



REINVESTMENT
FUND

Lessons from 10-Years of Philadelphia's Childcare Map

Jacob L. Rosch, Reinvestment Fund

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Reinvestment Fund

We are a mission-driven nonprofit organization that brings financial and analytical tools to partnerships that work to ensure that everyone has access to essential opportunities.

Since 1985, Reinvestment Fund has provided over **\$3.2 billion** in financing to strengthen neighborhoods, scale social enterprises, and build resilient communities.

We are supported by **830 investors** that include individuals, foundations, religious institutions, financial institutions, civic organizations and government.

How We Work



Lending & Investing



Policy Solutions



Programs & Capital Access



Support for Early Learning Environments

\$30 Million

Invested in childcare businesses & facilities

17,500 Seats

Serving predominantly low-income children

Childcare Programs in Philadelphia

Fund for Quality

Business planning and facilities-related financing to support high-quality ECE providers to reach more low-income families.

PHL Child Nutrition Fund

Resources for organizations working to expand the availability of fresh and nutritious food to children.

Accessing Child Care Expansion and Sustainability Supports

Resources for STAR 1 & 2 providers to invest in facilities and improve their ratings.

Coaching to Success

Assistance to Philadelphia-based ECE providers as they work to navigate and sustain a delicate business model.

Philadelphia's Childcare Map

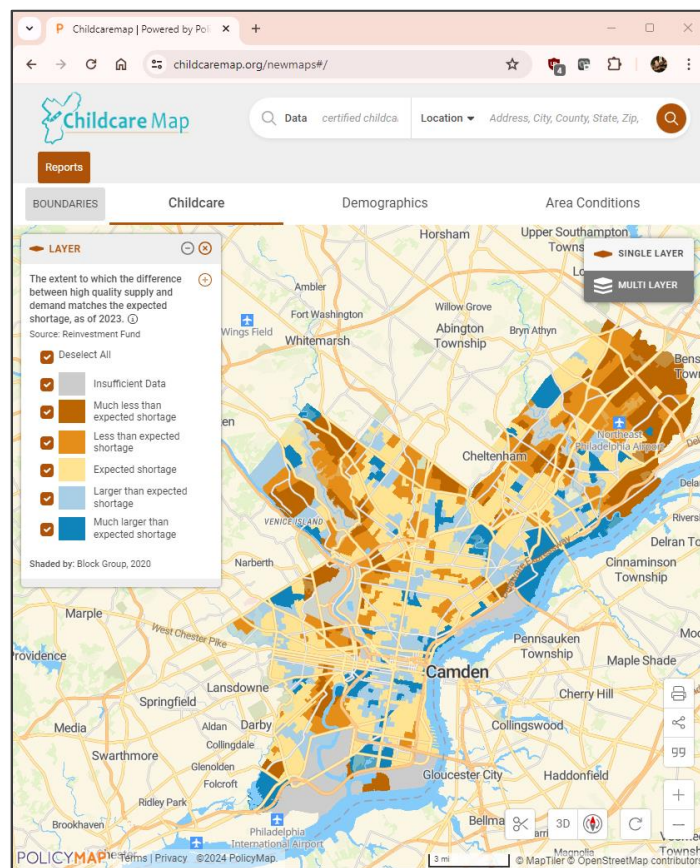
Quantifying Access to Care Across Philadelphia

What We Measure

Supply. Tracking the location and capacity of programs in the birth-to-five market

Demand. Estimating demand in each census block group from families and commuters

Shortage. Measuring gaps to inform public and private investments in quality improvement



How It's Used

Replicated in cities across PA, GA, NJ, DC, MD, and RI

Informs investment strategies in Phila., Atlanta, and DC

Used by stakeholders across organizations, agencies, and sectors

Original Advisory Committee:

