

CHILDCARE NEEDS ASSESSMENT



FINAL REPORT

Final Report

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Estes Valley Childcare Needs Assessment

Prepared for

Estes Park Economic Development Corporation
Estes Valley Investment in Childhood Success, Fiscal Agent

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Estes Park EDC	Visit Estes Park
Estes Park Housing Authority	YMCA of the Rockies
Estes Park R-3 School District	Estes Valley Partners for Commerce
Estes Valley Recreation and Park District	Estes Area Lodging Association
Estes Valley Investment in Childhood Success (EVICS)	Estes Valley Library District
The Town of Estes Park	Families for Estes

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James H. Pickering, Chair

EXECUTIVE SUMMARY.

Estes Valley Childcare Needs Assessment

EXECUTIVE SUMMARY

Estes Valley Childcare Needs Assessment

Introduction

BBC Research & Consulting (BBC) has been contracted by the Estes Park Economic Development Corporation and Estes Valley Investment in Childhood Success (EVICS) (as a fiscal agent) to conduct a Childcare Needs Assessment in the Estes Valley (generally defined by the Estes Park R-3 School District boundary). The needs assessment is based on data analysis along with community input from both parents/guardians and current childcare providers. The Needs Assessment report is organized according to the following structure:

- **Section I. Demographic Trends and Childcare Options: Baseline Data** summarizes the demographic trends in the Estes Valley and discusses existing childcare options to provide context for the childcare needs assessment.
- **Section II. Parent Preferences and Needs: Parent Survey** presents results from the Estes Valley Childcare and Early Childhood Education Survey of parents and examines parents' current childcare choices; childcare preferences and needs, the cost of childcare; school readiness; and childcare needs for school-age children.
- **Section III. Benefits and Barriers of Childcare: Employer and Provider Survey** summarizes the social/economic benefits of childcare, reports results from an Estes Valley employer survey on childcare, and summarizes perceived barriers to providing and accessing childcare services in the Estes Valley.
- **Section IV. Demand Analysis and Recommendations** analyzes current and future demand for licensed full-day childcare, summarizes the top needs for childcare in the Estes Valley, and presents recommendations for how to address those needs.

Summary of Key Findings

Demographic trends:

- The Estes Valley is home to about 10,000 non-seasonal residents, living in about 4,900 households. Demographic trends show relatively slow household growth over the past 15 years along with a decline in the number and proportion of children under 18 living in the Estes Valley (based on ACS/Census data and school district data). However, the number very young children—aged five or under—increased somewhat between 2000 and 2015, indicating a resurgence of very young children in the Estes Valley—either due to rising birth rates or to an influx of young families.
- The ACS estimate of 489 children under the age of six is consistent with school district data which report about 81 children per year on average entering Kindergarten in the Estes Valley School District over the past three years (equates to 486 children aged six or under). The ACS baseline of 489 children is used for demand forecasts in Section IV.

- The 2015 Estes Park Housing Needs Assessment estimates jobs in the broader Estes Park area (as of January 2015) at 7,571 up from 6,499 in 2000 and forecasts indicate the potential for 2 to 3 percent annual job growth over the next five years.
- Data from the 2015 ACS show that 85 percent of children under the age of six in the Estes Valley have all parents in their household in the labor force (a higher proportion than in Larimer County and the State of Colorado overall). Given the high proportion of working parents in the Estes Valley, it is not surprising that childcare is an issue of interest.

Existing childcare options:

- There are two full-day childcare centers in Estes Park (serving children ages two and a half or three to six) and two part-day, part-time preschools (serving children age two and a half or three to six). The Valley also has six licensed family care home providers (also called “in-home daycare” or “family care homes”) which offer full-day care and serve infants/toddlers in addition to preschool aged children.
- Existing licensed providers in the Estes Valley can serve up to 104 children daily for full-day care and another 66 children for part-day preschool. Just eight of the total childcare spaces can be filled by infants under the age of one and another four spaces can be filled by children between one and two and a half (all infant spaces are provided by licensed family care providers). Total daily capacity in the Valley for full-day and part-day care is 170 spots.
- At the time this study was written, all of the childcare spaces for infants/toddlers were full and another 12 families were on a waitlist for infant/toddler care. There was, however some additional capacity to accommodate children two and a half or older, through licensed family home providers, childcare centers, and/or part-day preschools (up to eight spots for full-day care and several additional spots for part-day preschool).
- The cost of childcare in the Estes Valley is lower than the state average, though it remains a challenge for many households. Typical tuition rates in the Estes Valley for licensed family care homes are \$30-\$35 per day and full-day childcare center tuition is slightly higher at about \$40 per day. This compares to statewide averages of \$39-\$41 per day for licensed family care homes and \$56-\$65 per day for childcare centers.
- Outside the structure of licensed childcare, families employ a number of strategies to provide care for their children including arranging work hours to accommodate care options, relying on friends, neighbors and family for care, and using a nanny or participating in a nanny-share.

Parent preferences and needs:

- A total of 363 parents of children age 13 or younger who live or work in Estes Valley responded to the Parent Survey, including 50 parents responding to the survey in Spanish. In addition, 15 households that will expand to include a child 13 or younger in the next year responded to a series of questions designed to assess future needs.

- Overall, 57 percent of survey respondents with children age six or younger regularly use some form of non-parent childcare. The primary reason given for using non-parent childcare is so that one or both parents can work.
- In general, Estes Valley parents with children age six or younger are relatively satisfied with the childcare provided to their children, though 30 percent indicated they were somewhat unsatisfied. Friend/family care users had the highest proportion of satisfied parents, followed by licensed family homes, preschools, and childcare centers.
- The factors parents considered most important when choosing a provider included trust, the provider's values aligning with their own, and the provider's reputation. Hours of operation, availability of care, and cost were also important considerations.
- The most common aspects of their childcare arrangement respondents said they would like to change were hours or days care is offered (22%), provider type (14%), and staying home with their children (14%). Earlier morning hours was the most common schedule change desired. Households with infants were most likely to want a change in provider type, reflecting the limited availability of care for that age group.
- In the past year, nearly all parents (89%) of children age six and younger experienced one or more challenges finding and using childcare in the Estes Valley.
 - The top three challenges, regardless of age of child, were finding care of an infant (32%), finding someone I can trust (30%), and hours of care (29%).
 - Among households with infants/toddlers, finding care for was a challenge for more than half (54%); one-third encountered long waitlists or lack of availability on needed days, and one-third had difficulty finding someone they trust.
 - Hours of operation, trust, and cost are challenges experienced by one in four households with children ages three through six.
- Overall, 22 percent of households using some type of non-parent childcare use friend/family care. The primary reason given was "trust" (48%), followed by "only option" (38%), and "most affordable option/only type of care I can afford" (28%).
- Forty-three percent Estes Valley parents with children ages six or younger choose parent-only care. Primary reasons are: "I can't afford it" (29%); "I can't find/get into quality care" (20%); and "It's important to me that I or my partner care for our children" (12%).
- Parents with children ages seven through 12 employ different types of care for these older children outside of normal school hours. Nearly half (48%) have a parent or guardian watching these children, followed by adult relatives (29%).

Benefits/Barriers

- The positive impacts of early childhood education/childcare are well-documented in prevailing academic research and include individual benefits for the child and family (e.g., higher school achievement, lifetime earnings, physical and cognitive health improvements, and increased labor market engagement for parents) as well as economic and social

benefits realized by the broader community (e.g., reduced social support costs, increased labor force engagement and productivity increased income tax revenues). According to the prevailing research, benefit–cost ratios of supporting childcare programs range from \$4 to \$16 returned for every dollar invested.

- Fifty-six Estes Valley employers surveyed as part of this study provided insight on the local impacts of childcare concerns on their operations:
 - Absenteeism due to employee childcare problems is a frequent occurrence for 17 percent employers participating in the survey, and has some impact on 85 percent of employers.
 - In 2017, 23 percent of participating employers lost between one and four employees due to childcare problems.
 - Most employers (60%) state that their future hiring plans are impacted by the availability and affordability of childcare for their workers.
 - Housing affordability/availability and the cost of living are the most important factors impacting local businesses' ability to recruit and retain employees. However, considerations specific to childcare (e.g., reliability, availability) were also considered somewhat important to recruitment and retention of workers.
- According to the childcare providers currently operating in the Estes Valley, key barriers to providing services include financial solvency as well as operations and staffing challenges.
 - One of the biggest challenges in providing care in the Estes Valley is bridging the gap between operational costs and the revenue received from tuition.
 - In addition to financial challenges, providers also identified staffing concerns, administrative requirements, and program management as barriers to providing childcare in the Estes Valley.
- The most common unmet need, according to current providers, is infant/toddler care. In addition, providers identified a need for more bilingual childcare, high quality full-day preschool, and additional licensed family home providers.
- As discussed in the Parent Survey findings, accessing infant care was the most common challenge among Estes Valley parents—experienced by one-third of all households and over half of households that include an infant/toddler. Trust, hours of operation, and cost were also significant challenges faced by survey respondents.

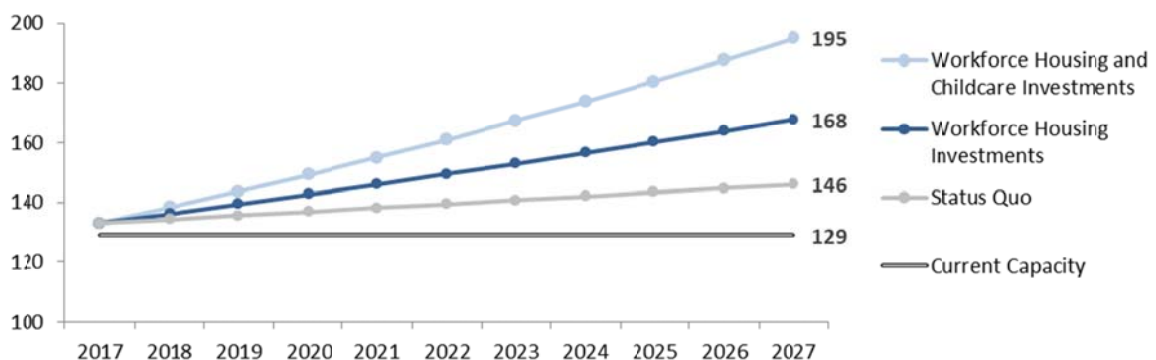
Demand analysis:

In order to quantify growth in demand for licensed childcare in the Estes Valley through 2027 (a 10-year time horizon), BBC developed a custom childcare demand model. The primary demand model focuses on full-day licensed childcare options in the Estes Valley and is structured around three possible scenarios impacted by the investments and policy priorities of the Estes Valley over the next 10 years. The three scenarios are:

1. **Status quo.** This demand scenario assumes current housing and demographic trends continue into the future and bases demand projections on historical household growth and persistence of the current childcare usage rate (24%).
2. **Increased investments in workforce housing.** This demand scenario assumes the Town of Estes Park produces additional workforce housing units and attracts a higher proportion of families—many of whom will need childcare—to the Estes Valley. It combines the household growth from the status quo analysis with these workforce housing increases but assumes persistence of the current childcare usage rate (24%). It results in a higher level of demand than the status quo analysis due to higher growth in resident children.
3. **Investments in both workforce housing and childcare** This scenario assumes the same population growth as Scenario 2 but increases the childcare usage rate from 24 percent to 28 percent. It results in a higher level of demand than the status quo and the investments in workforce housing scenarios.

Figure ES-1 compares the demand scenarios in 2017 and 2027 with maximum capacity of the current Estes Valley licensed childcare options. The maximum capacity measure accounts for typical number of days that children are in care and is based on data from providers that indicate there are 12 infants/toddlers and 109 preschoolers currently accessing full-day licensed care in the Estes Valley and another eight spots for full-day, full-time preschoolers available (117 preschooler spots total). Demand in 2017 is based on data from providers and combines the current maximum capacity with the 12 additional infants/toddlers currently on a waitlist for licensed full-day care.

Figure ES-1.
Licensed Full-Day Childcare Demand Scenarios and Capacity Comparison, Estes Valley, 2017-2027



Source: BBC Research & Consulting.

In 2017, the gap between capacity and demand is relatively small but by 2027 the shortage of childcare spots ranges from 17 full-day full-time childcare spots under the status quo scenario to 66 full-day full-time childcare spots under the workforce housing and childcare investments scenario. The demand forecasts indicate an immediate need for infant care regardless of demand scenario and indicate a long-term need for additional preschool-age capacity, particularly if both workforce housing and childcare investments are made as planned.

Summary of Top Needs

The following issues were among the most critical needs expressed by service providers and parents and discovered through the data and demand analyses:

- Immediate unmet demand for licensed infant/toddler care (this is the only age-group with waitlists at current licensed providers and was identified as a top need by both parents and providers through surveys and interviews);
- Funding challenges for providers to achieve full cost recovery for services provided;
- Secondary barriers to accessing care are related to trust and scheduling challenges (as expressed by parents/guardians through the parent survey); and
- Long-term demand for additional childcare capacity for preschool age children—particularly if the Town pursues additional investments in workforce housing and childcare initiatives.

Recommendations

BBC offers the following recommendations to address the demand for care through 2027 and the existing challenges faced by care providers and parents.

1. **Consider options to help licensed providers raise tuition rates while maintaining affordability for families.** This may require dedicating funding for valley-wide childcare services to help offset rate increases for qualifying families. This effort is similar to a efforts made by the Town of Breckenridge in 2007: one of the original goals of the Breckenridge Childcare Tuition Assistance program was to facilitate an increase in rates charged by the local providers such that they could pass on the true cost of care and become more financially stable. Providers and families speak very highly of the program and indicate its success. Action steps to achieve this goal may include:
 - Work with current providers and monitor the Colorado Childcare Market Survey to understand the true cost of providing childcare service in the Estes Valley. (Currently, average Estes Valley rates are between 70% and 85% of statewide market rates).
 - Explore funding options to expand EVICS Child Care Scholarship Program or other supports for valley-wide childcare services. Typical mechanisms for funding at the local level are General Fund transfers, dedicated sales tax, and/or dedicated property tax mill. Some of the Colorado communities currently providing government funded early childhood initiatives include Denver, Aspen, Boulder County, Summit County, the Town of Breckenridge, San Miguel County, and Elbert County.
 - Continue your relationship with The Town of Breckenridge to benefit from lessons learned from implementation of their Tuition Assistance Program.

2. **Work collaboratively toward a solution for addressing the infant/toddler care need.** The community at large has demonstrated strong consensus that infant/toddler care is one of the most critical childcare needs in the Estes Valley. However, the community lacks consensus on how to address that need. Rightly, infant/toddler care is one of the most challenging types of care to provide as the financial requirements for care provision are high relative to the revenue generated from provision. An approach that is forward thinking and collaborative has the best chance of success. A strategic planning effort and resource analysis should consider the most realistic and impactful options, which could include:
 - A. Expansion of an existing facility-based provider to include infant/toddler care;
 - B. Increasing the number of licensed family providers offering infant/toddler care (discussed in more detail under Recommendation #3);
 - C. Targeting financial subsidies to support infant/toddler care (through direct reimbursements for care, in-kind contributions, or capital subsidies for construction/expansion of facilities to accommodate infant/toddler care); and
 - D. Direct provision of infant/toddler care as a publicly-funded service.
3. **Take proactive efforts to increase the number and quality of licensed family home providers while also retaining existing quality care providers.** Licensed family providers are currently the only resource for infant/toddler care, provide the most flexibility in terms of schedule/hours for families, and have high satisfaction ratings according to the Parent survey results. Their size and the relatively low overhead costs make them an appropriately scaled solution to address demand fluctuations in the Estes Valley. Specific suggestions for cultivating the number and quality of licensed family home providers include:
 - A. Develop/maintain partnerships between EVICS and the Estes Park EDC to market licensed family home provider opportunities as a viable business development market.
 - B. Work to convert unlicensed family care (typically providing care for up to four un-related children) to licensed family homes. Implementation of Goal 2 would provide a natural incentive for licensing as participation in an expanded tuition assistance program would require licensed status.
 - C. Continue to provide training and support (through EVICS) when providers start working so they understand and can implement quality care techniques from the beginning.
 - D. Implement a “coach/mentor” model in licensing and training so that family child care home providers are getting support and training to handle difficult situations and are able to provide the best educational environment for the children in their care.
4. **Continue coordinated education and outreach for the benefits of quality early care and education provision; and the economic impacts of early care and education and the child care industry.** The Estes Park EDC Childcare Committee and EVICS have demonstrated a strong commitment to communicating the benefits of childcare and the need for quality

childcare to community members and policymakers. These efforts can have a huge impact on perception of childcare needs and solutions in the community. Decisions about childcare and childcare funding will impact the type of community Estes Park and the Estes Valley choose to become. Investments in childcare (or lack thereof) are very likely to impact the attractiveness of the community to future residents and families.

5. **Continue to support a diversity of childcare options in the Valley to improve quality, school readiness and parental trust in providers.** As evidenced in the parent preferences section, there are a number of factors that parents evaluate when choosing their childcare providers—many of these are based on personal values and experiences. A healthy balance of options in terms of type of childcare, educational philosophy, and other characteristics are an important component of creating a strong network of childcare providers that meet the needs of all families in the Valley. Continuing to improve the diversity and quality of options in the Estes Valley will strengthen the childcare infrastructure for working parents needing care and will support the provision of nurturing environments for their children.
6. **Proactively track the key metrics for preschool age demand to evaluate the appropriate timeline for increased capacity at the preschool level.** Demand at the preschool level is very closely tied to workforce housing production and an associated increase in the Valley population under age six. Although the data analysis and status quo scenario do not indicate a severe and immediate need for additional childcare capacity for preschool-age children, focused community action in the areas of workforce housing and childcare will very likely lead to a need for increased childcare capacity for preschool-age children. Additionally, any changes to the existing childcare landscape in the Valley (e.g., the departure, addition or change in capacity of any existing providers) may also impact childcare needs for the preschool age group.

