

# PART 1

## Guidelines for childcare

4 goals should be kept in mind throughout this process:

1. **The scope of the services should be maintained** to meet needs of the population.
2. **The price level should be kept affordable** (option for a “sliding-scale” based fees) to maintain accessibility to diverse populations.
3. **Maintain current teachers** by providing good compensation packages.
4. **Maintain/Increase public accountability.**

### The scope of services should meet needs of the population:

Existing data confirms gaps in availability and affordability of childcare in Menlo Park.

- Appendix 1: 4Cs (Child Care Coordinating Council of San Mateo County) supply and demand assessment of child care in Menlo Park.

### Keep Price Level Affordable

- Many of the current users of MCC are single parents, middle-low income families, students or otherwise families who barely make ends meet. Increasing the tuition will drive those users out with no other alternative currently in the City to provide for them. Other alternatives in the city cater for high-income level or low-income level, but nothing except MCC caters for middle-income level.
- A city survey published in Feb. 2009 shows a need for more affordable childcare: only 25% of residents are satisfied with the **availability of affordable, quality** childcare in Menlo Park. (See Appendix 2).

### Maintain current teachers

In a recent conference organized by the Silicon Valley Leadership Group – “Preschool: The Future of Our Workforce” presented recent research and data about early childcare.

Some of the findings:

Kris Perry (Executive Director of First 5):

- Research found that the MOST important indicator for success later in life (measured in school readiness, and later in life in salary level) – if everything else

stayed constant (socioeconomics, language, numbers of books at home, etc.) – is the fact that a person attended a quality preschool program.

- The MOST important thing for young children is to feel cared for. Children study most if they feel loved and are in an environment where they are happy to be in.
  - Teachers tend to care less if they are underpaid or temporary in their positions.
  - Consistency in teachers is one of the most important parameter in quality childcare.
- Curriculum should not be given as much attention as to WHO is delivering that curriculum.
  - The interaction between care giver and child the important thing.
- It's difficult to maintain quality teachers (especially “older generation” teachers and male teachers) in the childcare industry because of generally low compensations in this sector.
- The return on human capital investment is the greatest when it's targeted at programs for the earliest years (see Appendix 3).

Based on this data, the teachers at MCC should be maintained by keeping their compensation level high:

- The children know and LOVE their teachers (parents are worried about outsourcing the program mainly because they know that it will be difficult for any private operator to maintain the current compensation-level of the teachers and they don't want to see the current teachers leave).
- The current teachers consist of a male teachers, and some “older generation” teachers, which are the most difficult to maintain in the childcare industry. Their many years of experience and diverse gender add a great value to the program which will be difficult to reproduce.

#### Maintain/Increase public accountability

- “I would later learn that an excessive demand coupled with **favoritism** makes being a mother to a toddler in Menlo Park pretty stressful.”

This is part of a letter that was written by a single-mother in Menlo Park. (You can see the full letter in Appendix 4). “Favoritism” can be eliminated when the records are open for public scrutiny (as they are under the city-run program).

- Also, when the records are public it’s easy to get access to them and determine whether efficiencies can help maintain the program, etc.

## **PART 2**

### **Why we are worried that it will be difficult for a private company to maintain all those goals**

1. **The most needed services are also the most expensive to operate** (after-school care and toddler care).
2. **The size of the facility is not economically viable.**
3. **The layout of the facility is not best-suited to accommodate all age-groups.**

#### **The most needed services are also the most expensive to operate**

- Any operator that is concerned only with financial returns and not with social returns, will not want to maintain the expensive services since they are the least cost-effective (this is also the reason why there is such a shortage of these services in Menlo Park to begin with).
- The services that are the least financially viable are the most needed in a community because private operators are least inclined to take them on. This gap in services that the private sector is willing to offer is the place where the public sector can and should assist – to help meet a need that is not met in the private sector.

#### **The size of the facility is not economically viable**

- Childcare providers/experts that we talked with said that an “economically viable” program contains at least 100 children.

