

Capital New Development Grant Application

FY27 - San Francisco - Center

Grant Awards

Applications are accepted on a rolling basis through May 1, 2027.

Grants are available for up to \$4,000,000 for non profit centers and up to \$500,000 for for-profit centers. Grant amounts will be determined based on the scope of the project, eligibility requirements, and city priorities.

Purpose

This funding is provided through the Department of Early Childhood (DEC) and is available to eligible early care and education (ECE) centers. The Center Capital New Development Grant supports the construction/acquisition and development of viable, well-designed early care and education facilities within the City and County of San Francisco.

Eligible Programs Must

- Be located in the City and County of San Francisco.
- Be Early Learning for All (ELFA) qualified.
- Serve families who reside in the City and County of San Francisco.
- Possess a valid child care center license from the State of California or plan to file an application for a license which will result in the creation of new child care spaces.
- Create new or preserve existing licensed child care spaces to serve infants (birth to less than 24 months) and toddlers (24 to less than 36 months) in the City and County of San Francisco.*
- Maintain compliance with the California Department of Social Services, Community Care Licensing Division.
- Demonstrate financial and organizational viability beyond the grant term (e.g., business is financially well-managed).
- Demonstrate that the project is feasible and that grant funds are necessary to undertake and complete the project; if grant funds will not meet all costs, other funds must be identified to meet the total costs of the proposed project.
- Provide evidence of control of the designated child care site (e.g., a lease or deed of trust):
 - a lease with a minimum remaining term of three years for grants under \$200,000
 - a lease with minimum term of 5 years for grants \$200,000-<\$300,000
 - a lease with minimum term of 10 years for grants \$300,000-<\$500,000
 - a lease with minimum term of 20 years for grants \$500,000-<\$700,000
 - a lease with minimum term of 25 years for grants \$700,000-<\$1,000,000 or
 - a lease with minimum term of 30 years for grants \$1,000,000 or more

**Age ranges are based upon ELFA operational guidelines*

Design Standards

LIIF and DEC have an obligation to children, families, and Center staff, to ensure new child care facilities across San Francisco are being built to the highest quality standards. The design of ECE sites should promote functionality while enabling children's creativity and learning. Therefore, LIIF and DEC have higher standards than licensing.

LIIF provides ongoing technical assistance to help grantees align with our design standards and funding requirements. We stay closely involved during planning and implementation to ensure projects meet expectations and reflect shared goals.

- Eligible programs must meet or have plans in place to meet LIIF and DEC's Design standards:
 - Have **50 square feet of usable space per child** (usable space is classroom space that children are in). This does not include administration space, bathrooms, desks, etc. A good rule of thumb to quickly calculate this is 100 square feet per child of the total square footage of the indoor space.
 - Where feasible, all classrooms have direct access to outdoor space for indoor/outdoor education with a specific priority of appropriate and accessible outdoor space for infants.
 - Where feasible, all classrooms have natural light.
 - Classroom design that fosters independence by allowing children to access bathrooms and learning areas independently.

In addition to the Design Standards, LIIF and DEC share a vision for high quality early childhood programs that includes the following:

- Eligible programs must meet or have plans in place to meet high-quality environment standards:
 - Indoor and outdoor environments should be furnished with equipment made of wood and other natural materials that do not contain off-gassing toxic chemicals.
 - Indoor and outdoor environments should be calming and foster learning by reducing visual stimulation by using neutral or natural colors in rugs, paint and furniture choices.
 - Outdoor spaces should use natural surfaces such as dirt, pebbles and grass, avoiding all types of plastic surfacing and large areas of cement.
 - Outdoor spaces should have shaded areas for children, ideally created by trees and plants.
 - Classroom consumables and cleaning supplies should be made from non-toxic materials.
 - Appliances located in the child care space should be electric
 - Provide 150 square feet per child (including 50 square feet of usable space per children) to accommodate teacher, administrative, and family-support functions within the child development center

With the technical assistance process provided by LIIF, programs will work to meet these standards to create high quality environments. All programs will be required to use LIIF funding exclusively for meeting quality standards, and grant amounts may be amended if programs are not able to meet the standards.

Funding Priorities

Applications will be scored according to the priorities listed below.

