Business Dateline;
The Business Journal-Charlotte

June 7, 1993

SECTION: Vol 8; No 8; Sec 1; pg 3

LENGTH: 608 words

HEADLINE: Day care attracts new investment

BYLINE: Rick Brooks

DATELINE: Charlotte; NC; US; South Atlantic

BODY:

Kim Heath sees success in the crocodile tears of the little girl leaving the Children First Learning Centers Inc. facility under construction in Monroe.

"That's what I like--not crying when they come, but crying when they leave," quips Heath, who's feverishly preparing the 141-child center for a June 7 opening.

Elbie Wallace is hustling, too. He's using a $ 650,000 loan to build a 100-child center in the Grier Heights neighborhood. Wendover Child Development Center should open by mid-July.

These centers are part of what some call a child care building boom--one being spurred in part by eager banks and a continuing shortage of high-quality day care in the Charlotte area.

But that boom is making it tougher for some day care owners who want to expand.

"Someone who has never been in the day care industry has a better chance to borrow than someone in the industry," says Bob Eagle, vice president of Kiddie Korner Day Schools Inc., operator of 11 area centers. "No one has knocked on my door."

Area banks can't provide exact figures on how many day care start-ups or expansions they've financed. Most won't discuss lending relationships, but they acknowledge they're making more day care loans.

But the number of state-licensed day car facilities in Mecklenburg County is up just 1 percent since November 1991. Observers say spaces are still especially scarce for children younger than 3.

"Day care is one of those areas where there is still a shortage," says Isaiah Tidwell, Wachovia Bank of North Carolina regional vice president in Charlotte. "There just aren't enough spaces."

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"To help narrow the gap, First Colony Corp., a Charlotte real estate developer, is breaking into the market with the Children First Learning Center in Monroe and a 12,800-square-foot SouthPark center set to open in November.

NationsBank Corp. has financed two Charlotte day care centers--one is Wallace's Grier Heights **facility**--though a $ 10 million **child care** development **loan** pool it created in 1991.

And three of the first 10 loans made through the City Within a City Loan/Equity Pool, an $ 8.4 million program funded by eight area banks and the city of Charlotte, have been used to buy or build day care centers.

"High-quality day care for any age child is in short supply," says Marjorie Warlick Tate, president of Child Care Resources Inc., a Charlotte-based resource and referral agency.

NationsBank is the only area bank that finances day care loans using a specific day care loan program. Other banks usually don't distinguish between day care loans and other small-business loans during the application process.

But day care loans often seem riskier, bankers say, because the industry is state-regulated and because there is intense pressure to maintain cash flow for debt service.

"You have to take a harder look at it to make sure the location can still support it despite competition," says Robby Russell, a First Union Corp. vice president who helped make a day care loan in 1991 using a loan pool for minority-owned small businesses.

Some longtime Charlotte day care owners say they haven't had such an easy time expanding--despite the continuing demand for day care.

Eagle, whose family opened its first Charlotte-area day care center in 1950, says loans for expansions have all but dried up since 1990. Banks have pressured day care owners to prove their present cash flow can support future operations.

"We went from having a verbal commitment ... to having zero commitment," says Eagle, who has had to shop for a new lender twice since 1990. He'll start looking again if a proposed center in Matthews is approved.

GRAPHIC: Photo

LANGUAGE: ENGLISH

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LEVEL 1 - 12 OF 49 STORIES

Newsday

January 17, 1993, Sunday, NASSAU EDITION

SECTION: BUSINESS; YEAR OF THE CHILD?; Pg. 84
Other Edition: Suffolk Pg. 88, City Pg. 76

LENGTH: 1408 words

HEADLINE: It's on Clinton's long agenda, but it's unclear how far the issue will go

BYLINE: By Pamela Mendels. STAFF WRITER

BODY:

FAITH WOHL RECALLS feeling the excitement - tempered by reality - on Election Night last November, when it was announced that Bill Clinton had won.

At the time, Wohl, who specializes in work and family matters as a human resources director for Du Pont, was with a group of child care advocates in Boston. The mood among them, she said, was "euphoric, a feeling that finally we have someone who can hear us in the White House."

But her thoughts soon turned to other pressing issues like the health care crisis and the nation's budget deficit.

"I was enough of a pragmatist to say that the country has an enormous agenda ahead of it," she said. "And it's hard to say where children are going to fall in that whole spectrum of need the country is facing."

As Clinton prepares to set up shop in the Oval Office, experts believe he will press for some immediate initiatives to relieve the burden on employees juggling careers with child-rearing.

Almost everyone agrees the new administration will push for swift enactment of a federal family leave bill. Twice vetoed by President George Bush, the Family and Medical Leave Act, reintroduced in Congress earlier this month, would guarantee a 12-week unpaid leave to workers at employers of 50 or more when they need time off for such emergencies as the birth of a child or the serious illness of a parent. During his campaign, Clinton vowed to sign the bill.

And despite these budget-conscious times, many observers foresee Clinton's carrying out another campaign promise: full funding of Head Start, the pre-school program for poor children, generally ages three and four. The Children's Defense Fund, a Washington, D.C.-based advocacy group dear to the heart of soon-to-be First Lady Hillary Clinton - who long served as chairwoman of the group's board - is seeking increases for Head Start that would reach about $ 13 billion by the 1998 fiscal year, up from $ 2.8 billion for fiscal 1993.

The new money would help pay for, among other things, a program open to all eligible children, one that could begin to provide more care for toddlers and infants and start to offer more full-day, full-year services to assist working parents.

But even quick adoption of these measures would still leave many problems unresolved.

Many child-care experts decry the arrangements that have sprung up in the United States over the last 20 years. They describe the American child care system as a patchwork at best: a system suffering from acute shortages of quality care for infants, commonly mediocre care for the nursery school set and scant attention to the "home alone" kids - children who lack adult supervision after school.

To make matters worse, it is a system that frequently lacks coordination with parents' working schedules. The result, experts says, is a system that frequently fails, creating stress, absenteeism and a loss of productivity for the parents who rely on it, stagnation and sometimes even danger for the children who spend large chunks of their days in it.

It is also unfair, many say.

"We've got a three-tiered child care system in the this country," says Edward Zigler, who directs the Bush Center for Child Development and Social Policy at Yale University and estimates that 70 percent of the child care settings in the United States are of poor quality.

"The first tier, high quality, is being purchased by the affluent - nannies or good day care centers," Zigler said. "The second tier, by the poor or near poor through government subsidies. The middle class get some tax relief, but absolutely the worst care in America is being received by the working class and lower middle-class, the mainstream of society."

The problem is that high-quality care costs a lot.

This kind of care is where children learn and are not plunked in front of a television set, where staffers are paid enough so that high turnover is not a problem and where there is a safe ratio of adults to children.

The Washington, D.C.-based National Association for the Education of Young Children puts a national average price tag at between $ 6,400 and $ 8,400 a year for a good child care center, noting that the figures can run much higher in regions like the New York metropolitan area. This is a far cry from the average $ 3,000 being paid by parents now.

While Clinton has said he is committed to the creation of "a child care network as complete as the public school network," he has never spelled out how he intends to accomplish this. Most child care experts believe he will work toward this goal mainly by using the White House as a bully pulpit to bring the problems of the nation's child care system to public prominence.

Perhaps one key to Clinton's efforts will be the "Hillary factor" - his wife. With a resume that includes leadership positions in the New York-based Child Care Action Campaign as well as the Children's Defense Fund, Hillary Clinton is considered a major ally of child care advocates.

In 1989, she was one of 14 members of a study tour of the French child care system - one that combines a lengthy leave policy with tax breaks for those who need child care, as as well as a model, public pre-school system for children 3 to 5 and an emerging publicly funded system for toddlers.

She came back impressed.

"Before we lock ourselves into a makeshift, inadequate child care policy, we ought to consider valuing children, French-style," she later wrote in an op-ed piece for The New York Times. She did not suggest duplicating the French system but did urge the development of a "a national concensus on how best to nurture our children."

For now, child-care experts are calling for the kick-off of a national discussion how to solve child care problems, American-style.

Barbara Reisman, executive director of the Child Care Action Campaign, is one of 30 prominent experts who have asked Clinton to convene a presidential child care task force to draw up policy recommendations for federal, state and local action. Hillary Clinton has been mentioned as a candidate to head such a task force.

Ellen Galinsky, co-president of the New York-based Families and Work Institute, a research group, and one of 326 people invited to attend Clinton's economic summit in Little Rock last month, has drawn up a number of suggestions of her own in a post-summit memorandum to the president. Among them: including small business, traditionally among the stiffest opponents to government measures to solve work-family problems, in the national discussion; encouraging states to assess the progress of companies in becoming "family-friendly"; and expanding the Malcolm Baldrige National Quality Award, the nation's most prestigious prize recognizing quality in business, to include work-family matters.

Some experts are pushing for private and public scholarships to help parents pay for care. Others suggest use of unemployment insurance, Social Security or temporary disability funds to pay for infant care leaves. Zigler proposes, among other things, launching an experiment in a few Head Start sites to admit young children of all incomes, as long as their parents pay based on what they can afford.

Clinton is widely regarded as a political leader willing to promote discussion of such possibilities. When he was governor of Arkansas, he helped introduce such programs as a guaranteed **loan** plan to assist the development of **child care facilities.** And now he is surrounding himself with cabinet officers with similar interests.

Donna Shalala, nominated by Clinton to the post of secretary of Health and Human Services, succeeded Hillary Clinton as chairwoman of the board of the Children's Defense Fund. And former South Carolina Gov. Richard Riley, nominated by Clinton for the post of secretary of education, is credited with launching a major reform of education in South Carolina and until recently chaired a Carnegie Foundation task force to develop an "action agenda" for meeting the needs of the "0 to 3" age group.

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A lineup including Hillary Clinton, Shalala and Riley - together with Clinton's longtime interest in improving early childhood education so that children enter school prepared to learn - almost assures the beginnings of a widescale discussion on the shape of child care.

"What we can be sure about is that the national dialogue will intensify," said Wohl of Du Pont. "We are really going to be talking about this in a sustained way."

GRAPHIC: 1) AP Photo-Edward Zigler, who directs the Bush Center for Child Development and Social Policy at Yale. 2) Newsday Photo by Nanine Hartzenbusch-Barbara Reisman in her office in New York. 3) Photo by French-American Foundation-Hillary Clinton during her 1989 trip to France to study child care. 4) Newsday Photo by Phillip Davies-Ellen Galinsky has suggestions for Clinton. 5) Photo-Hillary Clinton chats with Marian Wright Edelman, president of the Children's Defense Funmd at a recent meeting in Manhattan (Color Photo in City edition)

LANGUAGE: ENGLISH

LEVEL 1 - 13 OF 49 STORIES

Business Wire

October 15, 1992, Thursday

DISTRIBUTION: Business Editors and Education Writers

LENGTH: 552 words

HEADLINE: Coalition announces facilities help for Head Start

DATELINE: NEWARK, N.J.