As such, BBC recommends tracking the following metrics annually to gauge changing demand for the preschool age group:

- A. Track the pace of residential construction, particularly of workforce housing. Pace of growth and timeline on workforce housing development will impact the availability of housing for new families and workers likely to need childcare.
 - B. Track significant changes in care options as well as provider enrollment, waitlists and capacity.
 - C. Track changes in demographics including number of permanent resident households, age and family status of residents and trends in employment.
 - D. If possible, work to include several childcare related questions on the Town's biennial citizen survey to track childcare needs, preferences and use patterns among current residents.
7. **Continue and expand support and education for non-licensed childcare in the Estes Valley.** Childcare options that do not require licensing will inevitably continue to be part of the childcare infrastructure of the Estes Valley. In order to help foster parental trust in all childcare options and to access the full economic and social benefits of early childhood

education, it is important to offer education and supportive services to all local providers, including informal childcare, friend/family care, and stay-at-home parents. Options include:

- A. Bolster training opportunities in the following areas:
 - First aid/CPR certification and Standard Precautions and Medication Administration training for all providers;
 - Parental and provider education on the importance of developmental support to their children;
 - Techniques for working with children with special needs and how to implement an inclusionary environment for children with special needs; and
 - School readiness for all children, including children for whom English is a second language.
- B. Ensure that providers have access to developmentally appropriate educational materials and equipment. Also ensure that providers have access to the proper resources and information about how to obtain and use these materials and equipment.

Successful implementation of these recommendations to address childcare needs and breakdown barriers to providing and accessing childcare in the Estes Valley require that the Estes Valley community and governments (Town and County) create an atmosphere of consensus around the need for childcare, generate broad support for a comprehensive solution and ensure that implementation processes are put in place. The EDC Childcare Committee desires to encourage the community and governments in that effort such that this report becomes an implementation engine rather than a document sitting on a desk gathering dust.

SECTION I.

Demographic Trends and Childcare Options: Baseline Data



SECTION I.

Demographic Trends and Childcare Options: Baseline Data

This section summarizes the demographic trends in the Estes Valley and discusses existing childcare options to provide context for the childcare needs assessment.

Demographic and Employment Background

The Estes Valley (generally defined as the Estes Park R-3 School District) includes the Town of Estes Park along with surrounding communities such as Glen Haven, Drake, Pinewood Springs and Allenspark. The Estes Valley is home to about 10,000 non-seasonal residents, about 490 of whom are under the age of six. The location and characteristics of the area make it an attractive tourism destination and offer a high quality of life for residents. However, the same amenities contribute to a high cost of living for residents and an economy that offers a high proportion of relatively low wage jobs.

The following section summarizes socioeconomic trends in the Estes Valley to establish the context for discussing current and future childcare needs in the community.

Population and households. As of 2015, there were 6,103 residents occupying 3,109 households in the Town of Estes Park and 10,023 residents occupying 4,897 households in the Estes Valley as a whole.¹ Figure I-1 displays trends in population and households for the Estes Valley region between 2000 and 2015. The higher percentage change in total housing units relative to permanent resident households suggests that an increasing share of housing units are being used as second-homes and/or vacation rentals. In 2000, 62 percent of housing units in the Estes Valley region were occupied by permanent residents; by 2010 that proportion dropped to 57 percent where it has remained through 2015.

**Figure I-1.
Population and
Households, Estes Park
and the Estes Valley
Region, 2000-2015**

Source:
2000 Census, 2010 Census, 2011-2015
American Community Survey, and BBC
Research & Consulting.

	2000	2010	2015	Percent Change 2000 - 2015
Resident population	9,686	9,974	10,023	3%
Total housing units	7,171	8,320	8,586	20%
Permanent resident households	4,479	4,703	4,897	9%
<i>Resident households as a percent of total housing units</i>	<i>62%</i>	<i>57%</i>	<i>57%</i>	<i>-5%</i>

¹ Demographic data for the total population are not available for the Estes Park R-3 School District boundary area, so the Estes Valley is defined as ZIP codes 80510, 80511, 80517, and 80532 for the purposes of the demographic analysis. Note that Census counts are point in time estimates from April of a given year while American Community Survey estimates are based on monthly samples. School district data is collected in October of each year.

Figures I-2 and I-3 provide additional socioeconomic details for residents and households in Estes Park and the Estes Valley, according to 2015 American Community Survey (ACS) data.

Just over half of all residents in Estes Park and in the Estes Valley are older adults or seniors (55 years or older). Twelve percent of Estes Valley residents (1,219 people) are children, 17 percent are aged 18 to 34, and 17 percent are aged 35 to 54.

Twenty-one percent of residents aged 25 or older have a high school diploma or equivalent and 2 percent have less than a high school degree. Nearly half (47%) have a Bachelor's degree or higher. Employment in the Town and in the Valley is relatively high among labor force participants; however, just 56 percent and 57 percent of Town and Valley residents 16 or older participate in the labor force. This indicates a relatively high proportion of retired and/or non-working residents.

The vast majority of residents identify as non-Hispanic white (95%), according to ACS data. School district data, however, suggest a much higher representation of Hispanic residents and other non-white minorities. According to the ACS just 5 percent of residents are Hispanic while school district data indicate that 25 percent of the pupil population (pre-k through 12th grade) is Hispanic. ACS data suggest 2 percent of residents belong to other minority race groups (including two or more races) but school district data count 5 percent of pupils as other non-white or two races.

**Figure I-2.
Population
Characteristics, Estes
Park and the Estes Valley
Region, 2015**

Note:

Estes Valley is defined as ZIP codes 80510, 80511, 80517, and 80532.

Source:

2011-2015 American Community Survey, and BBC Research & Consulting.

	Town of Estes Park	Estes Valley
Total Population	6,066	9,986
Age		
Under 18	15%	12%
18 to 34	16%	17%
35 to 54	17%	17%
55 or older	52%	54%
Educational Attainment (pop 25 or older)		
Less than high school degree	2%	2%
High school diploma or equivalent	21%	21%
Some college or Associate's degree	31%	30%
Bachelor's Degree	28%	28%
Master's degree or higher	17%	19%
Employment Status (pop 16 or older)		
Percent In labor force	56%	57%
Percent of labor force that is employed	96%	94%
Race/Ethnicity		
Non-Hispanic white	95%	95%
Hispanic	5%	4%
Other race minority	0%	1%
Two or more races	1%	1%

As shown in Figure I-3 (on the following page) there are about 4,200 housing units in Estes Park and 8,600 housing units in the Estes Valley. Many of those are “vacant”—primarily for season/recreational use. The occupied housing units reflect the permanent (non-seasonal)

resident households living in the Estes Valley full-time. Most of those permanent households are owner-occupied (66% of Town households and 70% of Valley households) and the average household size is about two people. Most households are “family households” meaning they are occupied by two or more related people—most often married couples with or without children.

The median household income is about \$54,000 in the Estes Valley region (\$55,000 in Estes Park), up from \$49,000 in 1999. Seventeen percent of all households in the Valley have incomes less than \$25,000 per year and another 28 percent earn between \$25,000 and \$49,000. Nineteen percent have incomes of \$100,000 or more per year. Overall, 11 percent of the population in the Estes Valley is living in poverty.

**Figure I-3.
Household Characteristics,
Estes Park and the Estes
Valley, 2015**

Note:

Estes Valley is defined as ZIP codes 80510, 80511, 80517, and 80532.

Source:

2011-2015 American Community Survey and BBC Research & Consulting.

	Town of Estes Park	Estes Valley
Total Housing Units	4,215	8,586
Occupied Housing Units	3,109	4,897
Average Household Size	1.95	2.00
Tenure		
Renters	34%	30%
Owners	66%	70%
Household Type		
Nonfamily households	45%	43%
Family households	55%	57%
Married-couple family	48%	51%
Other family	6%	6%
Household Income		
Median household income	\$54,530	\$53,900
Percent of population living in poverty	10%	11%
Income Distribution		
Under \$25,000	18%	17%
\$25,000–49,999	25%	28%
\$50,000–74,999	24%	22%
\$75,000–99,999	15%	14%
\$100,000–149,999	9%	11%
\$150,000 or more	8%	8%

Children. The 2015 ACS reports 1,219 children (under 18) living in the Estes Valley, 489 of which are under the age of six. As shown in Figure I-4, the number of children under 18 in the Estes Valley actually declined (in number and proportion) between 2000 and 2010 and again between 2010 and 2015.² However, the number of children under the age of six increased between 2000 and 2015, holding steady at 5 percent of the population overall. The figure also includes data for the population aged 35 to 44 to provide context for changes in the population

² It should be noted that school district data indicate a higher number of children under 18 but about the same number of children under the age of six. School district data also show a decline in the student population between 2000 and 2015, though the school enrollment decline was not as severe as the decline in the number of children reported by the Census data.

of children. This “parenting age” cohort of 35 to 44 year olds declined by 47 percent between 2000 and 2015.

Trends were similar at the household level—the proportion of households with children under 18 declined (from 21% to 14%) between 2000 and 2015 but the proportion of households with children under six increased from 4 percent to 8 percent between 2000 and 2010 and then held at 8 percent through 2015.

These trends indicate a resurgence of very young children in the Estes Valley—either due to rising birth rates or to an influx of young families.

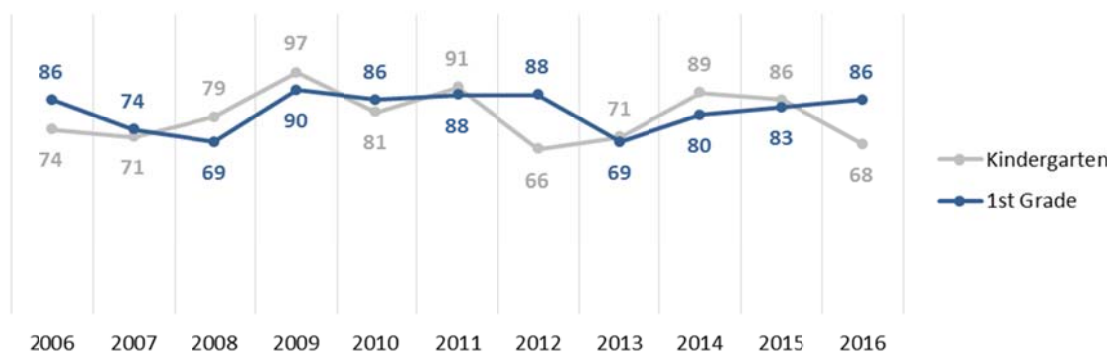
**Figure I-4.
Presence of
Children, Estes
Valley, 2000, 2010
and 2015**

Source:
2000 Census, 2010 Census and
BBC Research & Consulting.

	2000	2010	2015	Percent Change
Total population	9,686	9,974	10,023	3%
Under 18	1,652	1,522	1,219	-26%
Under 6	459	491	489	7%
Age 35 to 54	3,179	2,409	1,688	-47%
<i>Percent of population under 18</i>	<i>17%</i>	<i>15%</i>	<i>12%</i>	
<i>Percent of population under 6</i>	<i>5%</i>	<i>5%</i>	<i>5%</i>	
Total resident households	4,479	4,703	4,897	9%
With children	933	859	677	-27%
With children under 6	298	377	371	24%
<i>Percent of hh with children</i>	<i>21%</i>	<i>18%</i>	<i>14%</i>	
<i>Percent of hh with children under 6</i>	<i>4%</i>	<i>8%</i>	<i>8%</i>	

The ACS estimate of 489 children under the age of six is consistent with birth rate forecasts for 2017 and 2018, which estimate about 90 births per year in the area, and with school district data which report about 81 children per year on average entering Kindergarten in the Estes Valley School District over the past three years. Figure I-5 displays trends in school enrollment in the Estes Valley for Kindergarten and first grade over the past 10 years.

**Figure I-5.
Enrollment in the Estes Park R-3 School District by Grade**



Source: Colorado Department of Education.

School district data indicate about 81 children per year entering Kindergarten, which equates to 486 children under the age of six living in the Estes Park R-3 school district—just three children fewer than the ACS estimate of 489 children in the Estes Valley. Birth rate forecasts, which reflect a projection of births at the local hospital, does not define the geographic area in which those children live. Even so, it is a useful comparison for estimating the number of young children in the area. The forecast of 90 births per year over the next two years equates to 540 children under the age of six.

The demand analysis, discussed in detail in Section IV relies on the ACS estimate of 489 children, which falls between the school district estimate (486) and the birth projection estimate (540). It should be noted that the difference in these baseline estimates is not substantial enough to impact the demand projections. That is, demand estimates would not change if BBC utilized the 540 baseline number as opposed to the 489 baseline number.³

Employment. The 2015 Estes Park Housing Needs Assessment estimates jobs in the broader Estes Park area (as of January 2015) at 7,571 up from 6,499 in 2000 (a 16% increase). The high seasonality of the Estes Park economy means total jobs fluctuate from about 5,500 jobs in the winter to about 9,600 jobs in the summer. According to the same report, economic opportunities in the area are dominated by low-paying tourism service positions, although higher paying health care jobs are growing. Forecasts indicate the potential for 2 to 3 percent annual job growth over the next five years.⁴

The Estes Valley is a high cost area and, as such, many households take on multiple jobs or have multiple earners to make ends meet. The 2015 Housing Needs Assessment indicates that on average, each worker in the Estes Park area has 1.2 jobs. Data from the 2015 ACS show that 85 percent of children under the age of six in the Estes Valley have all parents in their household in the labor force.⁵ That rate has been increasing steadily over the past 15 years in the Estes Valley (up from 60% in 2000) and is higher than in Larimer County overall (63%) and the State of Colorado as a whole (65%). Given the high proportion of working parents in the Estes Valley, it is not surprising that childcare is an issue of interest.

Existing Licensed Childcare Options

There are two full-day childcare centers in Estes Park—one serving children ages two and a half to six, one serves children three to six. There are also two part-day, part-time preschools serving children age two and a half or older. There are another six licensed family care home providers (also called “in-home daycare” or “family care homes”) which offer full-time care and serve children under two along with toddlers and preschool aged children. Figure I-6 summarizes the types of licensed care and their daily enrollment capacity.

³ Demand projections rely on usage rate calculations to project demand. While the usage rate would shift slightly with a different baseline estimate, the denominator in the current conditions calculation and the denominator in the forecast calculation would both change, washing out any impact on the forecasted demand.

⁴ Estes Park Area Housing Needs Assessment. Rees Consulting and WSW Consulting. 2015.

⁵ Two parents in the labor force for those children living in two-parent households and one parent in the labor force for single parent households.

Figure I-6.
Existing Licensed Childcare Providers in the Estes Valley, 2017

Provider	Type of Care	Daily Capacity by Age			Operating Schedule	
		0 to 2½	2½ to 6	Total	Hours	Days
Full-Day Care Options						
Mountain Top Childcare	Childcare Center	0	42	42	7:00am-5:30pm	Mon-Sat
YMCA Bennett Preschool	Childcare Center/Preschool	0	20*	20	7:30am-4:00pm	Mon-Fri
Enchanted Circle	Licensed Family/Preschool	2*	10	12	8:00am-4:30pm	Mon-Fri
Country Kids	Licensed Family Provider	2	4	6	7:30am-5:30pm	Mon-Fri
Happy Kids Club	Licensed Family Provider	2	4	6	8:00am-5:00pm	Tues-Sat
Ponderosa Play School	Licensed Family Provider	2*	4	6	8:00am-5:00pm	Mon-Thurs
Rainbow Kids	Licensed Family Provider	2	4	6	8:00am-5:00pm	Tues-Sat
Rose Childcare	Licensed Family Provider	2	4	6	Any hours	Mon-Sun
Total		12	92	104		
Part-Day Preschool Options						
Life Long Learning Preschool	Part-day Preschool (non-profit)	0	36	36	8:30am-11:15am or 12:00pm-2:45pm	Mon-Fri (school-year)
Park Place Preschool	Part-day Preschool (public)	0	30*	30	8:00am-11:00am or 12:00pm-3:00pm	Mon-Thurs (school-year)
Total		0	66	66		

Note: *Ponderosa Play School and Enchanted Circle do not serve children under 1 year old.

*YMCA expands their daily capacity in the summer months to accommodate 40 children.

*Park Place preschool primarily serves four and five year olds.

Source: Colorado Department of Human Services, EVICS, BBC Childcare Provider Interviews, and BBC Research & Consulting.

Capacity and enrollment. Existing childcare centers, preschools, and family providers in the Estes Valley can serve up to 170 children daily. Just eight of those childcare spaces can be filled by infants under the age of one and another four spaces can be filled by children between one and two and a half; the remaining 158 childcare slots are for children two and a half or older. Of the 158 preschooler-age spaces, 92 are for full-day care.

At the time this study was written, all of the childcare spaces for infants/toddlers were full and another 12 families were on a waitlist for infant/toddler care. There was more availability for children two and a half or older. Licensed family providers collectively had six spaces open on select days for part-time care of preschool-aged children and two full-time openings for that age group. Each facility-based childcare center and preschool indicated they currently have both full-time and part-time openings for that age group. The full-day providers (childcare centers and licensed family providers) in the Estes Valley indicated they could collectively accommodate another eight full-time children over age two and a half in licensed care.⁶

Quality and programming. The childcare options outlined above are all licensed care providers through the State of Colorado. As such, each provider has completed childcare training requirements along with first aid/CPR certification and Standard Precautions and Medication Administration training. Providers are also actively engaged in continuing education and

⁶ Full-time care means three days a week or more.

training on an annual basis. Facility-based care providers in the Estes Valley each have at least one staff member with director qualifications for early childhood education from the Colorado Division of Early Care and Learning.