William Penn Foundation

United Way of Greater Philadelphia and Southern New Jersey

Children First DVAEYC

PHMC

CCIS of Philadelphia

City of Philadelphia

US Census Bureau

School District of Philadelphia

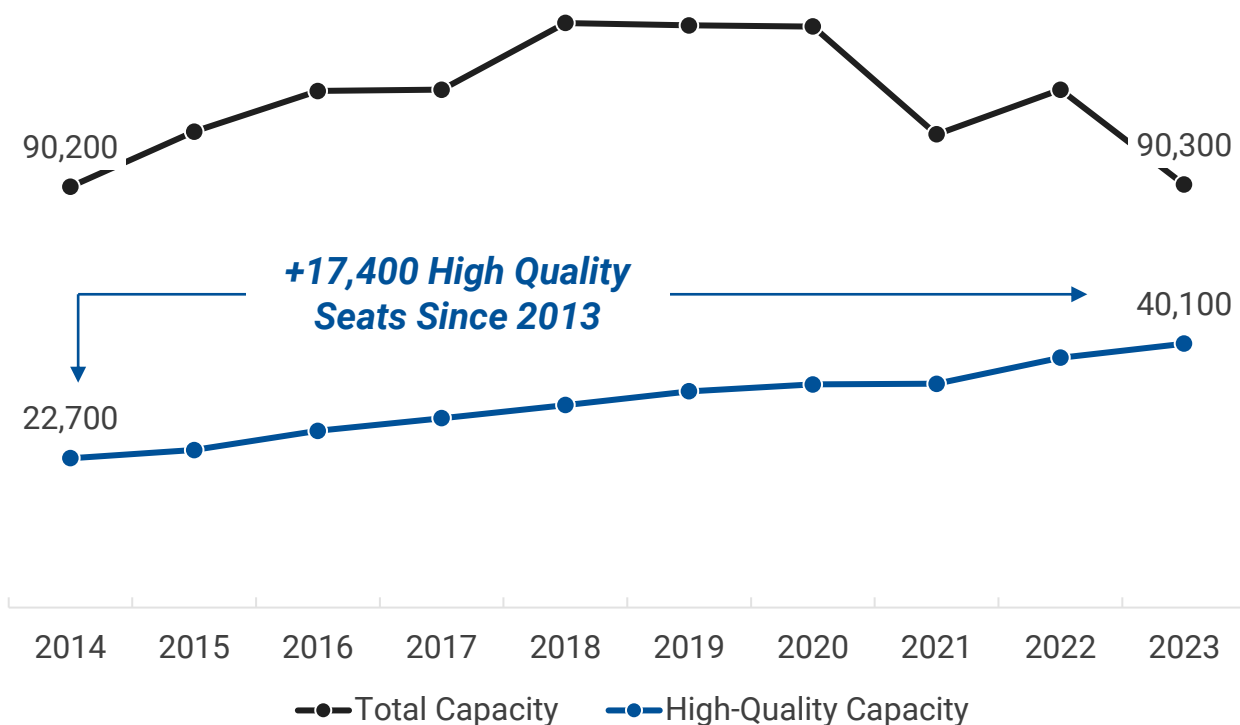
Brightside Academy

Nonprofit Finance Fund

#1: Parents Have More High-Quality Options Than in the Past

The City Has Added Over 17,000 New High-Quality Seats Since 2013, Despite Overall Capacity Holding Steady