BODY:

The Invest In Children Coalition announced the creation of the Early Childhood Facilities Fund (ECFF), which will provide quality facilities for Head Start and other early childhood programs, at a news briefing Thursday at The Prudential Foundation in Newark.

The fund was conceived as the result of a comprehensive study of the costs and conditions of New Jersey Head Start facilities, funded through a grant from The Prudential Foundation.

The study found that the lack of affordable, appropriate space hinders Head Start expansion and the ability to deliver needed services to children already enrolled in the program. The ECFF will provide quality facilities for Head Start and other early childhood programs by coordinating financing and technical assistance.

''Young children need places to learn that are safe and designed to meet their needs,'' said Peter Goldberg, president of The Prudential Foundation. ''The Early Childhood Facilities Fund promises to be an important part of the growing effort to provide quality programs for preschoolers.''

The ECFF, which will be incorporated as a private, tax-exempt organization will develop, finance and own new or rehabilitated **facilities** and lease them to experienced Head Start or **child care** providers. A flexible **loan** program and a full range of technical assistance services are also envisioned. The state's Head Start directors, state and federal officials, as well as leading banks and investment firms were consulted in developing the plan.

''The state's business leaders are convinced that investing in quality early childhood programs, like Head Start, is the best assurance that all our children will become productive citizens,'' said Tom O'Neill, executive director of The Partnership for New Jersey, one of the coalition's founders. ''The Early Childhood Facilities Fund is meant to ensure that the lack of facilities are not the bottleneck in New Jersey's ability to respond to the opportunity to reach more children in need.''

Federal funding for Head Start has doubled between 1990 and 1993 and the program continues to benefit from the support of the Bush Administration and the Congress. Invest in Children has been an active advocate for this expansion. A

$577 million increase in the Head Start appropriation was signed by the President last week, bringing the total funding to $2.777 billion nationwide. New Jersey currently receives about $54 million to serve 11,688 children representing roughly one-third of those eligible. Without adequate facilities, all eligible children might not benefit from the increased appropriation.

Invest in Children is a coalition of New Jersey's business and child advocacy groups dedicated to advancing public policy on behalf of New Jersey's children in need. The coalition was convened in 1989 by The Partnership for New Jersey, the N.J. Business and Industry Association, the Association for Children of New Jersey and the Public Education Institute.

The Prudential Foundation is located at 751 Broad St. in Newark.

CONTACT: Invest In Children, Newark
Donna Cohen Ross, 201/643-3876
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LANGUAGE: ENGLISH

LEVEL 1 - 14 OF 49 STORIES

PR Newswire

October 3, 1991, Thursday

SECTION: Financial News

DISTRIBUTION: TO BUSINESS EDITOR

LENGTH: 757 words

HEADLINE: NCNB CORP. EXPANDS LENDING PROGRAM TO CREATE CHILD-CARE FACILITIES IN FLORIDA, NORTH CAROLINA, TEXAS AND GREATER BALTIMORE AREA

DATELINE: CHARLOTTE, N.C., Oct. 3

BODY:

An expanded, below-market-rate loan program, announced today by NCNB Corp. (NYSE: NCB), has the potential to create new child-care facilities for approximately 4,000 children.

Under the program, a two-year old lending initiative for child-care providers in South Carolina is being expanded to include NCNB communities in Florida, North Carolina, Texas and the greater Baltimore, Maryland area.

In its first two years in South Carolina, the NCNB Child Care Development Fund loaned $1.6 million to build new facilities or improve existing centers. These projects have created additional space for 616 children.

The expanded program will provide an additional $10 million in **loan** funds for **child care facilities.**

"This unique program is a measure of NCNB's commitment to stimulate the growth of quality child-care facilities in all the states where we have statewide banks," said Ken Lewis, president of NCNB's General Bank.

The loan fund is an outgrowth of nationally recognized work/family programs NCNB has developed for its own employees. Among these is a service that helps employees find quality child care; another subsidizes child-care costs for eligible employees.

Under the program, loans for day-care development will be provided in conjunction with the U.S. Small Business Administration.

Patricia Saiki, Administrator of the U.S. SBA, said that quality child care has many benefits. "It strengthens our communities. It encourages small business development. And it gives our children the kind of start they need to succeed in today's world and be future business leaders."

"NCNB's loan program made it possible for me to open my second Hope's Treasure Chest child-care center, which in turn has helped meet the child-care needs in Charleston," said Harriet W. Wilder, who took advantage of the loan

program in South Carolina. "It's fortunate for communities that NCNB sees the value in helping the small-business person."
Providers seeking loans must meet state licensing requirements and meet Small Business Administration eligibility guidelines. Providers also must be residents of the states served by the fund, or be partnerships or corporations based in those states.

In addition, providers seeking loans may not own more than three day-care facilities, may not be part of a franchise and must be open to the general public. The Child Care Development Fund is not designed to fund facilities primarily for the use of one organization or to fund improvements for in-home child care facilities.

The fund provides financing for as long as 15 years, with terms set according to need and ability to pay. Pricing of the permanent loans will be at the U.S. Treasury Bond rate for similar maturities plus one-half percent. For example, the rate for a 15-year permanent loan closed on Sept. 30 would have been 8.37 percent. Interim construction loans, if required, will be priced at NCNB's prime rate.

Loans can be used to build new facilities, expand existing centers, buy equipment, furniture and fixtures, and for working capital.

In South Carolina, the loan fund was supported by child care organizations throughout the state, said Joel A. Smith III, president of Carolinas Banking for NCNB.

"When we set this program in motion in South Carolina, we realized there was an acute need for quality day care, both for our employees and for the general public in the communities we serve," said Smith. "But because day care owners are also small business entrepreneurs, we felt even stronger about the program, since it provided them a funding source and enabled them to grow."

"We are particularly pleased that most of the loans were used to provide additional care for low-to-moderate income families," Smith said. "However we measure it, the program has been highly successful."

NCNB announced in July its plans to merge with C&S/Sovran of Norfolk and Atlanta to form NationsBank. Several months after the merger is complete, the Child Care Development Fund will be expanded to all of the communities NationsBank will serve.

Individuals interested in obtaining additional information regarding the program may call NCNB's toll-free number at 1-(800)-955-NCNB (6262) between 8:30 a.m. and 6 p.m. (EDT). CONTACT: Mary Waller, 704-386-5469 (North Carolina); Chris Spencer, 803-758-2348 (South Carolina); Sheryl McAlister, 704-386-3150 or 813-224-5478 (Florida); Martha Larsh, 214-508-0633 (Dallas); or John Cleghorn, 704-386-8571 (regional

LANGUAGE: ENGLISH

LOAD-DATE: 100391 CH001

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LEVEL 1 - 21 OF 49 STORIES

Los Angeles Times

October 20, 1990, Saturday, Home Edition

SECTION: Part A; Page 26; Column 6; Metro Desk

LENGTH: 888 words

HEADLINE: BONDS TARGET CHILDREN, VETS AND HOUSING

BYLINE: By JERRY GILLAM, TIMES STAFF WRITER

DATELINE: SACRAMENTO

BODY:

Three bond issues on the Nov. 6 ballot would raise a total of $755 million to benefit a broad spectrum of low- and middle-income Californians -- except for a share that could also reach the pockets of those in higher brackets.

Passage of Proposition 145 would authorize the sale of $325 million in bonds to finance homes for first-time buyers and to provide housing assistance for a range of low-income groups.

Proposition 142 is a $400-million home- and farm-loan measure designed to aid military veterans.

Proposition 151 would raise $30 million to build and expand child-care centers.

Worked out in negotiations between Gov. George Deukmejian and Democratic legislative leaders during the final days of the 1990 session, Proposition 145 would provide $200 million in low-interest loans and interest-rate subsidies to 5,000 potential first-time home-buyers who meet certain requirements.

The remaining $125 million would go for a variety of programs designed to assist low-income renters, farm workers, homeless people and those living in buildings that might become unsafe during a major earthquake.

"Proposition 145 will make home ownership a reality for many families again," Deukmejian said. "Housing prices in California have doubled in the past 10 years. Many families, even with both parents working, are unable to become homeowners.

"Only one in five California families can afford to buy a median-priced home.

This is discouraging to young families just starting out and to employers who want to bring more jobs to our state."

Senate Republican Leader Ken Maddy of Fresno carried the enabling legislation. The housing aid measure is also supported by Senate President Pro Tem David A. Roberti (D-Los Angeles) and the California Assn. of Realtors.

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Primary opposition to the housing plan comes from Assemblyman Dan Hauser (D-Arcata), the chairman of the Assembly Committee on Housing and Community Development.

It is a "yuppie" ballot measure, Hauser charged, because people who earn more than $80,000 a year could qualify for low-interest home loans in some counties where home prices are very high. Eligibility is tied to median prices, so a family of three living in San Mateo or Marin counties and earning $83,000, for example, could qualify, according to the state formula.

Hauser said it would establish "a policy which benefits the wealthiest residents of our state while providing virtually no additional housing for those in greatest need."

Proposition 142, the $400-million Cal-Vet home- and farm-loan bond issue, is aimed at helping 3,200 additional military veterans obtain loans. It would continue a state program that has been in operation for almost 70 years.

The Cal-Vet program is self-supporting because the interest and principal on the bonds are paid back with money received from monthly loan payments made by veterans.

Strongly backed by various veterans groups, the legislation to place the bond issue on the ballot cleared both houses of the Legislature without dissent.

It was carried by Sen. Don Rogers (R-Bakersfield). B. T. Collins, the state's Vietnam War Memorial commissioner, was a leading supporter.

Rogers described the Cal-Vet program as "an appropriate expression of our appreciation for the sacrifices U.S. veterans of foreign wars make in defense of our state and nation."

Ted Brown, chairman of the Los Angeles central committee of the Libertarian Party, opposed the measure, warning that a recession could cause many veterans to default on their Cal-Vet loans and leave taxpayers to pay off the bad debts.

Proposition 151, the $30-million bond issue to start up or expand child-care centers for the children of working parents, is the outgrowth of a bill sponsored by Sen. Diane Watson (D-Los Angeles), chairwoman of the Senate Committee on Health and Human Services.

The money would be used to fund low-interest loans to acquire, renovate, construct or purchase equipment for child-care centers.

A nine-member **Child Care Facilities** Authority would administer the **loan** program. Preference would be given to applicants who serve areas with significant unmet child-care needs.

"Although many parents would prefer to stay at home and care for their children," Watson said, "economic necessity is forcing them into the labor force.

"This means that some form of child care is needed for a good part of the day. For young people in their critical formative years, the type of care they receive can affect their development and achievement later in life."

