



Centralina

ECONOMIC DEVELOPMENT DISTRICT

The Role of Childcare in North Carolina Economy

February 15th, 2024



CENTRALINA
Community Economic
Development

Centralina



CENTRALINA
REGIONAL COUNCIL



Centralina
ECONOMIC DEVELOPMENT DISTRICT



Agenda



CENTRALINA
REGIONAL COUNCIL



- **Introductions**
- **Centralina Regional Council**
 - Why It Matters
- **Subject matter presentations**
 - *Aaron Merchen*, U.S. Chamber of Commerce Foundation
 - *Janet Singerman*, Child Care Resources Inc.
 - *Keena Thomas*, Novant Health
- **Moderated Panel**
- **Roundtable Discussions**
- **Call to Action**



Why Are We Here?



Objective: To understand the urgency of the childcare crisis and gather actionable ideas to move the issue forward



2010-2021 Region Wide Population Growth by Age Cohort

Total population
increased by
19%

0-19 age cohort
increased by
8%

20-54 age cohort
increased by
14%

55+ age cohort
increased by
44%



Why It Matters?

- Federal funding is decreasing
- Limiting access to employment, particularly for women
- Employers struggle to fill positions
- NC faces a severe shortage of child care workers



What Have We Done?

CENTRALINA *Learns*

- Centralina Learns Webinars
 - [Safe Siting training sessions March 2022](#)
- Comprehensive Planning & Land Use
 - Technical Assistance for Local Govt
 - [Jason Wager](#), Planning Director
- Economic Development District – CEDS
 - Expand local access to high-quality child care and early childhood education region-wide





Aaron Merchen
U.S. Chamber of
Commerce Foundation



Janet Singerman
Child Care Resources
Inc.