Colorado Shines is a quality rating and improvement system for all of Colorado's licensed early learning programs. Each childcare provider in the Estes Valley has a rating of at least 1, meaning the program is licensed by the State of Colorado and meets basic health and safety standards. Two of the facility-based care providers have a Level 2 rating from Colorado Shines, meaning their programs meet the Level 1 requirements and are taking steps to further improve quality.⁷

Parents have a range of programming options and educational philosophies among childcare providers in the Estes Valley. Some offer nature-based, play-oriented programs while others have a more structured preschool approach. Specific curriculums offered include the Reggio Emilia approach and Teaching Strategies Gold assessments. Two family providers and one part-day preschool provider offer bilingual instruction for Spanish speakers.

Rates and funding sources. Typical tuition rates in the Estes Valley for licensed family childcare homes are \$30 per day for children over two and \$35 per day for children under two. Full-time facility-based care tuition is slightly higher at about \$40 per day. These rates are substantially lower than average for the State of Colorado—particularly for facility-based care. The Colorado market-rate average for licensed family childcare homes is \$39 per day for children over two and \$41 per day under two. The Colorado market-rate average for childcare centers is \$56 per day for children over two and \$65 per day under two.

Tuition assistance is available to families meeting income requirements through the Colorado Childcare Assistance Program (CCAP) and/or through EVICS. Mountaintop Childcare and Park Place Preschool also receive Colorado Preschool Program funding for qualifying families. YMCA Bennet Preschool offers a discount to children of employees and has YMCA scholarships available. Life Long Learning Preschool offers private scholarships to qualifying families.

Parent perspective on cost and affordability of childcare is discussed in Section II of this report.

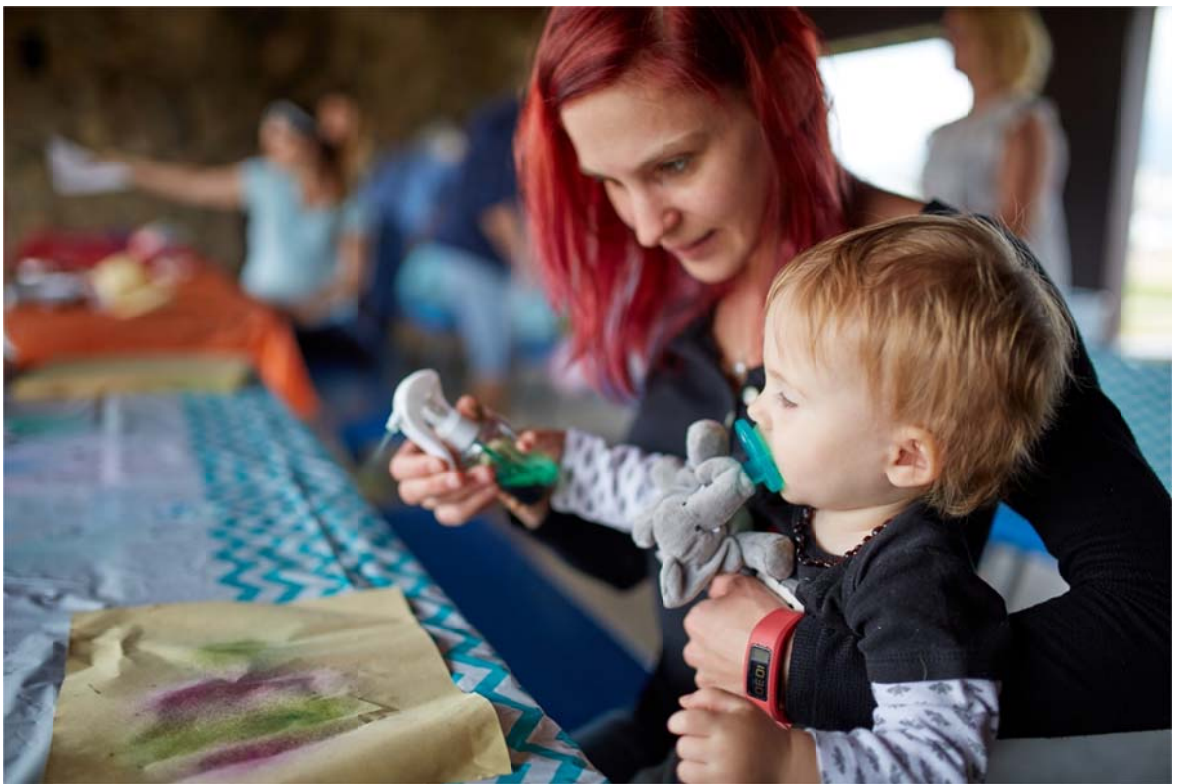
Other Childcare Options

Outside the structure of licensed childcare, families employ a number of strategies to provide care for their children including arranging work hours to accommodate care options, relying on friends, neighbors and family for care, and using a nanny or participating in a nanny-share. Data on these options are limited but their use among survey respondents is discussed in Section II, Parent Preferences and Needs.

⁷ There are five quality level ratings. Levels 3-5 indicate a program has completed an intensive process to demonstrate quality in support for children's health and safety, well-trained and effective staff, supportive learning environment that teaches children new skills, helping families be active in their child's learning, and strong leadership and business practices. For more information visit www.coloradoshines.com

SECTION II.

Parent Preferences and Needs: Parent Survey



SECTION II.

Parent Preferences and Needs: Parent Survey

This section presents results from the Estes Valley Childcare and Early Childhood Education Survey of parents and guardians (Parent Survey) and examines:

- Current childcare choices;
- Childcare preferences and needs, including parent-only care and friend/family care;
- The cost of childcare;
- School readiness; and
- Childcare needs for school-age children.

Profile of Participating Parents

A total of 363 parents of households with children age 13 or younger who live or work in Estes Valley responded to the Parent Survey, including 50 households responding to the survey in Spanish. In addition, 15 households that will expand to include a child 13 or younger in the next year responded to a series of questions designed to assess future needs.

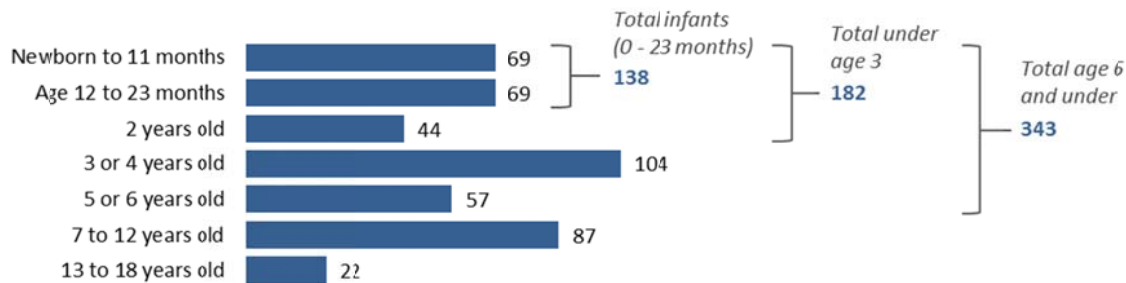
- The vast majority of respondents (84%) live in Estes Park. The remainder live in Allenspark (2%), Glen Haven/Drake (2%), Pinewood Springs (1%), unincorporated Larimer County (6%) or elsewhere in Larimer County (2%), Boulder County (2%), and Weld County (1%). Those who do not live in the Estes Valley work or have a partner working in the Valley.
- The Estes Valley residents live in the area year-round. Thirty-nine percent have lived in their community for more than 10 years; just 7 percent for less than a year.
- Overall, 67 percent have children age six or younger. One-third of the total respondents do not have children age six or younger, but do have a child between the ages of seven and 13.
- The average household size of survey respondents is 3.7 members. Eighty-two percent of respondents live in households comprised of themselves, a spouse or partner and children. Single parents are 7 percent of survey respondents and 6 percent of respondents live in households that include another adult family member (not a spouse).
- Respondents' median household income is between \$50,000 and \$75,000.¹ Ten percent report household incomes of less than \$25,000; 26 percent have incomes between \$25,000 and \$50,000; 41 percent have incomes between \$50,000 and \$100,000; and 23 percent have household incomes of \$100,000 or more.

¹ Median income is reported as a range because the survey was structured by income range and did not ask for exact incomes.

- Eighty-three percent are white and 16 percent are Hispanic.
- Nearly half (47%) of parents are aged 35 to 44 and 39 percent are aged 25 to 34.

A total of 452 children live in the households represented by Parent Survey respondents. As shown in Figure II-1, 343 children ages six and younger are included in the surveyed households.

Figure II-1.
Number of Children, by Age, Living in Parent Survey Respondent Households



Note: n=363 parent respondents.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

On average, there are 1.3 working adults in each of the Parent Survey households. These working adults work an average of 43 hours per week; 13 percent work 60 or more hours per week and 11 percent work less than 30 hours. Nearly all (92%) of the working adults represented work full time jobs; 38 percent hold at least one part-time job.

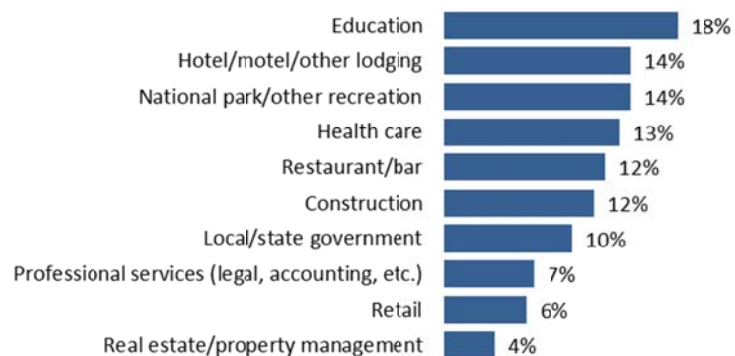
Thirty-nine percent of working adults have jobs that start before 8 a.m., and 14 percent work after 6 p.m. Only 4 percent report working overnight shifts, but 40 percent have jobs that regularly require shifts on Saturdays, Sundays, or both weekend days.

Respondents to the Parent Survey work in a wide variety of businesses and industries. Figure II-2 presents the top 10 business/industries where parents of young children are employed in the Estes Valley. Eighteen percent of households have a member working in education and 14 percent include an adult working in a hotel/motel or other lodging. A similar proportion of households (14%) have an adult working in the national park or other recreation-oriented job.

Figure II-2.
Top 10 Businesses or Industries of Parents of Young Children

Note:
n=363 households.

Source:
BBC Research & Consulting from the
2017 Estes Valley Childcare and Early
Childhood Education Survey.

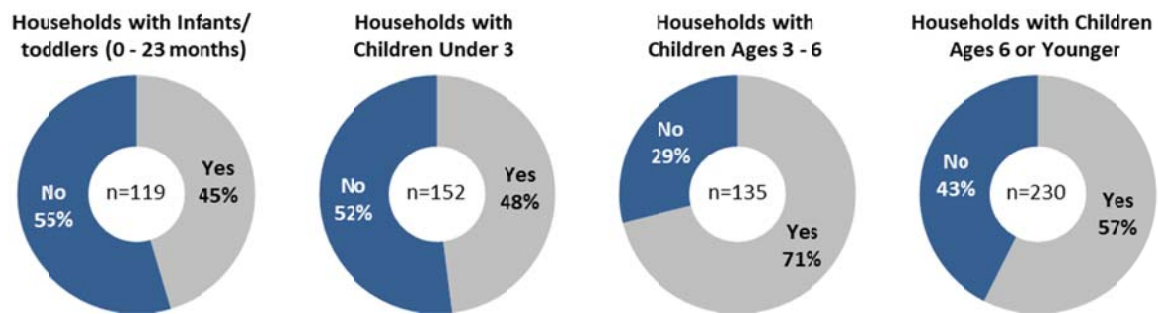


Current Childcare Choices

Overall, 57 percent of survey respondents with children age six or younger regularly use some form of non-parent childcare. As shown in Figure II-3, the proportion of parents with children in childcare or ECE increases as their children age, from 45 percent of households with infants/toddlers to 71 percent of those with children ages three through six. While 57 percent of all households with children age six or younger use some form of non-parent childcare, thirty-seven percent of Hispanic parents with children age six or younger use non-parent care in the Estes Valley.

Figure II-3.

Are any of your children age six or under regularly in any type of childcare or preschool programs provided by someone other than their parent or guardian? This does not include occasional babysitting.



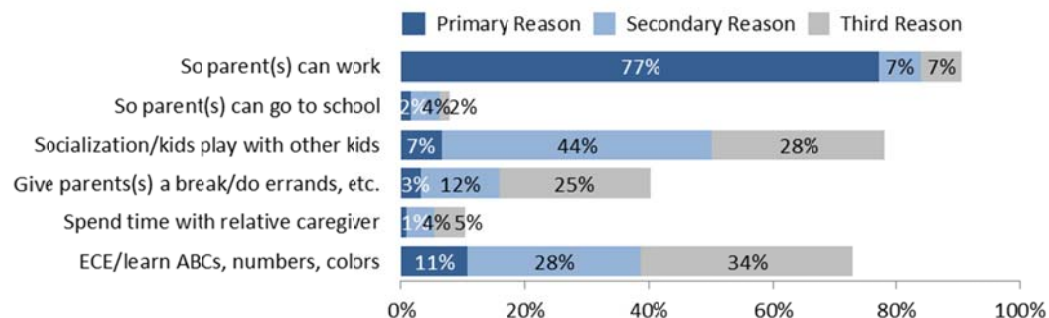
Note: n=119 households with infants/toddlers, n=152 households with children under age 3, n=135 households with children ages 3 through 6, and n=230 households with children ages 6 or younger.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

The primary reason most parents (77%) use non-parent childcare is so that one or both parents can work. Socialization and playing with other children is the second most common reason for non-parent childcare followed by school readiness/early childhood education/learn ABCs, numbers, colors.

Figure II-4.

What are the primary reasons that your child/children is/are in childcare?



Note: n=132 households with children ages 6 and younger using non-parent childcare.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

Waitlist experience. Overall, 47 percent of Estes Valley parents with children age six or younger in childcare were on a waitlist for one or more of their children. Nearly two-thirds of

households with an infant/toddler have been (or are currently) on a waitlist. Most spent six months to a year or more on a waitlist; several commented that they signed up for waitlists during their pregnancy.

- *“Still on the wait list of several (4) providers because the childcare I currently have is not working out and I need to find a new one or I will have to stop working. This will affect many people as I am a teacher.”*
- *“9 months for my first child, and currently on a wait list for my 6 month old.”*

What types of childcare are Estes Valley parents using? Among Estes Valley households using at least some form of non-parent childcare, the type of care varies by the age of children in the household. Figure II-5 details the proportion of households with children of a certain age using different types of childcare. Note that households may appear in multiple categories if they include multiple children of different ages; in other words, the percentages are based on households, not individual children. In addition, multiple responses are allowed even for individual children in cases where they combine multiple types of care throughout the week.

Among all households with children six and younger that use some form of non-parent care (see far right column of Figure II-5):

- 36 percent use part-day preschool;
- 32 percent use a licensed family provider;
- 27 percent use a childcare center;
- 23 percent of parents stagger their work shifts to manage care;
- 20 percent stay at home with children (in combination with another form of care);
- 14 percent have an adult relative provide care;
- 10 percent use friend or neighbor care;
- 8 percent use a nanny; and
- 2 percent have an older sibling provide care.

Note that the sum of these percentages is 170 percent, which shows that many households are using multiple types of care throughout the week—for different children and/or on different days for individual children.

Households with infants/toddlers are most likely to use licensed family providers (33%). Twenty-eight percent of households with infants/toddlers have parents who stagger their working days and hours in order to provide care, 19 percent have an adult relative providing care and another 19 percent have a nanny.

Half of the households with children ages three through six have a child in part-day preschool and 31 percent have a child in a childcare center. Licensed family providers are used for childcare by 22 percent families with children age three through six, and 22 percent of families stagger work shifts to provide care.

Figure II-5.
What types of childcare are Estes Valley households using?

Type of Childcare Used	Percent of Households with Infants/Toddlers	Percent of Households with Children Under Age 3	Percent of Households with Children Ages 3 through 6	Percent of All Households with Children Age 6 and Younger
Childcare center	19%	14%	31%	27%
Preschool (part day)	26%	21%	49%	36%
Licensed family provider	33%	42%	22%	32%
Nanny	19%	14%	7%	8%
Stay home parent	13%	18%	20%	20%
Parents stagger work shifts	28%	25%	22%	23%
Adult relative	19%	19%	8%	14%
Older sibling	0%	0%	3%	2%
Friend or neighbor	7%	10%	10%	10%

Note: n=54 households with infants/toddlers, n=73 households with children under age 3, n=96 households with children ages 3 through 6, and n=132 households with children ages 6 or younger. Multiple responses are possible and households may appear in multiple categories if they have children of different ages. The final category "Percent of Households with Children Age 6 and Younger" includes all households in the previous three age categories.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

Who is using which types of care? Figure II-6 provides a snapshot of the demographic characteristics of households using childcare centers, licensed family homes, preschools, friend/family care or parent-only care for childcare. Types of childcare providers used vary by household composition, income, and ethnicity.

As shown, 11 percent households using licensed family home providers are single parents. Seventeen percent of those using friend/family care providers have other adult family members living in their household. One in five of the households (21%) using parent-only care are Hispanic.

The median income of households using childcare centers and preschools falls within the \$75,000 to \$99,999 range, which is higher than the median income range of \$50,000 to \$74,999 for households using licensed family home providers, friend/family care, and parent-only care.