Sen. Robert Presley (D-Riverside), chairman of the Select Committee on Children and Youth, and Sen. Becky Morgan (R-Los Altos Hills), chairwoman of the Select Committee on Infant Child Care and Development, also support Proposition 151.

Opponents include John Vernon, former chairman of the Libertarian Party, who argued that tax credits or tax deductions for working parents would be a better way of providing assistance for child-care purposes.

Deukmejian recently urged California voters to choose carefully when voting on the more than one dozen proposed bond issues that will appear on the general election ballot.

"Without fiscal restraint by the voters this fall," he said, "we could find ourselves too deeply in debt and jeopardize the fiscal health we have worked so hard to achieve."

LANGUAGE: ENGLISH

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LEVEL 1 - 26 OF 49 STORIES

Business Dateline;
The Business Journal-Sacramento

October 8, 1990

SECTION: Vol 7; No 28; Sec 1; pg 22

LENGTH: 1884 words

HEADLINE: Regulations Are Scarce on Family-Related Issues

BYLINE: Todd Stein

DATELINE: Sacramento; CA; US; Pacific

BODY:

Despite the growing ranks of women in the workplace, there are few federal or state laws that address issues such as child care and parental leave.

In California, 60 percent to 70 percent of all children under the age of 6 have working mothers. Yet existing child-care rules are limited to the availability of tax credits for child-care costs; Title VII of the Civil Rights Act of 1964, which protects pregnant women from adverse treatment; a California law that requires employers to provide women with up to four months of maternity leave; and a U.S. Supreme Court ruling that upheld the California law.

Over the past few months, several efforts have failed at both the federal and state levels to increase the level of family-leave benefits for working parents. In June, President Bush vetoed a bill that would have guaranteed workers leave from their jobs for as much as 12 weeks a year for childbirth, adoption or serious family illness. Gov. Deukmejian vetoed a similar state bill Sept. 26.

In the wake of such recent setbacks, local family-rights advocates are pinning their hopes on an obscure bond measure approved at the last moment for November's statewide ballot. Proposition 151 --or the "baby bond bill" -- would provide $ 30 million in low-interest **loans** to start or expand **child-care** centers.

The Child Care **Facilities** Financing Act of 1990 is the first initiative in California history specifically to target child care.

"The baby bond bill is just one part of the family puzzle," said Sherry Skelly, a lobbyist for the California Children's Lobby in Sacramento, one of the initiative's chief supporters. "But it's important because voters can send a message to lawmakers that we need to be thinking about family issues right now."

Whether that message eventually reaches lawmakers' ears is not at all certain yet. The baby act had a tough time just making it to the ballot.

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Proposition 151 was first stalled and then whittled away at by Republican leaders during this summer's lengthy budget negotiations. The surviving bill, approved at the last moment in late August, provides significantly less money than first proposed.

The initiative's chief sponsor, state Sen. Diane Watson, a Democrat from Los Angeles, originally asked the Legislature to approve $ 270 million in revenue bonds and $ 30 million in general obligation bonds. But the revenue bonds were stripped from the bill during review by the Senate Ways and Means Committee.

Still, California voters have proved generous in supporting past bond measures -- part of the reason for the current extravaganza of ballot initiatives -- and Proposition 151's supporters believe it will pass on the strength of its parental appeal alone.

"Thirty million makes this a test initiative, not a problem solver," said lobbyist Skelly. "It doesn't solve many of the other problems related to quality of care and the high cost of care for parents."

Low-interest loans in any amount would still help solve one of business's peskiest problems associated with family issues: the high cost of building child-care facilities for workers.

When Sacramento developer Lankford & Cook (now Lankford & Taylor and The Cook Co.) requested bids from child-care center operators on a facility for its Capitol Center business park in Rancho Cordova, the results were dismal.

The operators "just couldn't afford to do it," said David Taylor, partner in the firm. "We would have had to basically give them a building and hope that they could make money at it, which isn't at all certain."

Projected costs for building a child-care facility atop Lankford & Taylor's planned 22-story office tower at 13th and J streets are fast approaching $ 1 million, Taylor added. He said it is especially expensive to build a facility downtown, where outdoor playground space mandated by state law is increasingly rare.

"I think low-interest loans may be the only way some of these facilities are going to get built," Taylor said.

But Proposition 151's limited funds would offer developers such as Taylor little help, since most of the money is slated for non-profit groups and existing operators in crime-infested neighborhoods where the need is greatest, Skelly said.

Developers, however, can win density bonuses from local governments that allow them to build more offices or homes than normal, provided they build their own child-care facilities.

Authority for density bonuses was granted under a law signed in January by Gov. Deukmejian, the first of its kind in the United States. The change has helped soften the sometimes adversarial relationship between developers and city government, said Rex Hime, executive director of the California Business Properties Association in Sacramento.

"Too often what has happened in the past is that government has viewed the developer as kind of the guy with the golden goose, telling them OK, we want a library and a school and this and that from you,'" Hime said. "Now what you see is a cooperative approach to providing child care that is working very well for everyone."

Indeed, Jacquie Swaback, the city of Sacramento's child-care coordinator, painted a rose-tinged picture of relations between the city and developers of several key downtown office towers.

In addition to an agreement with Lankford & Taylor, Swaback said the city has approved child-care density bonuses for the 30-story Wells Fargo Center now under construction on Capitol Mall, Danny Benvenuti's newest office tower at 1325 J St., and several other projects.

"All of the developers have been really helpful to work with," said Swaback. "We've had our disagreements, but they don't mind paying their fair share."

Solving the child-care problem for existing office parks and high-rises has proved more difficult. One approach many private employers favor is federal tax credits.

Approved by Congress in the mid-1980s, a series of Internal Revenue Service codes allow employees to set aside from their salaries up to $ 5,000 annually for child-care and and illness expenses.

Under the Dependent Care Assistance Program, employees are exempt from paying Social Security and income taxes on the money they set aside. Employers also save with the program because they are not taxed on employee's wages spent on child care.

But family-rights advocates have been arguing for years that business would save even more by providing parental leave to workers. They site as evidence the several European countries, including Sweden and Germany, which provide parental or maternity leave.

"Employers already suffer a great deal of economic loss from workers who take time off unofficially or who are distracted on the job because they're worried about children at home," said Amy King, legislative assistant to Assemblywoman Gwen Moore, a Democrat from Los Angeles. Moore sponsored Assembly Bill 77, the family-leave bill vetoed by Deukmejian Sept. 26.

"Family leave is a way to attract highly skilled employees who are becoming more and more rare in our economy," King added.

If AB 77 had been signed into law, each worker would have been entitled to a single, unpaid four-month leave during a 24-month period to care for newborns, seriously ill children, or elderly spouses or parents.

Employers would have been allowed to charge the worker for medical and other insurance premium costs, and pension and seniority rights would not have accumulated during the leave. It would have applied only to firms with 25 or more employees and only to those workers with one year or more of continuous

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service.

The legislation would have marked a sea change in family rights issues with repercussions likely throughout the country. On a federal level, the primary law protecting pregnant women from adverse treatment because of their pregnancy is the Civil Rights Act's Title VII, which requires employers to treat women with pregnancy-related disabilities in the same manner as they treat individuals with other temporary disabilities.

Under California law, all employers with five or more employees must provide up to four months disability leave for pregnant women. If an employer provides more than four months for other types of temporary disabilities, he or she must provide the same benefits to pregnant women, according to information from the Department of Fair Employment and Housing.

An employee is required to grant pregnancy leave only when a woman is actually disabled. Other forms of leave might be required if they are routinely provided for persons suffering from other disabilities.

The leave can be taken before or after birth or during any period of time that a woman is physically unable to work because of the pregnancy. The four months of leave do not have to be taken at one time.

Any woman out on maternity leave for up to four months is entitled to return to her same job. If there is a business necessity that would justify not making the same job available, employers may instead offer a job that is similar in terms of pay, location, job content and promotional opportunities.

Paid maternity leave currently is not required by any federal or state law. In California, a pregnant woman can collect a maximum of $ 266 a week in state disability payments for the four weeks prior to and six weeks following birth.

Powerful business lobbies, including the California Chamber of Commerce, remain adamantly opposed to any further concessions on family issues. In a Sept. 28 newsletter, the chamber applauded Deukmejian's veto of AB 77, stating that many businesses already voluntarily extend a family-benefit plan to their employees.

In his veto message, Deukmejian said family leave is better left up to bargaining between employer and employee.

"This bill could also be disruptive to businesses since employers need to maintain flexibility to determine staffing and placement needs if they are to operate efficiently and productively," the governor said.

That argument, countered King of Assemblywoman Moore's office, ignores the fact that 83 percent of employees in the state are not represented by labor groups that could effectively bargain for them. Moreover, King said, surveys have found that businesses offering parental-leave privileges report that the benefit boosts productivity.

Despite the lack of regulation, more and more companies are offering family leave benefits to its employees. Sutter Community Hospitals in Sacramento, for instance, offers its employees up to one year of unpaid family leave with the guarantee their jobs will be waiting for them when they return. And according to Kevin Driscoll, senior director of personnel, the unusual perk has paid off.

"If you're not willing to be flexible in your personnel practices, you're closing yourself off to a large part of the work force and encouraging discontent," he said.

In the service-oriented 90s, amid growing shortages of skilled labor, businesses are likely to find that such flexibility is in their best interests.

"Mandatory child-care and family leave is an inevitable solution to the problems in society and the workplace," said City Hall's Swaback. "And those companies who do it sooner will reap more benefits than those who have to be pushed into it. Our choice now is when and how we do it, not if we do it."

LANGUAGE: ENGLISH

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LEVEL 1 - 39 OF 49 STORIES

Financial Executive

March, 1990

SECTION: Vol. 6 ; No. 2 ; Pg. 19; ISSN: 0895-4186

LENGTH: 2834 words

HEADLINE: Are child care assistance programs a crucial investment?

BYLINE: O'Neill, Kathryn G. ; Tocco, Anthony L.

BODY:

Are child care assistance programs a crucial investment? The American labor force is experiencing a metamorphosis. With more and more women at work, we feel pressures that didn't exist in a predominantly male workforce. In 1940, for instance, only 8.6 percent of all women with children worked. Today, that figure is 62.8 percent, and by the year 2000 it is expected to rise to approximately 75 percent. Whether from single-parent or dual-career families, 10 million children under the age of six have parents who currently work.

Finding affordable, quality child care for employees' children is a major problem that impacts every company. Parents must pay for child care in order to work. The cost for one preschool-aged child averages one-fifth of the gross income for working families and one-third of the gross income for low-income families. And unresolved child care issues "spill over" to negatively affect the attitude and productivity of all employees.

That's why some leading organizations, like Hoffmann-La Roche and the General Services Administration (GSA), are launching comprehensive child care assistance programs that they feel are an investment in human capital. They're raising the stakes for personnel recruitment at a time when the nation is anticipating a shrinking growth rate in the labor pool by the early 1990s. These companies believe progressive personnel programs such as child care assistance will give them a cost-effective edge and ultimately improve their bottom line profits.