Reference: Helen Szteinbaum - Executive Director, Owner and Administrator at The Wonder Years Preschool

From an email by a childcare administrator and a former member of the city's Childcare Task Force, obtained from the City email log:

"Lack of scale<The center is not of sufficient size to afford professional management. It would need to serve at least 100 full-time children to be economically viable."

- In the plan that we suggested a few weeks ago, a key component was adding new revenue streams (new programs and fundraising) to offset the scale issue.

### **The layout of the facility is not best-suited to accommodate all age-groups**

- In 2003, when a task force sat to review options to renovate the old police station vs. a new childcare facility (as was promised in **measure T** that was passed by 70% majority), they acknowledged the fact that either way, "careful consideration should be given to a program which **expands the spaces available for toddler and/or infant/toddler care**" (CAMENLO\_99\_20031021\_020000\_en.pdf, p. 32). At that time (when MCC operated from modular buildings), the program had a licensed capacity to serve 12 toddlers, 23 early preschoolers and 23 preschoolers for a total of 58 children.
- The design committee for the NEW structure was made up of parents and teachers from each of the programs (preschool and after school programs). They were able to provide input for the program space requirements and the general layout of the Center.
- The design for the RENOVATION, on the other hand, didn't include parents and teachers' input, despite an expressed desire from parents that "parents and teachers have some role in the design process for the remodeled option..." (CAMENLO\_99\_20031021\_020000\_en.pdf, p. 9).

### **This is what happened with the design process:**

1. Appendix 5: in the first conceptual plan you can clearly see that the floor plan includes 3 separate rooms that are clearly marked Toddlers room (with its own bathrooms and own entrance and a separate outdoor play area with an exit to that area), Early Preschool ("Young Preschool") and Preschool. "It would provide for a toddler program with directly accessible changing tables and toilet training area as well as younger preschool and older preschool rooms. Each of these rooms would have directly accessible toilet areas" (CAMENLO\_99\_20031021\_020000\_en.pdf). This is a viable plan, and this is the plan that the Task Force saw and approved.
2. Appendix 6: in the second conceptual plan you can already see that the "Early Preschool" is completely gone. "The floor plan provides licensed space for ...**22 toddlers, 31 preschool...**". I didn't find any documentation to the fact that there

was a decision to eliminate the “early preschool” program. Also, it doesn’t make sense to eliminate a program that is in the middle of both age groups. I am assuming, therefore, that what happened had to be a mistake! From all the reports it seems clear that the city staff at that time didn’t quite understand that there are 3 different categories of children (in all their reports they only refer to "Preschool" and "Toddlers"). Reminder - in this design process there was no input taken from teachers/parents, so the designs from this second phase only cater to 2 categories of children!

3. Appendix 7: final design plan (which is what we currently have) that again provides space only for two age groups (toddlers and preschool). Once the teachers saw the finished building they immediately saw the problematic layout, but at that point it was too late as the renovation ended. At first they considered to eliminate the toddler program altogether because of the challenge that the layout posed. Because of the high demand for that program, they eventually found a creative solution (to place the “Toddler” room in what was previously the “holding cell” of the police station), but even with this solution they can only cater to 6 toddlers (instead of 12 toddlers in the old modular). So, instead of creating MORE space for toddlers, as the original directive for the taskforce was, they ended up with LESS space for that age group, which is the most needed.
- When the task force approved the renovation of the old police station, one of the issues that were discussed at that time was that the school age program would eventually move, at some point in the future to be onsite of the schools. As you can see, one of the Pros for the renovation was:  
“**Preserves flexibility to move school age program to schools in the future** (which would eliminate the need for the modular and would free up room in the remodeled facility for an expansion of the toddler/preschool program and/or other uses)”. (CAMENLO\_99\_20031021\_020000\_en.pdf p. 44).
- In fact, some task force members’ support for the renovation of the old police station was “driven more by the desire to preserve the flexibility to eventually move the school age program to school sites. **Some task force members in this latter category stated that they would feel disappointed about forgoing the new, high quality facility if, in the future, school-based child care did not come to pass.**” (CAMENLO\_99\_20031021\_020000\_en.pdf)

### Conclusion:

Under those constrains, any childcare operator, who is looking to make a profit, will need to do one/all of the followings:

- Reduce services.
- Increase tuition.
- Reduce teachers’ compensation.
- Reduce quality by having a larger teacher turnover rate.