Keena Thomas
Novant Health

Aaron Merchen

Director of Policy and Programs

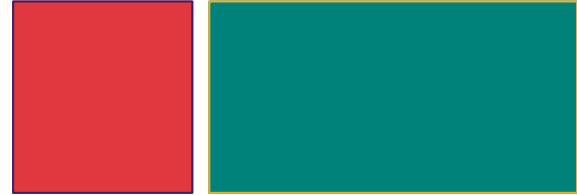


U.S. Chamber of Commerce
Foundation





Early Care & Learning in Centralina Economic Development District

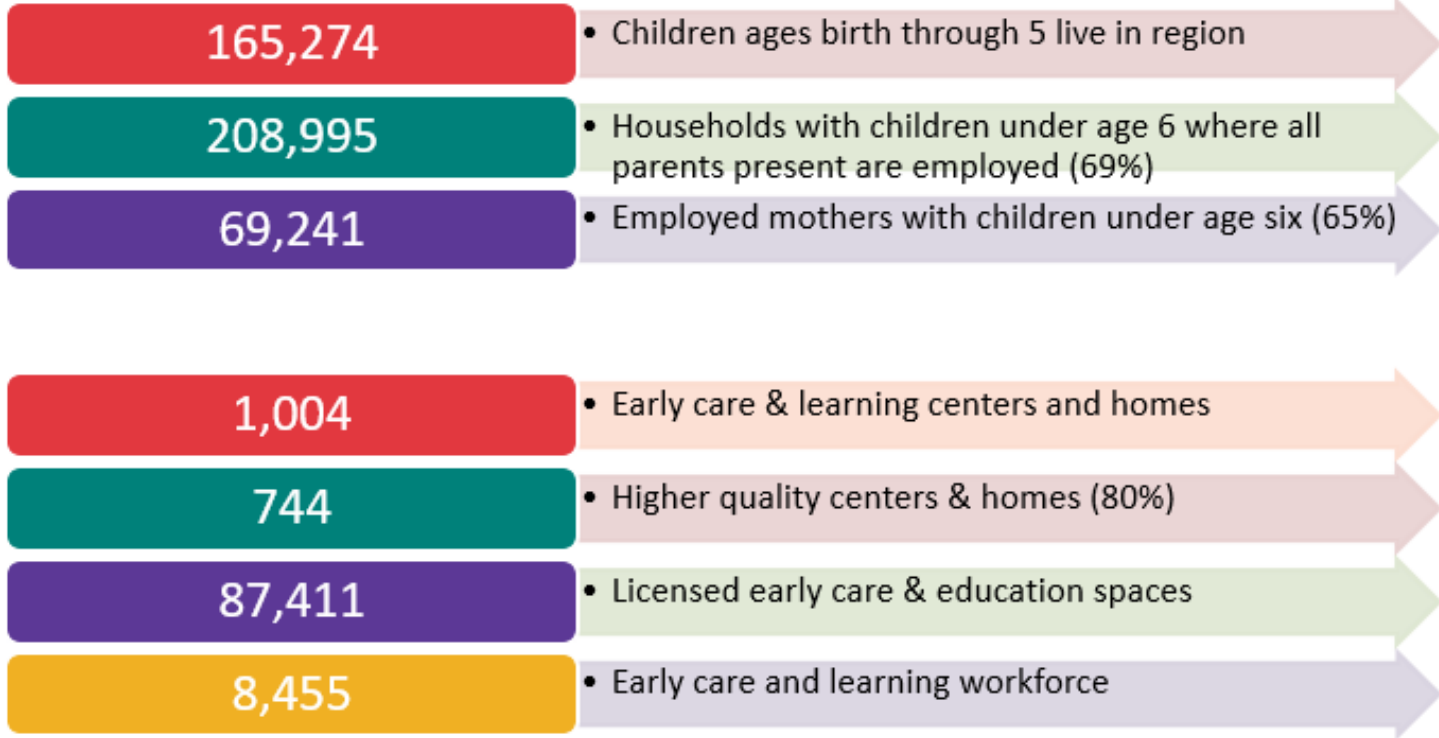


Janet Singerman
President & CEO

Our District and State Rely on Quality Early Childhood Care and Education

- Brain development in the first five years of life sets the stage for future success.
- High quality early care and learning:
 - Supports children's health development and learning
 - Enables parents to work
 - Keeps businesses running

Early Care & Learning Snapshot By the Numbers



Average Annual Child Care Fees in Region

Age Group	Low A= Anson; S = Stanly	High M = Mecklenburg	District Average
Infants	\$7,774 (A)	\$15,538 (M)	\$11,467
1-2 years	\$7,462 (A)	\$15,176 (M)	\$11,205
2-3 years	\$7,462 (A)	\$14,432 (M)	\$10,606
3-4 years	\$7,072(A)	\$13,694 (M)	\$10,080
4-5 years	\$6,812 (A)	\$13,476 (M)	\$9,955
School-Age	\$5,051 (S)	\$7,598 (M)	\$9,955

Child care is one of the biggest expenses families face... and *they face it when they are in their earliest earning years*



\$11,467
Infant Care



\$7,354
In-state tuition
4-yr NC public
college



\$10,375
Avg. Annual Rent

Source: CCRI & NC DCDEE

Pandemic Federal Funds Provided A Stop-Gap & Helped NC Child Care Stay Open & Teachers Stay in the Field

\$ 118,135,976 CARES

\$ 335,912,393 CRRSA

\$1,308,545,248 ARPA (72% of all)

- \$502,777,789 CCDF
- \$805,767,459 Stabilization

TOTAL \$1,762,593,617 \$170.02 per capita

97% of NC's eligible programs received stabilization grants.

District received \$216,324,251 for child care stabilization grants.