Should your firm

help with child care?

People often think on-site child care is the only option for employer assistance. But a company exploring ways to help with child care shouldn't respond hastily by investing large dollar amounts in child care facilities.

You have to evaluate your need for child care, then determine the depth and the scope that you require. In this way, you can design a child care plan that uses the corporation's resources efficiently and yields the most benefits.

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First, consider the child care options currently available during worwork hours to single-parent and dual-career households, such as hiring nannies and using day care homes or licensed child care centers. After identifying these alternatives, consider the child care assistance options that fit your firm's goals and are in line with the company resources allocated for the project. The choices probably are broader than you imagined. Here's what you can do:

* Establish an information and referral service--An information and referral service for child care provides the employee with a listing of licensed offsite child care facilities in the area. You can make available a description of the hours, fees, type of program, and number of current openings for each child care facility listed. The employee then chooses the child care facility that best meets his or her need.

* Offer counseling and parenting seminars--Help employees ease the stress of balancing work and family by offering counseling or parenting seminars. Sessions can be scheduled for breakfast, lunch, or after hours, and cover such topics as the selection and evaluation of child care services, agencies that provide child care for children with special needs, and age-appropriate behavior and disciplining methods.

* Provide support of existing programs--Support the existing child care programs through contributions of money, space, and/or inkind services, or by funding or underwriting a **loan** to local **child care facilities** or local child care planning and advocacy groups that cultivate the development of additional community child care services.

* Utilize flexible work schedules--Establish permanent part-time, flex-time, job-sharing, or work-at-home schedules for employees. Flexible work schedules allow parents to adjust their work hours to accommodate child care problems that might otherwise cause lost productivity on the job.

* Provide direct financial assistance to employees for child care--You can directly reimburse an employee with pre-tax earnings for all or a percentage of his or her child care costs. The employee privately selects the child care service that best meets the family's needs. Your company is not involved in selecting or evaluating the quality of child care service elected by the employee, thus you avoid any liability. And FICA savings offset the company's cost.

* Establish an on- or near-site center--The on-site or near-site child care center is usually the most expensive alternative for you. However, the cost can be shared with your employees. And you can manage the center or have it done by an outside child care firm. (Of the 6 million businesses in the U.S., only 2,000 now have child care facilities.)

* Participate in a consortium--If you are in close proximity to other employers, such as in an industrial part, that cannot individually support an on-site child care center, perhaps together you can pool your resources to establish a local child care program. Costs then are spread among the participating companies.

* Offer a cafeteria-style benefit plan--Cafeteria-style benefit plans

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maximize the value of benefit dollars, minimize benefit costs, and provide a program that addresses each individual's situation. You could make one of the plan choices a reimbursement program to assist with the cost of child care. This would work well for a dual-career family if the husband and wife worked for different companies. Rather than both carry a health insurance plan, one could select health insurance and the other, child care assistance.

Is on-site care feasible?

To determine the feasibility of an on-site child care facility for your company, first evaluate your employees' need and commitment. To dismiss any bias, ask an independent source, such as a process consultant, to perform employee surveys, interviews, and focus group discussions. These forums let you gather information and allow employees to provide input into the proposed project. The independent source acts as a liaison between the employees and the company to help the employees feel that the company is doing all that is realistically possible to meet their needs. It's imperative that both the company and the employees take ownership in the design and structure of the facility.

After establishing the need for and feasibility of an on-site child care service, you need to examine numerous base variables.

* The geography of the firm--Employees using an on-site child care service should be "centralized" at one location or in close proximity to the operation. Examine the mode of transportation employees use to commute to and from the work site. If parents travel by bus, for instance, you need to take into consideration the routing.

* Specific parental needs and preferences--Develop a more definitive list of your employees' needs, desires, and willingness--as well as ability--to share expenses.

* The number of employees to be assisted--In 1978, Kathryn Perry, an analyst for the Department of Labor, found that there is no optimal industry size associated with the decision to operate an on-site child care center. She also found that a high percentage of femal employees was not a prerequisite for companies to provide on-site child care services. The demand for child care is multiplying at all economic levels and, as a result, the child care issue is not a women's or social issue, but rather a business issue.

* The type of children to be served--Decide whether the program will minister to infants, preschoolers, and/or school-aged children.

* The type of program and range of services to be offered--Decide if the program will be offered only during regular workday hours or, for instance, also during the night shift. Will there be a sick bay? Will food service be offered?

* The cost of the program--Resolve whether this is to be a collective program, in that employees and the firm will share in the costs, or whether the costs will be paid exclusively by either the company or the employees.

Now, what's it going to cost?

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Once you're relatively certain that an on-site facility is feasible and your employees will be committed to making it succeed, look more closely at the costs. These will fall into two categories: nonrecurring capital expenditures and recurring operating costs.
The nonrecurring caital expenditures will be for such items as:

* Space allocation--A child care site located within the existing corporate structure is optimum, because it usually provides the lowest cost space. When companies are forced to build additional space, the venture may no longer be economically practical. If existing space is not available, look for rental space that is nearby. If renting a facility becomes necessary, then the lease charges, of course, become recurring costs.

* The design of the structure--Expenses related to the facility's design come from two areas: consulting fees and construction or remodeling costs. You should solicit advice from a child care development consultant so that a safe learning environment is constructed to achieve quality child care. And the construction and/or remodeling costs will be dictated to some extent by state regulations, which identify the physical requirements for child care centers. These must be met before your center can be licensed.

* Furniture, equipment, and materials--These consist of such items as chairs, desks, cots or beds, toilet facilities, learning tools, and playground equipment, costed and assembled.

* Liability management--All city, state, and Federal (such as OSHA) government regulations regarding child care must be met. Also, you must give risk management a priority status during all phases of on-site child care planning and management. The liability issue is definitely the most negative component of the on-site day care question.

The recurring operating costs, then, will be for such items as these:

* Utilities--State regulations mandate that child care facilities be dry, heated, well lighted, and well ventilated.

* Food service and beverages--Children require snacks during the day in addition to three balanced meals. State licensure regulations usually stipulate a nutrition plan.

* Supplies--Educational, office, and housekeeping supplies are necessary on a regular basis. Sanitation requirements must also be met.

* Recordkeeping--Child care facilities are required by state regulation to keep records to meet administrative requirements, as well as to be sure that the individual needs of children and families are recognized.

* Toys, smaller equipment, and games--These items provide fun, stimulation, and education and are often referred to as "a child's work." Your child care facility should provide them in sufficient variety and quantity to meet the interests and needs of the children.

* Employee salaries--Personnel costs are the largest component of operating expenses, averaging 70 percent. Staff-to-child ratios are identified in the

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state regulations, with the highest ratio for infant care and a declining ratio for toddlers, then again for preschool-aged children. Student teachers, such as child care development or early childhood education majors, can be used in an internship program to help you reduce costs, since they generally are available at little or no cost to the sponsoring firm and can help to deliver quality child care.

* Insurance premiums--Factoring in insurance restrictions and costs requires detailed planning. Insurance coverage that is essential for a child care facility includes workers' compensation, auto liability, and accident liability. The average insurance cost per child today is $ 38 to $ 55 per year, depending on the level of coverage.

* Other expenses--Included in this category are such items as licensing fees and audit expenses.

Dana Friedman, author of Corporate Financial Assistance for Child Care and a member of The Conference Board, estimates the range for out-of-home child care to be anywhere from $ 1,500 to $ 10,000 annually per child. On the average, the cost for full-time, out-of-home care (this includes center and family day care) is estimated at $ 3,000 per year per child. Care for school-aged children is least expensive, while care for infants and toddlers is most expensive.

But, again, employers don't have to provide the full financial outlay. The costs can be offset by pre-tax employee contributions. (The amount of expenses the employee is willing to incur for the child care services should be an output of the open forums.) Of course, all of the above costs incurred by the company are tax deductible.

What's in it for the company?

While conducting the feasibility study and the analysis of costs, you should be asking two important questions: "Why should we establish an on-site child care facility? What benefit will it bring to the firm?" The answer, very simply, is: an on-site child care program can product tangible economic benefits that result in increased productivity. These benefits can be measured using the net present value method of quantifying personnel expense reductions.

As an example, Union Bank of California built a child care center for $ 430,000. In 1987, the bank subsidized the center with $ 105,000 and, after one year, realized an estimated savings from reductions in turnover, absenteeism, and so forth of approximately $ 232,000, an initial return of 43.4 percent.

In order to complete the net present value equation, you need to approximate cost reductions stemming from estimated improvements in the following productivity measurements:

* Employee loyalty--Employees realize that their most important concern, quality child care, is also important to the company. This creates a loyalty and commitment to the organization while strengthening employee/management relations.

* Reduced absenteeism--PArents will not need to miss work when caretakers are sick, unreliable, or other child care associated obstacles arise.

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* Reduced "down time"--The number of work hours lost due to phone communication between employees and off-site child care providers or to "latch-key" children is curtailed. Also, you'll find that employee departures to deal with off-site emergencies are eliminated.

* Reduced turnover--The stress a parent feels when he or she is balancing a multitude of responsibilities is a major factor causing turnover. And turnover also is likely to occur if a parent feels the chance for advancement within an organization is minimal due to the constraints children place on a parent trying to work overtime, travel, or relocate.

Not surprisingly, turnover among nonparents also is affected by the turnover of working parents. The anxiety and tension felt by the remaining employees to absorb the work left behind by the absent or exiting parent is often not felt to be worth the struggle.

* Enhanced recruitment--As the disparity between the availability of and the demand for quality child care continues to widen, prospective employees will be increasingly attracted by a benefit not offered at most companies. As the available labor pool shrinks in the coming years, two-thirds of all new jobs will be filled by females as entrants or reentrants into the labor force. Offering a child care assistance program could mean the difference in hiring a highly qualified applicant or losing the prospective employee to another company.

* Elevated employee morale--The "spill-over effect" or tolerating unfit child care arrangements, which often results in inattentiveness, inefficiency, absenteeism, and turnover, can be eliminated. Parents have a more positive attitude and feel more secure knowing that their children are well cared for in a nearby location.

Who's making the decision?

Firms not willing to investigate the need for a child care management program by using the excuse of high cost haven't quantified the effects of absenteeism, turnover, and competitive recruitment on productivity. While you may think you're saving dollars, you're actually leaving the company open to substandard productivity and a potential loss of effective employees.

While costs to any individual firm are important in deciding which child care benefits to offer, they should not totally guide the decision-making process. From a macro perspective, the United State's future workforce is dependent on what individual companies do today to provide proper care for our children. One can be assured that the issue of child care will be addressed either entrepreneurially by the private sector or intrusively by the public sector. Should responsive management allow the Federal government another opportunity to dictate the shape of an internal issue such as child care assistance?

