

**SAN FRANCISCO  
EARLY CARE AND EDUCATION  
2023 NEEDS ASSESSMENT**

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**EXECUTIVE SUMMARY**





# PURPOSE OF NEEDS ASSESSMENT

The San Francisco Early Care and Education (ECE) Needs Assessment provides critical information for the county. The information compiled in this report informs ongoing efforts to improve access to ECE services for all families, with a focus on low-income families and children in historically marginalized communities.

## THE PEOPLE OF SAN FRANCISCO

### SAN FRANCISCO POPULATION SUMMARY

San Francisco is unique in that it is a city and a county, with overlapping local, county, and state priorities and regulations. According to the [U.S. Census](#), the estimated total population of San Francisco in 2020 was **873,965**.

There were **46,475 children ages 0-5** living in San Francisco in 2020. 21,131 are 3-5 years olds, and 25,344 are 0-2 years olds according to American Community Survey (2020). A third (34%) of San Francisco children live in one of the following four zip codes: 94110, 94112, 94122, and 94134.

### RACE/ETHNICITY AND LANGUAGE

The ethnic composition of San Francisco's children represents rich diversity. The majority of children (ages 0-12 years old) living in San Francisco are classified as either White, Not Hispanic (30.7%), Asian American (22.7%), or Hispanic or Latino (22.2%). There are more younger children (ages 0-5 years old) that are White, Not Hispanic (32.9%) compared to older children (ages 6-12 years old), 28.2%.



Less than half (41%) of all children ages 0-5 experience languages other than English spoken at home. Due to the diversity of languages spoken in San Francisco, there is a demand for ECE staff to be bilingual.

## CHILDREN WITH IFSPS AND IEPs

According to a snapshot in April 2022, there were 17 children with IFSPs, 1,079 children ages 3-5 years old with IEPs, and 3,919 school age children with IEPs (ages 6-12 years old) (Special Education Information System. CALPADS for school year 19-20, IFSP data from Synergy SY 19-20).

## COST OF LIVING

San Francisco is a high cost county. The median household income in San Francisco was \$126,187 in 2021 according to the [U.S. Census](#). The self-sufficiency standard, or the minimum income necessary to cover all of a family’s basic expenses (based on a two adult family with two children) is **more than 6 times** the federal poverty level. Based on a family of four (2 adults, 1 infant/toddler, and 1 preschooler), the household annual income needed to make ends meet in San Francisco is **\$164,713**. This requires both adults to earn at least **\$38.99/hour** and to work full time.

[US Census 2021](#) estimates that 10.1% of San Francisco residents live in poverty. However, the [California Poverty Measure \(CPM\)](#) estimates that 17.0% of San Francisco residents and 18.6% of local children (ages 0-17) are living in poverty.

### Many Families Are Earning Below SMI And FPL Making It Difficult To Make Ends Meet

Children’s Ages	Percent of families with children living under 100% FPL	Percent of families with children living under 85% SMI
0-2 Years	6.4%	18.2%
3-5 Years	10.1%	22.4%
6-12 Years	10.4%	29.2%
0-12 Years	9.2%	24.4%

*AIR analysis of American Community Survey 5-year estimates (2020 for 0-5 year olds and 2018 for school age children)*



## COST OF CARE

The average cost of care in San Francisco is prohibitive for many families. Now more than ever, families need help paying for care and providers need financial support to recover from the COVID-19 pandemic.

- The cost of care is highest for infants/toddlers in center-based ECE settings.
- Fifty percent of licensed centers charge more than **\$27,600/year** and 50% of family child care programs (FCCs) charge more than **\$22,200/year** for infant/toddler care.
- The annual cost of care is slightly less for preschoolers: 50% of centers charge more than **\$20,370/year** and 50% of FCCs charge more than **\$21,234/year** for preschool care.
- On the high end, licensed child care centers charge up to **\$36,588/year** for infant/toddler care and **\$28,598/year** for preschool care compared to **\$30,000/year** for infant/toddler care and **\$27,342/year** for preschool care in FCC programs.