Figure II-6.
Snapshot of Households Using Childcare Centers, Licensed Family Homes, Preschool or Friend/Family or Parent-Only Childcare

	Childcare Center	Licensed Family Home	Preschool	Friend/Family Care	Parent Care Only
Live in Estes Park	91%	86%	87%	86%	86%
Single parent	3%	11%	8%	4%	2%
Household includes other adult relatives	9%	3%	3%	17%	2%
Hispanic	17%	7%	6%	10%	21%
Responded in Spanish	9%	5%	2%	3%	19%
Age					
18 to 24	4%	0%	0%	4%	6%
25 to 34	52%	49%	45%	50%	48%
35 to 44	33%	51%	53%	46%	42%
45 to 54	7%	0%	3%	0%	1%
55 to 64	4%	0%	0%	0%	2%
Income					
Median income range	\$75,000 to \$99,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$50,000 to \$74,999	\$50,000 to \$74,999
Under \$15,000	0%	5%	3%	4%	7%
\$15,000–24,999	11%	3%	0%	0%	6%
\$25,000–34,999	7%	14%	11%	17%	12%
\$35,000–49,999	11%	3%	18%	4%	22%
\$50,000–74,999	18%	30%	13%	25%	31%
\$75,000–99,999	18%	24%	18%	25%	12%
\$100,000 or more	36%	22%	37%	25%	10%
<i>n=</i>	35	42	47	29	101

Note: n=35 households using childcare centers, 42 households using licensed family homes, 47 households using preschool, 29 households using friend/family and 101 households using parent-only care for childcare.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

Satisfaction with non-parent childcare. Parents using some type of non-parent childcare rated their satisfaction with childcare on a scale from “extremely unsatisfied” (rating of 0) to “extremely satisfied” (rating of 9). Figure II-7 considers parent satisfaction with their childcare from a number of perspectives, including types of childcare used by the household, ages of children in the household, respondent ethnicity and household income.

Overall, Estes Valley parents that use non-parent childcare for children age six or younger are relatively satisfied with the childcare provided to their children: 67 percent rated their satisfaction between seven and nine. However, 30 percent indicated they were unsatisfied with a rating of zero through four. The average satisfaction rating overall was a 6.8 (on a 9-scale).

Households whose care providers include childcare centers are least satisfied: 26 percent of these parents are unsatisfied and the average satisfaction rating among childcare center users was 5.9. Friend/family care users had the highest proportion of satisfied parents (84%) followed by licensed family home care users (78%).

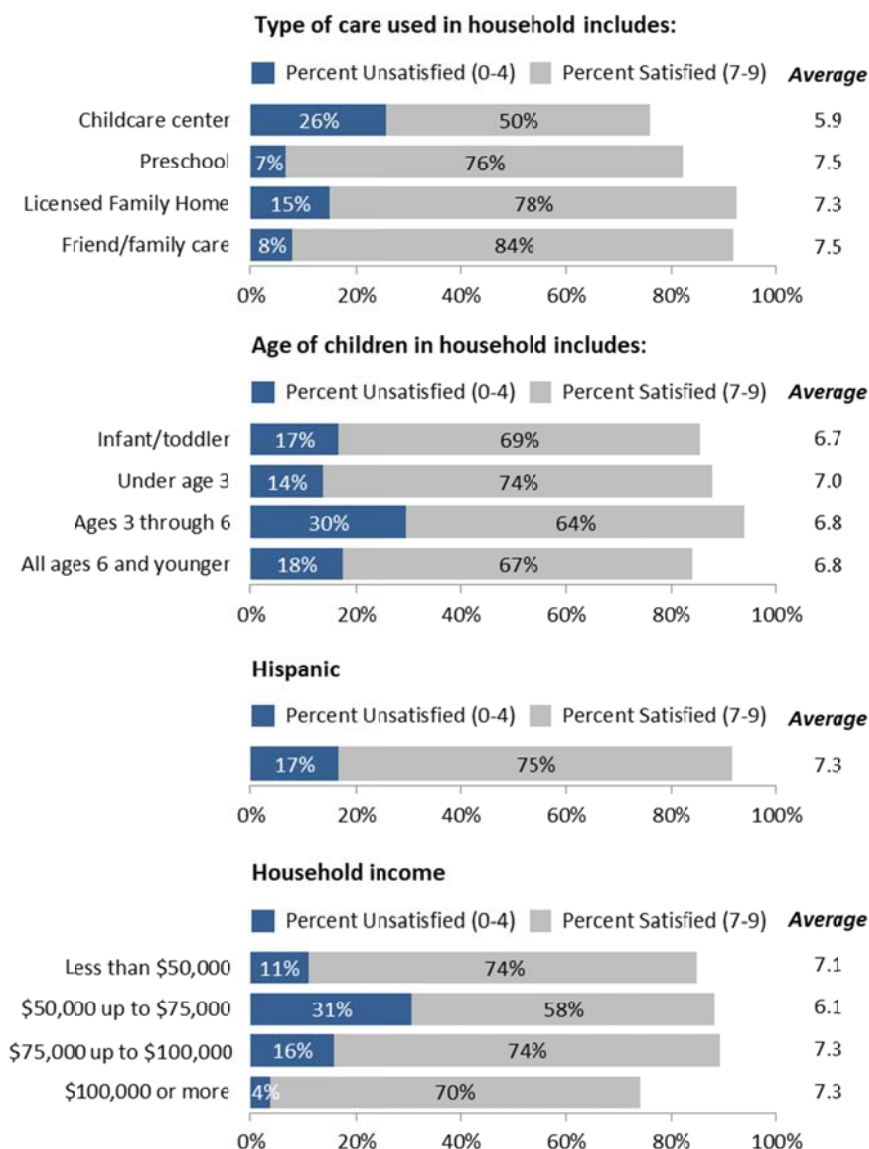
Average satisfaction ratings didn't differ substantially by age of child but it should be noted that a significantly higher proportion of households with children ages three through six were unsatisfied with care (satisfaction rating of zero through four) compared to households with children under age three: 30 percent compared to 14 percent, respectively.

Households with incomes ranging from \$50,000 up to \$75,000 are less satisfied with their non-parent childcare options than households with higher or lower incomes.

Figure II-7.
On a scale from 0 to 9, where 0 is "Extremely Unsatisfied" and 9 is "Extremely Satisfied," how satisfied are you with the childcare provided to your children?

Source:

BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.



Childcare Preferences & Needs

On average, Estes Valley parents of children age six or younger evaluated 2.3 childcare providers when choosing their current provider. Parents with infants/toddlers in the household are more likely than others to evaluate four or more providers (28%), compared to 18 percent of parents with children age six or younger.

Parents with a child in some type of non-parent childcare rated the importance of 17 factors in their decision to select a childcare provider. These factors range from trust and safety to child development opportunities. Preference factors are discussed below by age of child and by type of childcare provider being used.

Preferences by age of child in household. For childcare for children ages six and younger, the factors parents considered most important when choosing a provider do not vary substantively by age. On average, parents rate factors associated with trust, the provider's values aligning with their own and the provider's reputation as most important, followed by hours of operation, availability of care and cost.

Figure II-8.

Think about the factors you considered when you were evaluating different childcare providers for your child/children. Please rate the importance of each of the following factors on a scale from 0 to 9, where 0 means not important at all and 9 means very important.

	Households with Infants/Toddlers	Households with Children Under Age 3	Households with Children Ages 3 through 6	All Households with Children Age 6 and Younger
Wanted child cared for by someone I trust	9.0	8.9	8.7	8.7
Values/comfortable with this provider	8.4	8.4	8.1	8.2
Reputation/referrals	8.2	8.2	7.8	7.8
Hours of operation	7.9	7.7	7.0	7.2
Only type available/nothing else available	7.3	7.0	5.7	6.1
Affordability/Cost	7.2	7.5	7.1	7.2
Wanted an emphasis on child development/education	7.2	7.1	7.3	7.2
Location/convenience/close to home/ close to work	6.8	6.8	5.6	5.9
The learning activities offered/curriculum	6.7	6.8	7.0	6.8
Wanted a licensed provider	5.9	6.2	6.1	6.2
Wanted a family/home environment	5.1	5.6	5.0	5.3
Wanted supervision of providers/more than one adult with child	4.3	3.9	4.4	4.0
My other children are already with this provider/went to this provider	4.2	3.9	3.7	3.7
Wanted one-on-one care for the child	4.1	4.2	4.3	4.1
Wanted child to be cared for by a relative	2.6	2.4	2.4	2.4
They speak a language other than English	2.4	2.7	2.1	2.2
They were able to accommodate my child's special needs	1.8	2.1	2.5	2.4

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

Preferences by type of childcare provider. When considered by the type of childcare providers used, the factors parents consider most important are very similar to those when examined by ages of children in the household—trust, comfortable with the provider, reputation and hours of operation.

There are subtle differences. For example, the hours of operation of childcare centers were more important to parents using childcare centers than to parents with children in part-day preschool.

A family home environment is more important to households choosing licensed family care providers and friend/family care. While still very important, parents choosing licensed family home providers rate child development and learning activities slightly lower in importance than parents with children in childcare centers, preschool, and friend/family care.

Figure II-9.

Think about the factors you considered when you were evaluating different childcare providers for your child/children. Please rate the importance of each of the following factors on a scale from 0 to 9, where 0 means not important at all and 9 means very important.

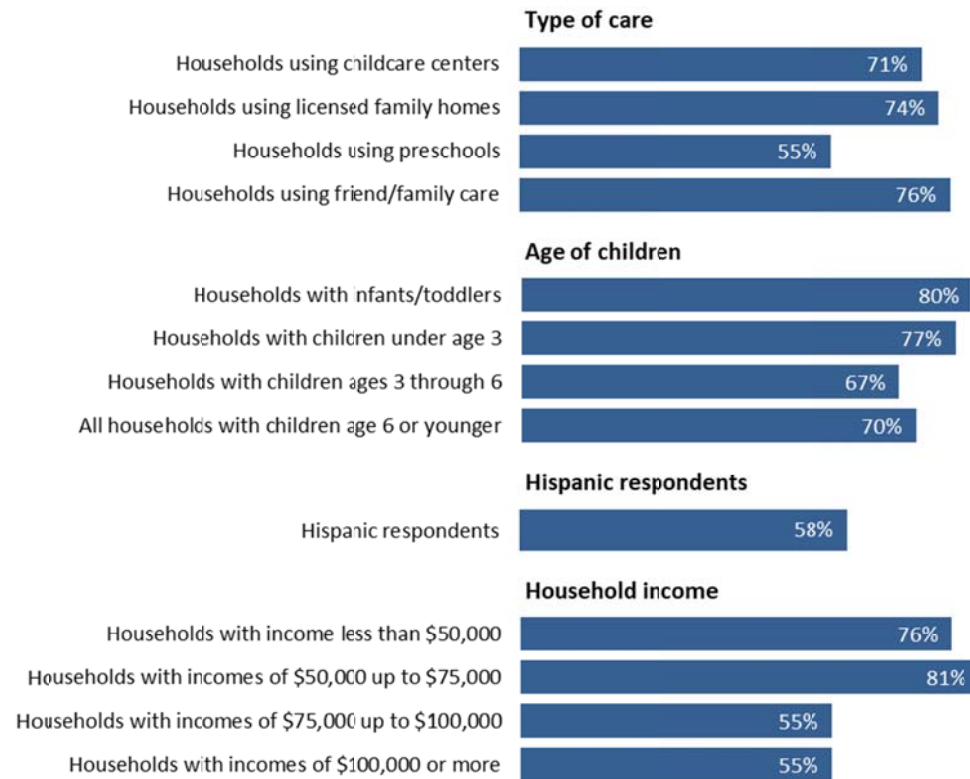
	Childcare Center	Licensed Family Home	Preschool	Friend/Family Care
Wanted child cared for by someone I trust	8.5	8.8	8.8	8.8
Values/comfortable with this provider	7.9	8.4	8.0	8.6
Hours of operation	7.7	7.6	6.0	7.3
Reputation/referrals	7.4	8.0	7.7	7.5
Wanted an emphasis on child development/education	7.3	6.7	7.3	7.3
The learning activities offered/curriculum	7.0	6.0	6.7	6.8
Affordability/Cost	6.4	6.7	6.6	7.0
Wanted a licensed provider	6.2	7.2	5.9	4.6
Only type available/nothing else available	5.8	6.1	4.7	7.1
Location/convenience/close to home/close to work	5.3	6.3	5.2	6.2
Wanted supervision of providers/more than one adult with child	5.0	3.3	4.2	3.0
Wanted a family/home environment	4.7	6.1	5.2	6.5
Wanted one-on-one care for the child	4.4	3.7	3.9	4.5
My other children are already with this provider/went to this provider	3.2	3.6	3.2	5.2
They were able to accommodate my child's special needs	3.0	2.6	2.4	2.1
Wanted child to be cared for by a relative	2.4	1.5	2.3	5.3
They speak a language other than English	2.4	2.4	1.5	2.5

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

Desire to change childcare arrangements. Overall, 70 percent of Estes Valley parents of children age six or younger would change something about their childcare/preschool arrangement if they could. Desire to change some aspect of their care arrangement varies by age of children in the household, type of care providers, and income (see Figure II-10).

- Households that include an infant are more likely to want to change something about their childcare arrangement (80%) than households with children ages three through six (67%).
- Compared to the average Estes Valley household using childcare, Hispanic respondents are much less likely to want to change something about their childcare arrangements (70% overall compared to 58% of Hispanic respondents).
- Households with incomes of \$75,000 or more are much less likely than lower income households to want to change some aspect of their childcare arrangements.

Figure II-10.
Percent of Households That Would Change Some Aspect of Their Childcare Arrangement



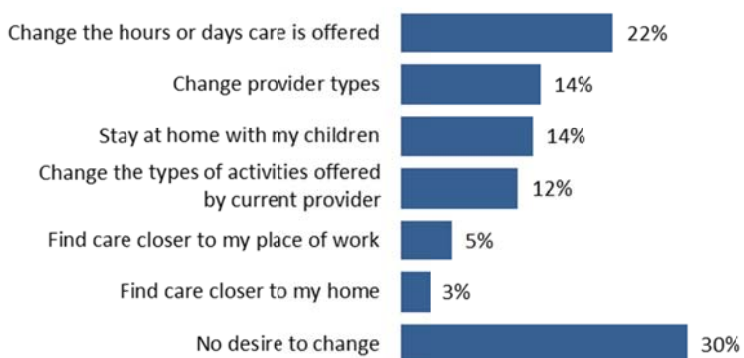
Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

What would parents change about their childcare arrangements? The changes respondents using non-parent care indicated they would like to make are shown in Figure II-11. The most common aspects respondents said they wanted to change were hours or days care is offered, provider type, and staying home with their children.

Figure II-11.
If you could change your childcare/preschool arrangements, would you...

Note:
n=132.

Source:
BBC Research & Consulting from the 2017
Estes Valley Childcare and Early
Childhood Education Survey.



The top reasons did not vary substantially by age of children in the household, household income, or type of childcare provider. However, households with infants/toddlers were more likely to express a desire to change provider types (21%) compared to households with children ages three through six (13%). This is likely related to the fact that infant care is very limited in the Valley and parents are less likely to be able to find the type of care they desire. As discussed

earlier in this report none of the childcare centers offer infant/toddler care and there is a long infant waitlist for licensed family care homes that offer infant care.

Respondents that indicated they wanted to change provider types did not provide detail on which types of care they would choose. However, the proportions wanting a change in type care for children age six or under were similar across users of different types of current full-day care (12% of those using family/friend care, 13% of those using childcare centers, and 18% of those using licensed family care).² As such, there does not appear to be a clearly identifiable trend in a specific type of care that is most commonly preferred.

Hours and days of week care is needed, but not provided. As discussed above, the top reason parents would change their childcare arrangement is to change the days or hours care is offered. Fewer than two in five households with children age six or younger have access to childcare during all of the hours and days of week needed. Figure II-12 presents the additional hours and days of week needed by the age of children in the household.

Regardless of the age of children in the home, 26 percent of parents need childcare earlier in the morning than currently offered. About 15 percent of parents expressed a need for hourly drop in care, weekend care and summer care. Just four percent of households require night shift or overnight childcare.

Figure II-12.

Are there hours and/or days that you need childcare for children six or under to accommodate household members' work schedule and it is not provided? Age of Children in the Household

	Households with Infants/Toddlers	Households with Children Under Age 3	Households with Children Ages 3 through 6	All Households with Children Ages 6 and Younger
No – the hours offered by my current provider adequately meet my needs	37%	34%	39%	38%
Yes – I need earlier morning hours (daycare/preschool opens too late)	24%	23%	25%	26%
Yes – I need evening hours	17%	21%	16%	20%
Yes – I need drop-in hourly care	15%	14%	16%	14%
Yes – I need summer care	15%	16%	15%	17%
Yes – I need weekend hours	13%	14%	16%	17%
Yes – I need night shift or overnight hours	4%	4%	2%	4%

Note: n=54 households with infants/toddlers, n=73 households with children under age 3, n=96 households with children ages 3 through 6, and n=132 households with children ages 6 or younger.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

Parents using childcare centers and friend/family care are least likely to have care providers with hours that adequately meet their current needs and half of those households with children in preschool have providers with hours that adequately meet their needs. Earlier morning hours are needed by 37 percent households with children in childcare centers and 34 percent of

² The slightly higher proportion of those using licensed family care wanting a change in type of care may be reflecting the higher proportion of infant/toddler households that want a change in type of care.

households using friend/family care. Fourteen percent of households that use friend/family childcare providers need night shift or overnight hours.

Figure II-13.

