



Edwin M. Lee, Mayor

Trent Rhorer, Executive Director

**MEMORANDUM**

TO: HUMAN SERVICES COMMISSION

THROUGH: TRENT RHORER, EXECUTIVE DIRECTOR, HSA  
SEPTEMBER JARRETT, DIRECTOR, OECE

FROM: SANDRA NAUGHTON, CHIEF OPERATING OFFICER, OECE  
JOHN TSUTAKAWA, DIRECTOR OF CONTRACTS *3-1*

DATE: JUNE 16, 2017

SUBJECT: NEW GRANT: **LOW INCOME INVESTMENT FUND** (NON-PROFIT) TO ADMINISTER THE SAN FRANCISCO CHILD CARE FACILITIES FUND AND PROVIDE TECHNICAL ASSISTANCE

GRANT TERM: July 1, 2017 – June 30, 2020

GRANT AMOUNT:	New		Contingency		Total
	\$23,070,227		\$2,307,023		\$25,377,250
ANNUAL AMOUNT:	FY 17/18	FY 18/19	FY 19/20		
	\$13,585,005	\$5,453,171	\$4,032,051		

Funding Source	<u>County</u>	<u>State</u>	<u>Federal</u>	<u>Contingency</u>	<u>Total</u>
FUNDING:	\$21,234,263		\$1,835,964	\$2,307,023	\$25,377,250
PERCENTAGE:	92%		8%		100%

The Office of Early Child Care and Education, and the Department of Human Services (DHS), request authorization to enter into a grant with Low Income Investment Fund for the period of July 1, 2017 through June 30, 2020, in an amount of \$23,070,227 plus a 10% contingency for a total amount not to exceed \$25,377,250. The purpose of the contract is to administer the San Francisco Child Care Facilities Fund and provide technical assistance.

## **Background**

In 1998 the Mayor's Office, DHS, and the Mayor's Office of Community Development, joined with private foundations and other funders, and the Low Income Housing Fund (LIHF) now the Low Income Investment Fund (LIIF), to launch the Child Care Facilities Fund (CCFF). The goal of the CCFF is to increase the quantity of licensed care options and to enhance the quality of child care for families and children, especially in settings serving low income families and children. LIIF has administered the CCFF since its inception, providing technical assistance and affordable capital to early care and education providers in order to retain and increase the quantity and enhance the quality of licensed early care and education available to families and children. LIIF provides one-on-one technical assistance to providers, which may include a broad range of information and advising related to new and existing facilities. LIIF also administers loans, loan subsidies, recoverable grants, and grants to eligible child care providers. The CCFF was first administered through a grant with DCYF. The Office of Early Care and Education has had the lead responsibility of the grant since 2013.

## **Services to be Provided**

LIIF is the starting point and the central support for early care and education facilities development, renovation and repair. The Child Care Facilities Fund services are focused in the following areas:

- The grantee administers facility grants (pre-development, capital development, start-up, move-in and renovation and repair grants) that increase and maintain licensed early care and education center and family child care capacity, through creating new and preserving existing slots.
- The grantee provides loans and renovation and repair grants to centers and licensed family child care to improve facilities, buy equipment, and make emergency repairs.
- Training, workshops, resources, linkages, and one-on-one technical assistance related to the facilities development process, including feasibility analysis, capital planning, design, development, permit process, start-up, and facility maintenance.
- Technical assistance is provided to all projects, directly and through consultation by architects and other specialists in areas related to feasibility, planning, architectural, and/or design services.
- Identify new opportunities for leveraged financing and development strategies and financing to meet the capital needs of the ECE sector, including the acquisition of property.

The grant also includes the administration of the Interagency Plan Implementation Committee (IPIC) capital new development grants to increase access to ECE services within specific neighborhood Area Plans, and track fund expenditures and total project expenditures by project.

The grant includes collecting facility development and expansion data for reporting and evaluation purposes, including the number of early education slots created, enhanced and retained annually on an unduplicated basis. Data required by Child Care Development Impact Fee will be tracked discreetly in a routinely updated Development Impact Fee Report that annually supports the Controller's Office Development Impact Fee audit.

**Selection**

Grantee was selected through Request for Proposals #727 which was competitively bid in November 2016.

**Funding**

Funding for this grant is provided by Developer Fees, CalWorks Single Allocation Funds, and General Funds.

**ATTACHMENTS**

Appendix A

Appendix B