



### Prop C will:

- 1) Make high quality early care and education (“ECE”) available and affordable for San Francisco families earning up to 200% of the area median income. (200% AMI for a family of 3: \$207,500).
- 2) Clear our existing waitlist of San Francisco families and who have been stagnating on the City’s Early Care and Education waitlist. These families earn at or below 85% of the state median income. (85% SMI for a family of 3: \$63,240).
- 3) Increase wages for early care and education providers to better ensure a well-trained, stable and quality workforce.
- 4) Invest in comprehensive ECE services that support physical, emotional, and cognitive development of children under the age of 6.

### **How Will We Pay For Quality Early Care and Education For More San Francisco Families?**

A surtax on commercial rent receipts (1% for warehouses and 3.5% for other commercial uses) is the revenue measure that can generate between \$100 and \$150 million annually, enough to accomplish all 4 objectives in this proposal. There would be a small business exemption for those commercial property owners who earn less than \$1,000,000 in gross receipts annually. Deductions would be allowed for commercial property owners who do earn more than \$1,000,000 annually in gross receipts for spaces rented to nonprofits, non-formula retail businesses and any other legally exempted businesses under our current gross receipts tax.

### **San Francisco Success Story: Our Investment in 4-Year-Olds**

For more than a decade, since 2004, San Francisco has been a national leader with our universal Preschool For All program. At the time, this program was revolutionary. It expanded access, defined and measured quality programs, and supported educators to deliver quality early learning education. We now serve 92% of all 4-year-olds in high quality rated environments.

Preschool enrollment of 4-year olds went from 57% in 2005 to 71% in 2013. Citywide school readiness assessments in 2007 and 2009 charted a similar increase, from 72% of 4-year-olds in 2007 to 83% in 2009.<sup>1</sup> This is an amazing accomplishment and is due to the targeted and committed investments of the State and the City and the work of First 5 San Francisco and the Office of Early Childcare and Education.

### **Who We Have Left Behind: Our Infants and Toddlers**

However, we cannot claim the same success when it comes to infants and toddlers under the age of 4. Even though medical and child development specialists and scientific research have uniformly found that the most critical time in brain development is from birth to 3 and the brain’s capacity is 90%

<sup>1</sup> Preschool For All, A Look Back at the First 10 Years of Universal Preschool in San Francisco, 2015 [http://www.first5sf.org/wp-content/uploads/2016/pfa\\_look\\_back.pdf](http://www.first5sf.org/wp-content/uploads/2016/pfa_look_back.pdf)

developed before a child reaches age 5<sup>2</sup>, San Francisco has more than 2400 children on the waitlist for quality care and more than 1600 of these children are under the age of 3.<sup>3</sup> When 66% of the children on the waitlist are infants and toddlers, it dramatically illustrates the unmet need in this age group and the critical and urgent need for targeted investment akin to the level of support that we have given to our 4-year-olds.

Our next generation wants and needs quality care -- and we all benefit when we invest in them. The most rigorous long-term studies found a return on investments averaging \$7 for every \$1 invested in quality early learning programs.<sup>4</sup> In addition, participants of these studies were followed into adulthood and benefited from increased earnings.

How do we most effectively guarantee quality care? A 2014 UC Berkeley study showed that educator wages are the most important predictor of the quality of education children receive.<sup>5</sup> Today, one-third of full-time teaching staff use some form of public assistance to make ends meet.<sup>6</sup> In San Francisco, 92% of our early childcare and education workforce are women and 83% women of color.<sup>7</sup>

### **If We Do Not Take Action...**

75% of parents with children under the age of 6 have both parents working outside the home, making early care and education a necessity, not a luxury.<sup>8</sup> But infant and toddler early education and childcare now costs a staggering \$20,000 a year in San Francisco<sup>9</sup> - in comparison, tuition at UC Berkeley costs \$13,600 a year.<sup>10</sup> San Francisco cannot afford to continue to lose our families in droves because of the high cost of living in the City; for many families, the cost of childcare on top of everything else means being forced out.

The reality is that the top 3 reasons families seek early care and education for their infants and toddlers are because they are working, seeking work, or in school or training -- all of which are critical in order to maintain an income that allows families to live and thrive in San Francisco. Last but not least, without affordable and accessible early care and education, the other reality is that it is largely women who still bear the brunt of loss of earnings and career momentum over their lifetime.<sup>11</sup>

**For more information and to donate, please visit [earlyeducationsf.com](http://earlyeducationsf.com)**

<sup>2</sup> First 5 California, <http://www.first5california.com/>

<sup>3</sup> San Francisco Child Care Connection (SF3C) Monthly Report - October 2017

<sup>4</sup> Heckman, James J. "Invest in early childhood development: Reduce deficits, strengthen the economy," The Heckman Equation. [https://docs.google.com/viewerng/viewer?url=www.heckmanequation.org/sites/default/files/F\\_HeckmanDeficitPiECECUSTOM- Generic\\_052714.pdf](https://docs.google.com/viewerng/viewer?url=www.heckmanequation.org/sites/default/files/F_HeckmanDeficitPiECECUSTOM- Generic_052714.pdf)

<sup>5</sup> Ibid

<sup>6</sup> Whitebook, M., Phillips, D., & Howes, C. (2014). Worthy work, STILL unlivable wages: The early childhood workforce 25 years after the National Child Care Staffing Study. Berkeley, CA: Center for the Study of Child Care Employment, University of California, Berkeley.

<sup>7</sup> "SF Workforce Registry Report", Office of Early Care and Education, August 2015.

<sup>8</sup> See [http://www.catalyst.org/knowledge/working-parents#footnote25\\_37fb0xc](http://www.catalyst.org/knowledge/working-parents#footnote25_37fb0xc)

<sup>9</sup> See <http://www.childrenscouncil.org/families/understanding-child-care/child-care-costs/>

<sup>10</sup> See <http://admission.universityofcalifornia.edu/paying-for-uc/tuition-and-cost/index.html>

<sup>11</sup> See <http://www.latimes.com/business/la-fi-women-dropping-out-20170522-story.html> (published 5.28.2017)