Kathryn G. O'Neill President Creative Child Care, Inc.

Anthony L. Tocco Associate Professor of Accounting Rockhurst College

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IAC-CLASS: Trade & Industry

LANGUAGE: ENGLISH
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LEVEL 1 - 43 OF 49 STORIES

The New York Times

July 20, 1989, Thursday, Late Edition - Final

SECTION: Section A; Page 18, Column 2; National Desk

LENGTH: 844 words

HEADLINE: House Panel Approves $16 Billion Child Care Bill

BYLINE: By SUSAN F. RASKY, Special to The New York Times

DATELINE: WASHINGTON, July 19

BODY:

The House Ways and Means Committee today approved a $16 billion program to help low-income parents with child care expenses, moving Congress a large step closer to enacting child care legislation this year.

The measure, involving tax breaks and special state grants, was adopted by a vote of 26 to 10.

It came as the committee ended its third day of deliberations on a larger tax package that is aimed at extending a variety of popular tax breaks for individuals and businesses. Members remained deeply divided over two matters. One is whether to reduce the taxes on capital gains, and the other is how to revamp the surtax that finances a program providing elderly Americans with health insurance coverage for catastrophic illnesses. The committee had hoped to address both issues today, but with neither of the opposing sides certain who had the votes, action was put off.

House Democratic leaders, who oppose the reduction in the capital gains tax, spent the day lobbying wavering Democrats, while senior Administration officials, including President Bush himself, were personally appealing to those same Democrats to support a reduction in the capital gains rate.

Revamps Existing Program

Representative Dan Rostenkowski, the Illinois Democrat who heads the Ways and Means Committee, said late today that he was very pessimistic about the outlook for keeping the catastrophic health insurance program, which several committee members would like to repeal. ''I am afraid we are going to do something terrible to this important program for the elderly,'' said Mr. Rostenkowski, who has proposed his own plan for dealing with the surtax as a way to save the program.

The child care measure, sponsored by Representateve Thomas J. Downey, Democrat of Long Island, would expand and revamp the existing Earned Income Tax Credit, beginning in 1991, to target it more directly to low-income families and to account for family size.

''We just took a dramatic step for working families and children in this country,'' Mr. Downey said.'' We're on our way to passing a major piece of child care legislation.''

Families with incomes of up to $20,000 a year could take part in the program, but the primary beneficiaries would be those with incomes from $7,000 to $11,000 in 1991. The maximum amount of the credit would be range from $1,217 for families with one child to $1,790 for families with three or more children. Families with children younger than 6 would be eligible for an additional credit that would be as much as $430.

Money Earmarked for States

Mr. Downey's measure would also expand an existing block grant to the states by earmarking $1.5 billion over four years to improve the quality and supply of child care services.

The child care measure passed by the Senate includes a less generous expansion of the same tax credit to help low-income parents pay for day care services. It would rely primarily on a new grant to the states to subsidize day care **facilities** and to provide parents with **loans,** vouchers or other assistance to obtain **child care.**

Republicans have argued that such a system favors working parents who place their children in day care facilities but penalizes those who use less formal day care arrangements or who choose not to work to raise their children at home. Mr. Downey's measure, designed in part to address that objection, would put additional money in the hands of both working and nonworking parents.

Much of today's action on the larger tax questions took place outside the committee room, as Democrats tried to determine whether they had enough votes to defeat a capital gains proposal that Representative Ed Jenkins, Democrat of Georgia, plans to offer. By the end of the day, Mr. Jenkins's supporters, who include most Republicans on the panel, were cautiously saying they have the 19 votes they need.

In interviews today, Representative Beryl Anthony Jr., the Arkansas Democrat who heads the Democratic Congressional Campaign Committee, and Representative Andrew Jaccobs Jr., an Indiana Democrat said they would support Mr. Jenkins's proposal. But Representative Frank J. Guarini, a New Jersey Democrat, said that after intense lobbying by both sides he had decided to oppose it.

Mr. Rostenkowski and other Democratic leaders want to defer any immediate change in the capital gains rate and hold out for concessions from the Administration on a future tax package. Senator Lloyd Bentsen, the Texas Democrat who heads the Senate Finance Committee told reporters earlier today that he would not propose a capital gains reduction when his panel takes up tax legislation later this month.

''If the Administration wants to come in with a package and sell me one, I'm willing to listen,'' Mr. Bentsen said. In the past he has said that capital gains reduction would have to be balanced with measures that assist lower income taxpayers who do not generally benefit from favorable capital gains treatment.

''I think that the door is almost closed,'' he said, but added, ''I wouldn't

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close it entirely.''

LANGUAGE: ENGLISH

LEVEL 1 - 46 OF 49 STORIES

Business Dateline;
San Diego Business Journal

May 22, 1989

SECTION: Vol 9; No 44; Sec 1; pg 1

LENGTH: 586 words

HEADLINE: Developer Offers Child Care Funds to Win Approval

BYLINE: Todd Lassa

DATELINE: San Diego; CA; US

BODY:

As part of its agreement to purchase 19 acres of city land, WesTerra Development Corp. has offered $ 100,000 to study the feasibility of a child care center at the Eastgate Technology Park.

The City Council delayed a vote last week to accept the contribution from Edward Romanow, president of WesTerra, until a report is completed on whether the day care center would be too close to the Miramar Naval Air Station crash zone.

WesTerra plans to develop a 100,000-square-foot, 3-story building at Eastgate for Jaycor, a government consultant with 153 employees and $ 60 million in gross annual sales.

While developers commonly offer libraries, roads, parks, landscaping and other concessions to win development agreements with the city, Romanow's offer marks the first time the city has specifically received a concession tied to a day care center, said Maureen Stapleton, deputy city manager.

The proposed child care center would have its own 5,000-square-foot building on the Jaycor parcel and would be managed by a newly created nonprofit entity, according to a city manager's office report. The child care facility would take up about 64,500 square feet of the Jaycor site, and a playground and parking for 32 cars would be provided.

The facility would serve businesses in the surrounding area, according to the report.

Due to financial constraints, it is doubtful that the city would undertake the responsibility of creating nonprofit entities or securing **loans** for the development of **child care facilities,**'' according to a report by Stapleton. "What the city can do is facilitate a consortium of businesses to come together who would, in turn, establish day care centers.''

The consortium would lease or purchase the land, Stapleton said.

Joann Johnson, administrative executive to Councilwoman Abbe Wolfsheimer, said the total cost of the center is estimated at $ 800,000. Romanow's contribution would pay to study the possibilty of a child care center on the site. If the center could be built on the site, other local businesses could contribute to its construction, Johnson said.

The city and WesTerra agreed on terms to sell the land for the Jaycor development last month after Wolfsheimer objected in March to the sale price. She argued that the $ 4.64 million sale price of the parcel was too low given the value of the land, and that a lease would allow the city --rather than WesTerra or Jaycor-to profit from its rising value.

Wolfsheimer rallied enough support to delay the sale and refer it back to committee in March. There was no support to prevent the sale of the land last month, however.

"We clearly saw we were not going to win the battle of leasing that ground," said Joann Johnson, Wolfsheimer's administrative executive. As a concession, Wolfsheimer sought "the best and most lucrative deal,'' Johnson said.

According to Stapleton's report on the contribution, the city "has a long history of supporting the development of quality, affordable child care.''

"I think it is something we would consider-or will consider-in the sale or leasing of our property," Stapleton said.

While the city manager's office is looking for more child care facilities, Wolfsheimer is looking for more support to lease remaining city lands, rather than sell them outright.

"The policy is being reviewed," Johnson said. Wolfsheimer is getting more councilmembers on her side, and there's not much time left.

We're losing land,'' Johnson said. And there's not much left to begin with."

LANGUAGE: ENGLISH

UMI-ACC-NO: 8920423

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LEVEL 1 - 48 OF 49 STORIES

Los Angeles Times

March 1, 1989, Wednesday, Orange County Edition

SECTION: Part 1; Page 1; Column 5; Metro Desk

LENGTH: 883 words

HEADLINE: IRVINE APPROVES $1.75-MILLION FOR CHILD CARE

BYLINE: By MARCIDA DODSON, Times Staff Writer

BODY:

In what could be first-of-its-kind financing in the state for child care, the Irvine City Council on Tuesday night authorized a $1.75- million bond sale with the local school district to place child-care centers at schools.

The funds will be used to buy portable buildings to be placed at seven school sites for after-school care for 350 elementary school students. The agency formed by the city and school district already has built six day-care centers at schools for the care of 270 children.

The loan will be guaranteed by the Irvine Co., which has issued a letter of credit to the Irvine Child Care Project, the joint powers authority formed by the city and Irvine Unified School District to develop the after-school day-care centers.

The project is empowered to raise money through the sale of bonds, just as the city or the school district is, said Deanna Manning, director of community services.

The letter of credit means neither the city nor the school district is at financial risk for the bond sale, she said. "It's our collateral. So if we can't make the payments, the Irvine Co. will." She called the letter of credit for such a bond sale "unprecedented."

The Irvine City Council approved the bond sale without comment. The Irvine Unified School District Board of Trustees gave its nod to the loan last week.

The joint powers authority now must approve the bond sale to "close the deal," Manning said.

The Irvine Child Care Project was set up expressly to develop after-school care facilities at elementary schools. It received $250,000 in start-up money from the Irvine Co. and $20,000 from the city. The school district contributed the land and overhead, Manning said.

The child-care project will not operate the centers but will issue licenses to child-care providers, who will pay rent for the facilities, she said. The rent will pay off the bonds.

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The first six school day-care centers were started without bond money. The $270,000 in start-up grants financed five; the sixth was built by the Irvine Children's Fund, a nonprofit organization, Manning said.
The next seven centers are expected to be ready for the school year beginning in September.

Irvine, considered a leader in child-care policies among local cities, appears to be unique in using the bond approach to finance day-care centers.

Jack Hailey, children's services consultant to state Senate Office of Research, said it was the first time he had heard of a public agency issuing bonds for child care.

Hailey called the solution well-suited to a growing city like Irvine. "This is not a way that a lot (of child-care centers) are going to be built, but for cities like Irvine, where there is growth and land, I hope those city governments and school districts take a look at this," he said.

Start-up costs to build or renovate child-care centers often are prohibitively expensive. One child-care consultant said constructing a building for 75 to 100 children can easily cost $1 million.

A 5-month-old child-care center on the new Irvine City Hall grounds -- believed to be the first of its kind in the state and one of the first in the nation -- was built with bond money, but the bonds were issued for construction of the entire City Hall complex, of which the $1.2-million Irvine Child Development Center was a part.

State Sen. Diane Watson (D-Los Angeles), chairwoman of the Senate Health and Human Services Committee, is sponsoring a bill authorizing a $300-million bond issue to finance low-interest **loans** for the construction or expansion of **child-care facilities**, said an aide, Joyce Iseri.