All of the above will result in a great disservice to the community and will exclude the people who most need it from this service.

## **PART 3**

### **What other Cities are doing: comprehensive solutions**

#### **Childcare coordinator position within the city**

- Both in RWC and in PA there is a position within the city of a **childcare coordinator**. The person in this position has expertise in childcare and is responsible to continuously monitor gaps in demand and supply of childcare at all age groups. Palo Alto has a whole department that is concentrated on “**Community and Family Resources**”. There is no such position or department in Menlo Park. Childcare needs are served by a patchwork of providers, but nothing is organized and coordinated by someone who can oversee the big picture.

The Parks and Recreation department currently oversees the child care programs in the Menlo Park, but they might not be the best vehicle as they don't have the childcare expertise that is needed. But **until there is another such advisory body that can supervise and advocate for childcare needs – similar to what RWC or PA has, the current childcare programs should remain within the Parks and Recreation department until that need is filled.**

#### **Childcare advocate and supportive childcare policies**

In RWC, the childcare coordinator serves as an advocate for **childcare policies in the city that support building the supply of adequate child care alternatives**. Example for those policies:

- **Adopting supportive land use policies.**
- **Leveraging public and private resources.**
- **Ensure that childcare needs are considered in long-range planning and integrated with other community development activities.**

- **Create “linkage programs” that ensure that developers must also pay for building of schools and preschools to alleviate the strain that new condensed residential developments impose on existing schools and childcare programs.**

In PA, most of the childcare and after-school care is provided by the non-profit umbrella PACCC. The after school programs are mostly run on-site. The space at the schools is made available through a lease and covenant not to develop agreement between the City of Palo Alto and the Palo Alto Unified School District. The City then leases space to PACCC for \$1 a year, which is **subsidized by a utility tax** that was passed by voters.

**Conclusion:**

Since there is currently no such role in Menlo Park, and since no one advocates for childcare within the City or makes sure that policies are supportive of building new child-care facilities, **the current supply of affordable quality child care supply is very limited.** Except for MCC, there are currently very few other alternatives for working families in the city, and until the city is able to support development of adequate child care resources by adopting supportive land-use policies and making sure that child care needs are considered in the long-range planning, then it will be very irresponsible to focus only on MCC when there are still no alternative to back up families in this city.

Childcare should be looked at through a broader lens to include after-school care, infant care and more toddler care spots. A more comprehensive solution is needed.

The fact that there are currently no alternatives in the city for the current type of populations who are the users of MCC (single parents, two working parents, middle-income brackets, students, etc.), makes it irresponsible to turn the only resource that does cater for that population to another entity. Turning a city-run program that allows for public community discourse keeps the issue of childcare in the center of attention for elected officials. If MCC is outsourced the issue of childcare will get “out of sight”, but the problems of childcare in the city will remain (and even worsen).

### **Appendix 14Cs supply and demand assessment of child care in Menlo Park**

In April 2002 the 4Cs (Child Care Coordinating Council of San Mateo County) assessed the child care situation in Menlo Park. The 4Cs did an analysis of child care supply and demand for school-age and infant /toddler/preschool care and provided this information.

#### ***School age care***

The Coordinating Council estimates that 1250 school-age children in Menlo Park need formal child care arrangements during after-school hours. However, there are less than 250 spaces in licensed child care centers and family child care homes in Menlo Park. Only 13 of the 22 licensed family child care homes accept school-age children, resulting in only a few school-age child care spaces. Most of the licensed family child care homes are in the eastern part of the city.

In addition to these 250 licensed spaces, there are a number of license-exempt programs like the Onetta Harris After School Program and the Flood School extended day program, which together have 86 spaces. There are also drop-in enrichment programs at the Boys and Girls Club and most schools. As mentioned above, most school-based after-school activities are not “full time” but provide a patchwork of care.