Higher priority given to:

- Facilities in alignment with the City's affordable housing plans
- Applicants serving a greater number of low- to moderate-income** and/or CalWORKs, homeless or at-risk families, and/or enrollment of City-subsidized children
- Facilities located in neighborhoods where there is a demand for licensed centers serving children birth to three years old from low- to moderate-income families
- Providers that are creating new spaces and/or preserving spaces for infants
- Programs serving a higher percentage of infants and toddlers
- Early care and education spaces to be created and/or preserved will provide specialized services for children with special physical or mental health needs or families experiencing homelessness
- Facilities located in areas with any additional demonstrated unmet community needs such as multi-lingual capacity and culturally responsive programming

***For the purposes of this program, Area Median Income (AMI) defines low to moderate income, see table [here](#).*

Eligible Uses

- Property acquisition
- Facility and site construction or major renovation costs
- Consultant(s) to assist with the physical development and/or licensing of the facility e.g., Project Manager
- Physical renovations to increase or maintain the number of child care spaces
- Major renovations or equipment to expand service to a target population
- Outdoor play area improvements that meet the DEC and LIIF standards of creating more natural outdoor spaces
- Any additional uses that may be identified by LIIF in collaboration with DEC
- Conversion of appliances from gas to electric; appliances must be located in child care spaces
- Upgrades to electrical systems as needed for electrification

Ineligible Uses

- Day-to-day operating costs such as salaries, rent and food purchases
- Working capital to cover shortfalls or delays in payments from families, government agencies or other funding sources
- Non-permanent supplies (e.g., art materials) and other consumable materials such as paint, cleaning supplies, etc.
- Professional development
- Purchase of unrelated equipment e.g., televisions, DVD players/recorders
- Vehicle or transportation expenses
- Repayment of loans or reimbursement of previously incurred expenses; and
- Any expense that does not support increasing or preserving licensed child care spaces

- Indirect or administrative costs

Application Process

For a list of required documents needed to prepare for the application, click [here](#).

Applicants must complete an application form and submit it along with all the required attachments to be considered for funding. The required attachments, including the organization's business plan and project budget, will indicate whether the project is feasible. Low Income Investment Fund/Child Care Facilities Fund (LIIF/CCFF) or DEC staff may request additional information as needed. An incomplete application will not be considered and will be returned to the applicant. If assistance is needed in filling out the application, please contact LIIF at ccff@liifund.org.

LIIF will evaluate each complete application promptly and deliver a funding decision in writing approximately four to six weeks from the date of receipt. As part of the selection process, LIIF will also conduct a site visit at a pre-arranged, mutually convenient time.

LIIF and/or DEC reserve the right, at any point in the process, to deny a facilities grant award based on funding availability and/or changing local, state, or federal policies. Applicants whose requests are not funded by DEC may contact LIIF to discuss the reason(s) for the denial. Applicants may reapply for funding in future rounds.

If a Facilities Grant is Awarded

The grantee must sign a Grant Agreement and must fulfill all the terms of that Agreement, including but not limited to:

- Maintain a license in compliance with California Department of Social Services, Community Care Licensing division
- Ensuring grant expenditures are aligned with the approved budget from Grant Application and Grant Agreement
- Submitting a Use of Funds Report detailing how the funds were used
- Submitting an Annual Status Report each year during the term of the grant
- Maintain and keep up the renovations, repairs, or enhancements in order to sustain positive changes including training staff on the principles of nature play
- Such other and further general provisions LIIF, DEC or the City & County of San Francisco may require (including, but not limited to applicable provisions from the City Administrative Code dealing with Disadvantaged Business Enterprise; Nondiscrimination; Minimum Compensation and the provision of Health Care coverage)

If the grantee defaults on any of the terms of the Grant Agreement during the term of the Grant, grant funds will be due and payable to LIIF/CCFF in full. If services are provided for a portion of the term, only a prorated portion of the Grant will be repayable.

Grant Terms

Grant Amount	Term
Less than or equal to \$200,000	3 years

Greater than \$200,000 up to and including \$300,000	5 years
Greater than \$300,000 up to and including \$500,000	10 years
Greater than \$500,000 up to and including \$1,000,000	20 years
Greater than \$1,000,000	30 years