The following average monthly tuition rates are for full-time care (30 hours or more per week), in licensed centers and FCC programs, for infants/toddlers (0-2 years old) and preschoolers (3-5 years old).

Monthly Cost Of Care		
	Infant/Toddler Care	Preschool Care
50% of centers charge this monthly tuition or more	<b>\$2,300</b>	<b>\$1,698</b>
50% of FCC programs charge this monthly tuition or more	<b>\$1,850</b>	<b>\$1,770</b>

Source: Children's Council of San Francisco (2022)

## ECE LICENSE CAPACITY

### CENTER-BASED CHILD CARE PROGRAMS

There are **23,646 licensed center spaces** for children in San Francisco County; 71% of center-based spaces are for preschool age children. Local licensed centers' report that their desired infant capacity is approximately three-quarters of their license capacity while their desired preschool capacity is just under 90%.

**Zip codes with the greatest gains in licensed center capacity from 2016 to 2022 were:** 94117 (+436 spaces), 94158 (+313 spaces), 94122 (+276 spaces), and 94103 (+270 spaces). Zip codes with the greatest decline in spaces were: 94112 (-367 spaces) and 94114 (-205 spaces).

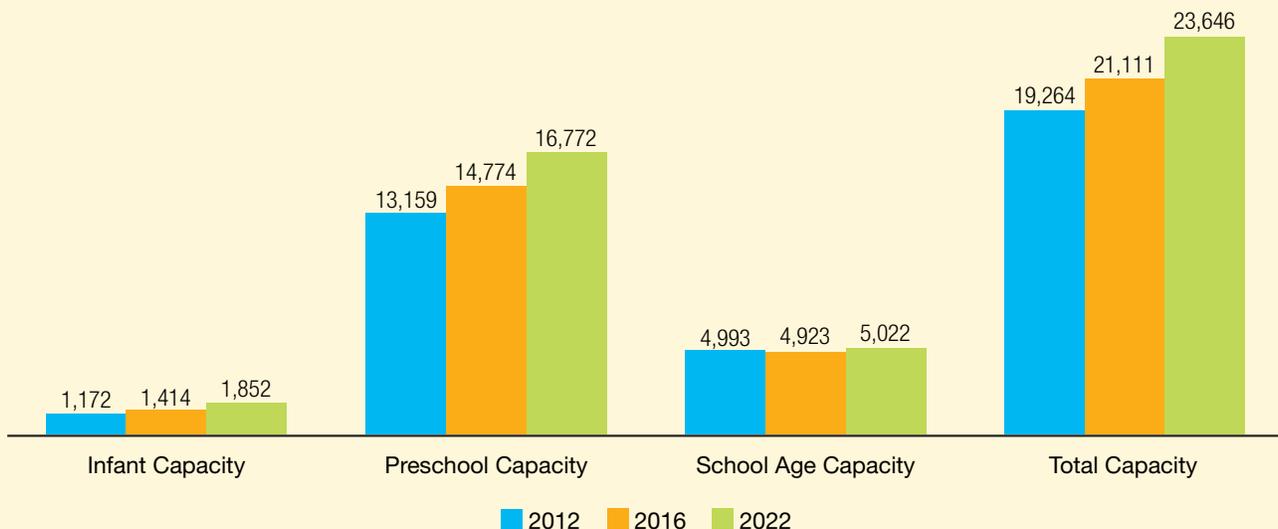


## License Capacity In Child Care Centers

Zip Code	Neighborhood	Center Infant License Capacity	Center Preschool License Capacity	Center School Age License Capacity	Total Center License Capacity
94102	Hayes Valley / Tenderloin	127	733	81	941
94103	South of Market	211	926	71	1,208
94104	Financial District	10	12	14	36