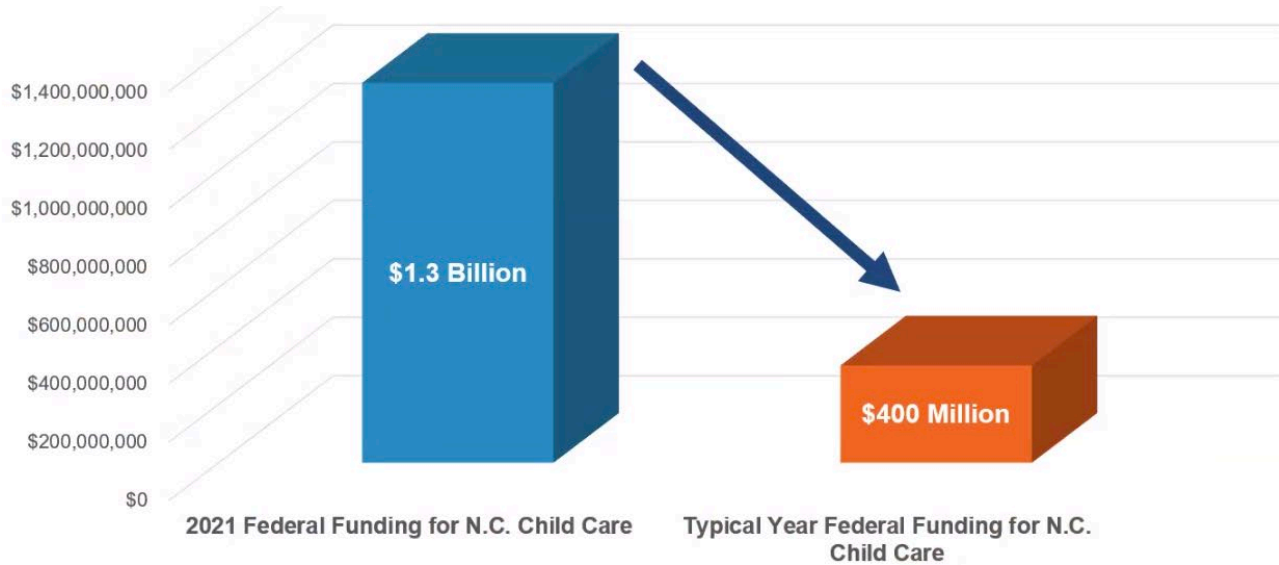
How Did This Region's Early Care & Education Programs Fare? (Pre-Pandemic to Current)*

	Number Change	Percent Change
District's Programs	-14 (+19 Centers, -33 FCCH)	-2%
District's Licensed Spaces	4,903	+7%
District's Child Enrollment	-2,171	-5%
NC Programs	-203 (-5 Centers, -198 FCCH)	-4%
NC's Licensed Spaces	11,442	+4%
NC's Child Enrollment	-11,470	-5%

*Excludes school-age only programs

2024 NC Pandemic Relief Funding Cliff

Scale of ARPA Funding



Source: NC DCDEE

Early Childhood Care and Education in Crisis

Those who live here and across NC want quality programs with skilled teachers where their children are safe, nurtured and learning but...

- *Teachers can't afford to stay in the profession, earning an average of \$14/hour (post-pandemic) – not enough to meet basic needs*
- *Child care programs can't retain teachers and struggle to keep classrooms and their doors open*
- **Child care market failure exacerbates the state's severe labor shortage. NC has 55 available workers for every 100 jobs.**

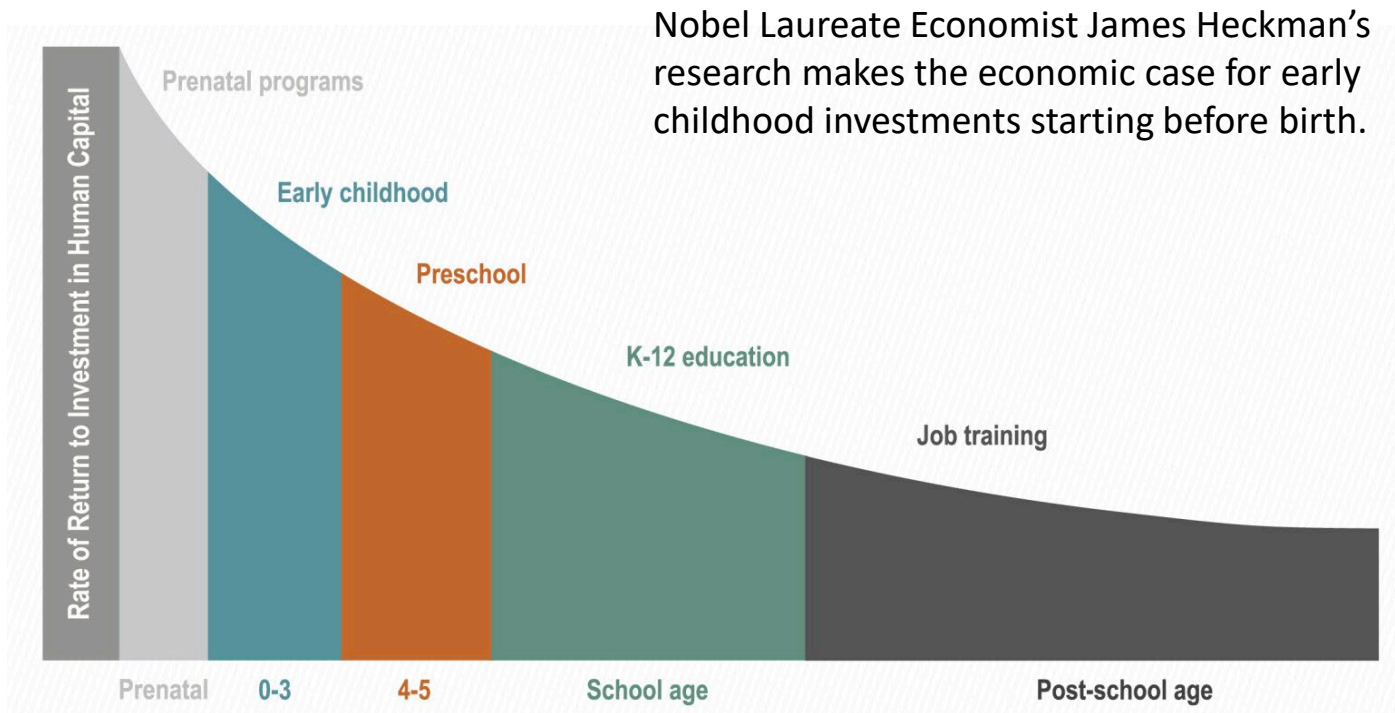
Source: NC DCDEE; <https://www.uschamber.com/workforce/understanding-north-carolinas-labor-market?state=nc>

