

2024 ANNUAL CONFERENCE

Wisconsin Counties Association



2:15 – 3:15 PM

**Addressing Child Care Shortages: Strategies
and Solutions**



ADDRESSING CHILDCARE SHORTAGES: STRATEGIES & SOLUTIONS

Presented by:

Sheboygan County Administrator Alayne Krause



LACK OF AFFORDABLE CHILDCARE



Waiting lists are primarily due to:

- Teacher shortages
 - Wages
 - Benefits
 - Costly training
- Lack of support for classroom management
- Slim operating margins

CHILDCARE CAPACITY IN SHEBOYGAN COUNTY

- 21 licensed group and 20 home-based childcare providers serving ~ 1,550 children
- ~ 100 babies are born in Sheboygan County each month
- There are nearly 400 children on waiting lists
 - 40 additional teachers are needed for all current providers to operate at full capacity



ADDING CHILDCARE AT ROCKY KNOLL



- ~\$120,000 to renovate existing space
- Adherence to both childcare and nursing home licensing regulations
- Additional benefits:
 - Intergenerational programming
 - Employee recruitment and retention

CONTRACTED SERVICE

- Growing Generations Child Care Center
- Added over 20 childcare spots

INTERGENERATIONAL PROGRAMMING

- Weekly activities
- Residents read them stories and watch them play outside
- Enhanced quality of life





EMPLOYEE IMPACT



Discount Pricing for Staff

County employees receive 25% off Growing Generations' market prices



Employee Usage

Employees from Rocky Knoll, Health & Human Services, Sheriff, and Highway utilize the childcare



Expanding to Meet Needs

Added an additional classroom for 15-month to 2-year-old children this July



AMERICAN RESCUE PLAN ACT (ARPA)

Childcare Taskforce

ARPA CHILDCARE TASKFORCE

August 2021

- ✓ Taskforce established
- ✓ 19 cross-sector members, met regularly for 6 months
- ✓ Charge: Develop a report with recommended strategies to provide more childcare options in Sheboygan County

June 2022

- ✓ County Board approved five recommendations
- ✓ Allocated \$2 million to two local nonprofit organizations

Ongoing

- ✓ Quarterly financial reporting
- ✓ Annual progress reporting



FAMILY CONNECTIONS

ARPA Allocation: \$1,815,000

Program Goals

- Hire 2 recruitment specialists to increase childcare staff by 40 (thus increasing childcare slots by 110)
- Hire 2 inclusion specialist to support 50 cases of challenging behavior (thus reducing burnout of providers and reducing expulsion rates)
- Provide free or reduced cost entry-level courses
- Provide sign-on and retention bonuses
- Provide start-up and expansion grants to providers to cover expenses such as licensing fees, background checks, furniture and learning supplies

Impact Thus Far

- Hired 2 recruitment specialists
- Hired 2 inclusion specialists
 - Provided services to 17 facilities, supporting 37 teachers and 49 children
 - Zero expulsions of children receiving services
- Provided 225 free or reduced cost entry-level courses
- Provided 1,876 bonuses totaling \$435,347
- Provided 8 start-up grants, totaling \$36,150, creating 32 childcare slots
- Provided 6 expansion grants, totaling \$79,155, creating 116 childcare slots



BOYS & GIRLS CLUB

ARPA Allocation: \$185,000

Program Goals

- Expand services by hiring new staff
- Serve 200 additional children annually

Impact Thus Far

- Removed financial barriers by reducing or waiving fees for low-income families
- Minimized or eliminated waitlists for programs
- Eliminated specific drop-off/pick-up times to allow greater flexibility for parents/guardians
- Hired additional staff and increased wages for direct service staff to support recruitment and retention
- Served 796 youth through June (780 throughout all of 2023)
- Enrolled 535 youth in summer programs (332 last year)



OTHER LOCAL EFFORTS

- Community Partnership for Children
 - Childcare Impact Survey
 - Dream Up! Grant
- Community Health Assessment
 - Child Care Action Team





Questions?

Connect with me.



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Juneau



Lowell

A Tale of Two Cities

And Solutions for Their Childcare Woes



Childcare in Wisconsin is expensive.