Are there hours and/or days that you need childcare for children six or under to accommodate household members' work schedule and it is not provided? Type of Childcare Provider Used

	Childcare Center	Licensed Family Home	Preschool	Friend/Family Care
No – the hours offered by my current provider adequately meet my needs	34%	43%	51%	38%
Yes – I need earlier morning hours (daycare/preschool opens too late)	37%	29%	19%	34%
Yes – I need evening hours	26%	26%	15%	28%
Yes – I need summer care	23%	19%	17%	17%
Yes – I need weekend hours	26%	17%	9%	24%
Yes – I need drop-in hourly care	23%	10%	13%	24%
Yes – I need night shift or overnight hours	6%	2%	2%	14%

Note: Data are sorted from largest to smallest proportion of need for households using licensed family home providers. n=35 households using childcare centers, 42 households using licensed family homes, 47 households using preschool, 29 households using friend/family and 101 households using parent-only care for childcare.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

Biggest challenges in finding and using childcare. In the past year, nearly all parents (89%) of children age six and younger experienced one or more challenges finding and using childcare in the Estes Valley. Figure II-14 displays the biggest challenges parents faced by age of children in the household.

Among households with infants/toddlers, finding care for an infant was a challenge for more than half (54%); one in three encountered long waitlists or lack of availability on needed days and one-third had difficulty finding someone they trust. Hours of operation, trust, finding care for an infant and cost are challenges experienced by one in four households with children ages three through six. Work seasonality, transportation and provider location were not a challenge for most parents.

About 11 percent of households with children age six or younger said they can't get approved for financial assistance such as CCAP. It should be noted that the Larimer County CCAP has a waitlist of 111 spots county-wide.

Figure II-14.

In the past 12 months, what were the biggest challenges, if any, you had in finding and using childcare/preschool for your children?

	Households with Infants/Toddlers	Households with Children Under Age 3	Households with Children Ages 3 through 6	All Households with Children Ages 6 and Younger
Cost too much/cannot afford it	20%	25%	23%	26%
Can't get approved for financial assistance (CCAP or other)	7%	8%	11%	11%
Finding care for an infant	54%	47%	26%	32%
Finding someone I trust	33%	37%	26%	30%
Gaining knowledge of what's available/needing information	19%	16%	10%	14%
Hours of care/hours of operation	22%	26%	26%	29%
Seasonality of my job—I only need childcare in the summer or winter	4%	4%	5%	5%
Location of provider was too far away	2%	1%	3%	2%
None/I have had no problems	4%	5%	14%	11%
Reliability of provider	19%	16%	9%	11%
Transportation	0%	1%	6%	5%
Waiting list too long or days I needed not available	35%	30%	17%	21%

Note: n=54 households with infants/toddlers, n=73 households with children under age 3, n=96 households with children ages 3 through 6, and n=132 households with children ages 6 or younger.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

Parent-only care. As discussed in the beginning of this section, 43 percent of Estes Valley parents with children ages six or younger do not regularly use non-parent childcare providers. The primary reason why these households do not have someone else regularly watch their children varied. The top three greatest proportions of parents choose parent-only care because:

- I can't afford it (29%);
- I can't find/get into quality care (20%); and
- It's important to me that I or my partner care for our children (12%).

These factors did not vary by the age of children in the household; cost was the primary factor to a greater proportion of Hispanic respondents (43%) and more than half (58%) of households with incomes of less than \$25,000.

Sixty-eight percent of households not currently using non-parent childcare plan to do so in the future. For children ages three through six, public preschools or ECE programs would be the preferred arrangement for 29 percent and a childcare center would be best for 27 percent. For children under age three, childcare centers (30%), a parent or guardian at home (19%), or a licensed family home provider (18%) is the preferred arrangement.

Friend/family care. Overall, 22 percent of households using some type of non-parent childcare use friend/family care. Grandmothers (44%), grandfathers (23%), and friends/neighbors (18%) comprise the majority of friend/family childcare providers used by

Estes Valley households. Most of these providers (77%) are between the ages of 54 and 74. For slightly more than half (52%) of parents using friend/family care, having a friend or relative care for their child was *not* their first choice. Overall, the primary reason the greatest proportion of households with kids ages six and younger use friend/family care is trust (48%), followed by “only option” (38%), and “most affordable option/only type of care I can afford” (28%). For 43 percent of households with infants/toddlers, friend/family care is their “only option” for childcare; 29 percent are on the waitlist for another provider.

When asked what types of training or child development education, if any, they wished their friend/family provider had, the greatest proportion of households identified CPR/first aid (31%), followed by child development (28%), and health and safety training (24%).

Cost of Childcare

Parents responding to the survey shared the monthly amount they spend per child on childcare services. Figure II-15 presents the average weekly cost per child of childcare services by the type of provider used by the household.³ On average, parents spend the most per week on part-time or full-time care if a childcare center is one of the household’s childcare providers (part- or full-time at a childcare center). Households whose providers include friend/family care four to five days per week spend the least on full-time care (\$92/week per child).

Figure II-15.
Average Weekly Per-Child Cost of Childcare by Type of Childcare Used by Household

Provider Type	Part Time at Provider Type (1-3 Days/Week)	Full Time at Provider Type (4-5 Days/Week)	Percent Part Time (1-3 days/ week) with Provider Type
Childcare Center	\$112	\$169	33%
Licensed Family Home	\$97	\$140	58%
Part-day Preschool	\$65	\$105	52%
Friend/Family Care	\$96	\$92	73%

Note: n=34 households using childcare centers, 44 households using licensed family homes, 43 households using preschool, and 26 households using friend/family.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

Figure II-16 presents the average weekly cost of childcare per child by types of childcare providers used by households children ages three and younger, and households with children ages three through six. Note that the cost data are total household spending per child, regardless of the number of providers used in the course of a week.

³ Note that the weekly spending shown in the figure is spending on all childcare providers per week for one child.

Figure II-16.
Average Weekly Per-Child Cost of Childcare by Age of Child

	Part Time at Provider Type (1-3 Days/Week)		Full Time at Provider Type (4-5 Days/Week)		Percent Part Time (1-2 days/week) with Provider Type
	Cost	n=	Cost	n=	
Households with Children Under Age 3					
Licensed Family Home	\$90	19	\$127	13	59%
Nanny	-	3	\$143	9	25%
Households with Children Ages 3 through 6					
Childcare Center	\$99	9	\$154	20	31%
Licensed Family Home	\$98	16	\$149	9	64%
Nanny	-	2	\$145	8	80%
Preschool	\$61	23	\$105	21	52%

Note: - too few households using care type to assess cost data.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

As shown in Figure II-17, 60 percent of households are able to cover the cost of childcare without too much difficulty (“it is not difficult at all” or “we are able to cover the cost of care without too much difficulty”). Thirty-one percent said covering the cost of care is “difficult” or a “major challenge” and another 9 percent said they are only able to cover childcare costs because of assistance received. Results do not vary substantially by the ages of children in the home.

Figure II-17.
How would you characterize the amount you pay for childcare/preschool per month?

	Households with Infants/ Toddlers	Households with Children Under Age 3	Households with Children Ages 3 through 6	All Households with Children Ages 6 and Younger
It is not difficult at all for us to make the payments	10%	14%	14%	15%
We are able to cover the cost of care without too much difficulty	57%	49%	49%	45%
The cost of care is difficult for us to cover, but we are able to get by through cutting back in other areas	14%	14%	15%	16%
Covering the cost of care is a major challenge for our household	19%	18%	14%	15%
We are able to afford care because of assistance that we receive	0%	5%	9%	9%
<i>n=</i>	42	57	80	110

Note: n=42 households with infants/toddlers, n=57 households with children under age 3, n=80 households with children ages 3 through 6, and n=110 households with children ages 6 or younger.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

If they couldn’t afford the cost of care, parents would adopt a variety of strategies to manage:

- More than one-third (36%) of households with infants/toddlers would “leave the Estes Valley” if they couldn’t afford childcare; one in four would find “alternative care” such as

home care or bringing in grandparents to watch their children. About 15 percent would resign from their job and 5 percent would seek a different job.

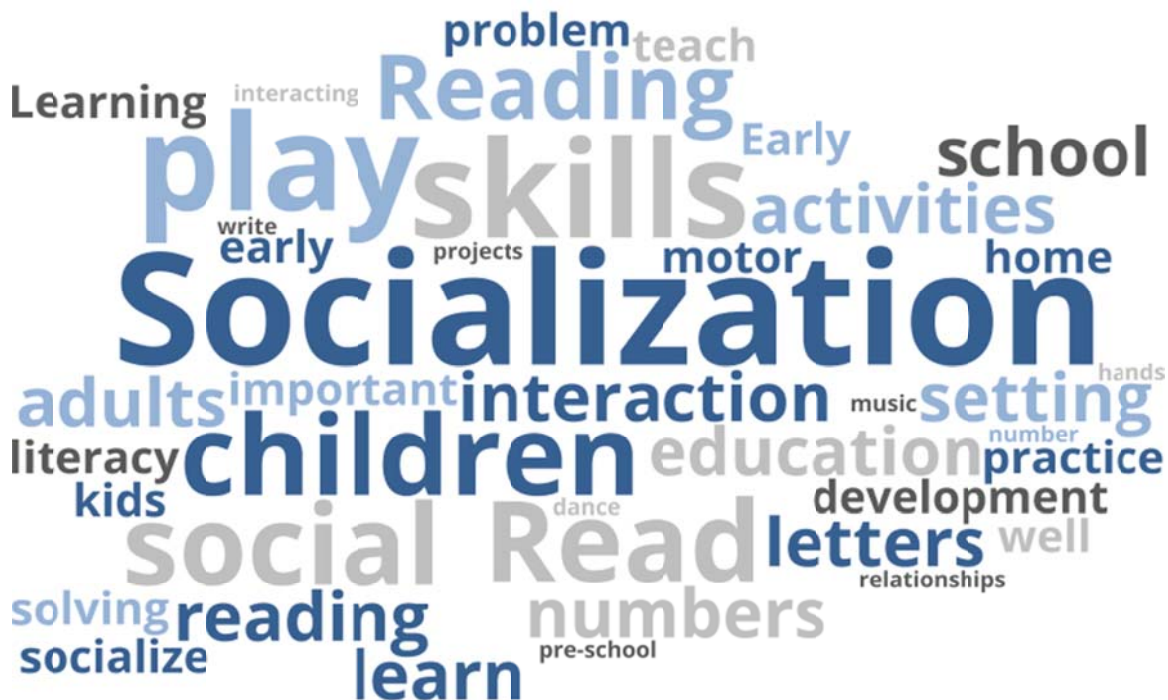
- Among households with children ages three to six, 30 percent would seek alternative care if they could not afford childcare; nearly one in five (18%) would leave the Estes Valley. One in 10 would seek another job and 14 percent would resign from their job. About 14 percent would seek financial assistance from either the state or EVICS.

School Readiness

Parents described what they consider to be the most important things to do for or with their child in order to prepare the child for kindergarten. Overall, reading, play and socialization were the top things parents think are needed to prepare their child for kindergarten. The types of words parents used to describe these necessary skills did not vary substantially by the age of children in the household or the types of childcare providers the household uses. The following figures visually depict the 50 most common words different types of parents used to describe what is needed to prepare a child for kindergarten. The larger the word, the more frequently parents used it.

Figure II-18.

What do you think are the most important things to do for/with your child in order to prepare him or her for kindergarten? Parents with an Infant in the Household



Note: n=32 parents of an infant.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

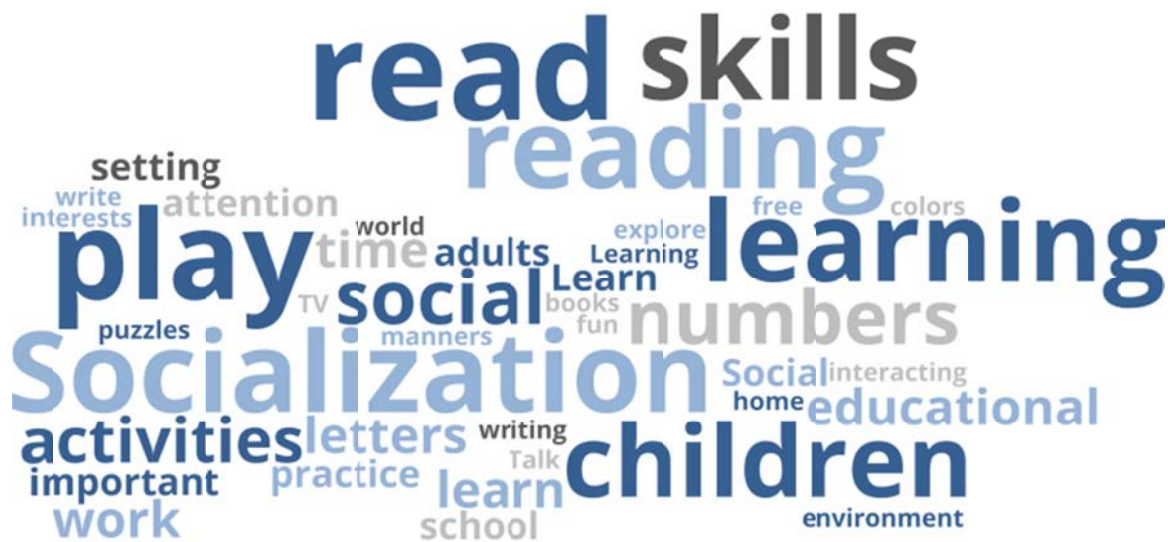
Comments about school readiness from parents of infants/toddlers include:

- *“Learn skills to socialize. Basic letters, numbers, write his name, colors, days of the week.”*

- *“Ayudarlo a que se relacione con otros niños y aprender ingles.”* [Help him relate to other children and learn English.]
- *“Read to her; let her explore new things; have her socialize with other kids her age.”*
- *“Lots of play to learn social skills and self-regulation. Play that encourages gross and fine motor skills, particularly art, music, and dance. Early literacy and language development through storytelling and play.”*

Figure II-19.

What do you think are the most important things to do for/with your child in order to prepare him or her for kindergarten? Parents Children Ages Three through Six



Note: n=51 parents with children ages three through six.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

Comments about school readiness from parents of children ages three through six include:

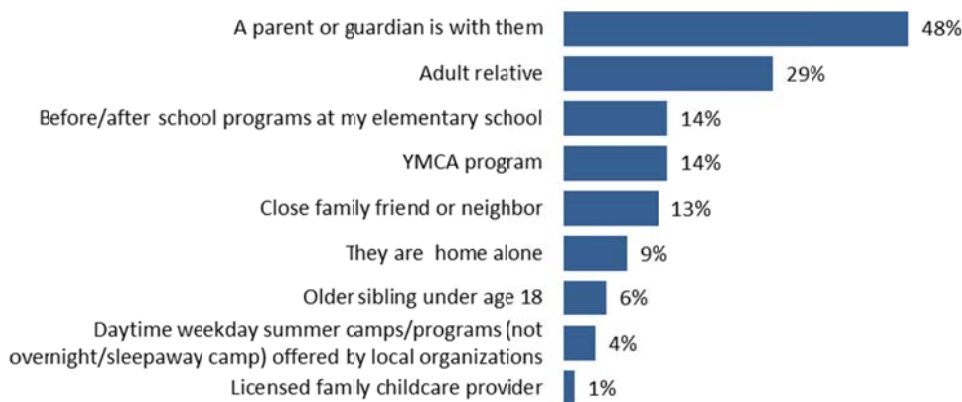
- *“Playing outside, developing fine motor skills, learning sounds, colors, numbers, shapes, etc., sensory activities, learning by playing.”*
- *“Socialization and interaction with other children is very important to me. Lessons I cannot teach or enrich at home are those that she gets from school- how to share, how to communicate, how to listen to other adults, etc. I am able to read and count at home with her, which is very important as well.”*
- *“Ayudarlos con el aprendizaje desde [su] pequeña edad.”* [Help with learning from a young age.]
- *“Reading, engage with them, pay attention to their interests and build educational pieces into those interests. Reduce TV time and focus on healthy eating habits.”*

Childcare for School-Age Children

Parents with children ages seven through 12 employ different types of care for these older children outside of normal school hours. Nearly half (48%) have a parent or guardian watching these children, followed by adult relatives (29%). Figure 11-20 presents the other types of care used, including before and after school programs (14%), a YMCA program (14%) or care provided by a friend or neighbor (13%). Few stay home alone (9%) or in the care of a sibling younger than 18 (6%).

Figure II-20.

What type of care do you typically use for your seven to 12 year old(s) outside normal school hours?



Note: n=69 parents with children ages seven through 12.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Survey.

Most parents (76%) are very satisfied with the childcare provided to their seven to 12 year old. Those parents who were not satisfied point to a lack of choice or options for out-of-school time care and activities, cost and limited hours of care in the Estes Valley.

- *"I believe with as many children as are currently living year-round in the Estes Valley, kids shouldn't be scrounging for after school & SUMMER activities in such a wealthy & privileged community. Same frustrations with lack of options as for our toddler currently."*
- *"Porque no me quedo tranquilo que se queden solos."* [Because I am not comfortable that they are left alone.]
- *"Program cost for after school care and short hours."*

About two-thirds of parents with school-age children need out-of-school-time childcare during hours or days of week when their current arrangement is not available. One in five of these parents need summer care and 16 percent need after school hours. Figure II-21 presents the hours and times of year when out-of-school-time childcare is needed.