Driving the Shortfall

Child Care Wages Lag Behind



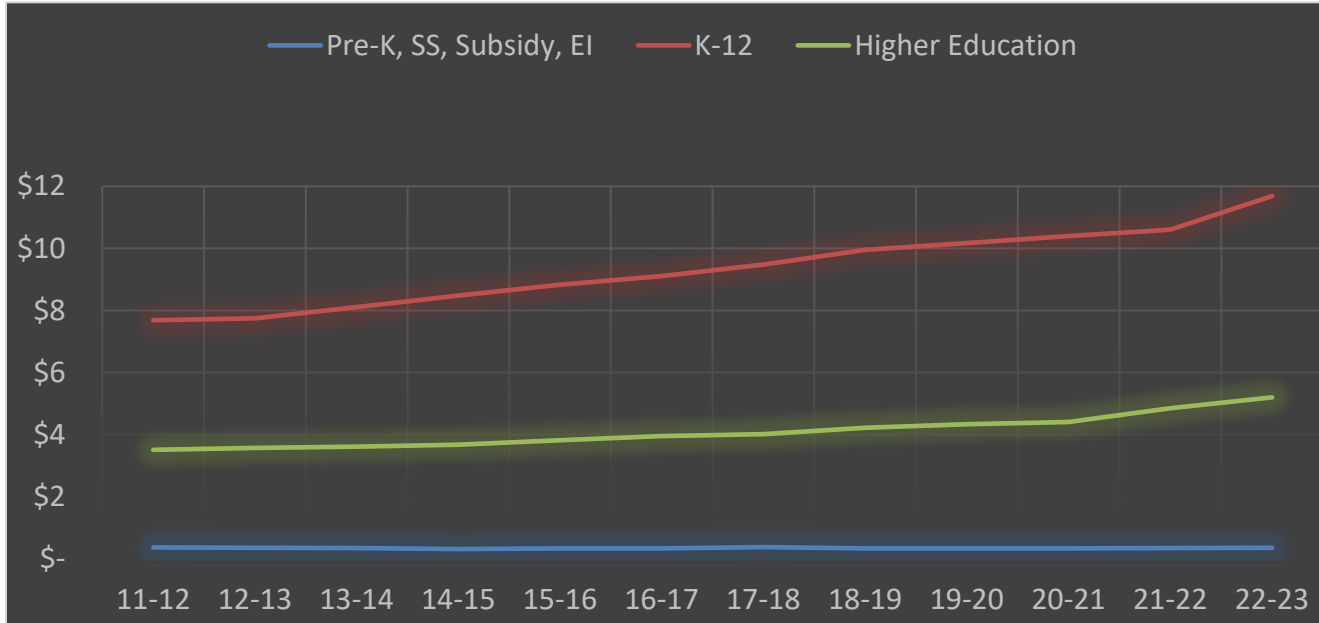
A Smart Investment



Source: <https://heckmanequation.org/the-heckman-equation/>

NC ECE Investment Does Not Align

CERTIFIED BUDGETS SFY 2011-2012 THRU SFY 2022- 2023
APPROPRIATION AND LOTTERY RECEIPTS (ALL \$ IN BILLIONS)