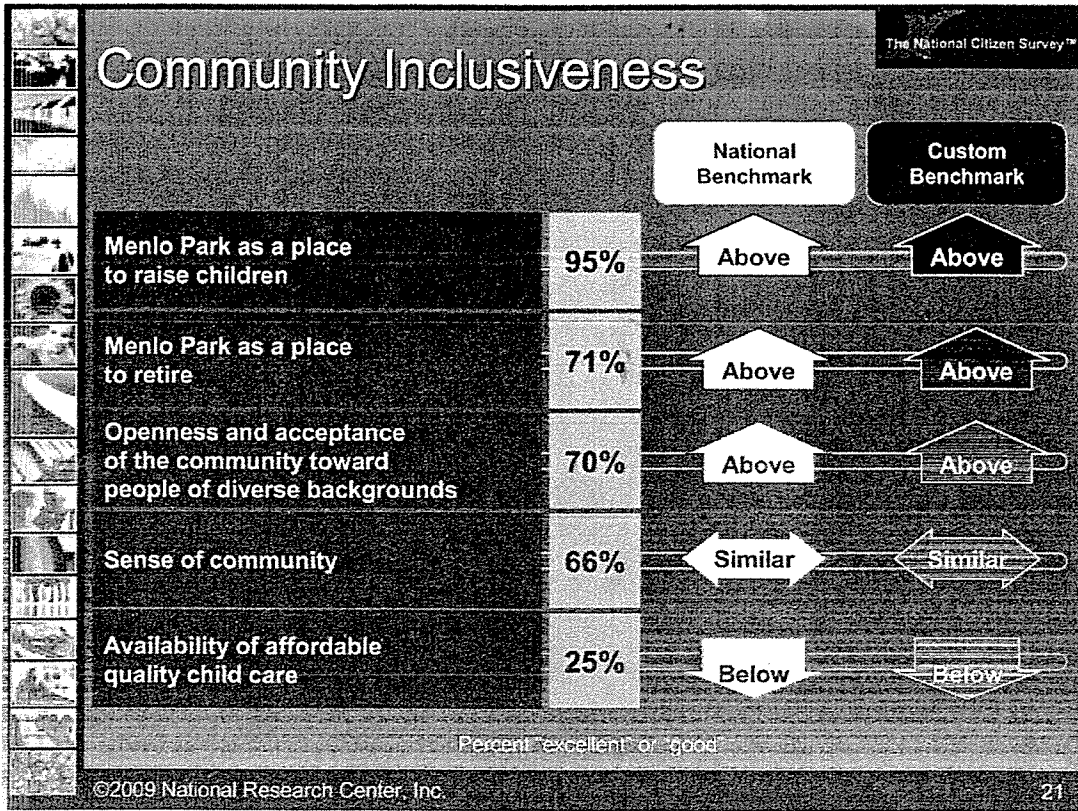
#### ***Infant/Toddler/Preschool Care***

The Coordinating Council’s preliminary analysis shows that need for preschool care in Menlo Park appears to be fairly well met, at least in terms of the number of spaces compared to the estimated demand. The Coordinating Council stated that it would be necessary to know more about vacancy, location, and program quality and cost to be clear as to whether the need for preschool care in Menlo Park is fully met.

There does appear to be a shortage of child care spaces for infants in the city. There are an estimated 270 infant/toddlers (under age two) needing formal care and probably less than 100 licensed spaces for this age range.