- The average annual cost of infant care in Wisconsin is **\$12,567**—that's \$1,047 per month.
- Childcare for a 4-year-old costs **\$10,197**, or \$850 per month.
- Wisconsin is ranked **20th out of 50** states and the District of Columbia for most expensive infant care



*Childcare is
one of the
biggest
expenses
families
face.*



- Infant care in Wisconsin costs **\$4,092 (48.3%) more** per year than in-state tuition for a four-year public college.
- That makes Wisconsin one of 33 states and DC where infant care is more expensive than college.
- In Wisconsin, infant care costs 20.5% more than average rent.

***Childcare is
unaffordable
for most
families in
Wisconsin.***



- Infant care for one child would take up **18.5%** of a median family's income in Wisconsin.
- According to the U.S. Department of Health and Human Services (HHS), childcare is affordable if it costs no more than 7% of a family's income. By this measure, **only 6.5%** of Wisconsin families can afford infant care.

***Families With
two children
face an even
greater burden.***



- Childcare for two children—an infant and a 4-year-old—costs **\$22,764**. That's **56.1% more** than average rent in Wisconsin.
- A typical family in Wisconsin would have to spend **33.6%** of its income on childcare for an infant and a 4-year-old.

*Childcare is
out of reach
for low-
wage
workers.*

□ A minimum wage worker in Wisconsin would need to work full time for **43 weeks, or from January to October**, just to pay for childcare for one infant.



How tough is it to find childcare and affordable housing in Dodge County?



The majority of Dodge County is classified as a childcare desert.



A childcare desert is any census tract with more than 50 children under age 5 that contains either no childcare providers or so few options that there are more than three times as many children as licensed childcare slots.



Average waiting list for the DCHA 208 owned units is over 150, with average wait times of one year. Turn over varies by location.



Average wait list of HCV program is 1,000, with average wait time more than a year.



Largest sought-after unit/voucher is for three-bedroom units



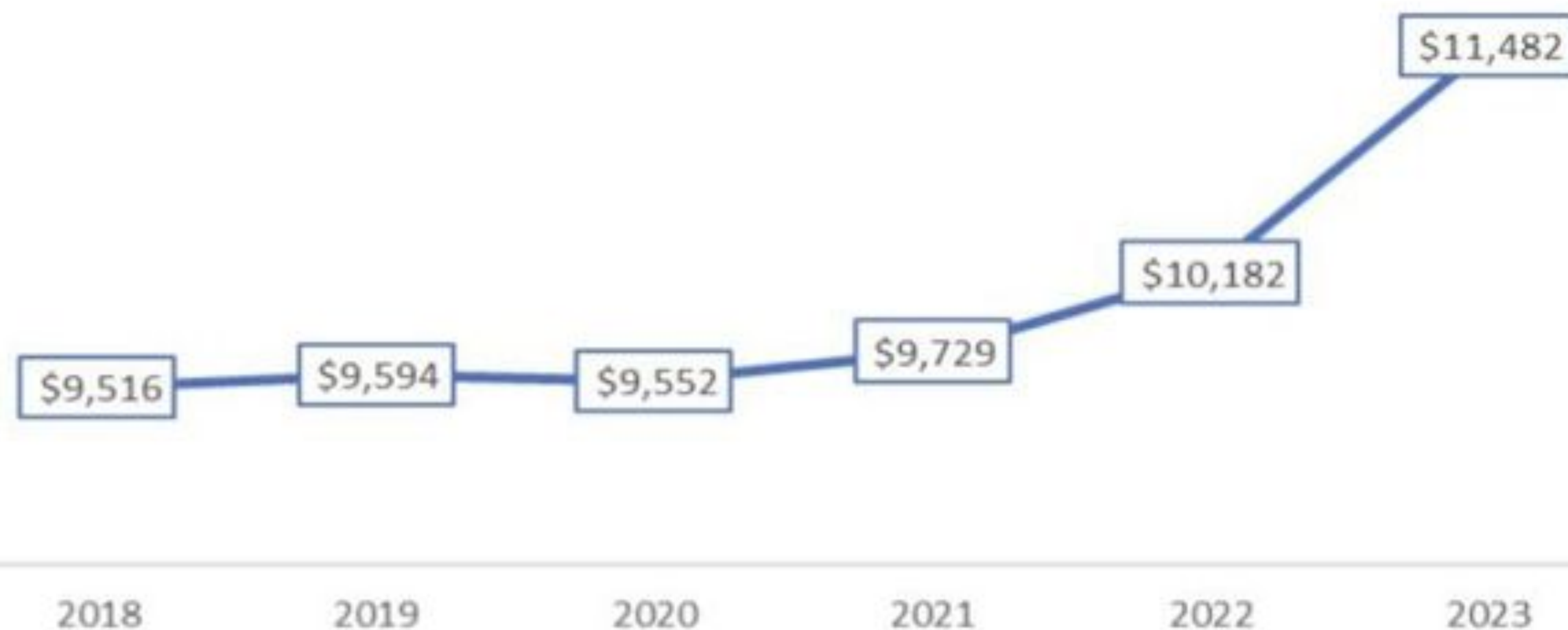
Because DCHA had so many families looking for, and not finding, three-bedroom units- in 2018 the DCHA built 20 duplex units in Horicon and are following that up with the 40 units in Juneau and Reeseville