Total Childcare Capacity and High-Quality Capacity in Philadelphia, 2013 to 2023



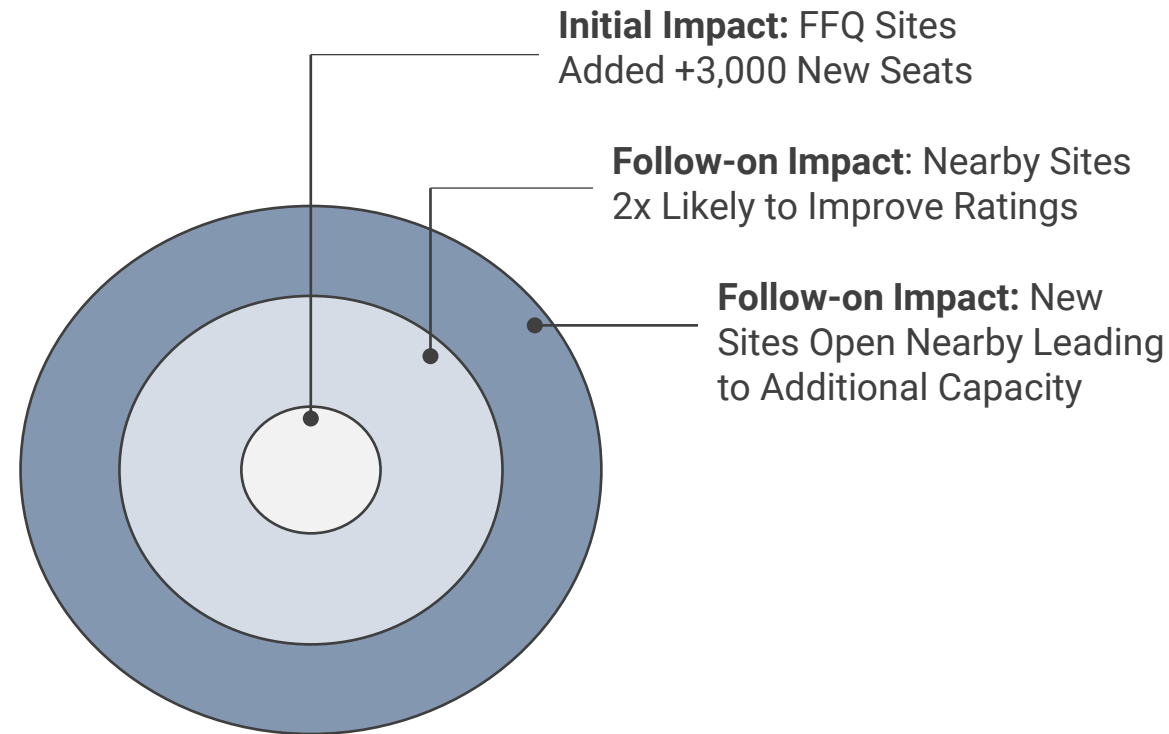
Philadelphia is Among the National Leaders in Providing Capital to Childcare Businesses

Per Capita Investments in ECE by Sources, 2016 to 2020

- Small Business Loans to Childcare Businesses → 94th Percentile of Counties
- CDFI Loans to Childcare Projects → 99th Percentile of Counties
- Grants for Childcare Businesses → 99th Percentile of Counties

#2: Program Investments Have Impact Beyond Individual Sites

How FFQ Activity Impacts Surrounding Neighborhoods



Lessons for Future Work:

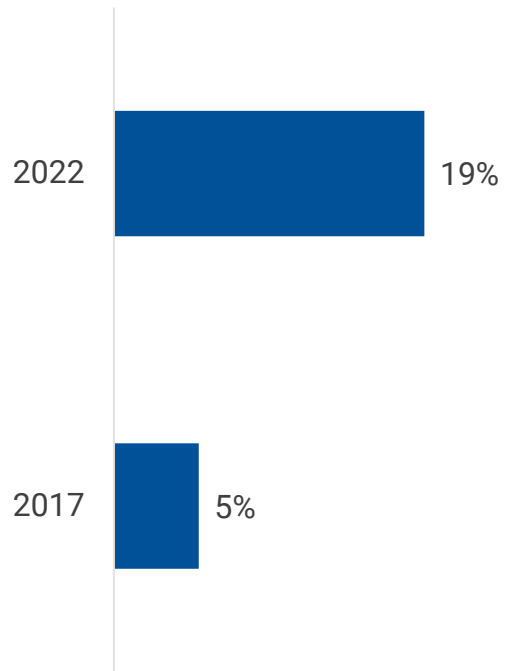
- > Data helps target investments to areas where they can be successful
- > Business makes decisions based on what's happening in their community