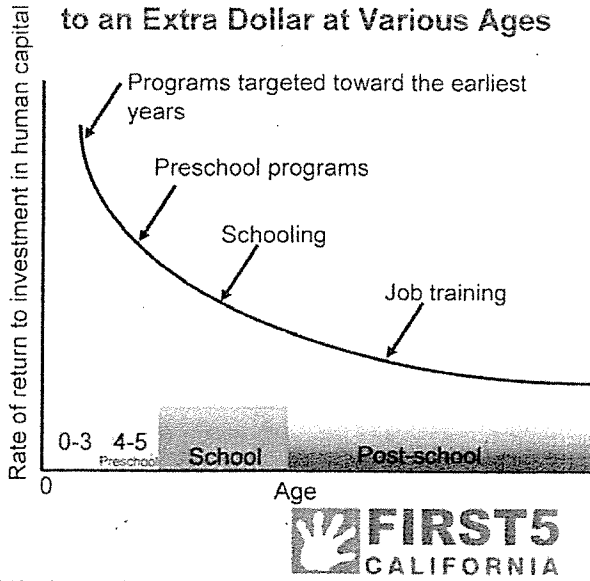
Note: This analysis is from 2002. Since then, there have been extensive building of new residential developments (we can see that it greatly affected the school district’s enrollment, which increased by 5% from last year) – since there are no new child care centers since that time, we can safely assume that the need for child-care for all age-groups only increased in the past 7 years.

**Appendix 2: City Survey, published Feb. 2009**



Appendix 3: OFFICE OF REGIONAL CAPITAL INVESTMENT

### Rates of Return to Human Capital Investment at Different Ages: Return to an Extra Dollar at Various Ages



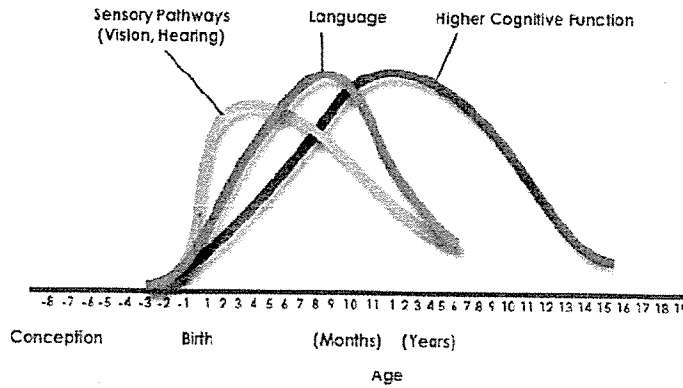
<sup>3</sup> Heckman, James



Center on the Developing Child  
HARVARD UNIVERSITY

### Human Brain Development

Synapse Formation Dependent on Early Experiences



**Appendix 4: Letter from a single mom**

May 20, 2009

Re: Possible Privatization of Menlo Children's Center

Dear Menlo Park City Commission:

Regrettably, I am unable to attend tonight's meeting. However, being that this issue is very important to me, I would like to share my thoughts with the city commission. **When I moved to Menlo Park, a real estate agent said to me, "You'll love it here. It's a great family community. They have a wonderful city day care that's been around for years." She was correct about Menlo Children's Center. I put my son on 4 waiting lists in Menlo Park when he was 6 months old. When he turned 2 ½ the only place he got into was Menlo Children's Center. It would seem that 2 years is not far enough in advance to get your child into a non-denominational day care/ preschool in Menlo Park. Thankfully there was Menlo Children's Center. I would later learn that an excessive demand coupled with favoritism makes being a mother to a toddler in Menlo Park pretty stressful.** I am now a single mother which adds to the childcare burden. When talk of privatizing Menlo Children's Center begins, I find myself feeling that there's no future in Menlo Park for someone like myself. What happens when I have more children? Will I have to run from preschool to preschool again only to find myself stuck once again? Without available affordable childcare, Menlo Park pushes out many of the families that make it vibrant like young families working in technology, at Stanford or within the local economy.

What is so special about Menlo Children's Center is the quality of the teachers. Most of the teachers have been there for many years, some up to twenty years. I would hope that as a community we feel a sense of commitment to these teachers for the years they've put into us. I know of at least one teacher who she herself went to Menlo Children's Center as a child. I don't know about you but this is the type of community that I believed I was investing when moving to Menlo Park. My friends in Palo Alto and in Los Altos do not have the types of childcare issues that I am facing. If the current childcare situation remains as it is in Menlo Park, I would most likely leave to neighboring communities before having more children here. To give you a quick background of myself, I am working on my second Master's degree, speak three languages fluently, and work concurrently as a Marketing executive. So whoever tells you that privatizing MCC will only affect low income families that can go to Belle Haven or high income families that are taking advantage of the system are wrong!