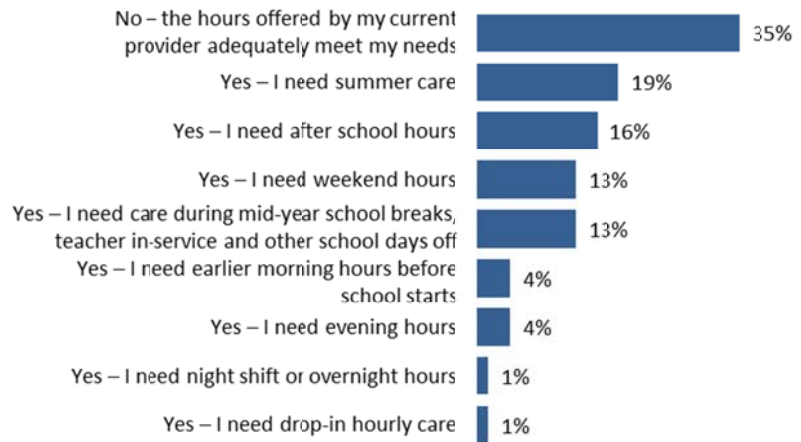
Figure II-21.
Are there hours and/or days
that you need childcare for
your children aged seven to
12 to accommodate
household members' work
schedule and childcare is
not available?

Note:

n=69 parents with children ages seven through 12.

Source:

BBC Research & Consulting from the 2017
 Estes Valley Childcare and Early Childhood
 Education Survey.



SECTION III.

Benefits and Barriers of Childcare: Employer and Provider Survey



SECTION III.

Benefits and Barriers of Childcare: Employer and Provider Survey

This section discusses the benefits and barriers of childcare in the Estes Valley. It begins with a brief discussion of the social/economic benefits of childcare based on prevailing academic research then reports the results of an employer survey on the impacts of childcare to businesses in the Valley. The section concludes by discussing barriers to *providing* childcare services in the Estes Valley and the barriers to *accessing* childcare from the perspective of Estes Valley providers and parents.

Benefits of Childcare

The positive impacts of early childhood education/childcare are well-documented in prevailing academic research. These impacts include individual benefits for the child and family as well as economic and social benefits realized by the broader community.

Academic studies highlight the need for early intervention to support identified benefits based on the pace of brain development from birth through age six and the early development of noncognitive skills such as motivation, self-control and time preference.¹ The research is clear that the types of early experiences that help children thrive include “stable and nurturing relationships with caregivers, language-rich environments, and encouragement to explore through movement and senses;” while the types of experiences that negatively impact development include “poverty; exposure to violence, abuse or neglect; and an incarcerated or mentally ill parent.”² Toxic stress, caused by these adverse experiences, has an immediate impact on children’s ability to learn and self-regulate but also has long-term mental and physical health impacts.³

In response to psychological, behavioral, and economic research on this issue, early childhood development programs are designed to create supportive environments and help foster healthy development from the earliest years. According to research from the Minneapolis Federal Reserve, “programs that offer enriched experiences for children and involve parents and other

¹ Douglas Clement, “Interview with James Heckman” The Region, Federal Reserve Bank of Minneapolis, 2005. Available online at www.minneapolisfed.org/publications/the-region/interview-with-james-heckman

² Rob Grunewald, “Investments in Young Children Yield High Public Returns,” Federal Reserve Bank of Minneapolis, 2016. Available at www.philadelphiafed.org/community-development/publications/cascade/93/04_investments-in-young-children

³ Maxia Dong, Wayne H. Giles, Vincent J. Felitti, et al. “Insights into Causal Pathways for Ischemic Heart Disease: Adverse Childhood Experiences Study,” *Circulation*, 2004, 110(13). Available at <http://circ.ahajournals.org/content/110/13/1761.full>.

caregivers provide benefits for all children but have the strongest impact on children from disadvantaged environments.”⁴

The most prominent studies of early childhood education impacts are based on the Perry Preschool Project in Michigan (ages 3–4 years), the Chicago Child–Parent Centers program (ages 3–4 years), the Carolina Abecedarian Project in North Carolina (ages 3 months through 4 years), and the Prenatal/Early Infancy Project in Elmira, NY (prenatal to age 2 years). These studies document the individual gains (both immediate and persistent) and the community benefits resulting from the provision of high-quality early learning programs—particularly those targeted to children from disadvantaged environments.⁵

- Individual benefits found in these studies include higher school achievement, educational attainment and earnings along with health improvements such as reductions in smoking rates, heart disease and diabetes.⁶
- Social and economic benefits documented in these studies include reduced societal costs (e.g., reduced incarceration rates and reduced need for special education resources), increased tax revenue, increased labor force productivity, and higher labor force engagement among parents.⁷
- Benefit–cost ratios from the projects analyzed range from \$4 to \$16 returned for every dollar invested—and the public benefits measured were higher than the private benefits. A study of labor force impacts shows that parent absenteeism and productivity reductions due to child-care breakdowns cost U.S. businesses more than \$3 billion annually.⁸

A report on the Economic Impact of Child Care in Colorado confirms similar findings locally and classifies the economic impacts in Colorado as follows:

- The *immediate* economic effect in which spending on childcare services contributes to state/local employment and economic output (\$2 billion in sales/services and earnings in Colorado in 2012);
- The *enabling* economic effect, in which the provision of childcare allows parents to participate in the workforce (\$4.4 billion in Colorado in 2015); and

⁴ Rob Grunewald, “Investments in Young Children Yield High Public Returns,” Federal Reserve Bank of Minneapolis, 2016. Available at www.philadelphiafed.org/community-development/publications/cascade/93/04_investments-in-young-children

⁵ Ibid. and James J. Heckman, Rob Grunewald, and Arthur J. Reynolds, “The Dollars and Cents of Investing Early: Cost–Benefit Analysis in Early Care and Education,” *Zero to Three*, July 2006, 26(6).

⁶ Karen Shellenback, “Child Care and Parent Productivity: Making the Business Case,” Linking Economic Development & Child Care Research Project, Cornell University, 2004.

⁷ Rob Grunewald, “Investments in Young Children Yield High Public Returns,” Federal Reserve Bank of Minneapolis, 2016. Available at www.philadelphiafed.org/community-development/publications/cascade/93/04_investments-in-young-children

⁸ Ibid

- The *investment* effect, in which childcare spending generates individual and community returns derived from higher lifetime incomes, lower incarceration rates, lower welfare expenditures, and improved worker productivity (\$832 million annually in Colorado).⁹

While these data are not available at the local level, it is certain that the Estes Valley experiences the same types of benefits on a proportional scale. A qualitative discussion of employer impacts in the Estes Valley follows, based on results from the employer survey conducted for this report.

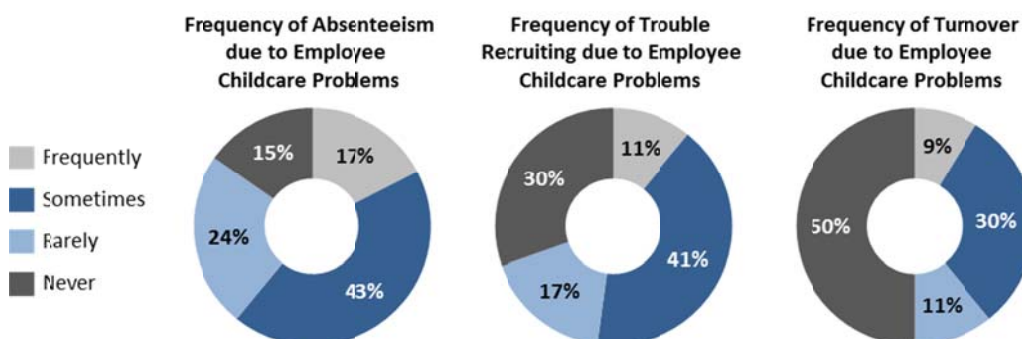
Employer Impacts

This section presents results from the Estes Valley Childcare and Early Childhood Education Survey of employers (Employer Survey) and examines the impact of employees' childcare problems on local business operations. A total of 56 Estes Valley businesses participated in the Employer Survey.

Absenteeism, trouble recruiting and turnover. Absenteeism due to employee childcare problems is a frequent occurrence for one in five Estes Valley employers participating in the survey, and has some impact on 85 percent of employers. Childcare problems frequently impact employee recruiting for one in 10 employers, although this is rarely or never an issue for 47 percent of employers. Childcare problems leading to employee turnover is rarely or never a problem for most employers surveyed (61%). Figure III-1 presents the frequency with which employee childcare problems lead to absenteeism, trouble recruiting or turnover.

Figure III-1.

Does your business experience absenteeism, trouble recruiting, or turnover because of employee childcare problems (unavailable care, unreliable care, no care available for sick children, etc.)?



Note: n=46 employers.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Employer Survey.

In 2017, 23 percent of participating employers lost between one and four employees due to childcare problems. These employers estimated the total cost to hire replacement employees at

⁹ Butler Institute for Families and Brodsky Research and Consulting. "Bearing the Cost of Early Care and Education in Colorado: An Economic Analysis," Prepared for Early Milestones Colorado, 2017. Available online at http://earlymilestones.org/wp-content/uploads/2017/08/full_report_bearing_the_cost_2017.pdf

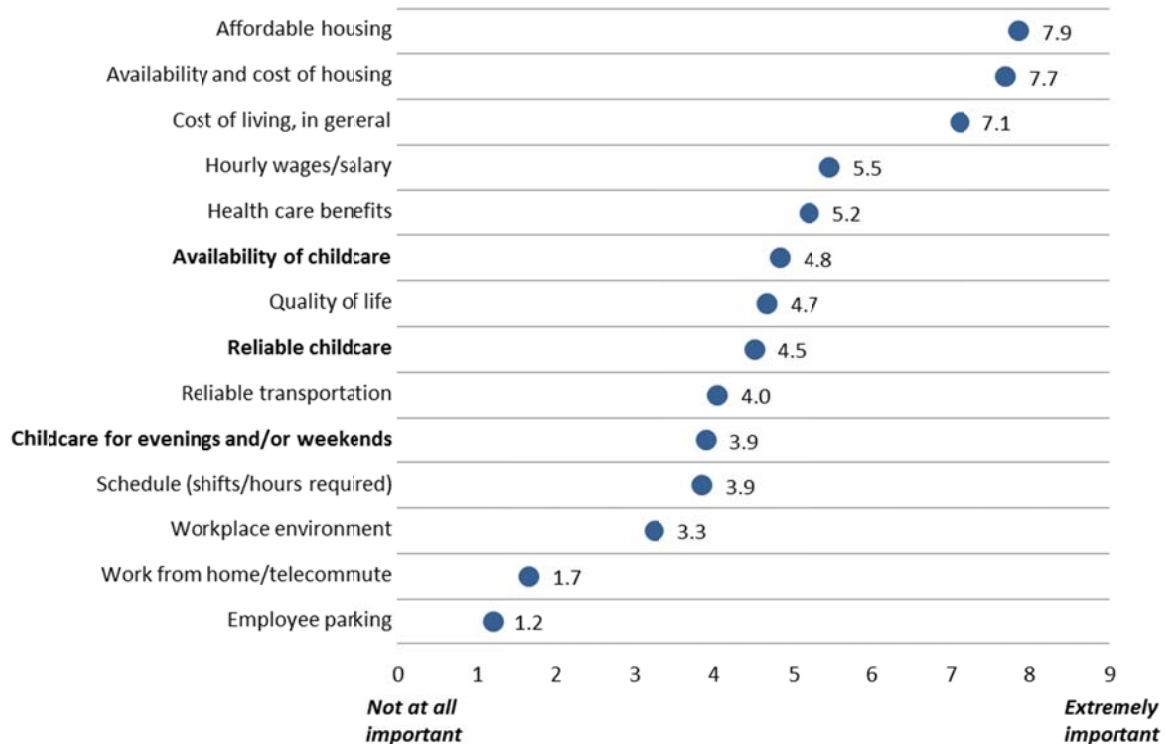
more than \$23,000 and the cost to retrain at nearly \$10,000. Employer comments about the impact of childcare availability on their business include:

- *“Job offers I give are most often accepted by those with no children. Anyone with children tends to struggle to find care and usually turns the job down.”*
- *“No direct defined impact presently, but probable. Indirectly, childcare availability affects every business in the Valley.”*
- *“We can't hire young families because they don't have care. We get screwed if people can't come in for their shift & the workplace is not suitable for a child to be present due to the nature of the business.”*

Issues impacting the ability of Estes Valley employers to recruit and retain employees. Housing affordability and availability and the cost of living are the most important factors impacting local businesses’ ability to recruit and retain employees. Considerations specific to childcare (e.g., reliability, availability) fall into the range of being somewhat important factors, neither among the most important nor the least. Of the 14 factors rated, employee parking and the ability to work from home are the least important considerations, on average.

Figure III-2.

How important are the following issues to your business’s ability to attract and retain employees? (Rate on scale from 0 to 9, where 0=Not at All Important, 9=Extremely Important Factor)



Note: n=46 employers.

Source: BBC Research & Consulting from the 2017 Estes Valley Childcare and Early Childhood Education Employer Survey.

Employer comments about the issues impacting their ability to recruit and retain employees include:

- *“Affordable housing is more important for employers of Estes.”*
- *“Housing is the #1 problem. We are losing (or are unable to attract) families due to housing cost/availability. If we don't solve the housing problem, there will be no need for childcare at all.”*
- *“We currently only have two employees with children under the age of 13. One stated that finding care for a child under the age of two is nearly impossible. We have a young crew and anticipate that in a few years, as they start families, child care needs could increasingly become an issue for four more members of team.”*
- *“The need is great especially from ages 0-2.”*
- *“My staff have had difficulties finding infant care and sometimes have to bring young children to work. They also have trouble finding higher quality care that they would prefer, causing worry and distraction at work.”*

Most employers (60%) state that their future hiring plans are impacted by the availability and affordability of childcare for their workers. To further explore employer perspectives on childcare as an issue in the Estes Valley, employers were asked to indicate which of four statements about childcare best captured their opinion. As shown in Figure III-3, the majority of employers (56%) felt the statement, “Reliable and affordable childcare is one of the more serious problems in the Estes Valley” best represented their opinion.

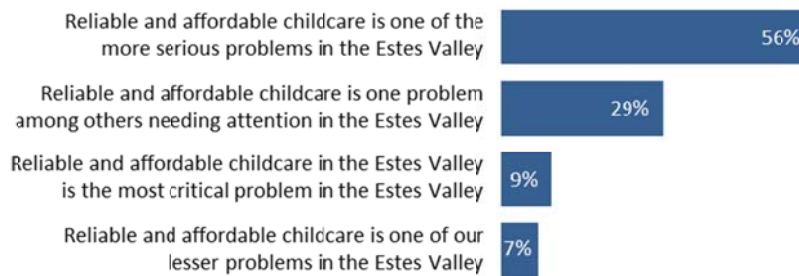
Figure III-3.
Which of the following
statements best
represents your opinion?

Note:

n=46 employers.

Source:

BBC Research & Consulting from the
2017 Estes Valley Childcare and Early
Childhood Education Employer Survey.



Additional comments from employers regarding childcare in the Estes Valley include:

- *“The need is great especially from ages 0-2.”*
- *“The increasingly astronomical cost of living, and the cost of childcare, are such important factors. I feel like my survey doesn't fully reflect that. My CURRENT workforce at my humble shop, well they don't have kids. That could change any time. I know childcare access and childcare costs are very important to my wife and I. In addition, I've had many friends move away from Estes because the cost of living / housing got too excessive.”*

- *“Our community is diversifying, and more immigrant workers are here filling hospitality jobs. They are low wage workers and are in special need of childcare/affordable housing attention. Next, our large cohort of Boomers are retiring from the middle-class jobs we offer. Now the Millennial generation is ready to fill the ranks, but we need a place for them to live and to care for their young children when both parents are working. The economic position of Northern Colorado has shifted, and if we hope to keep our community a 'community', we need to find funding for this critical service.”*
- *“Limited (or absurdly long) school bus routes contribute to the problem, because for school age kids, there are some after school options that we would use more if the school bus went there (i.e., no bus to the Mountain Shop, which has both dance classes and climbing classes for kids after school).”*

Barriers to Providing Childcare

As part of the study, BBC conducted interviews with various Estes Valley Childcare providers including each of the primary facility-based childcare providers (Mountain Top, YMCA, Park Place, and Life Long Learning) and EVICS. Discussions were focused on current service provision and barriers providers face in providing childcare services. Top themes shared by childcare providers and EVICS are discussed below.

Financial solvency. One of the biggest challenges in providing care in the Estes Valley is bridging the gap between operational costs and the revenue received from tuition. Many families that need care have relatively low incomes—driven by the tourism economy in the Valley—and are not able to pay higher rates for childcare. However, the tuition rates are not sufficient to recover the full cost of providing care. This is particularly true for facility-based childcare/preschool, some of which must supplement revenue with fundraising efforts, subsidize their childcare/preschool through other programs (e.g., YMCA summer camp revenue helps offset operational losses for year-round childcare), or rely on free/discounted building space. The cost vs revenue balance is also a challenge for existing licensed family providers and poses additional challenge for recruiting new family providers who perceive the industry to have relatively low pay for the work required.

The cost differential exacerbates the inadequate provision of infant and toddler care. Infant care is more costly to provide from an operational standpoint (higher staff ratios and costs) and the costs of modifying/expanding facilities to accommodate infant care would be a high cost endeavor especially considering the high land and construction labor costs in mountain communities. Typically, childcare centers that include infant care are cross-subsidizing the costs of providing infant care with revenue from preschool care but in a situation where preschool care is a financial challenge, adding an infant care option is essentially cost-prohibitive.

EVICS and the State of Colorado do offer tuition assistance for qualifying families and some preschools have their own scholarship programs or discounts for qualifying families. Some providers are also able to subsidize costs with grant money and fundraising. Even so, providers all discussed the tension between managing their operations and keeping costs down for families. For all providers, the highest operational cost is staff salaries.

Operations and staffing. In addition to financial challenges, providers also identified staffing concerns, administrative requirements, and program management as barriers to providing childcare in the Estes Valley.