94105	Downtown	134	313	0	447
94107	Potrero Hill	78	714	12	804
94108	Chinatown	0	380	0	380
94109	Polk / Russian Hill / Nob Hill	8	415	0	423
94110	Inner Mission / Bernal Heights	146	1,535	90	1,771
94111	Embarcadero / Gateway	94	190	0	284
94112	Outer Mission / Excelsior / Ingle-side	44	762	268	1,074
94114	Castro/ Noe Valley	32	356	0	388
94115	Western Addition	18	1,151	145	1,314
94116	Parkside / Forest Hill	92	972	728	1,792
94117	Haight / Western Addition / Fillmore	28	674	1071	1,773
94118	Inner Richmond / Presidio / Laurel H.	138	1,291	130	1,559
94121	Outer Richmond / Sea Cliff	40	558	400	998
94122	Sunset	0	988	488	1,476
94123	Marina / Cow Hollow	32	287	0	319
94124	Bayview / Hunters Point	140	972	258	1,370
94127	West Portal / St. Francis Wood	0	216	500	716
94129	Presidio	70	471	75	616
94130	Treasure Island	21	60	0	81
94131	Twin Peaks / Diamond Heights / Glen Park	39	294	360	693
94132	Stonestown / Lake Merced	99	762	111	972
94133	North Beach / Telegraph Hill	62	349	110	521
94134	Visitacion Valley	60	998	110	1,168
94143	UCSF	30	93	0	123
94158	Mission Bay	99	300	0	399
	<b>Total</b>	<b>1,852</b>	<b>16,772</b>	<b>5,022</b>	<b>23,646</b>

Source: Children's Council of San Francisco (September 2022) based on CDSS Community Care Licensing Division data

## Center License Capacity Has Increased In All Age Groups Over Time



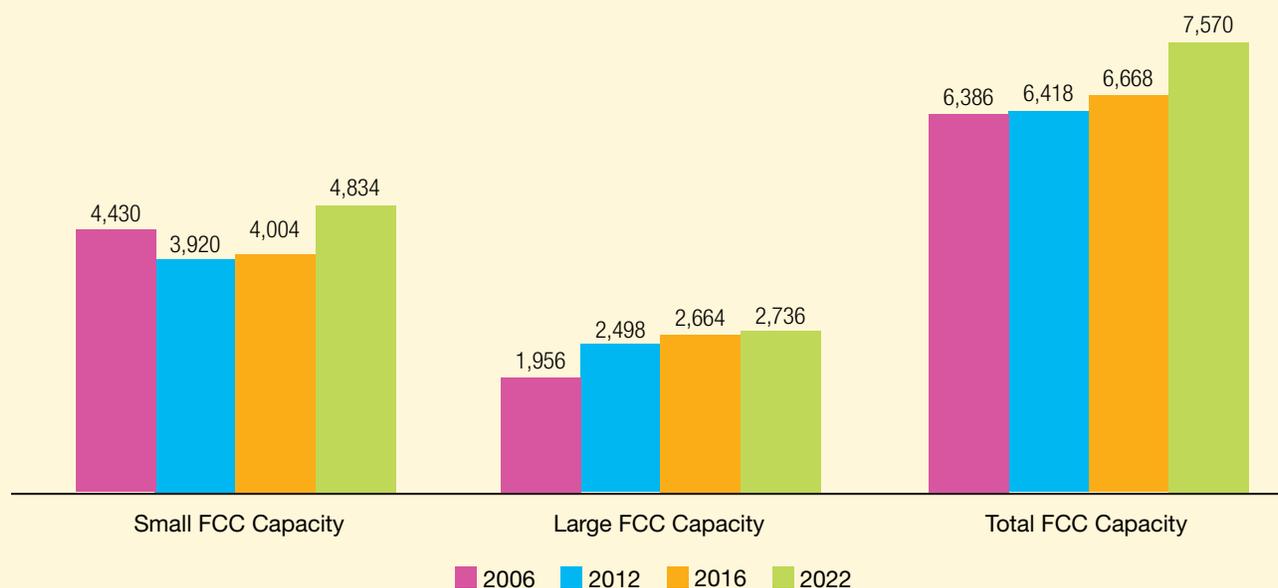
Source: Children’s Council of San Francisco (September 2022) based on DSS Community Care Licensing Division data