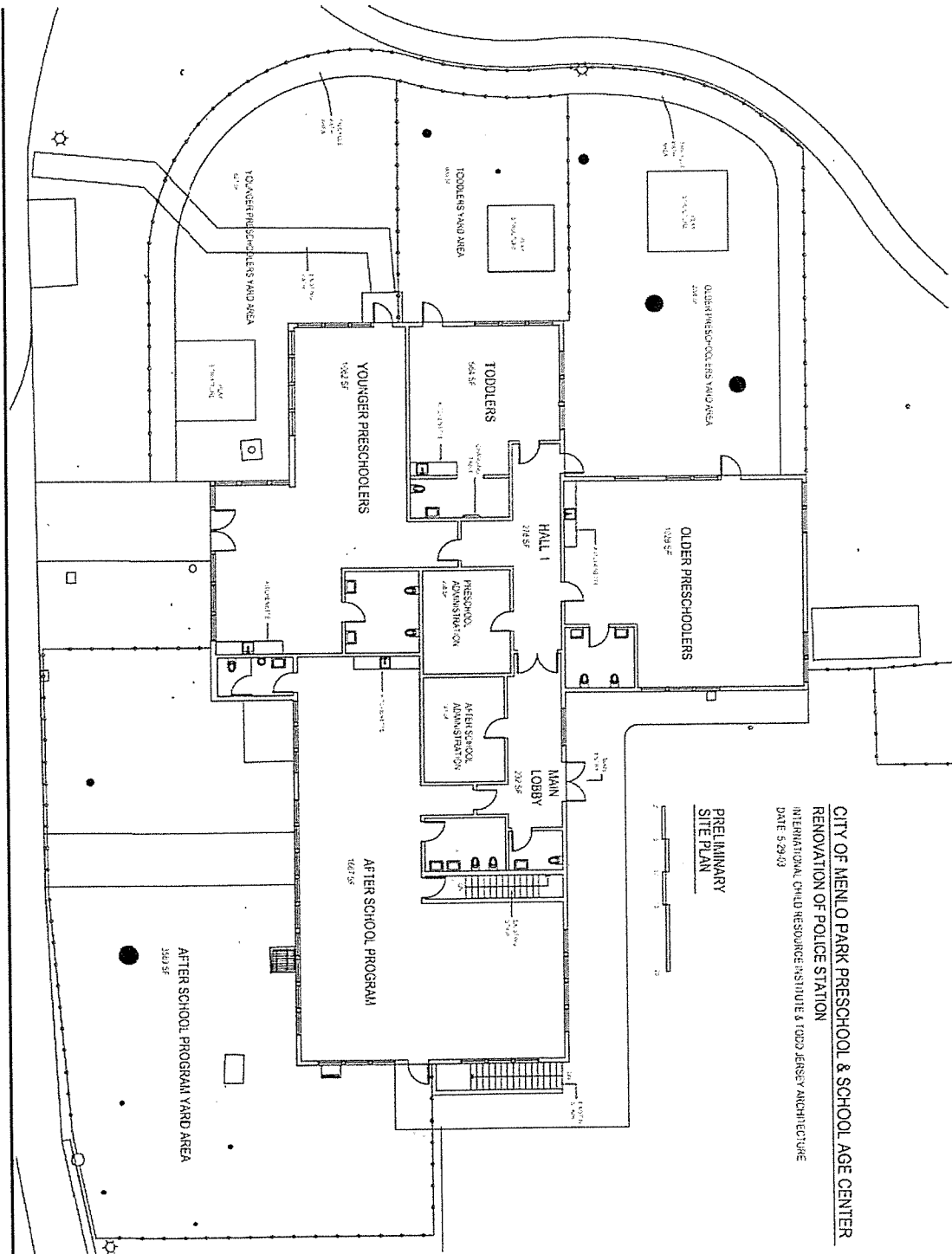
Finally, the premise for privatizing, that the center is too costly to the city is a poor reason. In a review of the school's budget and accounting practices, it was found that a very few simple changes to the program such as better schedule coordination between part-timers and full-timers would have the school breaking even. As opposed to

focusing time and resources on privatizing Menlo Children's Center or even closing it, why not use less energy or take advantage of the resources among the parents and community members to help the school run better?

