

Recoverable Grant Guidelines

FY27 - San Francisco -FCC

Recoverable Grant Awards

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

The Recoverable Grant Fund is offered interest free up to \$50,000.

Payment schedule and amount are determined by need and the program's ability to make repayment with a maximum term of 3 years.

Purpose

This funding is available to eligible family child care (FCC) programs. The Recoverable Grant Fund supports the construction/acquisition and development of viable, well-designed family child care 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 Qualified.
- Serve families who reside in the City and County of San Francisco.
- Possess a valid child care license from the State of California. Create new or preserve existing licensed child care spaces to serve infants and toddlers in the City and County of San Francisco.
- Maintain compliance with the California Department of Social Services, Community Care Licensing Division.
- Serve or plan to serve children birth to five (5) years of age.
- Demonstrate financial and organizational viability beyond the Recoverable Grant term (e.g., business is financially well-managed).
- Demonstrate financial viability to meet the debt burden of the Recoverable Grant and make monthly payments.
- 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).

Design Standards

DEC and LIIF have an obligation to children, families, and FCC educators, to ensure family child care facilities across San Francisco are meeting the highest quality standards. The design of FCC sites should promote functionality while enabling children's creativity and learning. Therefore, DEC & LIIF 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's Design standards:
 - Where feasible, all FCCs have direct access to outdoor space for indoor/outdoor education with specific priority of appropriate and accessible outdoor space for infants.
 - Where feasible, all rooms have natural light.

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 kinds of plastic/rubber surfacing turf and avoiding 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 will be electric.

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

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 a neighborhood where there is a demonstrated shortage of licensed early care and education serving low- to moderate-income families
- Providers that are creating new spaces and/or preserving spaces for infants and toddlers
- Programs serving a higher percentage of infants and toddlers
- Early care and education spaces to be created and/or preserved and will provide specialized services for children with special physical or mental health needs
- 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

Facility Development

- Facility and site construction or major renovation costs
- Physical renovations to increase or maintain the number of child care spaces
- 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

Gap Funding

- Gaps in construction costs for Renovation and Repair projects or Expansion projects Any additional uses identified by LIIF/CCFF staff in conjunction with the San Francisco Child Care Facilities Interagency Committee & DEC

Ineligible Uses

- 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 Recoverable Grants or reimbursement of previously incurred expenses
- Any expense that does not support increasing or preserving licensed child care spaces
- Indirect or administrative costs
- Purchasing a home or downpayment assistance

Application Process

In an emergency, please contact a CCFF Program Officer immediately at ccff@liifund.org.

For a list of required documents needed to prepare for the application can be found [here](#).

Applicants must complete an application form and submit it along with all the required attachments to be considered for funding. 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/CCFF 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/CCFF will also conduct a site visit at a pre-arranged, mutually convenient time.

LIIF/DEC reserves 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 Recoverable 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 Recoverable Grant expenditures are aligned with the approved budget from Recoverable Grant Application and Recoverable Grant Agreement
- Such other and further general provisions as LIIF/CCFF or the San Francisco Department of Early Childhood 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 Recoverable Grant Agreement during the term of the Recoverable Grant, Recoverable Grant funds will be due and payable to LIIF/CCFF in full immediately.