To make these new units more affordable they have filled the roofs with solar electric panels which offset about \$65 in monthly electric cost.

Annual Child Care cost - Dodge County

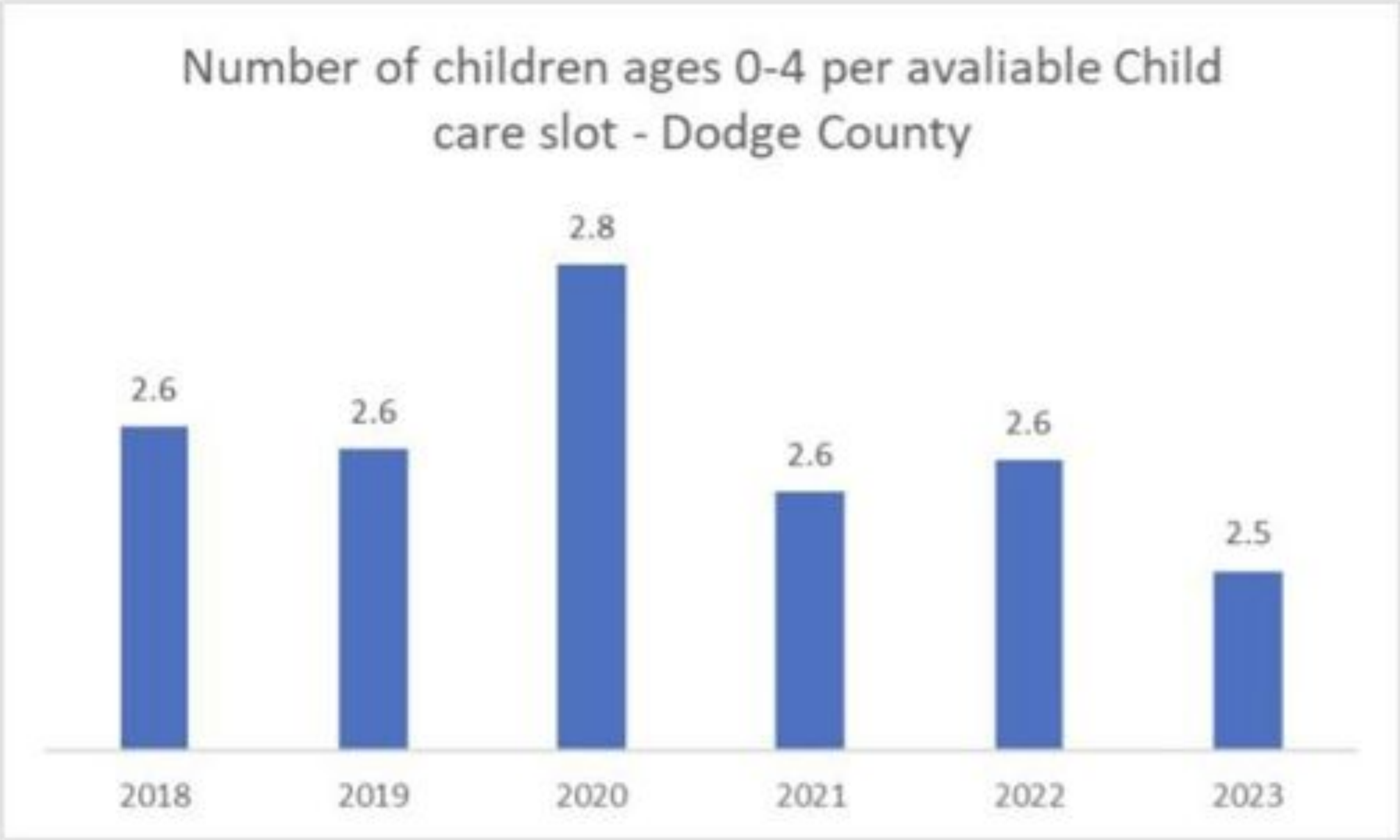
Average Annual Child care cost per child
Dodge County