## FAMILY CHILD CARE PROGRAMS

There are **7,570 licensed FCC spaces**. Small FCCs report that their desired or preferred enrollment is approximately 81% of their license capacity and large FCCs report their desired enrollment is 88% of their license capacity (Children’s Council of San Francisco, September 2022).

**Zip codes with the greatest gain in licensed FCC spaces since 2016 are:** 94112 (+298 spaces), 94134 (+192 spaces), 94158 (+160 spaces), and 94110 (+124 spaces). There was a noteworthy loss of licensed FCC spaces in zip code 94122 (-148 spaces).

## FCC Capacity Has Increased Over Time With Recent Gains In Small FCC Capacity



Source: Children’s Council of San Francisco (September 2022) based on DSS Community Care Licensing Division data

## Licensed FCC Capacity By Zip Code

Zip Code	Neighborhood	Small FCC License Capacity	Large FCC License Capacity	Total FCC License Capacity
94102	Hayes Valley / Tenderloin	70	22	92
94103	South of Market	160	0	160
94105	Downtown	70	0	70
94107	Potrero Hill	184	0	184
94108	Chinatown	72	14	86
94109	Polk / Russian Hill / Nob Hill	56	14	70
94110	Inner Mission / Bernal Heights	568	194	762
94111	Embarcadero / Gateway	16	0	16
94112	Outer Mission / Excelsior / Ingelside	894	706	1,600
94114	Castro/ Noe Valley	64	28	92
94115	Western Addition	120	28	148
94116	Parkside / Forest Hill	304	294	598
94117	Haight / Western Addition / Fillmore	54	54	108
94118	Inner Richmond / Presidio / Laurel H.	144	168	312
94121	Outer Richmond / Sea Cliff	238	222	460
94122	Sunset	288	252	540
94123	Marina / Cow Hollow	56	56	112
94124	Bayview / Hunters Point	406	140	546
94127	West Portal / St. Francis Wood	88	98	186
94131	Twin Peaks / Diamond Heights / Glen Park	118	84	202
94132	Stonestown / Lake Merced	168	56	224
94133	North Beach / Telegraph Hill	112	42	154
94134	Visitacion Valley	408	264	672
94158	Mission Bay	176	0	176
	<b>Total</b>	<b>4,834</b>	<b>2,736</b>	<b>7,570</b>