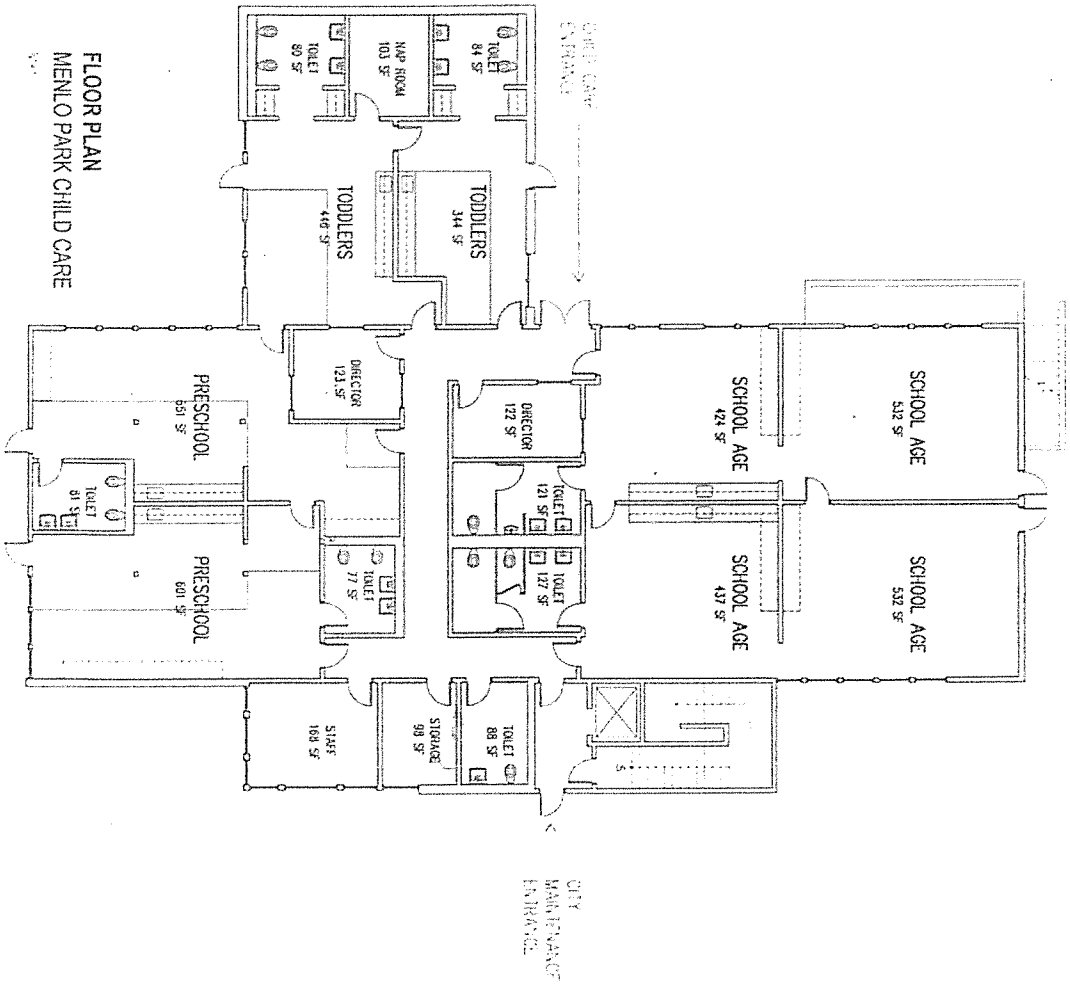
Thank you for your time,

Tiffany  
Tiffany Schneider  
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[tiffanyssf@aol.com](mailto:tiffanyssf@aol.com)