Irvine is not alone in setting up day care at schools. In Pomona, the school district sponsors an extensive child-care program -- including 15 centers and programs for toddlers and preschoolers as well as schoolchildren -- and has been heralded as one of the best in the nation.

Irvine was one of the first cities in the state to set up a child-care committee and hire a full-time child-care coordinator. The city council has adopted a policy which calls for child care to be available to every resident or worker who needs it by 1992.

Manning said the Irvine Co. has given money to the cause because its developments bring dual-career families and single parents to the city. Children in those families have a pressing need for safe and adequate child care, she said.

While "latchkey" child care for schoolchildren is one of the city's most pressing needs, the city-school district venture is but one of many child-care programs promoted by the city.

"There are a number of ways to approach child care, and we decided we would use a multi-pronged approach," Manning said.

The city has sponsored a child-care center operated by Irvine Valley College at Heritage Park and is working with a consortium of business interests in using the temporary City Hall building as a day-care center for employees' children after the facility is vacated.

The city also sponsors school-age day care for children at five parks and works with private child-care providers to encourage development of new centers, Manning said.

The bond issue for additional day-care centers at the schools will not fill the entire gap for latchkey care "but this will push us a long way toward our goal," Manning said.

LANGUAGE: ENGLISH

LEVEL 1 - 49 OF 49 STORIES

GANNETT NEWS SERVICE

January 24, 1989, Tuesday

LENGTH: 793 words

BYLINE: DAVID BAUMAN

DATELINE: WASHINGTON, D.C.

BODY:

The federal government must play a larger role in helping working parents care for their children, or America's continued economic well-being may be jeopardized, Vermont Gov. Madeleine Kunin warned a Senate subcommittee Tuesday.

In an appearance here that coincided with plans to re-introduce the Act for Better Child Care (ABC bill) to expand child care nationwide, Kunin hailed the new congressional initiative and urged national lawmakers to carry on.

''States like Vermont have made an unprecedented commitment to financing affordable child care, while the federal government has largely walked away from this challenge,'' Vermont's three-term governor said.

''The purpose of my testimony is to tell you in the strongest possible terms that child care services must be a shared responsibility,'' Kunin told the Senate Labor and Human Resources children subcommittee.

Over 60 percent of mothers work outside the home today. Their growing number has given rise to a potent political constituency that has pushed child care support high up on the 101st Congress' legislative agenda.

Addressing the problems facing working mothers in her state, Kunin said that Vermont's financial support for subsidized child care has tripled since 1985, and the state's share of the expense has risen from 40 to 60 percent.

Vermont parents spend more than $ 60 million annually for child care, and the governor estimated care costs consume ''as much as 22 percent'' of the budget of an average family with two children in child care.

And although the number of licensed child care spaces has risen from 6,000 to 16,000 since 1985, Vermont's child care system remains unable to meet the needs of an estimated 30,000 children who require care, Kunin said.

In light of the persistent need for more child care services, Vermont has created programs very similar to what the ABC bill proposes: to license **child care facilities** and provide **loans** to encourage local communities to provide **child care,** Kunin said.

Another effort is aimed at the private sector. The state has trained field teams whose mission is to educate employers on the link between child care and a productive work force, the governor said.

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''In Vermont, child care-related absenteeism alone costs employers an estimated $ 7.5 million each year,'' Kunin said, adding that 32 Vermont firms now provide on-site child care to working families.

Citing some examples, Kunin said that Bogner of America, in Newport, now provides its employees a $ 20-per-week stipend to send children to licensed child care facilities, while the Cabot Cooperative Creamery has built an on-site child care center for both its workers and the community.

While she supports minimum standards proposed in the ABC bill, Kunin cautioned the Senate panel ''to make them as flexible as possible.''

''States like Vermont have already set careful standards that reflect our needs and values,'' she observed. ''Any standards you include should reflect a national consensus all states can live with.''

In Congress, Republicans and Democrats failed to find common ground to pass the politically popular legislation last year. Debate over child care surfaced in the 1988 presidential campaign with both nominees backing substantial expansion of federal outlays to meet the needs of working mothers with small children.

The issue is moving again. Sen. Christopher Dodd, D-Conn., chairman of the subcommittee and chief sponsor of last year's bill, is expected to introduce an amended version of the measure Wednesday, the first day Senate bills may be introduced in the 101st Congress.

Tuesday's hearing, called by Dodd, set the stage over how best to proceed to win bipartisan support for the day-care bill most lawmakers seem to agree is needed. Dodd already has 27 senators as co-sponsors of his amended bill, including Sen. Patrick Leahy, D-Vt.

Yet despite the growing momentum for action on the child care front, many significant differences remain over funding and the matter of standards.

Sen. James Jeffords, R-Vt., a member of the Senate Labor and Human Resources Committee who has not agreed to co-sponsor the ABC bill, underscored another of the measure's controversial snags while introducing Gov. Kunin to the panel Tuesday.

''I remain particularly troubled by the potential for excessive church-state entanglement and possible religious discrimination that could arise under this bill,'' Jeffords said.

Churches provide about one-third of day care in the nation overall, and a much higher ratio in some communities. The original bill would have barred funds to church day-care facilities, while the revised measure would allow them to receive federal subsidies if the money isn't used for religious activity.

LANGUAGE: ENGLISH

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capital funds for child care providers

$ to provider –

CC –

anything that finances.

MEMORANDUM

TO: TOM FREEDMAN AND MARY SMITH

FROM: DREW HANSEN

RE: CHILD CARE FACILITIES LOAN FUND

DATE: JULY 9, 1997

SUMMARY

In 1986, the Massachusetts Industrial Finance Agency (MIFA), a quasi-public organization (although it receives no state funding) that was founded in 1978 to stimulate private investment and job creation through a variety of financing incentives for growing businesses and institutions, established a Child Care Facilities Loan Fund to provide low-interest loans to corporations to build their own child care facilities. At the time, the Fund was an outgrowth of Governor Dukakis' Day Care Partnership Initiative, a program began in 1985 to create a model day-care system in cooperation with schools, businesses, and local government.

PROBLEM

The Child Care Facilities Loan Fund was established to address two related problems:

1. Need for child care for the children of all working mothers. In 1987, 50% of Massachusetts mothers of children under 6 were employed, and 70% of Massachusetts mothers of all school-age children were employed.

2. Need for child care for the children of mothers who have recently left welfare. The Massachusetts Employment and Training Program (ET) provides job training and placement to former welfare recipients. In order to enable former welfare recipients to work, ET subsidizes the child care costs of program participants so that the participant pays $1/day in child care costs while the program pays the remaining $24/day.

STRUCTURE

The Child Care Facilities Loan Fund provides low-interest loans of up to $250,000 to businesses to build on-site child care facilities for their employees. The loans are structured like mortgages with a 5-year maturity.

Between 1986 and 1988, the original $750,000 capitalization was committed to six projects, including a $30,000 loan to Greico Brothers, a men's clothing manufacturer, to create an on-site child care center, a $20,000 loan to Logan International Airport for the construction of a 20-child center, and a $250,000 loan to Ramco Fabrics for the construction of a 125-child center. The Fund also supported child care facilities for Central Massachusetts Job Training (a nonprofit corporation), New England Baptist Hospital in Boston, and Barrington Bear Care in Pittsfield. In response to these commitments, MIFA added another $750,000 to the Fund in 1988.

EFFECTIVENESS

The financial details for the construction of the Greico Brothers child care facility reveal that the Fund's loan was a minor though important component of the financing for the facility: $50,000 of the facility's financing was provided by Greico Brothers itself, $20,000 by a nearby mill, $20,000 by non-profit foundations, $10,000 by the Lawrence City Council, and $21,000 by the employees themselves through their union. The Dukakis administration agreed to subsidize low- and moderate-income parents' fees totaling $298,297 per year. The $30,000 loan from the Fund put the project "over the top", according to the company's vice president for manufacturing. In 1988, the Congressional Caucus for Women's Issues cited Greico Brothers as one of 43 U.S. companies that has combined management capital and employee contributions to aid workers with child care needs.

The Logan Airport center was completed in 1988, with the financial backing of American International Rent A Car, a tenant of the building where the center is located. About half of the center's original clientele came from mothers who were participating in the ET program.

In 1995, MIFA merged with the Massachusetts Government Land Bank to form the Massachusetts Development Finance Agency. After the merger, they have moved away from financing child care centers because of pressure on resources in other areas.

To:
From

Copy to Jen Klein
Nicole Rabner

attach Clip

CHILD CARE FACILITIES LOAN FUND

OVERVIEW

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Drew D. Hansen

TO Tom

FROM: Neera

RE: Child Care - Community Development Funds

The Massachusetts Industrial Finance Agency (MIFA), a quasi-public corporation created in 1978, provides a number of financing vehicles for small businesses, manufacturers and non-profits as a way to encourage business development. In 1986, MIFA established a revolving Child Care Facilities Loan Fund to provide low-interest loans of up to $250,000 to child care providers and businesses for the acquisition, construction, renovation or purchase of equipment for child care facilities sponsored by corporations.

In 1995, the Massachusetts Industrial Finance Authority merged with the Massachusetts Government Land Bank to form the Massachusetts Development Finance Agency. At this time, they merged programs as well and moved away from financing child care centers, although they still have the statutory authority to do so. They still feel that it is a good program, but they have more demand and fewer resources in other areas.

Attached are some articles that detail examples of projects funded as well as discuss the program.

Problem
Structure
Effectiveness?

The New York Times

February 23, 1986, Sunday, Late City Final Edition

SECTION: Section 1; Part 2, Page 42, Column 1; National Desk

LENGTH: 571 words

HEADLINE: MASSACHUSETTS OFFERS LOANS FOR DAY CARE AT WORK

BYLINE: Special to the New York Times

DATELINE: BOSTON, Feb. 22

BODY:

A Massachusetts agency that lends money to help failing industries has set aside a $750,000 loan fund for child-care centers at workplaces.

The announcement was made this week at the opening of the first facility aided by the fund, a day-care center at Greico Brothers, a manufacturer of men's clothing in Lawrence, about 25 miles north of here.

The center, Merrimack River Community Child Care, is sponsored by the employer and partly supported by union contributions and private donations. But $30,000 of the initial financing was provided by the Massachusetts Industrial Finance Agency, the latest of several agencies to get involved in a statewide campaign to improve nursery care for workers' children.

"A huge section of the labor force has been unable to work due to a lack of day-care centers," said Brian Carty, executive director of the finance agency. "This is the first time our agency has ever made a direct loan to a company, but it has become clear to us that providing adequate child care is just as important to the growth of a company as providing bricks and mortar."