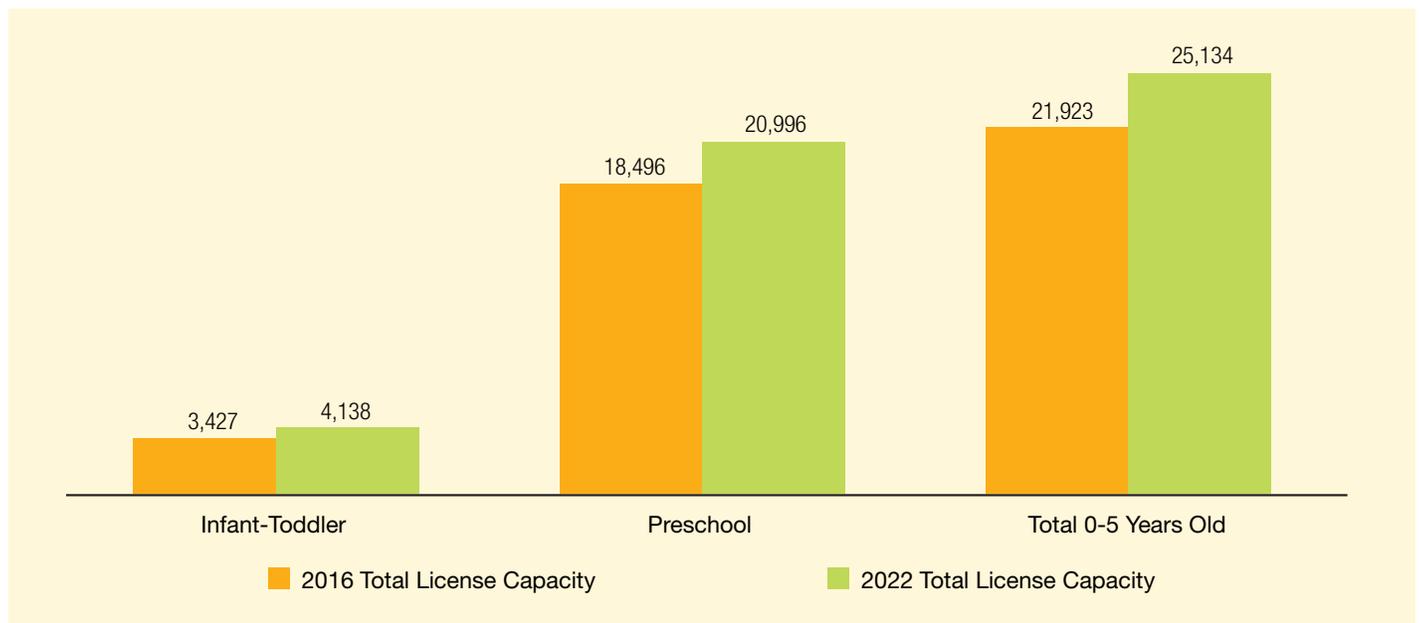
Note: Zip codes without associated data were removed for the table.

Source: Children's Council of San Francisco (September 2022) based on DSS Community Care Licensing Division data

## TOTAL LICENSE CAPACITY

The total license capacity (center-based and FCC programs) has increased from 2016 to 2022, with the most notable increase in spaces for preschool age children (net gain of 2,500 license spaces for preschool age children). The following 2022 preschool capacity total does not include the 670 Transitional Kindergarten (TK) spaces because TK was not factored into the preschool capacity total in 2016.

### Total License Capacity Has Increased From 2016 To 2022



Source: Children’s Council of San Francisco (September 2022) based on DSS Community Care Licensing Division data

Note: The 6-12 age range is not included in this section because license care is not the primary care solution for this age group.

## NEED VERSUS CAPACITY

Overall, the need for care (licensed ECE and TK) is met for 55.2% of children ages 0-5 in San Francisco. This is a slight increase from 2016 (51.0% need met for children ages 0-5; 14.7% met for infants/toddlers, 93.6% met for preschoolers). The total available capacity (the number of licensed child care and TK spaces) meets 16.5% of the need for infants/toddlers and nearly 100% of the need for preschool age children. The greatest need is for infant/toddler spaces.