- Staffing was identified as a key challenge among most—though not all—providers. Recruitment and retention are particularly challenging in a small, high cost community like Estes Park. The pool of qualified staff is relatively low due to the size of the community and high housing costs make it difficult to keep good employees in the community with wages typical of the childcare industry.
- Administrative requirements were a barrier for some facility-based and home care providers alike. For facility-based childcare/preschool, the administrative burdens were primarily related to program management and the tension between fulfilling dual roles of director and teacher. For family home care providers the administrative challenges were primarily related to increasing paperwork and repetitive training requirements. Providers expressed a desire to be able to test out of certain training/paperwork requirements based on experience or track record.
- Family home care providers also face unique challenges related to scheduling and operations. Licensed family providers are more likely than childcare centers to offer flexibility for families' schedules since their operations are not tied to facility hours. However, as sole providers, they face challenges in managing their own sick time, vacation schedules, and training requirements during which they are not able to provide care.

Unmet needs. The most common unmet need, according to current providers, is infant/toddler care. In addition, providers identified a need for more bilingual childcare, high quality full-day preschool, and additional licensed family home providers.

- All providers interviewed—even those not currently providing infant care—highlighted the need for infant/toddler care as one of the top childcare concerns in the Estes Valley. Infant demand is more challenging to accommodate as teacher-to-child ratios are higher for infant care. Most providers had capacity to accept more preschool-aged children, at least some days per week. Higher demand for younger age groups with an associated low demand for preschoolers poses a unique operational and financial challenge for providers due to higher costs of providing care for younger children relative to preschoolers.
- None of the existing providers interviewed believe there is a current need for another traditional childcare center or preschool serving children aged two and a half or older. Providers generally felt they would be able to absorb a marginal increase in demand at that age level while maintaining current standards of care. However, some providers felt that extending part-day preschool programs to full-day is a need in the community and would provide another high-quality educational option for full-day care.
- Providers also identified a need for more bilingual and English as a Second Language (ESL) options to accommodate the growing Hispanic population. At the elementary level, there is a stark achievement gap between native English and Spanish speakers. Providers feel that

providing more language rich environments for preschool-age ESL students would help close that gap.

- Some providers—including some facility-based providers—noted a particular need for additional licensed family homes and additional supports/resources for other non-licensed care options that offer care in a home-setting (nannies, friend/family care, etc.). Providers felt that this scale and type of care was conducive to meeting the needs of the community and maintaining a healthy diversity of care types in the Valley. Existing family providers desired to encourage others to enter the industry and increase interest in starting licensed family care businesses.
- Childcare for children with special needs was also identified as a need in the Estes Valley. Park Place Preschool (the preschool affiliated with the local public elementary school) currently dedicates six childcare spots for those needing special education but most providers do not have programming tailored to meet this need.

Suggested solutions. As part of the provider interviews, BBC also asked providers what they felt the Town, the Childcare Committee and/or EVICS could do to help address the childcare needs in the community. A summary of suggested solutions and provider comments are below:

- Most providers identified housing costs and cost of living as a local issue that exacerbates the challenges of providing and accessing childcare. Relatively low wages combined with high housing costs make it very difficult for families to pay for childcare and the high cost of living also makes it difficult to recruit/retain childcare workers. Providers suggested the Town address housing needs as a related issue to childcare.
- Some providers suggested the Town, the Estes Park EDC Childcare Committee, and/or EVICS help fund infant/toddler care in the Valley. Advocates of this solution noted that other amenities such as libraries, schools, etc. are publicly funded and suggested that childcare should be considered a similar type of public service.
- Some providers expressed concern that the Estes Park EDC Childcare Committee seems to be focused primarily on facility-based solutions to childcare needs. Their desire was to ensure there are a diversity of options in the Valley—including support for friend/family care, nannies, and other alternative options. Providers expressed a desire to accommodate different parent preferences for childcare types throughout the valley, regardless of race, ethnicity, income, family composition, and employment status.
- Some providers suggested the Town and/or the Estes Park EDC allocate economic development resources to recruiting additional family home care providers. There is a perception that this type of business is not profitable but it can be a great option for many existing residents—particularly if they desire to work from home or earn an income while caring for their own young children. EVICS has resources to help potential providers initiate a family home care business but current provider perception was that more marketing might help attract more providers.

- Additional financial support for childcare in the valley was also a proposed solution. This was suggested in several different forms including additional scholarship, tuition support, and grant funding.

Barriers to Accessing Childcare

Section II, which describes responses to the Parent survey, includes a detailed analysis of parent preferences and challenges related to childcare. The most common barriers to accessing childcare, as expressed by parents responding to the survey, are summarized below.

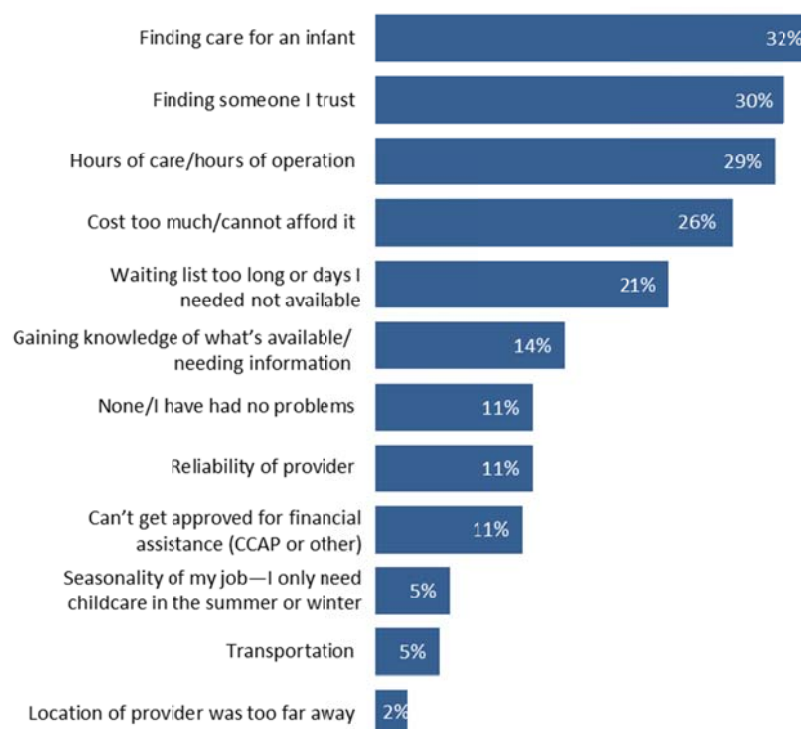
In the past year, nearly all parents (89%) of children age six and younger experienced one or more challenges finding and using childcare in the Estes Valley. Figure III-4 displays the top challenges faced by all households with children six or younger.

Figure III-4.
In the past 12 months, what were the biggest challenges, if any, you had in finding and using childcare/ preschool for your children?

Note:
n=132.

Source:

BBC Research & Consulting from
the 2017 Estes Valley Childcare and
Early Childhood Education Survey.



Finding infant care was the most common challenge—experienced by one-third of all households and over half of households that include an infant/toddler. Trust, hours of operation, and cost were challenges experienced by more than 25 percent of Estes Valley households with children aged six or younger that responded to the survey. These challenges were also expressed in response to other questions throughout the survey:

- Nearly two-thirds of households with an infant/toddler have been (or are currently) on a waitlist. Most spent six months to a year or more on a waitlist; several commented that they signed up for waitlists during their pregnancy.
- Fewer than two in five households with children age six or younger have access to childcare during all of the hours and days of week needed. Regardless of the age of children in the

home, about one in four parents needs childcare earlier in the morning than currently offered. About 15 percent of parents expressed a need for hourly drop in care, weekend care and summer care.

- Thirty-one percent of households with children under age six said covering the cost of childcare is a “major challenge” or is “difficult but we are able to get by through cutting back in other areas.” Another 9 percent said “we are able afford care because of assistance that we receive.” When asked what they would do if they couldn’t afford the cost of childcare, around one in five would leave the Estes Valley and about 15 percent would resign from their job.
- For the 43 percent of Estes Valley parents with children ages six or younger who do not regularly use non-parent childcare providers, the biggest barriers to accessing childcare were cost (29%) and finding/getting into quality care (20%). These factors did not vary by the age of children in the household.

BBC also asked current childcare providers about their perception of the barrier parents face accessing childcare in the Estes Valley. Their responses were similar to the parent perspectives described above with an emphasis on the cost of childcare relative to average earnings and the lack of infant/toddler care.

SECTION IV.

Demand Analysis and Recommendations



SECTION IV.

Demand Analysis and Recommendations

This section contains the results of an analysis of current and future demand for licensed full-day childcare in the Estes Valley. It begins with a discussion of current usage and then projects demand for childcare through 2027. The section concludes with a summary of key issues (based on all previous report sections) and offers recommendations on how to meet those needs.

Current Usage

As discussed in Section I, the daily capacity in the Estes Valley for full-time licensed childcare is 104 children (12 infants/toddlers and 92 preschoolers) provided by six licensed family homes and two facility-based childcare centers. (Note that the other two facility-based options only provide half-day care options).

Those providers currently serve 121 individual children. The number of children served is higher than daily capacity due to usage and scheduling differences. Another 12 children (all infants/toddlers) are on waiting lists for care through licensed home care providers. Figure IV-1 shows current demand for licensed childcare in the Estes Valley as the number of children currently in that type of care along with the number of children on the waitlist for that type of care. There are currently 133 children using or on a waitlist for licensed full-day care—24 infants/toddlers and 109 preschoolers. Of the 133 children, about 13 are children of in-commuters and 120 are children of Estes Valley residents. These 120 resident children make up 24 percent of the total population of children under the age of six in the Estes Valley. Said another way, the current usage rate for licensed full-day childcare among Estes Valley resident children is 24 percent.

It should be noted that this estimate of demand is likely a lower bound. While it does represent the most current and accurate assessment of use, many families participating in the parent survey indicated they would use licensed childcare if they could afford to do so or if it accommodated the hours they needed or if infant care was available. Any changes to cost or schedule could impact this demand estimate.

At present, as indicated above, less than 25 percent of the children under the age of six in the Estes Valley are enrolled in some kind of licensed infant or childcare program (121 out of a total of 489). The three demand scenarios—particularly the first two scenarios—that follow assume that the percentage of children receiving infant and childcare will remain relatively constant going forward. However, there is every reason to believe that a community willing and able to address the barriers identified in this report will over time see an increase in the percentage of children under the age of six whose parents seek to enroll them in some form of childcare. Indeed, it would be surprising if this were not the case. This will be increasingly true in those communities that identify access to quality childcare as a key component in building and sustaining a family-friendly, family-oriented community. To the extent this happens in Estes

Park, the number of available spaces for infant and childcare will need to be expanded beyond those projected by the demand scenarios included here.

**Figure IV-1.
Current Usage and
Demand for Licensed Full-
Day Childcare in the Estes
Valley**

Source:
Childcare provider data and BBC
Research & Consulting.

Type of Provider	Age of Child		
	Under 2 ½	2 ½ to 6	Total
Number of Children in Care			
Licensed Home Care Providers	12	41	53
Childcare Centers (full-time)	0	68	68
Total	12	109	121
Number of Children on Waitlist			
Licensed Home Care Providers	12	0	12
Childcare Centers (full-time)	0	0	0
Total	12	0	12
Total Demand			
Licensed Home Care Providers	24	41	65
Childcare Centers (full-time)	0	68	68
Total Demand	24	109	133

The full-day providers in the Estes Valley indicated they could collectively accommodate another eight full-time children over age two and a half in licensed care. Demand for infant/toddler care exceeds the current capacity.

Demand Scenarios

In order to quantify growth in demand for licensed childcare in the Estes Valley through 2027 (a 10-year time horizon), BBC developed a custom childcare demand model. This section describes the assumptions and methodology used to create the model. Results from the demand modeling effort follow under the heading “Future Demand.”

The primary demand model focuses on full-day licensed childcare options in the Estes Valley—that is, childcare centers (excluding part-day preschools) and licensed home providers, though demand for part-day preschools is also discussed at the end of this section. There are two primary components or drivers of demand in the childcare demand model: residents and in-commuters. The demand model accounts for both components of demand, using current childcare usage rates as a baseline.

The demand model is structured around three possible scenarios impacted by the investments and policy priorities of the Estes Valley over the next 10 years. The three scenarios are:

1. **Status quo.** This demand scenario assumes current housing and demographic trends continue into the future. As discussed in Section I, the proportion of non-seasonal households in the Valley has declined (from 62% to 57%) since 2000—replaced by seasonal/recreational homes. The proportion of the non-seasonal population that are children also declined over that period—from 17 percent in 2000 to 12 percent in 2015, though the percent of the non-seasonal population that is under six has stayed fairly constant at 5 percent. Overall, household growth has been relatively slow over the past 5 to 15 years, and population growth has been even slower—that is, few households have

been added and those that have, contain fewer people and are less likely to be families with children. The status quo demand analysis continues those trends into the future using the period between 2010 and 2015 as the base trend.

- 2. Increased investments in workforce housing.** The Town of Estes Park has identified workforce housing development as a key priority for future investment and a critical step to ensure that Estes Park can be a full life-cycle community for future residents. Investments in workforce housing are very likely to increase the population of families living the Valley—above and beyond a forecast that relies solely on historical trends to forecast population and demographic changes. This demand scenario assumes the Town of Estes Park does produce 500 additional workforce housing units and attracts a higher proportion of families—many of whom will need childcare—to the Estes Valley. It results in a higher level of demand than the status quo analysis.
- 3. Investments in both workforce housing and childcare.** The Town of Estes Park has also acknowledged the impact of childcare on their ability to attract and retain families to be part of their community. While investments in workforce housing are likely to bring more families into the community, investments in childcare have a multiplicative affect in that they make the community as a whole more attractive to families and they also increase the proportion of children in the Valley—both existing and new residents—more likely to use childcare. Investments in childcare increase usage rates of childcare by expanding the availability of childcare, by removing barriers to access through financial subsidy, and/or by raising awareness about the benefits of early childhood education. Currently about 24 percent of Estes Valley children under age six are either using or waitlisted for full-day licensed care in the Estes Valley. The “status quo” and “increased investments in workforce housing” scenarios both assume that proportion will remain constant through 2027. However, if the Town chooses to invest in childcare through the educational efforts of EVICS and the childcare committee and/or possible efforts to increase families’ access to childcare in the Valley, it is likely that the proportion using/needing licensed care will increase over time. This scenario (investments in both workforce housing and childcare) assumes the same population growth as scenario 2 but increases the childcare usage rate from 24 percent to 28 percent. For comparison, the usage rate in the Town of Breckenridge, which has been investing in childcare infrastructure for some time, was 36 percent as of 2015 (according to a Childcare Needs Assessment completed in 2016).

Future Demand

Estes Valley residents account for 90 percent of current licensed childcare use in the Estes Valley. As such, they are the key component to determining future demand. To determine future childcare needs among residents, BBC first examined the current number and proportion of non-seasonal Estes Valley residents that are children under six years old and the number and proportion of those that are currently using licensed care. BBC then applied the varying growth rates outlined in the demand scenarios (above) to the next 10 years to forecast the number of homes that are likely to be occupied by permanent residents by 2027, the proportion of households with children under the age of six, and the total number of children under age six living in the Estes Valley. Childcare usage rates were applied to the population of children under

six according to the varying scenarios to determine the demand for licensed full-day childcare in 2027.

Childcare users that work in the Estes Valley but do not live in the Estes Valley (in-commuters) are the second driver of demand for childcare in the Valley. In order to forecast demand from this segment BBC followed a similar methodology as discussed for residents, beginning with the current number of in-commuters and the proportion with children currently in licensed care in the Estes Valley. BBC compared job growth forecasts over the next 10 years to the forecasted housing growth to predict the change in in-commuters and then evaluated the proportion of those in-commuters expected to use Estes Valley childcare options.

Methodological details and demand results from each scenario are presented below.

Status quo scenario. The status quo scenario uses recent household growth trends and existing childcare usage rates to forecast demand in 2027. Based on recent growth trends, BBC estimates the 2017 non-seasonal population of the Estes Valley to be 10,186, up from 10,023 in 2015.¹ Applying age proportions from the 2015 ACS to the 2017 population indicates that 497 residents (4.9% of all residents) are under the age of six. According to data from providers, 120 children currently in (or on the waitlist for) licensed full-day childcare are Estes Valley residents. As such, the Estes Valley resident children in full-day licensed care account for 24 percent of all Estes Valley children under age six.

The current Estes Valley population of 10,186 lives in 4,977 households—approximately 2.05 residents per household. The compound annual growth in permanent resident households in the Estes Valley was 0.8 percent between 2010 and 2015 (a slightly higher growth rate than housing units overall and a higher growth rate than the Valley experienced between 2000 and 2010). Assuming the same annual growth for the next 10 years, there will be 5,396 resident households in the Estes Valley in 2027.

The associated increase in resident population will increase total population in the Estes Valley to 11,044 and the population under six years old in the Estes Valley to 539. Assuming the same proportion of children under six will use (and waitlist for) full-day licensed care in 2027, the future resident childcare demand is likely to be 130 children—an increase of 10 children under six using/needing licensed full-date care between 2017 and 2027.

As of 2017, there were approximately 1,280 in-commuters to the Estes Valley.² Just 1 percent of in-commuters had children that were in licensed full-day childcare in the Estes Valley.³ Job projections between 2015 and 2020 indicate a higher pace of growth (1.9% annually) than household growth resulting in a forecasted increase in the number of in-commuters to the Estes Valley (1,541 by 2027). Assuming the same proportion of in-commuters in 2027 will use

¹ 2015 data from 2015 ACS. 2017 estimate extrapolates the 2010-2015 annual household growth rate calculated from the 2010 Census and the 2015 ACS to the 2015 to 2017 period.