Interest Set According to Need

The $750,000 is intended to cover loans made in the fund's first year. The amount and interest rate of each loan will be based on individual need, and all loans will be structured like a mortgage with a five-year maturity.

The creation of the fund and the Merrimack River Community Child Care center are outgrowths of the Day Care Partnership Initiative, a two-year program begun by Gov. Michael S. Dukakis in January 1985. It was designed to create a model day-care system in cooperation with schools, businesses and local government.

"The response has been even better than I had hoped," Governor Dukakis said in an interview Thursday.

Such programs, he said, help many of the 23,000 women participating in the state's Education and Training-Choices Program, which was established to provide job training and placement to former welfare recipients. Without subsidized child care, many of these women would not be able to work. #7 Corporations Open Centers A goal of the day-care initiative was to establish 10 new employer-sponsored day-care projects. After one year, seven corporations have opened centers and seven others have created resource and referral services for their employees, officials said.

"We in the state have moved day care to the top of everyone's list," said Heidi Urich, coordinator of the Day Care Partnership Initiative. "We are encouraging employers to create on-site day-care centers, and urging them to take advantage of the Dependent Care Assistance Program." This Federal tax provision allows employers to set up a plan in which workers set aside as nontaxable a portion of their income for outside child care.

All this talk of day care has caused the state to examine its own provisions for government employees and on state campuses, Miss Urich said.

At Greico Brothers, what used to be a gloomy storage space is now an airy and sunlit center filled with tricycles, colorful art projects and the sounds of children at play. Watching the busy children, the center's director, Justine Donovan, said: "This center is an absolute necessity for many of these parents. Before it was established they were either unable to work, or had to contend with less than adequate day care options. The way that it is set up now is an ideal arrangement for them."

GRAPHIC: Photo of teachers and toddlers at Merrimack River Community Child Care center (NYT/Shira Dicker)

LANGUAGE: ENGLISH

an employer can provide: information, subsidies and direct services.%
Information and referrals%
More than 25 employers, including Liberty Mutural Insurance, Prime, Lotus Development, WGBH, Braintree Hospital and MediTech, subscribe to the Childcare Resource Center's resource-and-referral service. Employees at these concerns can receive counseling on the issues involved in finding quality care. The counselor will explain various options, ranging from home-care, family day-care and after-school programs to established day-care centers, and make referrals based on information the parent provides. This saves the parent the time of following up on situations inappropriate to the child's age and needs. Employers can also obtain on-site workships, the Childcare Resource Center's newsletter and feedback on the child-care needs of employees.

Mills indicated that this service is quick to set up, inexpensive, requires little management and is useful to employees. "Since demand outweighs supply, if you can be educated about quality issues and put in touch with appropriate providers, you are that much ahead of the game. It is certainly a good first step and prepares employers to take the next step."%
Subsidies%
Employers can set up a Dependent Care Assistance Plan. The money that the employees set aside under the plan will not be taxed. The company does not pay FICA on these wages, and this saving can be used to pay for administrative costs. The employer can not discriminate in favor of upper management in the administration of this fund. Since the benefit of this plan to the employee is tax savings, families with incomes of under $ 20,000 will probably be better off using the tax credit for child care.

Companies can also provide direct subsidies to employees. Polaroid provides a sliding scale of 20 percent to 80 percent of day-care costs on a sliding scale to families with annual income less than $ 30,000. Zayre provides a flat subsidy of $ 20 a week for the care of children 5 and under. Since the younger the child the more expensive the care, Mills urged that the age of the child be taken into account in setting subsidy levels.

The most substantial commitment a company can make is to start a day-care center. Companies need to think through the tax and legal issues of whether to start the center as an arm of the company or as a separate, non-profit agency. Mills said that this is the most expensive option and involves a long-term commitment. "The center will always need the company's emotional and financial support." However, she said that in Massachusetts' boom economy, "there were 87 pages of recruitment ads in last Sunday's Boston Globe. How much does it cost to run the ad? How long does the ad have to run? How long does it take to train a new hire, and isn't it worth it to keep the person you have?"%
Workshops offered%
Approximately every six weeks, the Child Care Resource Center gives a three-hour employer's option workshop. Attendees are given information on the various

options and their costs and benefits and are provided with extensive informational packets. Typical attendees are vice presidents of benefits and human resource departments and members of child-care task forces. The workshop is held in space provided by Stride Rite. Stride Rite, an early leader in in-house child care, opened its first center in Boston in May 1971. When the company's corporate headquarters moved to Cambridge, a second center was opened in January 1983. Karen Leibold, director of the child-care center, said, "The center has made a positive impact on lack of turnover, tardiness and absenteeism. When people know their children are safe, well-cared for and happy, they can concentrate on doing their work."

An added incentive to companies in Massachusetts considering the in-house option is low-interest loans provided by the Massachusetts Industrial Finance Agency (MIFA) Corporate Child Care Loan Fund. The MIFA loan fund was set up, in part, in response to a request for assistance from Grieco Brothers, a manufacturer of men's clothing in Lawrence. According to Tony Sapienza, director of marketing at Grieco Brothers, "We had a 75 percent female workforce with significant child-care problems. The labor market in Massachusetts is very tight. There were very few available child-care slots in Lawrence. Our needs assessment showed that the only decision we could make was to start our own center. In addition to the funding we provided, the loan from MIFA and contributions by charitable foundations and other companies, each of 1000 employees made a contribution of $ 20. They feel the center is really theirs. Now, employees with children in the center can bring two lunches, instead of one, and have lunch with their child. Employees can better attend to their child. Employees can better attend to their work. Our reputation as an employer who cares helped our recruitment with both parents and people without children alike."

GRAPHIC: Photo

LANGUAGE: ENGLISH

UMI-ACC-NO: 8706368

LOAD-DATE: May 12, 1994

Inc.

November, 1988

SECTION: OWNER'S MANUAL; Grieco Bros. Inc.; Pg. 66

LENGTH: 470 words

HEADLINE: THE PARTNERSHIP STRATEGY

BODY:

How do you attract and retain $ 8.75-an-hour garment workers when labor is a seller's market? That was the problem facing Tony Sapienza, vice-president of manufacturing at Grieco Bros. Inc., makers of Southwick brand men's clothing, when the economic boom hit eastern Massachusetts in 1984. If he didn't come up with something, the 59-year-old factory in Lawrence would be forced to shut down.

Child care made sense. Seventy-five percent of his work force was female. With $ 50,000 of Grieco family money in hand, Sapienze set out to establish an on-site center.

It wasn't long before Sapienza realized he would need to at least double his capital. He cajoled another nearby mill, Polo Clothing Corp., to sign on with a contribution of $ 20,000. Foundations kicked in $ 20,000. The Lawrence city council coughed up $ 10,000. Still, it was not enough to cover renovation costs. Where would the operating monies come from? And could they find some deep pockets to defray the workers' $ 120 weekly fees?

Sapienze consulted Ed Clark, regional vice-president of the Amalgamated Clothing & Textiles Workers Union, who agreed to champion a per-employee contribution of 1~ per hour. That added up to $ 21,000 a year. "Older employees and some of the immigrants said they had done without child care, [so] why couldn't today's young people?" Clark recalls. "Built less than 1% of the 600 people voted against it."

Next, Sapienza hammered out a plan whereby the center would be run independently, by Grieco's predominantly Hispanic work force, as a minority-owned and -operated enterprise. Then Michael S. Dukakis's administration agreed to subsidize low- and moderate-income parents' fees totaling $ 298,297 per year. A subsequent low-interest start-up loan of $ 30,000 from the Massachusetts Industrial Finance Agency put the project "over the top," Sapienza says.

The center opened for business in January 1986. By Sapienza's measures, the program is a success, showing that management and labor can cooperate on shared goals.

Clark agrees. "Grieco did this with not entirely altruistic motives; we saw an opportunity to improve our lot. We got good results because both sides wanted it and needed it."

Sapienza hopes that onlookers come away with the lesson that child care need not be a white-collar, rich-company phenomenon. "Anyone can raise the start-up money if they try."

Operating funds are another story, however. Sapienza acknowledges that state support was critical. "The state spent $ 110 million on child care last year. Other states don't spend like that. But, of course, they're probably wondering why their welfare recipients won't go back to work."

Revenues: NA
Employees: 800
Employees affected: 55
Annual cost: $ 50,000
Start-up cost: $ 50,000

GRAPHIC: Picture, V-P Tony Sapienza, On-site care, thanks to state aid, MARK ALCAREZ

LANGUAGE: ENGLISH

Business Wire

October 6, 1988, Thursday

DISTRIBUTION: Business Editors

LENGTH: 469 words

HEADLINE: MASS-INDUS-FINAN-AGY; MIFA board votes to replenish funding of direct loan program for Child Care Facilities

DATELINE: BOSTON

BODY:

The Massachusetts Industrial Finance Agency's board of directors Thursday voted to replenish funding for its Child Care Facilities direct loan fund -- the largest such fund in the country.

The Child Care Facilities Fund was developed in 1986 -- funded out of MIFA's own reserves -- to help companies, manufacturers and non-profit institutions build on-site child care facilities for employees. The revolving direct loan fund was originally capitalized at $750,000, all of which now has been committed to six projects. The MIFA board voted to add up to $750,000 to the fund.

"MIFA has a tradition of deploying our resources to specific areas of need, and there is no greater need in this state than for child care," said Robert L. Beal, MIFA board chairman.

"The Commonwealth has taken the lead nationally in helping insure that a lack of day care is not a barrier to opportunity for working men and women. It is very gratifying to see the results of our economic development initiatives in such human terms."

Funded by MIFA's reserves from bond financing transaction fees, the fund provides direct loans up to a maximum of $250,000, which can be used for the acquisition, renovation, construction and/or permanent installation of equipment for child care facilities.

Projects funded range from a $20,000 loan for a 20-child center at Logan International Airport in East Boston to a $250,000 loan for a 125-child facility at Ramco Fabrics Inc. in Fall River.

Grieco Brothers, a suit manufacturer in Lawrence, received the first MIFA child care loan in January 1986. The company recently was honored by Congress for its innovative child care program which now accomodates 69 children of employees and community residents.

Recipients include the non-profit Central Massachusetts Job Training Inc. in Worcester, and funds are committed to New England Baptist Hospital in Boston and Barrington Bear Care in Pittsfield.

"With more and more employers looking for ways to provide such needed services for employees, the demand for the child care fund is increasing. Affordable and available child care is absolutely vital to the state's economy," said MIFA Executive Director Brian T. Carty.

An independent public agency receiving no state funding, MIFA was established in 1978 to stimulate private investment and job creation through a variety of financing incentives for growing businesses and institutions. The financing programs include tax-exempt and taxable bonds, guaranteed loans and direct loans.

Since its creation, MIFA has issued $4.4 billion in bonds for nearly 2,200 commercial and industrial expansion projects helping to create 78,000 jobs across the Commonwealth.