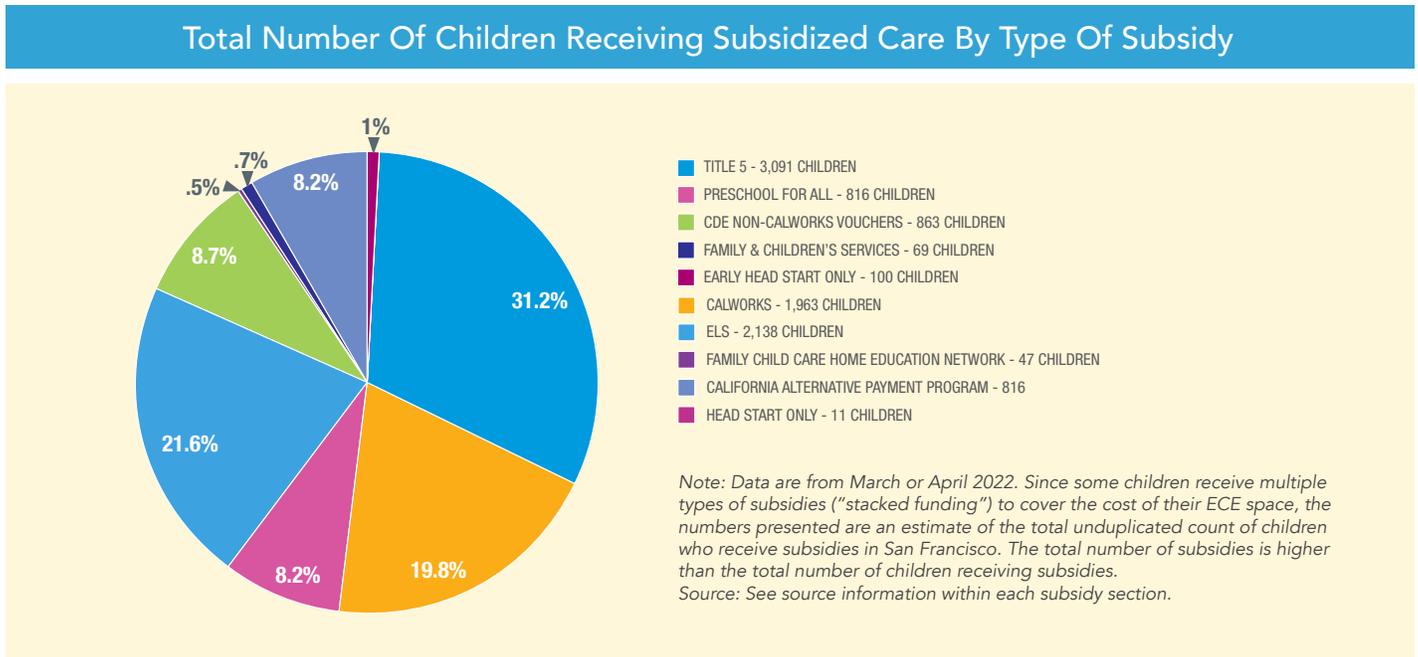
### Need Versus Capacity

	Child Population	Total TK + License Capacity	% of Population with License +TK Slots	Unmet Need	Difference in Population vs Capacity
Infants-Toddlers	25,076	4,138	16.5%	83.5%	20,938
Preschoolers	21,675	21,666	100%	0.4%	9
<b>Total 0-5 year olds</b>	<b>46,751</b>	<b>25,134</b>	<b>55.2%</b>	<b>44.8%</b>	<b>21,617</b>

Source: Children’s Council of San Francisco (September 2022) based on DSS Community Care Licensing Division data