Data Source: 4C annual County Group Child care rates report. Data is calculated using the median weekly cost for child care of children ages 0-4. Amounts are annualized.



Dodge County Population ages 0-4



Dodge County	2018	2019	2020	2021	2022	2023
Population 0-4	4260	4057	4060	3844	3983	3983
Child Care slots	1,625	1,559	1,473	1,498	1,536	1,593



Data Source: Wisconsin Department of Children and Families, Bureau of Early Care Regulation & US Census bureau. Population for 2023 uses 2022 estimates.

Dodge County Housing Authority

Dodge County Housing Authority (DCHA) Housing Operations

- The only Public Housing Authority in Dodge County since 1972
- Administer the HUD Housing Choice Voucher Program - 157 vouchers
- Own and operate 208 units in eleven communities
- Layered programs vary by location including Rural Development, HUD, LIHTC, WHEDA, HOME, Housing Trust Funds, FHLB AHP Grant, DOA Neighborhood Investment Grant
- 188 of our units are funded by USDA Rural Development
- 20 units are Tax Credit units with WHEDA financing - 20 duplex homes
- Additional property under development - a planned childcare center and another 40 new units of affordable - workforce housing
 - *a childcare center for 45 children in Reeseville*
 - *30 units of Tax Credit duplex homes in Juneau*
 - *10 units of duplex homes in Reeseville (no LIHTC)*



Oak Grove Phase 2 in
Horicon, WI



Horicon Details:

- ▣ Move in demographics for the twenty units of housing:
 - ▣ 52 children under the age of 18
 - ▣ 19 new enrollees in the Horicon public school district of 680
 - ▣ 90% (18) of the resident families were living in unstable housing, with another family, or, in a 2-bedroom unit prior to moving to their new home
 - ▣ 4 households included a disabled child
 - ▣ 6 households included a disabled adult
 - ▣ 9 households experienced a decrease in income due to COVID
- ▣ Partnered with Moraine Park Technical College and Dodge County - UW Extension to provide access to educational opportunities
- ▣ Partnered with Central Wisconsin Community Action Council and Dodge County
- **All 20 households' annual income less than \$46,500 (for a family of four), 10 less than \$23,250.**

Hmm..



