

Baby steps and big gains

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Urban College program guides day-care entrepreneurs toward expansion, success

By Robert Gavin, Globe Staff | August 18, 2009

CHELSEA - Two years after opening a small day-care center in her apartment, Jacqueline Bedoya is expanding. Where she was previously allowed to care for as many as six children, her license to operate the business was upgraded to allow as many as 10. She hired her 18-year-old daughter as an assistant, and thanks to the income she'll get from the additional clients, she and her husband were able to buy a three-family home to accommodate the business.

Bedoya, 37, is one of about 90 Latino entrepreneurs who recently completed a program at the Urban College of Boston aimed at opening or expanding home-based day-care centers, and generating economic activity in low-income neighborhoods. The program has helped Bedoya, who emigrated from Colombia about 10 years ago, transform herself from a low-wage worker cleaning hotels, offices, and hospitals into a business owner with her own home.

Bedoya has nearly doubled her income, to about \$900 a week, since enrolling in the program and starting her business. She will do even better once she fills the additional slots, at about \$150 per child. In just the last week, she's added two children, bringing her total to eight, and she expects to soon fill the last two openings.

The day-care center operates in her home's first-floor apartment, which is decorated with letters, numbers, colors, and tiny hand prints pressed on white paper. Her husband, Ramon Sanchez, a carpenter, said his wife's desire to expand her business prompted them to seek the \$240,000 home.

"I have more space and more opportunity," Bedoya said in Spanish, as translated by her daughter, Elizabeth. "This program is the best thing that ever happened to me."

The Urban College program, financed with a \$600,000 federal grant, offers low-income Latina women two years of early-childhood education and business classes. It has helped launch 22 new day-care businesses, expand 30 more, and create more than 200 much-needed, newly licensed day-care slots in the Boston and Lawrence areas, according to Navin Associates, a Milton research firm reviewing the program.

Such small businesses are known as microenterprises, and have become important economic development tools in underprivileged countries around the world and in low-income neighborhoods in the United States. Nationally, there are an estimated 24 million microenterprises, which are defined as having no more than five employees including the owner, said Elaine Edgcomb, director of microenterprise research at the Aspen Institute, a Washington think tank. About two-thirds are owned by women, and more than half by minorities.

A recent Aspen survey of about 1,400 microenterprises showed significant economic gains for owners and their families. Business earnings generated 44 percent of their household income in 2008, up from 31 percent in 2007, while the percentage receiving public assistance fell by nearly half, according to the study.

Microenterprises "are a fairly cost-effective way to create jobs, and a niche for low-income people," said Alex Counts, president of Grameen Foundation, a Washington nonprofit that provides financing for these tiny businesses. "They create more pathways to building an economic future, and make sense for someone with the spark to start their own business."

Bedoya, 37, said she never imagined herself as a business owner. She immigrated here to help her parents, who owned a small grocery store in Medellin, Colombia, but were struggling financially and in danger of losing their home. Her first job: hotel maid.

Bedoya worked at similar jobs over the next few years. About four years ago, at the suggestion of a friend, she completed training and became a day-care assistant, working in home-based centers. Two years later, while taking additional training to keep her license, she learned of the Urban College program, called the Child Care Economic Opportunity Project.

The Urban College, chartered in 1993, provides access to higher education for low-income adults.

Bedoya and her classmates took college-level courses on child-care practice and theory, curriculum development, and other areas of early-childhood education. They studied computers, bookkeeping, budgeting, and marketing. Also, thanks to a

\$50,000 grant from TD Banknorth's charitable foundation, they received financial literacy classes that covered a variety of topics, from loans to savings to money management.

"I thought I was always going to work for somebody," Bedoya said. "I have more opportunity for my future and my family."

By all measures, the program was a success, said Chris Navin of Navin Associates, which is conducting its review as part of the Urban College's application for another federal grant to continue the program. On average, Navin said, the home day-care centers increased their slots to about eight children from about five, which would increase average weekly income for the women who run them as businesses by as much as \$270, or more than 40 percent.

Another program graduate, Celina Reyes, a 31-year-old mother of three, estimated that she doubled her income from her previous job as a gas station attendant, which paid about \$250 a week. Her home day-care center, which she opened after enrolling at the Urban College, is licensed to care for up to six children.

In her first-floor apartment, she keeps a detailed schedule of activities, including reading, art, and science. Letters of the alphabet hang on walls; magnifying glasses, binoculars, and figures of dinosaurs sit below a sign: "Science." Above a personal computer hangs another sign: "Technology."

Perhaps most important, said Reyes, is the example she is setting for her own children. Reyes is continuing her education at Cambridge College, which has a campus in Lawrence, improving her English, and advancing her studies in early-childhood education.

"I explained to my children that you can do more," she said. "I am very happy, and my children are very happy."

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