² Estimate based on data and forecasts from the 2015 Estes Park Area Housing Needs Assessment conducted by Rees Consulting and WSW Consulting.

³ 2017 BBC Parent Preference Survey percentage applied to current childcare usage.

licensed childcare options in the Estes Valley as they did in 2017 results in a projected childcare demand of 16 children among non-Estes Valley residents in 2027, up from 13 in 2017.

Including both resident and in-commuter demand, BBC estimates the total number of children using/needing licensed full-day childcare in the Estes Valley to be 146 in 2027 under the status quo scenario, up from 133 in 2017—an increase of 13 children. Figure IV-2 displays current and future childcare demand among residents and in-commuters under the status quo scenario.

Figure IV-2.
Number of Children Needing
Childcare in 2017 and 2027—
Status Quo Scenario

Source:
BBC Research & Consulting.

	2017	2027	Difference
Estes Valley Residents			
Resident Households	4,977	5,396	419
Resident population	10,186	11,044	858
Number of children under 6	497	539	42
Children under 6 in full-day licensed care or on waitlist	120	130	10
In-commuters and non-residents			
In-commuters to the Estes Valley	1,280	1,541	261
Non-resident children in full-day licensed care in the Estes Valley	13	16	3
Total children using/needing licensed care in the Estes Valley	133	146	13

Investments in workforce housing scenario. In addition to the trend-related growth discussed in the status quo analysis, the Estes Park Economic Development Corporation anticipates an increase in workforce housing construction over the next 10 years. In total about 500 units designated for occupancy by non-seasonal workforce residents is anticipated between 2017 and 2027; BBC estimates that only 113 of those units are included in the trend-based forecast.⁴ As such, BBC adjusted the trend-based forecast upward by an additional 387 units to account for workforce housing development. The resulting forecast, including both trend-related growth and workforce housing units, is 5,783 non-seasonal resident households by 2027.

The associated increase in resident population will increase total population in the Estes Valley to 11,836 and the population under six years old in the Estes Valley to 630. Note that trend-related growth assumes a constant proportion of the population is under six (4.9%); workforce housing assumes a higher proportion of the resident population is under six (12%).⁵

Assuming the same proportion of children under six will use (and waitlist for) full-day licensed care in 2027, the future resident childcare demand is likely to be 152 children—an increase of 32 children between 2017 and 2027.

⁴ Estimate based on historical production of workforce housing units in Estes Park according to the 2015 Housing Needs Assessment.

⁵ The 12 percent estimate is derived from 2015 ACS data on population under age six per household with workforce age adults.

In-commuter demand under the workforce housing scenario is assumed to be the same as under the status quo demand analysis (16 in-commuter children using/needing licensed full-day childcare in the Estes Valley in 2027).

Including both resident and in-commuter demand, BBC estimates the total number of children using/needing licensed full-day childcare in the Estes Valley to be 168 in 2027 under the workforce housing scenario, up from 133 in 2017—an increase of 35 children. Figure IV-3 displays current and future childcare demand among residents and in-commuters under the workforce housing scenario.

**Figure IV-3.
Number of Children Needing
Childcare in 2017 and 2027—
Workforce Housing
Investment Scenario**

Source:
BBC Research & Consulting.

	2017	2027	Difference
Estes Valley Residents			
Resident Households	4,977	5,783	806
Resident population	10,186	11,836	1,650
Number of children under 6	497	630	133
Children under 6 in full-day licensed care or on waitlist	120	152	32
In-commuters and non-residents			
In-commuters to the Estes Valley	1,280	1,541	261
Non-resident children in full-day licensed care in the Estes Valley	13	16	3
Total children using/needing licensed care in the Estes Valley	133	168	35

Investments in workforce housing and childcare scenario. The final demand scenario uses the same household and population growth described in the investments in workforce housing scenario but increases the proportion of both residents and in-commuters using/needing licensed full-day childcare in the Estes Valley. Currently about 24 percent of Estes Valley children under age six are either using or waitlisted for full-day licensed care in the Estes Valley. The previous two scenarios assume that proportion remains constant through 2027. Given the efforts of the childcare committee to raise awareness about the benefits of early childhood education and possible efforts to increase families' access to childcare in the Valley, it is feasible that the proportion using/needing licensed care will increase over time. Additional investments in childcare—through quality or capacity improvements or through financial subsidy are also likely to increase demand and usage of licensed full-day care.

In order to investigate the potential impact of a shift in preference for licensed care, BBC adjusted the proportion of children using/needing care from 24 percent to 28 percent for resident children. BBC also modeled an increase in in-commuter usage from 1.0 percent of all in-commuters using care in the Estes Valley to 1.25 percent of in-commuters using care in the Estes Valley. This exercise provides a reasonable upper bound estimate of the need for full-day licensed childcare and increases the forecast from 168 children needing care in 2027 to 195 children needing care in 2027—a 16 percent jump from the workforce housing investment projection and difference of 27 childcare spots.

This scenario clearly illustrates the impact of small changes to usage rates on overall demand: a 4 percentage point increase in usage resulted in a 16 percent increase in demand. Figure IV-4 displays current and future childcare demand among residents and in-commuters under the workforce housing and childcare investments scenario.

Figure IV-4.
Number of Children Needing
Childcare in 2017 and 2027—
Workforce Housing and
Childcare Investments
Scenario

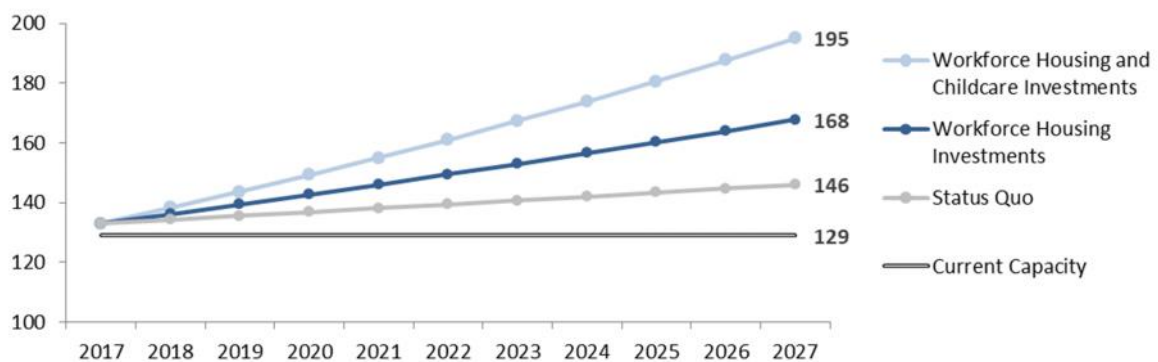
Source:
BBC Research & Consulting.

	2017	2027	Difference
Estes Valley Residents			
Resident Households	4,977	5,783	806
Resident population	10,186	11,836	1,650
Number of children under 6	497	630	133
Children under 6 in full-day licensed care or on waitlist	120	176	56
In-commuters and non-residents			
In-commuters to the Estes Valley	1,280	1,541	261
Non-resident children in full-day licensed care in the Estes Valley	13	19	6
Total children using/needing licensed care in the Estes Valley	133	195	62

As noted earlier, the Town of Breckenridge has a childcare usage rate of 36 percent. If the 36 percent usage rate were applied to the 2027 forecasted population of children under six living in the Estes Valley, demand for licensed full-day care in the Estes Valley would increase to 227 children (51 more children than the 28% usage rate).

Capacity vs Demand. Figure IV-5 compares the demand scenarios in 2017 and 2027 with maximum capacity of the current Estes Valley licensed childcare options. The current capacity measure accounts for typical number of days that children are in care and is based on data from providers that indicate there are 12 infants/toddlers and 109 preschoolers currently accessing full-day licensed care in the Estes Valley and another eight spots for full-day, full-time preschoolers available (117 preschooler spots total). Demand in 2017 includes the 12 infants/toddlers currently on a waitlist for licensed full-day care.

Figure IV-5.
Licensed Full-Day Childcare Demand Scenarios and Capacity Comparison, Estes Valley, 2017-2027



Source: BBC Research & Consulting.

In 2017 the gap between capacity and demand is relatively small but by 2027 the shortage of childcare spots ranges from 17 full-time childcare spots under the status quo scenario to 66 full-time childcare spots under the workforce housing and childcare investments scenario.

Figure IV-6 shows the gaps in provision by age group, assuming the age distribution of children needing/receiving care stays the same through 2027.

**Figure IV-6.
Licensed Full-Day
Childcare Demand and
Capacity Comparison by
Age of Children, Estes
Valley, 2017 and 2027**

Source:
BBC Research & Consulting.

Supply/Demand	Number of Children by Age		
	Under 2 ½	2 ½ to 6	Total
Current Capacity	12	117	129
Demand			
2017	24	109	133
2027			
Status Quo	26	119	146
Workforce Investments	30	138	168
Workforce & Childcare Investments	35	160	195
Gaps in Provision (Difference in Capacity and Demand)			
2017	-12	8	-4
2027			
Status Quo	-14	-2	-17
Workforce Investments	-18	-21	-39
Workforce & Childcare Investments	-23	-43	-66

As shown in the figure, infant/toddler demand already exceeds supply by 12 children (reflected by those currently on waiting lists for infant/toddler care). Assuming the age distribution of children needing/receiving care stays the same, infant/toddler demand will increase to between 26 and 35 children by 2027, depending on the demand scenario. Assuming the Town of Estes Park moves forward with anticipated workforce housing and childcare investments, infant demand will exceed current supply by 23 childcare spots in 2027.

In 2017 the capacity of current providers is sufficient to accommodate the preschool-age demand and has additional capacity of about eight full-day preschool spots. By 2027 demand will exceed supply by about 21 children if workforce housing investments are made. If both workforce housing and childcare investments are made, preschool-age demand will exceed supply by 43 children.

Number of children needing part-day preschool. The core demand model (discussed above) focuses specifically on children needing full-day care as these are generally the options used by parents that require care to accommodate their work schedules. However, there are two additional part-day licensed preschools operating in the Estes Valley that serve 69 children. It should be noted that there may be some duplication in the children served by licensed full-day providers (particularly family providers) and part-day preschools. Assuming the duplication is about 10 percent of all part-day preschoolers, there are a total of 195 individual children using licensed care (full or part-day) or on the waitlist for such care in the Estes Valley. Applying the same demand model to part-day preschool users yields an estimate between six and 29

additional preschoolers needing part-day preschool in 2027—a total of 213 to 287 children needing full or part-day childcare.

Key Issues and Recommendations

The following issues were among the most critical needs expressed by service providers and parents and discovered through the data and demand analyses:

- Immediate unmet demand for licensed infant/toddler care (this is the only age-group with waitlists at current licensed providers and was identified as a top need by both parents and providers);
- Funding challenges for providers to achieve full cost recovery for services provided;
- Secondary barriers to access care related to trust and scheduling challenges; and
- Long-term demand for additional childcare capacity for preschool age children—particularly if the Town pursues additional investments in workforce housing and childcare initiatives.

BBC offers the following recommendations to address the demand for care through 2027 and the existing challenges faced by care providers and parents.

1. **Consider options to help licensed providers raise tuition rates while maintaining affordability for families.** This may require dedicating funding for valley-wide childcare services to help offset rate increases for qualifying families. This effort is similar to a efforts made by the Town of Breckenridge in 2007: one of the original goals of the Breckenridge Childcare Tuition Assistance program was to facilitate an increase in rates charged by the local providers such that they could pass on the true cost of care and become more financially stable. Providers and families speak very highly of the program and indicate its success. Action steps to achieve this goal may include:
 - A. Work with current providers and monitor the Colorado Childcare Market Survey to understand the true cost of providing childcare service in the Estes Valley. (Currently, average Estes Valley rates are between 70% and 85% of statewide market rates).
 - B. Explore funding options to expand EVICS Child Care Scholarship Program or other supports for valley-wide childcare services. Typical mechanisms for funding at the local level are General Fund transfers, dedicated sales tax, and/or dedicated property tax mill. Some of the Colorado communities currently providing government funded early childhood initiatives include Denver, Aspen, Boulder County, Summit County, the Town of Breckenridge, San Miguel County, and Elbert County.
 - C. Continue your relationship with The Town of Breckenridge to benefit from lessons learned from implementation of their Tuition Assistance Program.

2. **Work collaboratively toward a solution for addressing the infant/toddler care need.** The community at large has demonstrated strong consensus that infant/toddler care is one of the most critical childcare needs in the Estes Valley. However, the community lacks consensus on how to address that need. Rightly, infant/toddler care is one of the most challenging types of care to provide as the financial requirements for care provision are high relative to the revenue generated from provision. An approach that is forward thinking and collaborative has the best chance of success. A strategic planning effort and resource analysis should consider the most realistic and impactful options, which could include:
 - A. Expansion of an existing facility-based provider to include infant/toddler care;
 - B. Increasing the number of licensed family providers offering infant/toddler care (discussed in more detail under Recommendation #3);
 - C. Targeting financial subsidies to support infant/toddler care (through direct reimbursements for care, in-kind contributions, or capital subsidies for construction/expansion of facilities to accommodate infant/toddler care); and
 - D. Direct provision of infant/toddler care as a publicly-funded service.
3. **Take proactive efforts to increase the number and quality of licensed family home providers while also retaining existing quality care providers.** Licensed family providers are currently the only resource for infant/toddler care, provide the most flexibility in terms of schedule/hours for families, and have high satisfaction ratings according to the Parent survey results. Their size and the relatively low overhead costs make them an appropriately scaled solution to address demand fluctuations in the Estes Valley. Specific suggestions for cultivating the number and quality of licensed family home providers include:
 - A. Develop/maintain partnerships between EVICS and the Estes Park EDC to market licensed family home provider opportunities as a viable business development market.
 - B. Work to convert unlicensed family care (typically providing care for up to four un-related children) to licensed family homes. Implementation of Goal 2 would provide a natural incentive for licensing as participation in an expanded tuition assistance program would require licensed status.
 - C. Continue to provide training and support (through EVICS) when providers start working so they understand and can implement quality care techniques from the beginning.
 - D. Implement a “coach/mentor” model in licensing and training so that family child care home providers are getting support and training to handle difficult situations and are able to provide the best educational environment for the children in their care.
4. **Continue coordinated education and outreach for the benefits of quality early care and education provision; and the economic impacts of early care and education and the child care industry.** The Estes Park EDC Childcare Committee and EVICS have demonstrated a strong commitment to communicating the benefits of childcare and the need for quality

childcare to community members and policymakers. These efforts can have a huge impact on perception of childcare needs and solutions in the community. Decisions about childcare and childcare funding will impact the type of community Estes Park and the Estes Valley choose to become. Investments in childcare (or lack thereof) are very likely to impact the attractiveness of the community to future residents and families.

5. **Continue to support a diversity of childcare options in the Valley to improve quality, school readiness and parental trust in providers.** As evidenced in the parent preferences section, there are a number of factors that parents evaluate when choosing their childcare providers—many of these are based on personal values and experiences. A healthy balance of options in terms of type of childcare, educational philosophy, and other characteristics are an important component of creating a strong network of childcare providers that meet the needs of all families in the Valley. Continuing to improve the diversity and quality of options in the Estes Valley will strengthen the childcare infrastructure for working parents needing care and will support the provision of nurturing environments for their children.
6. **Proactively track the key metrics for preschool age demand to evaluate the appropriate timeline for increased capacity at the preschool level.** Demand at the preschool level is very closely tied to workforce housing production and an associated increase in the Valley population under age six. Although the data analysis and status quo scenario do not indicate a severe and immediate need for additional childcare capacity for preschool-age children, focused community action in the areas of workforce housing and childcare will very likely lead to a need for increased childcare capacity for preschool-age children. Additionally, any changes to the existing childcare landscape in the Valley (e.g., the departure, addition or change in capacity of any existing providers) may also impact childcare needs for the preschool age group.

As such, BBC recommends tracking the following metrics annually to gauge changing demand for the preschool age group:

- A. Track the pace of residential construction, particularly of workforce housing. Pace of growth and timeline on workforce housing development will impact the availability of housing for new families and workers likely to need childcare.
 - B. Track significant changes in care options as well as provider enrollment, waitlists and capacity.
 - C. Track changes in demographics including number of permanent resident households, age and family status of residents and trends in employment.
 - D. If possible, work to include several childcare related questions on the Town's biennial citizen survey to track childcare needs, preferences and use patterns among current residents.
7. **Continue and expand support and education for non-licensed childcare in the Estes Valley.** Childcare options that do not require licensing will inevitably continue to be part of the childcare infrastructure of the Estes Valley. In order to help foster parental trust in all childcare options and to access the full economic and social benefits of early childhood

education, it is important to offer education and supportive services to all local providers, including informal childcare, friend/family care, and stay-at-home parents. Options include:

- A. Bolster training opportunities in the following areas:
 - First aid/CPR certification and Standard Precautions and Medication Administration training for all providers;
 - Parental and provider education on the importance of developmental support to their children;
 - Techniques for working with children with special needs and how to implement an inclusionary environment for children with special needs; and
 - School readiness for all children, including children for whom English is a second language.
- B. Ensure that providers have access to developmentally appropriate educational materials and equipment. Also ensure that providers have access to the proper resources and information about how to obtain and use these materials and equipment.

Successful implementation of these recommendations to address childcare needs and breakdown barriers to providing and accessing childcare in the Estes Valley require that the Estes Valley community and governments (Town and County) create an atmosphere of consensus around the need for childcare, generate broad support for a comprehensive solution and ensure that implementation processes are put in place. The EDC Childcare Committee desires to encourage the community and governments in that effort such that this report becomes an implementation engine rather than a document sitting on a desk gathering dust.