Analysis of How FFQ Investments Impacted Access in Surrounding Neighborhoods

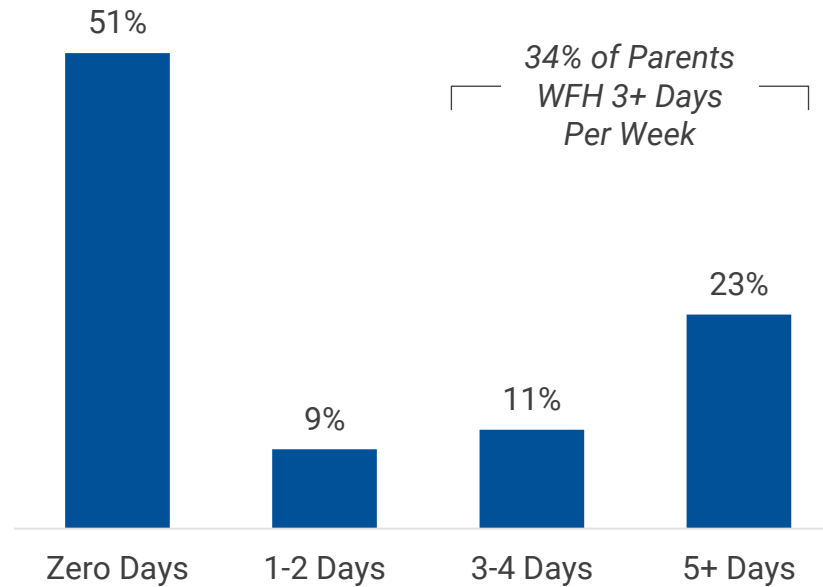


#3: How Parents Look for Care is Changing

Share of All Adults Working Fully Remote, 2017 to 2022



Share of Days Parents Worked From Home, October 2023

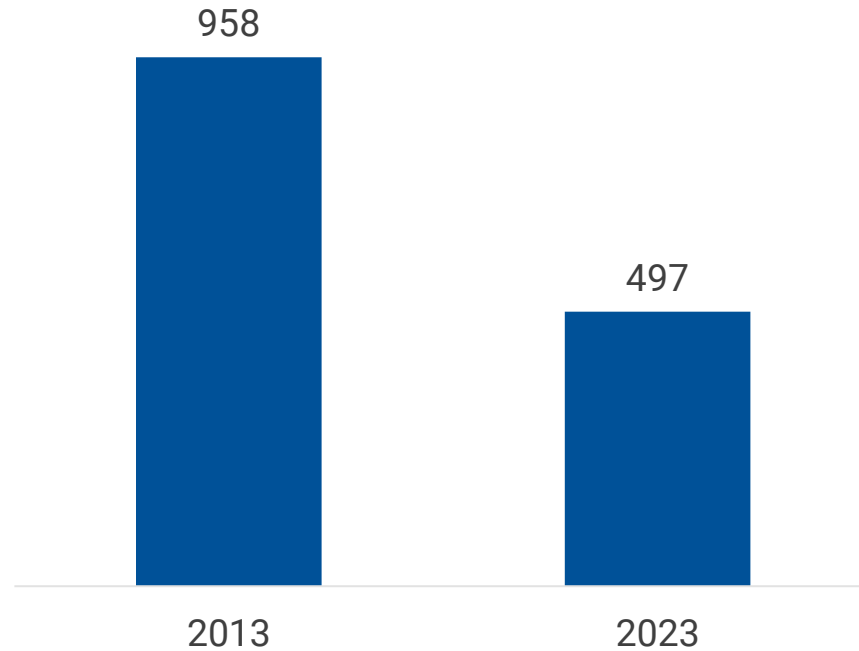


Implications for the Sector:

- > Greater emphasis on neighborhood programs near parents and homes
- > Potential new interest in flexible and non-traditional schedules and hours

