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Palm Desert's \$1.7M child care fund is largely unused

Sour economy depletes need for more facilities

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The Desert Sun*

In the past five years, Palm Desert has raised more than \$1.7 million from commercial developers in the city, ostensibly to improve and expand affordable child care.

But to date, city officials have spent only about \$207,000, which hasn't increased Palm Desert's stock of child care facilities or spaces.

Since October 2005, when the City Council established its child care impact fee — a special levy developers pay on all new commercial projects — the city has lost three licensed child care centers and about 190 spaces.

A survey in August 2004 found Palm Desert had 18 licensed centers with 1,112 spaces, and waiting lists were the norm.

Today, there are 15 centers in Palm Desert with 923 spaces. With the economy stagnant, some area providers say they have vacancy rates as high as 50 percent.

The Family YMCA of the Desert's Jean Benson Child Development Center, named for the Palm Desert councilwoman, is licensed for up to 101 spaces, but its current enrollment is 49, said Cheryl Ford, the YMCA's program director for child care.

Of those children, 33 are Palm Desert residents, while seven have parents who work in the city, but do not live there, she said. The other nine are also children of nonresidents.

"It's really hard right now; a lot of people can't afford (child care)," Ford said. "Our preschool dropped at least a quarter from the time school let out, so children are staying with older siblings."

The story is the same at Palm Desert Community Presbyterian Church Preschool, where interim director Leslie Estep said the school had 75 to 80 students for its 105 slots, and not all of those were full time.

Victim of recession

James Brownyard, executive director of the Desert Valley Builders Association, said the building industry opposed the fee five years ago, and still does.

"The idea in affluent times (was) 'Yeah, we can spread the wealth,' but that never came to fruition. With the current economic rollback, no one can afford child care," Brownyard said. "If they have not expended certain monies within five years, the monies are supposed to be refunded."

But City Manager John Wohlmuth countered that the five-year timeline for spending the money is a rolling deadline, depending on when fees were collected.

"It's first-in, first-out," Wohlmuth said. "Whatever we collected in 2005-2006 should be spent in 2010-

2011. Whatever we collect in '08-'09; it's '13-'14.”

The city's original plans for the money have become another victim of the recession, he said.

The funds collected were earmarked for a new child care center to be built at Spanish Walk, a residential community planned for 80 acres in the north end of the city.

The original developers, Taylor Woodrow Homes, committed land for the center as a condition of the project's approval, but when sales and construction on the site stalled, so did plans for the center.

Wohlmuth and other city officials have been canvassing child care providers in the city to find other possible projects for the money.

A \$1 million proposal for improvements at College of the Desert's McCarthy Child Development Center, which serves children of students at the Palm Desert campus, got a cool reception from the City Council at a recent study session.

Benson said the center's percentage of Palm Desert residents — about 30 percent — isn't high enough.

Councilman Robert A. Spiegel said because COD had money from its \$346.5 million bond fund to pay for expanding the McCarthy center, the city should keep its focus on building a center in the north end.

Affordability crisis

In 2005, Palm Desert's child care impact fee was hailed as another cutting-edge program for the city and a natural outgrowth of its historic commitment to funding a range of preschool and after-school activities for children.

The YMCA's day care programs and its after-school programs at Lincoln Elementary School and Palm Desert Charter Middle School have long benefited from the city's support.

Officials argued that child care facilities were key public works — like sewers or street lighting — that developers should pay for through impact fees. More than 60 cities and counties across the state had established similar fees.

In a report compiled to support the need for the child care fee, city officials estimated that close to 950 additional child care spaces would be needed by 2025, at a cost of about \$6.2 million.

The per-square-foot rates charged to developers were calculated based on the type of project, the number of employees it might bring to the city and the percentage of those expected to need child care.

Light industrial firms pay 47 cents per square foot, while buildings to be used for business offices are charged \$1.15 per square foot.

Because the child care development fund can only be used for capital improvements, it can't target the real problem right now, which is affordability, said Harry Freedman, executive director of First 5 Riverside, the agency that provides funding for education and health programs for children.

“There's no argument that Riverside County has a need for more child care,” he said. “Parents need to find child care that is accessible to them geographically and it has to be accessible financially.”

Why not COD?

The College of the Desert's McCarthy Child Development Center has applied for some of the money in Palm Desert's child care development fund, though city officials haven't expressed much interest in the idea.

The center, now in its 20th year, provides care for children ages 12 months through 5 years, whose parents are students at the Palm Desert campus and often work in the city. Rates range from \$38 to \$58 a day, and many students qualify for state-subsidized care, said Mayra Juarez, an assistant at the center.

Tennille Garza, 35, of La Quinta is one of those students. She is studying for an associate degree in history, with plans to go on to Cal State San Bernardino and earn a teaching credential.

She's also a mother of four who relies on the center to take care of her 21-month old daughter, Amarige Garza.

"I thank God for this place," said Garza, as she dropped off Amarige on Monday before heading for her job at Costco in Palm Desert. "Me and my husband are barely making it. He works full time. What we don't spend on child care, we spend on gas and all the bills."

"We have very few students on campus who aren't employed elsewhere," said COD's Pam LiCalsi.

The center also provides training for students in COD's early childhood education program, which means more licensed child care providers in the region, LiCalsi said.

Additional Facts

Who got the money

Palm Desert has made grants totaling \$206,803 from its child care development impact fee to four child care centers in the city. Officials were unable to provide information on the specific projects the city funded and whether the centers were able to expand or improve services as a result.

Desert Sands Unified School District Cabrillo Center: \$76,723

YMCA Jean Benson Child Development Center: \$48,080

Montessori School of the Desert: \$43,000

Tot Stop Inc.: \$39,000