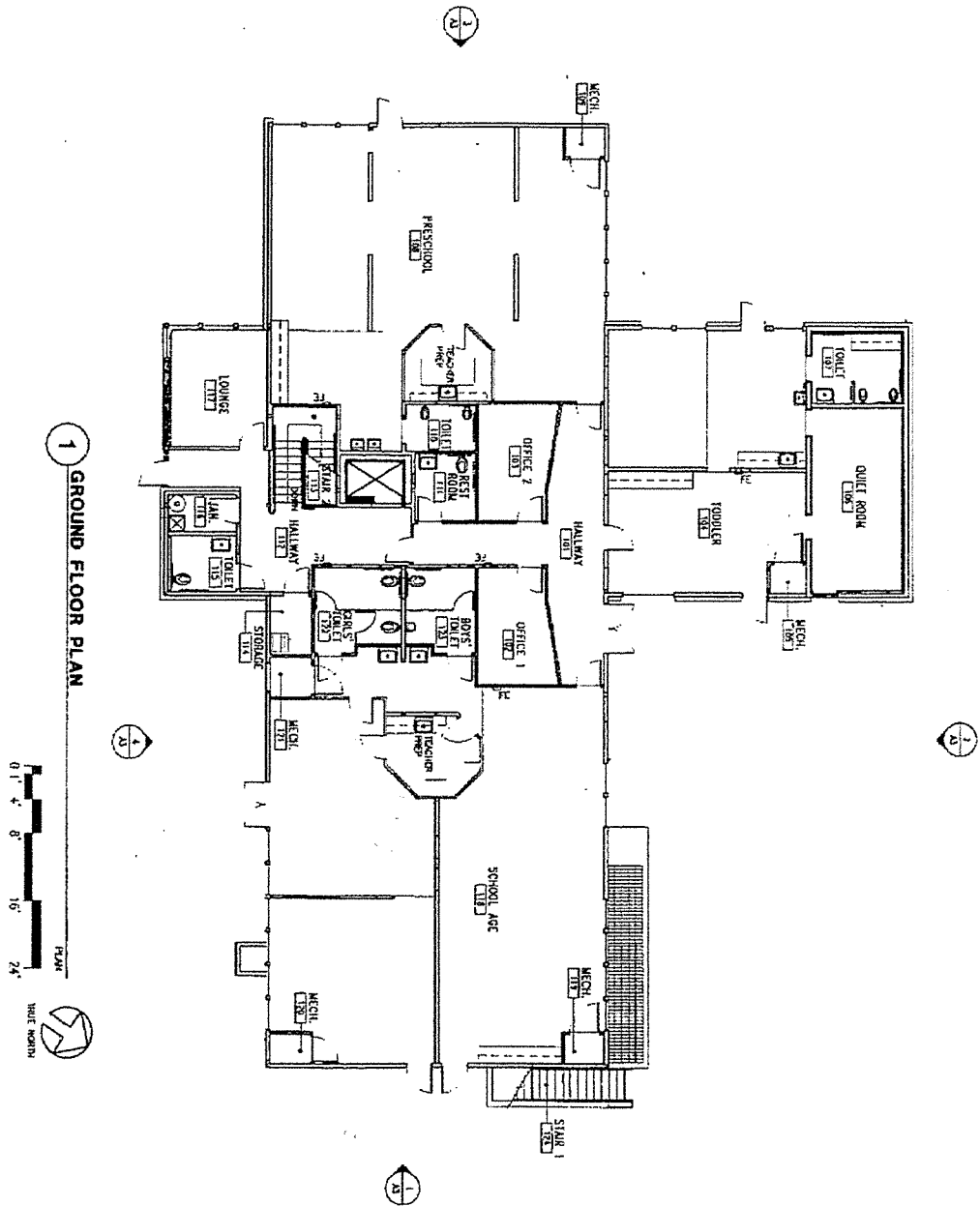
**Appendix 5: First MCC Design Layout 2003**



**Appendix 6: Second MCC Design Layout 2004**



**Appendix 7: Third MCC Design Layout**



2005