#4: The City is Losing its Home-Based Providers

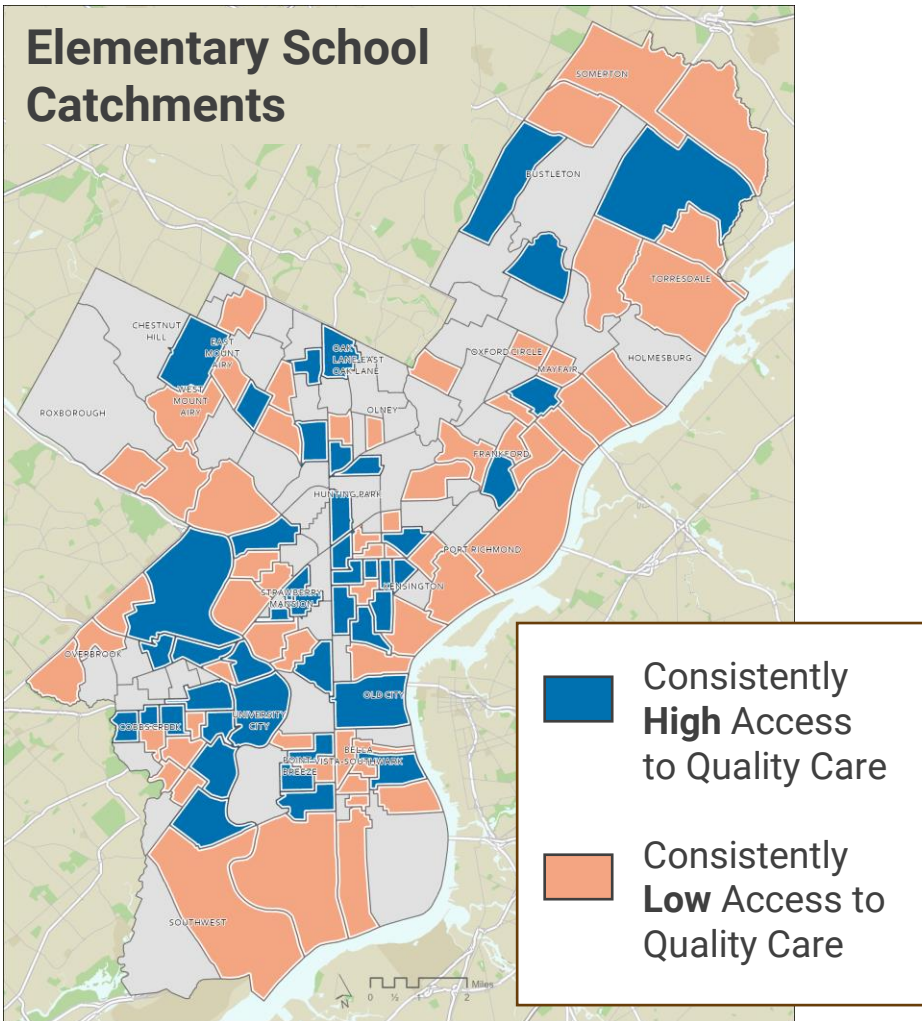
Number of Licensed Home-Based Providers in Philadelphia



Factors Influencing Loss of Home-Based Programs

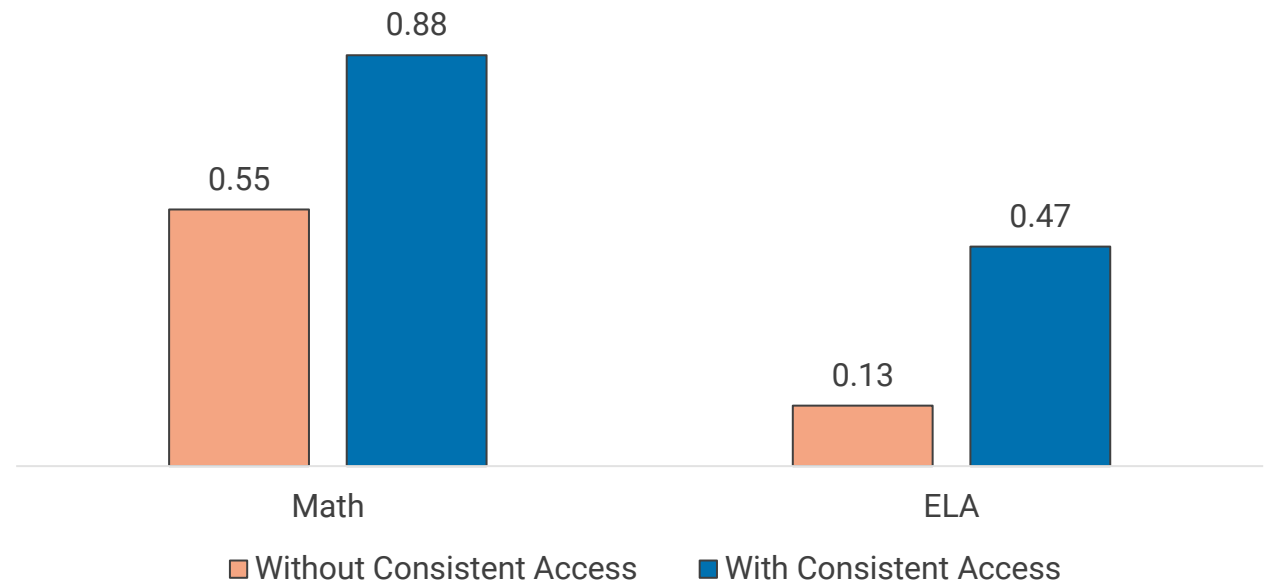
- Rising Rents and Housing Costs
- Regulatory Environment
- Owner Retirements and Succession Planning