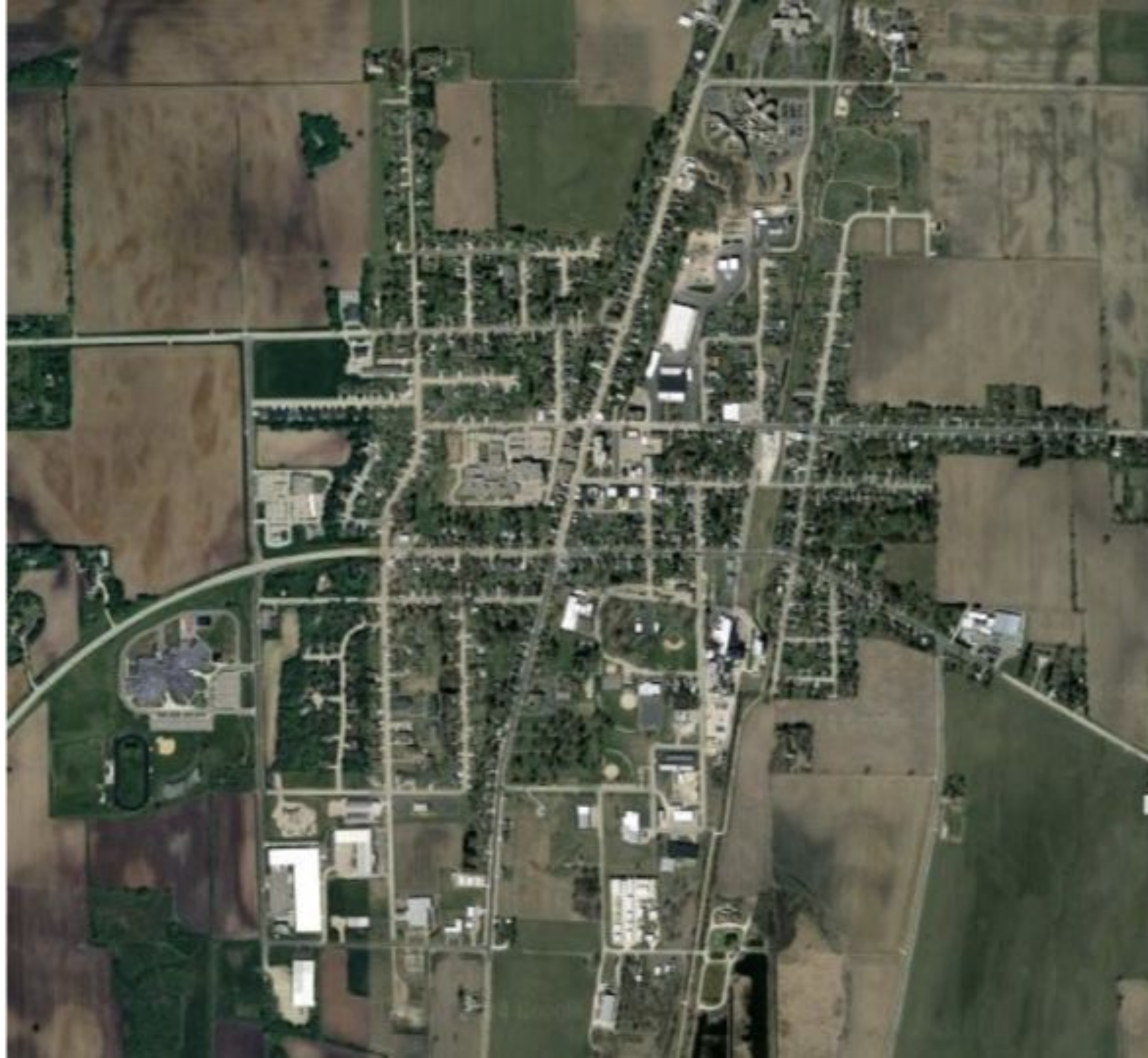
Juneau &
Reeseville/
Lowell

Housing &
Childcare

Financing the Project

WEDC Community Dev. Grant	\$ 250,000
Dodge County Grant	\$ 350,000
DCHA/ DOA Grant	\$ 750,000
Large Employer Support	\$ 200,000
Specialty Cheese Land Lease - 0	\$ 0
GAP - Potential Mortgage	\$ 550,000
Total	\$ 2,100,000

Juneau Project In-Home Childcare





Housing Development in Juneau, WI



Housing Development in Juneau, WI

- 1,150 sq. ft. three bedroom, 1.5 baths, garages, many with basements, all with solar systems and most close to schools.
- Juneau will have 60% CMI maximum incomes.
- Juneau homes built to be "Certified" family childcare operations thus all will be eligible for "Wisconsin Shares" funds.