Source: NC DCDEE

Child Care Crisis Hurts Business & Economic Development

PARENTS WITH CHILDREN FIVE AND UNDER SAID:

25%

- left the workforce because they couldn't find affordable child care

60%

- had to miss work because of a problem with child care

37%

- refused a job opportunity, promotion, or job change because it would increase child care expenses

32%

- did not pursue job training or continuing education because of a lack of affordable child care

Source: "NC Chamber Foundation Child Care Survey Findings" [ncchamber.com/2023/05/10/nc-chamber-foundation-child-care-survey-findings-summary/](https://www.ncchamber.com/2023/05/10/nc-chamber-foundation-child-care-survey-findings-summary/)

North Carolinians Want the State to Act

79%

- of North Carolina voters agree that quality, affordable child care is important to strengthen the economy and help workers provide for their families.

95%

- say that quality child care programs help ensure workers are able to go to work reliably.

94%

- say that quality child care programs help children develop important social skills, such as self-confidence, self-discipline, and the ability to work well with others.

93%

- agree that quality child care programs help children have academic success in school.

Source: "NC Chamber Foundation Child Care Survey Findings" [ncchamber.com/2023/05/10/nc-chamber-foundation-child-care-survey-findings-summary/](https://www.ncchamber.com/2023/05/10/nc-chamber-foundation-child-care-survey-findings-summary/)



Keena Thomas,
BS, MA

CORPORATE CHILDCARE DIRECTOR

Workflow
Benefits/Opportunity
Retention

Panel Conversation

Child Care Economy

Moderated Panel

- What small business or local community solutions have you seen that were proven effective in addressing child care access concerns relating to workforce?
- Child care is often an afterthought in community, economic, and workforce development planning. Should planning for child care be a critical strategic planning component?



Workshop Activity

Child Care Strategies

Roundtable Discussions

As a result of this conversation, what **TOP 2** solutions and best practices will you choose to implement at your local governments and organizations? What can we do as a region to help address this?



Call to Action

Call to Action- Education, Innovate, Implement

- ✓ Recognize early care and learning/child care as a critical component of the infrastructure necessary for communities to thrive
- ✓ Leverage the power of partnership
- ✓ Advocate for increased public/private sector investment
 - ✓ (increased \$\$ and cost offsets)
- ✓ Think big and small
- ✓ Promote the culture of family friendliness into planning, policy, and practice
- ✓ Identify and address barriers that adversely impact access & cost (land use, zoning, regulation, inspections, etc.)
- ✓ Include & address in local workforce development planning and programming
- ✓ Expand start-up and ongoing training, coaching, business, and financial supports



Call to Action- Local Empowerment

- Examine local zoning and land use opportunities for child care facilities
- Consider child care needs in planning and development process
- Reduce regulations to help home-based child care providers grow
- Develop a how-to guide for child care entrepreneurs
- Promote early childhood education career pathways
- Establish a child care task force and strategic plan that addresses barriers
- Engage businesses in child care needs and awareness



Call to Action Resources

Online Resources

Regional

Child Care Demographic Fact Sheets for each Centralina County

[Anson](#)

[Gaston](#)

[Lincoln](#)

[Rowan](#)

[Union](#)

[Cabarrus](#)

[Iredell](#)

[Mecklenburg](#)

[Stanly](#)

- [Child Care Resources Inc.](#)
- [NC Child Care Resource & Referral \(CCR&R\) Council](#)
- [Region 6 Child Care Demographics – Interactive Maps](#)
- [Smart Start in Your Community](#)

State

- [Family Forward NC Workplace Guide](#)
- [NC Chamber Foundation Child Care Survey Findings](#)
- [Child Care in State Economics 2019 Update](#)
- [First Five Years Fund 2023 NC State Fact Sheet](#)

National

- [US Chamber's Employer Roadmap: Child Care Solutions for Working Parents](#)
- [Untapped Potential: Economic Impact of Child Care Breakdowns in the U.S](#)
- [The Economic Impact of America's Child Care Gap](#)



**Please take
our
evaluation
survey!**



THANK YOU

704-372-2416 | CEDD@centralina.org | 10735 David Taylor Drive,
Suite 250, Charlotte, NC 28262 | www.centralinaedd.org

Anna Lu Wilson
alwilson@centralina.org
704-385-4790



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