#5: Access to Care Benefits Communities Beyond Just Children and their Parents



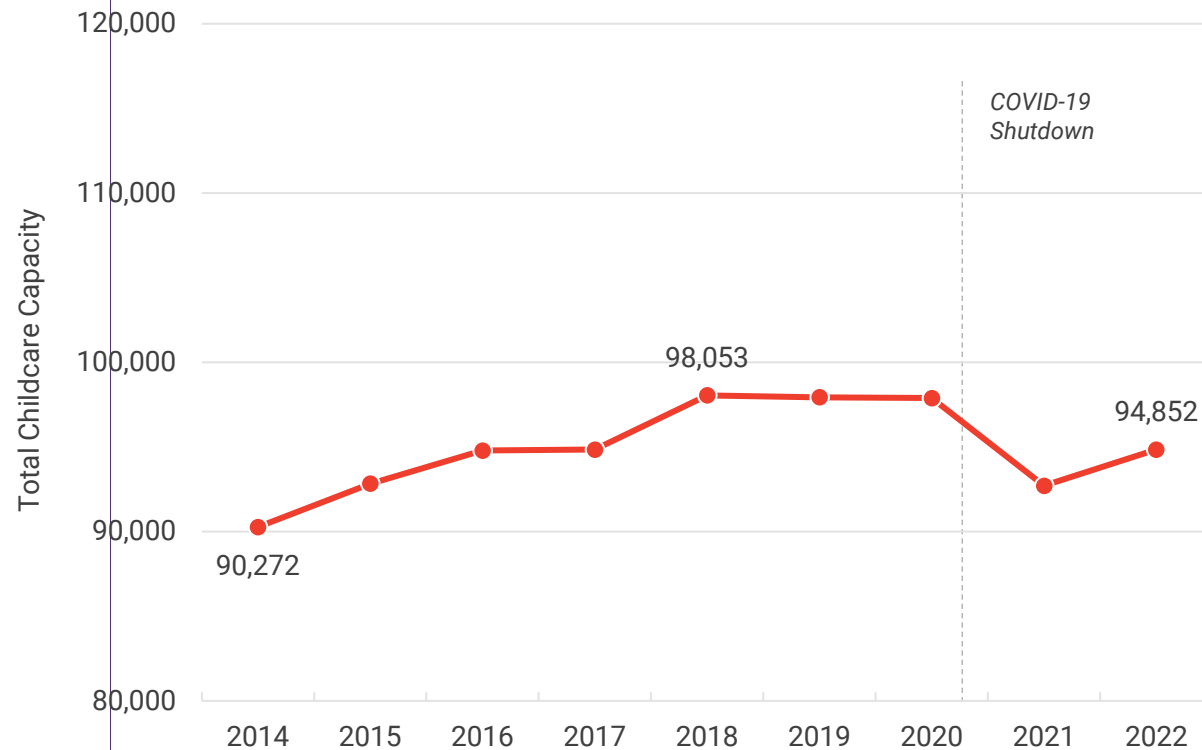
Students That Lived in Elementary Catchments with Enough High-Quality Seats for >30% of Children Outperformed Peers in Catchments without High-Quality Seats

Average 4th Grade PVAAS Growth Scores



#6: Geography and Quality, Not Capacity Are Largest Access Barriers

Overall ECE Capacity Has Peaked While City's Birthrate and Population has Declined