CONTACT: MIFA, Boston
Brian T. Carty, 617/451-2477

LANGUAGE: ENGLISH

PR Newswire

September 20, 1988, Tuesday

DISTRIBUTION: TO CITY DESK, ASSIGNMENT EDITORS

LENGTH: 724 words

HEADLINE: FIRST AIRPORT DAY CARE CENTER IN THE NATION

DATELINE: BOSTON, Sept. 20

BODY:

BOSTON, Sept. 20 /PRN/ -- Logan International Airport is the first airport in the country to offer a day care center for the children of airport employees and airport neighbors. The new on airport corporate day care center Boston Kids Too is the result of a public and private partnership spearheaded by the Massachusetts Port Authority (Massport), owner and operator of Logan Airport, the Massachusetts Industrial Finance Agency, American International Rent A Car, and Macomber Development Associates.

At dedication ceremonies tomorrow, the Commissioner of the Massachusetts Office for Children, Mary Kay Leonard will be joined by City Councilor Rosaria Salerno, and other public officials who praised Boston Kids Too as an example of the State's policy to improve and expand the supply of day care centers in the state and to make day care centers affordable.

"One of the policies that is helping the State reach that goal is the Employment and Training Program, also called ET," said Commissioner Leonard. "Parents who are either on welfare or who are making the transition from the home to the workplace, pay only $1 a day for day care and Massachusetts pays the other $24 to care for the child," said Secretary Johnston. Ten of the 20 children at Logan's day care center are part of the ET program.

Boston Kids Too is housed at Logan Airport's 20-acre Massachusetts Technology Center, the first building at the Harborside Project. The day care center was financed by the Massachusetts Industrial Finance Agency (MIFA), a quasi-public state agency with the financial backing of American International Rent A Car, a tenant of the Mass. Tech. Center.

"Child care is an issue whose time has come," said City Councilor Rosaria Salerno. "It's an issue that must be addressed not only by elected officials at the local and state level, but by the business community as well. And Boston Kids Too is the perfect example of such a day care center," remarked Councilor Salerno.

Part of the financial support for Boston Kids Too came from American International Rent A Car Corporation, headquartered at the Mass. Tech Center -- backing which made it possible for the day care center to obtain funds from a state agency, the Massachusetts Industrial Finance Agency (MIFA).

"As an East Boston native and as president of an international company based in East Boston, I felt it was important for American International to give something back to the community, and support an enterprise for which there is much demand at Logan Airport," said Nicholas Yebba, president and chief executive officer of American International Rent A Car.

Brian Carty, executive director of MIFA, a principal backer of Boston Kids Too, said that in 1986, MIFA created a Child Care Loan Fund to help corporations and non profit institutions to build child care centers and capitalized the fund with $750,000 of its own reserves. "MIFA wants to target its resources in areas where there is need...and there is a great need in the state for child care."

"This is just the beginning," said Massport Executive Director David W. Davis. "Boston Kids Too is one of the expections we've had fulfilled for the Harborside project. Two people saw the need and the opportunity to make this day care center a reality. First, Anthony Pangaro, partner of Macomber Development Associates welcomed the idea of the day care center. And Jill Lessing, owner and director of Boston Kids Too had the imagination and foresight to understand that a day care center was in great need here at Logan. She quickly translated the idea into reality by obtaining funding and support. Her experience with another day care center in East Boston will prove very valuable to all of us," said Davis.

The Massachusetts Technology Center is the first phase of construction of the Harborside project. The complex is 85 percent leased, and among its many tenants, it houses the world headquarters of two important Massachusetts corporations: American International Rent A Car and the Connell Limited Partnership. When complete, the second phase of the Harborside development project will boast 750,000 feet of office and research and development space, plus a 270 room conference center and hotel.

CONTACT -- Francesca de Van of Massport, 617-973-5600

LANGUAGE: ENGLISH

Business Dateline;
Boston Business Journal

March 16, 1987

SECTION: Vol 7; No 3; Sec 2; pg 13B

LENGTH: 1135 words

HEADLINE: Working to Meet Employees' Day-Care Needs

BYLINE: Judy Housman

DATELINE: Boston; MA; US; New England

BODY:

Michelle was in a middle-management position for a local high-tech firm. During her four-year stay, she consummated deals that benefited her company's bottom line by more than $ 1 million dollars. In December, she was offered a promotion to upper-level management. But less than eight weeks later, Michelle had accepted another position closer to home at a significant cut in pay. Why?

On April 17, 1986, Michelle's daughter Emily was born. Three years before, two of Michelle's co-workers had petitioned their employer for child-care assistance. Although the company had been involved with a consortium to establish a day-care center, the company had withdrawn.

According to Michelle, "A group of parents started meeting to investigate child-care needs. As a result, the company is once again investigating establishing a day-care center. But, they are losing good people in the interim. Even help in locating day-care would have made a difference." Interestingly, while the personnel department was unresponsivie to the request for child-care benefits, a direct appeal to the CEO was favorably received.

Michelle's case is not isolated. She was the second employee in six weeks to leave her company for child-care reasons. According to Heidi Ulrich, coordinator of the Governor's Day Care Partnership Initiative, 50 percent of mothers of children under 6 work, and 70 percent of mothers of school-age children work. Ulrich said that "In Massachusetts' tight labor market, the state has a natural alliance with employers in addressing this issue."

Linda Mills, coordinator of corporate child care for the Childcare Resource Center, outlined the three increasing levels of support for day-care needs that

U.P.I.

May 5, 1988, Thursday, BC cycle

SECTION: Regional News

DISTRIBUTION: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont

LENGTH: 274 words

DATELINE: WASHINGTON

BODY:

A congressional group concerned with women's issues Thursday lauded the Greico Brothers clothing manufacturing plant of Lawrence for its efforts in creating an on-site day care center for working parents.

Rep. Chester Atkins, D-Mass., said the Congress Caucus for Women's Issues cited Greico Brothers as one of 43 American companies that has combined management capital with employee contributions to tackle a growing national problem.

"By 1995, two-thirds of all pre-school children will have working mothers," Atkins said at a news conference in Washington. "Women have entered the workforce in increasing numbers primarily because of economic reasons. It is no longer possible for most families to maintain a decent standard of living on a single salary."

A Greico Brothers official said employee desperation for dependable daycare spurred the company to contribute $50,000 in 1986 to build the Merrimack River Community Child Care Center.

"There's no question the start-up costs were significant, but 75 percent of our 800 employees are female and we felt they were sharing disproportionately in the responsibility of raising children," said Tony Sapienza, vice president of manufacturing for Greico Brothers.

The Amalgamated Union of Clothing Workers agreed to donate 1 cent per hour of their negotiated raise for one year to help initiate the center, he said. The Massachusetts Industrial Finance Agency, an economic development group, provided additional funding.

The 43 winners of the citation were selected by a panel of child care experts named by the caucus and came from 160 entries submitted by members of Congress.

LANGUAGE: ENGLISH

MEMORANDUM

TO: TOM FREEDMAN, MARY SMITH

FROM: DREW HANSEN

RE: CONSUMER'S HANDBOOK ON CHILD CARE

DATE: AUGUST 20, 1997

GENERAL CONSIDERATIONS FOR THE HANDBOOK

The current handbook proposal seems to contain most of the relevant information for consumers who are choosing child care. The main problems with it is that it is organized poorly and that it places too much emphasis on the other sources of information (besides the handbook) that the consumer can access for additional information.

- **Ease of use.** Currently, the handbook is set up more like a quasi-academic compendium of child care information than an easy-to-use consumer guide. The handbook should be organized around the central question "How do I find quality child care for my child?," and should take the reader through a simple, step-by-step process of questions and answers (see proposed outline below). The language should be pitched at around a 5th-grade reading level. Also, the format of the handbook should contain considerable "white space" and graphics, something like the popular "______ for Dummies" series of books ("Windows for Dummies," "Wine for Dummies," etc.).

- **One-stop information.** The current handbook has too much information on the "Other sources of information and assistance." We do not want the users of this handbook to have to search through the other available child care information organizations to find the answers that they need. Instead, we should provide as much information as possible in the handbook. Of course, we will need to provide information about other resources, but that information should be in an appendix or as the last chapter, instead of as the first piece of substantive information in the handbook as it is now (tentatively beginning on page 2). Also, even though finding information from these other agencies is almost always easier on the Internet, we should de-emphasize Internet resources as much as possible, as most Americans either do not have access to the Internet or do not know how to use it.

PROPOSED ALTERNATIVE OUTLINE FOR THE HANDBOOK

I. "How do I find quality child care for my child?"

The point of this section is to introduce the consumer to the issues involved in choosing a child care provider. This section would provide an introduction to the handbook, telling the reader that he or she can find an easy, step-by-step procedure for finding quality child care simply by working through the rest of the handbook. This section would also contain general information about child care, such as information about what kind of care is appropriate for certain ages (currently on p. 13) and about what kind of care is appropriate for special-needs children (currently on p. 14).

Example:

"Finding a child care provider can be difficult. But it can also be rewarding. This handbook will give you an easy, step-by-step guide that will help you to find high-quality child care for your child. We'll start by looking at some of the general issues that you should think about when you are considering child care.

'What kind of care is appropriate for my child?'

Different children need different kinds of care. For some children . . . (etc.)"

II. "What kind of child care do I need?"

This section would contain brief definitions of the principal types of child care providers outlined in the handbook (relative, au pair, child care center). It would then provide consumers with some process for deciding what kind of child care they need, either through a question-and-answer self-test or through a list of the advantages and disadvantages of the various types of child care.

Example:

*"These questions will help you to decide if you want to select an **au pair.***

1. *Do you feel comfortable allowing someone into your home to care for your children?*
2. *Are you able to afford $____ to $____ per week for child care? . . . (etc.)"*

Example:

"AU PAIR (a 'nanny'):

Advantages:

- *Personal care for your child alone.*
- *Consistent child care arrangement.*

Disadvantages:

- *Your child will not be able to play with other children . . . (etc.)"*

III. "How can I find a good _______? (au pair, relative, child care center, with subsections for each)"

This section would include a process and set of checklists for parents looking for each type of child care. They would be organized as 1.) How do I find a ___ in my area?, and 2.) How do I know that ___ will provide good child care?. The first section would include lists of phone numbers or a reference to a list of child care providers elsewhere in the guide. The second would include a set of "worksheets" that parents could bring with them to various child care providers (similar to the "Tips for Child Safety" on p. 6 of the current report).

Example:

"'How do I know my child will be safe?'

Is the fire extinguisher easy to find?	___ *Yes*	___ *No*
Are the electrical outlets covered with protective caps?	___ *Yes*	___ *No (etc.)"*

IV. "What if I have questions that this handbook does not answer?"

This section would include the "other information," organized around topic or question ("How do I know that the child care staff do not have criminal records?") as well as by agency.