## SUBSIDIZED ECE CARE

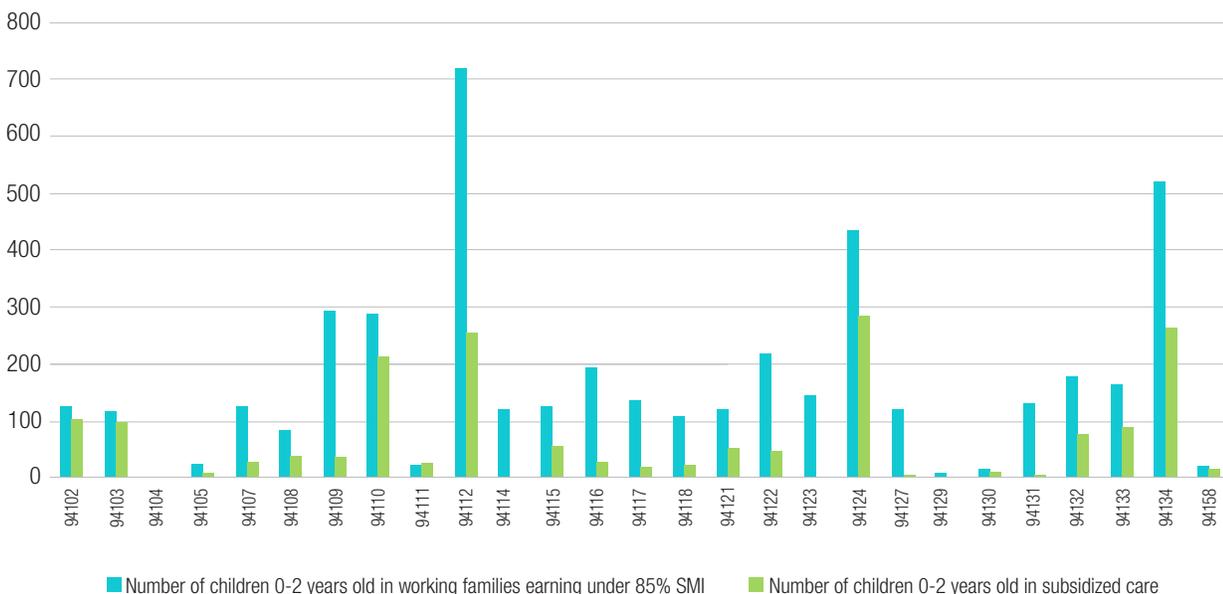
Through federal, state, and local funding, subsidy-eligible children have access to a wide range of ECE options, including Head Start / Early Head Start, Title 5, CalWORKs vouchers, APPs, local vouchers, and more. In San Francisco, there were 9,914 subsidized ECE spaces through licensed and vouchered options in the spring of 2022 compared to 9,510 in the spring of 2016.



## UNMET NEED FOR SUBSIDIZED CARE

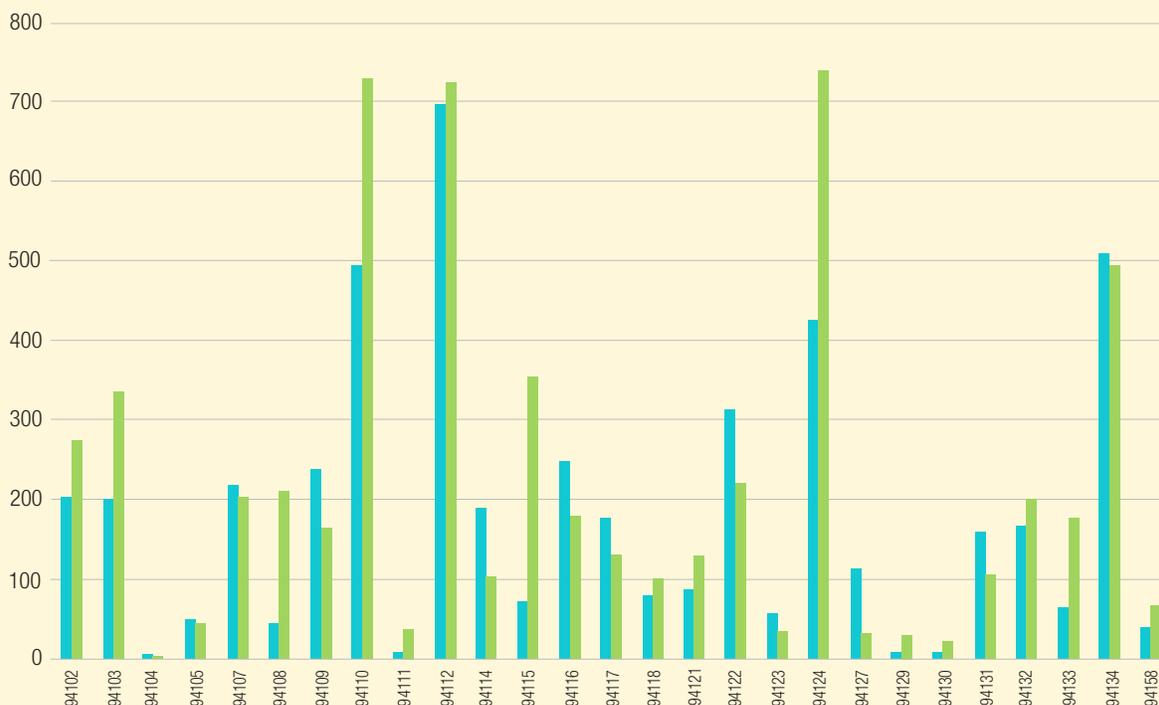
The unmet need for subsidized care is most critical among children 0-2 years old whereas the need is met for those who are 3-5 years old.