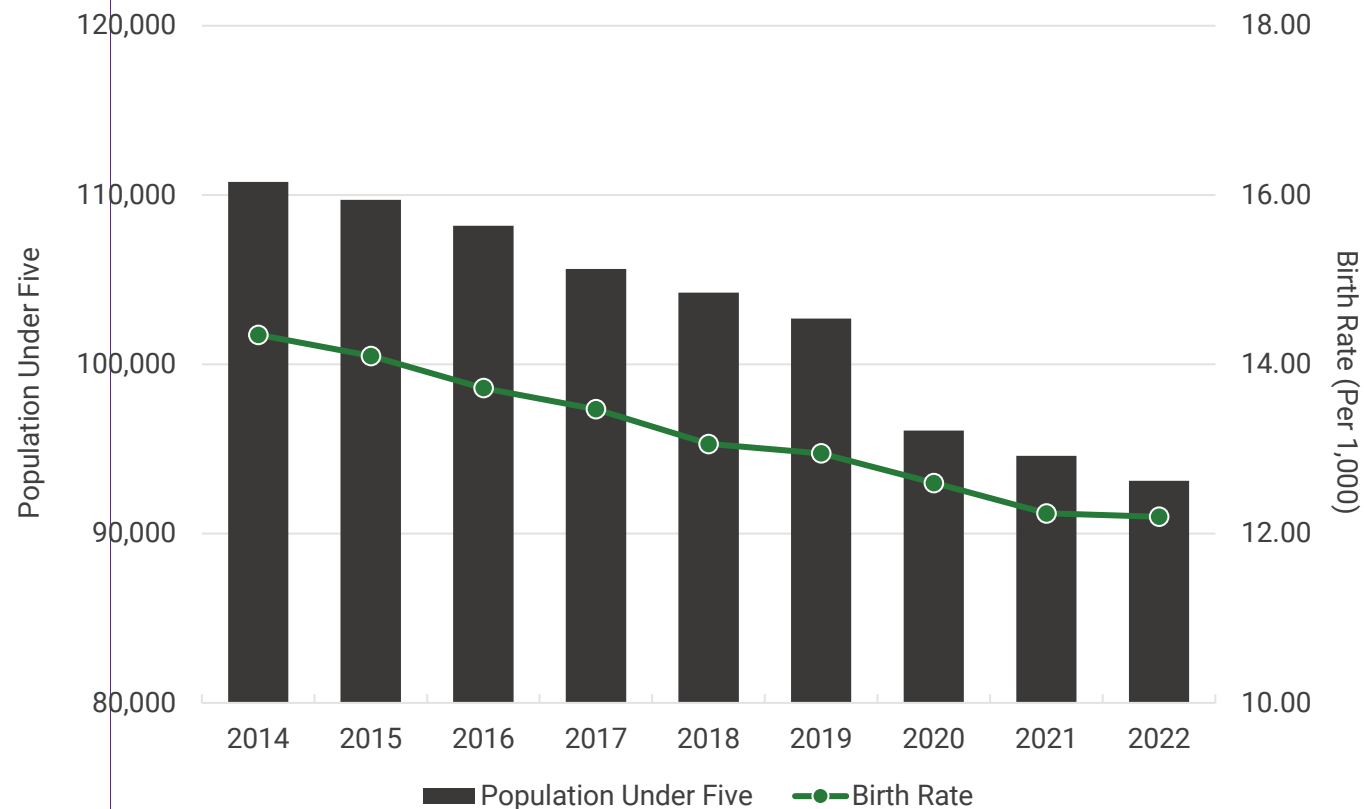


Implications for the Sector:

- > Targeting to areas with insufficient access is more important than ever
- > Focus on improving quality (and sustainability) of existing programs
- > Explore parent preferences and service needs (e.g., Ages, Hours)

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Where do we go from here?

Build on Success and What We Have

- Complement shortage measures with information on families and caregivers
- Continue collaboration between funders, lenders, technical assistance providers
- Support spaces that connect providers, caregivers, and other stakeholders

Address System-Level Challenges

- Address long-running need for adequate funding and resources in the sector
- Improve policies and systems so they work for early learning businesses
- Invest in neighborhood assets and infrastructure that support children and families