Reeseville/
Lowell Project
Childcare
Center



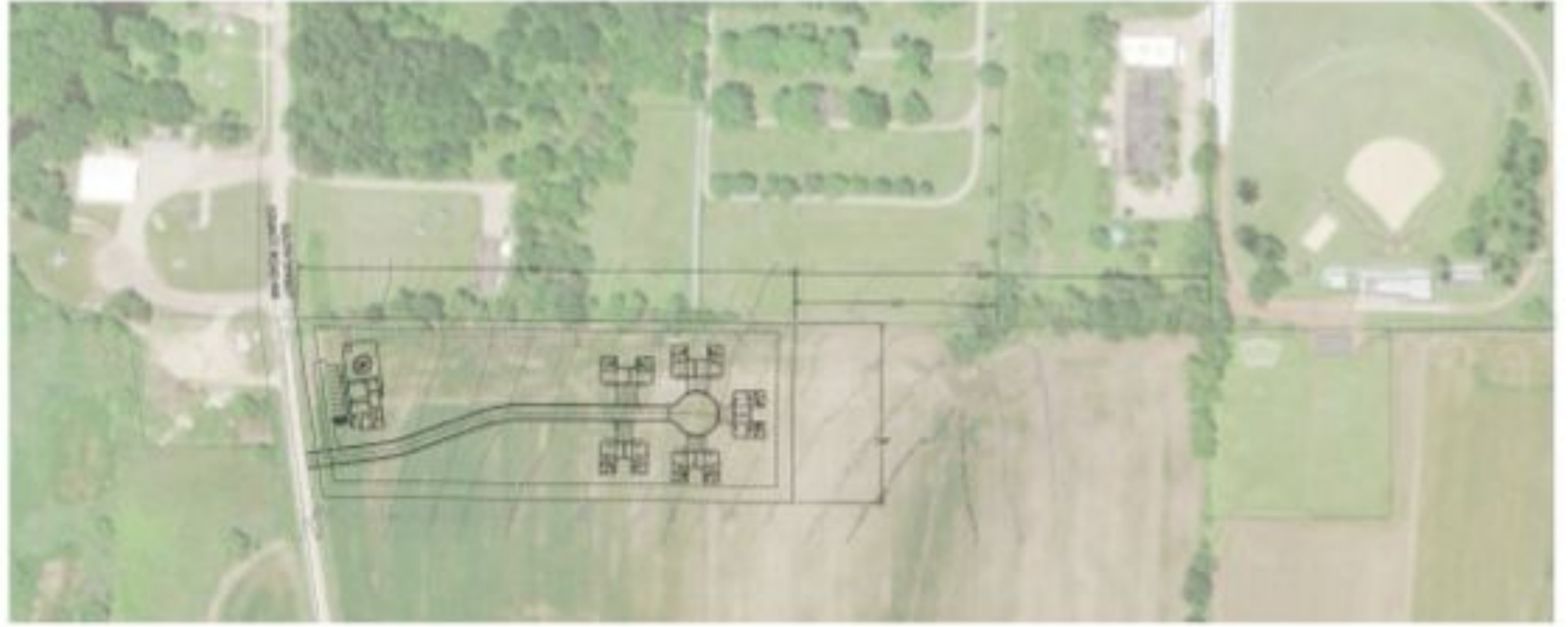


Specialty Cheese in Reeseville

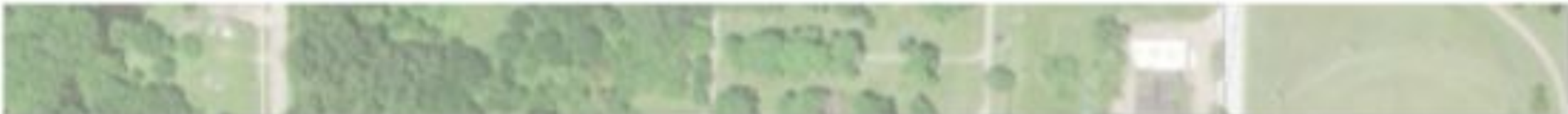
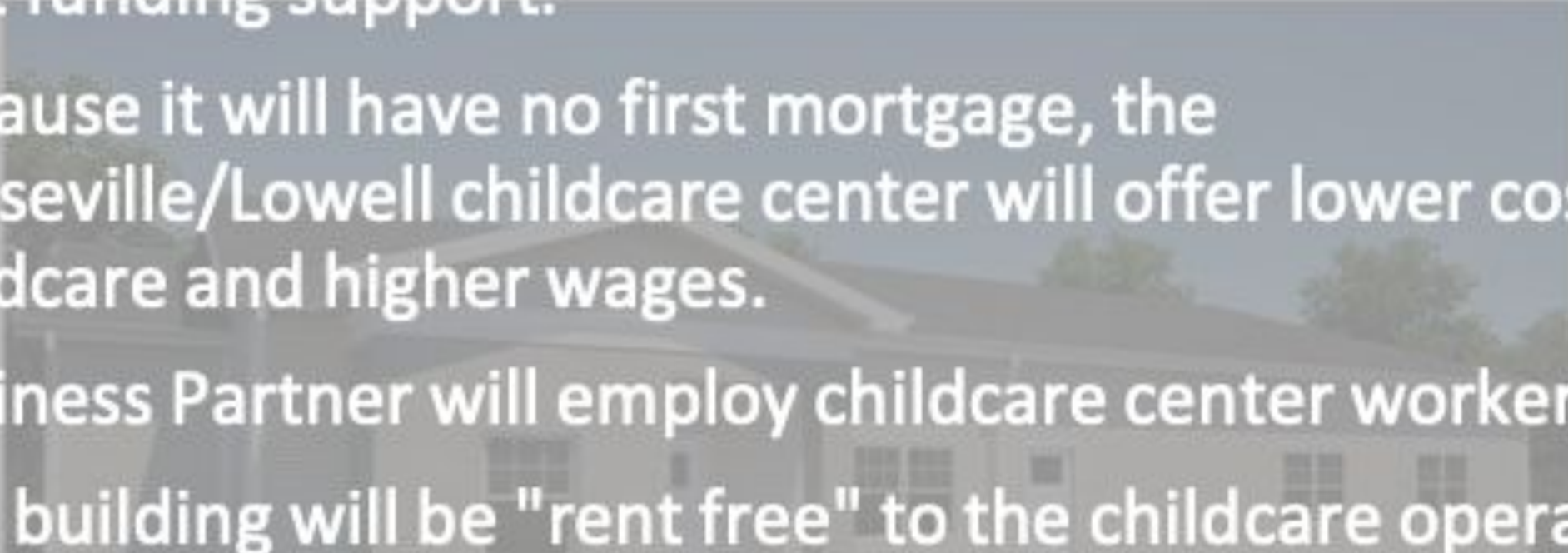


**SPECIALTY
CHEESE
COMPANY, INC.**

Childcare Development in Reeseville/ Lowell



Childcare Development in Reeseville/Lowell

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- 
- Reeseville/Lowell will have no income limits to better serve the "workforce" folks.
 - The Greater Watertown Community Health Foundation will offer training for family childcare operators, and low-cost funding support.
 - Because it will have no first mortgage, the Reeseville/Lowell childcare center will offer lower cost childcare and higher wages.
 - Business Partner will employ childcare center workers.
 - The building will be "rent free" to the childcare operator.

Juneau &
Reeseville/
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Housing &
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Real Estate is the Silver Bullet

Project Financing (45 Slots)	Reeseville	Typical
Owner/ Developer Equity	\$525,000	\$525,000
Grants/ soft funds	\$1,575,000	\$0
Mortgage/Borrowed Funds <i>(75% of total cost)</i>	\$0	\$1,575,000
Total Cost	\$2,100,000	\$2,100,000
Annual Debt Service <i>"Must Pay" (7.7% - 20 yrs)</i>	\$0	\$145,600



Other Childcare Strategies

Dodge County YMCA & Dodge County Communities

- Currently partnered with Marshfield Clinic in Beaver Dam to add up to 124 childcare slots





Any questions?

Thank you for your time!



DODGE COUNTY
W I S C O N S I N

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