### 59% Of Income Eligible Children Ages 0-2 Years Old Face An Unmet Need For Subsidized Child Care In San Francisco While The Unmet Need Is Even Higher In Specific Zip Codes



Note: An estimation of the total number of children eligible for subsidized care is based on those who live with families that earn less than 85% state median income (SMI). Source: 85% SMI data: Five-year estimates from American Community Survey (2020), AIR analysis of American Community Survey; Subsidized data: March or April 2022. See source information within each subsidy section.

## There Is No Unmet Need For Subsidized Care For Children 3-5 Years Old In San Francisco As A Whole Despite There Being An Unmet Need In Specific Zip Codes



Note: An estimation of the total number of children eligible for subsidized care is based on those who live with families that earn less than 85% state median income (SMI). Source: 85% SMI data: Five-year estimates from American Community Survey (2020), AIR analysis of American Community Survey; Subsidized data: March or April 2022. See source information within each subsidy section.

### PARENT CHOICE

There were 3,008 children ages 0-12 years old who received state-funded vouchers according to Children’s Council of San Francisco (March 2022). Of these 21% (n=643) selected care in licensed centers, 33% (n=1,001) in FCCs, and 45% (n=1,364) in license-exempt programs.

The portability and affordability of the vouchers, along with data from a large group of families, gives insight into preferences regarding choice. Of particular interest is the frequency with which families leave their residential neighborhoods in order to obtain care, perhaps to access care near work or with a preferred care provider or because of lack of care in their home zip code. Seventy four percent of families who use vouchers for center-based care travel outside of their home zip code compared to 63% of families who use FCCs, thus suggesting that FCCs may offer more convenient options closer to home compared to center-based care. Overall 69% of families with vouchers prefer care outside of their home zip code, an increase from 60% in 2016.

### Families Who Use Vouchers for FCC Care Are Most Likely To Stay In Their Home Zip Code

	Vouchers IN HOME zip code	Vouchers OUTSIDE home zip code
Licensed Centers	26%	74%
FCCs	37%	63%
Licensed Exempt Providers	29%	71%
<b>All Types of Care</b>	<b>31%</b>	<b>69%</b>

Source: Children’s Council of San Francisco (March 2022)



# CONCLUSION OF EXECUTIVE SUMMARY

## CONCLUSION

**ECE is a critical concern for children, parents, employers, and communities as a whole.**

Extensive longitudinal research reports the positive outcomes for children participating in high quality early care and education programs: improved school performance, decreased need for special education, increased high school graduation rates, decreased crime rates, and increased earnings in adulthood. These findings are found to be magnified for children of families at the lowest income levels. For many parents, care for children is an ongoing challenge both in terms of finding reliable, high quality care that fits their needs, and the affordability of the care they would prefer. There is an increasing need for high quality, available, and affordable early care and education, and limited capacity to meet this need.

*The 2022 San Francisco Early Care and Education Needs Assessment was made possible through the collaborative efforts of a diverse group of people in the early care and education community. The Child Care Planning Advisory Council (CPAC) Needs Assessment Committee would like to acknowledge all contributors in the collection, analysis, and interpretation of data. Special thanks to the Department of Early Childhood (DEC) and Children's Council of San Francisco for lending their staff, expertise, and data which made this comprehensive report possible, and for funding support for CPAC from DEC.*

