

Early Childhood Capital Initiative

Ideas for Consideration by the Early Learning Council on February 13, 2007

Background:

The Governor's office has asked the Early Learning Council for recommendations on specific components of an early childhood capital initiative within the next two weeks. They are interested in ensuring that there is adequate space capacity to implement the Preschool for All program serving children from birth to age five. Due to the rapid turnaround time, a conference call organized by the Ounce of Prevention Fund and facilitated by Jerry Stermer was convened on February 8th to discuss the areas of particular interest to the Governor's Office. Early Learning Council Executive Committee members, participants from the Governor's Early Childhood Summit Facilities Issue Area Work Group, and advocates were asked to participate on the call. Additionally, a call was hosted by Action for Children on February 9 to discuss the same areas of interest with child care providers from around the state.

February 8 Conference Call Participants:

Nancy Fifer (Metropolis 2020), Tony Raden, Mary Ellen Caron, Giacomo Mancuso (Chicago Department of Children & Youth Services), George Davis (City of Rockford Human Services Department), Janice Moenster (Children's Home & Aid Society), Jan Maruna (INCCRRA), Joe Neri (Illinois Facilities Fund), Lori Longueville (Illinois AEYC), Christine Wilson, Sessy Nyman (Action for Children), Kay Henderson (ISBE), Jerry Stermer (Voices for Illinois Children), Linda Saterfield (Illinois Department of Human Services), Miriam Calderon (National Council of La Raza), Judith Walker Kendrick (Chicago Coalition of Site-Administered Child Care Programs), Nancy Shier, Margie Wallen, Ireta Gasner, Joyce Weiner (Ounce of Prevention Fund)

February 9 Conference Call Participants:

Karen Selman (Children's Home and Aid Society), Giacomo Mancuso, Tony Raden (Chicago Department of Children & Youth Services), Ken Suarez, Rhonda Clark (ROE #12), Lisa Sams (Child Care Director, Quincy IL), Mark McHugh (Metropolitan Family Services), Judith Walker Kendrick (Chicago Coalition of Site Administered Programs, Sokoni Karanja (Centers for New Horizons), Leon Walker (Children's Developmental Institute), Robin Johnson (Carole Robertson Center for Learning), Diane Stout (Circles of Learning, Rockford IL), Joyce Weiner (Ounce of Prevention Fund), Sessy Nyman and Christine Wilson (Illinois Action for Children)

Components that have been decided by the Governor's Office:

1. Early childhood capital funds will be administered by the Capital Development Board.
2. This will be structured as a grant program.
3. There will be a separate set aside for the City of Chicago.
4. The program will be open to projects serving or proposing to serve infants, toddlers, and/or preschoolers.

Comment [CW1]: There was agreement across the board that this would be the preferred model for providers. Of the providers who have been involved in capital project in the past, the most significant challenge was in securing financing/loans

Early Learning Council Recommendations-Ideas for Consideration

1. Types of Projects Eligible for Grant Funding

- Projects for consideration would:
 1. Expand physical capacity in order to serve additional children.

2. Improve the quality of existing space by funding projects to address health and safety issues, such as bringing a site into DCFS day care licensing compliance or meeting Americans with Disabilities Act guidelines, or implementation of a birth to three research-based model but not necessarily creating additional spaces.
- Projects could achieve the above goals through:
 1. New construction
 2. Renovating or adding space to an existing facility
 3. Retro-fitting an existing space to accommodate the spatial needs of an early childhood program
 - Important points to take into account:
 1. The goal is to expand capacity to serve additional children.
 2. Bringing non-compliant sites into compliance would be approved if they build capacity.
 3. Funds should not be prioritized to address significant deferred maintenance problems.

2. Types of Entities Eligible to Submit Applications

- Based on the current mixed-delivery system of early childhood education in Illinois, a broad range of providers including school districts, non-profit and for-profit community-based entities, licensed family child care homes, and license-exempt entities such as park district facilities, Montessori and faith-based schools would be eligible to make application for capital funds.
- Although all providers would be eligible to participate, not all applications would represent a high priority for funding.
- The process should include legal protections for ensuring that state grants result in appropriate space for birth to five programming over the long-term.
 - Limiting eligibility to programs already funded through the Early Childhood Block Grant (ECBG) will not foster new program development in the highest need areas. New capacity may be needed in high-need communities to serve at-risk children.

3. Prioritization for Grant Funds

- The highest priority for funding would include projects to serve communities with inadequately served children.
- A combination of variables should be used to determine which communities have the greatest mismatch between existing services and need, including, but not limited to:
 1. Demographic data through the Illinois Early Childhood Asset Map
 2. Existing program waiting lists
 3. Local input regarding needs such as vacancies, program location and schedules
 4. Parent choice
- Projects that encourage capacity-building in underserved areas and/or to under-represented populations should be considered high priority, recognizing those who are already providing high-quality services and the need for creating a diverse provider pool.
- Investing in programs that are not current ECBG recipients could help build a pipeline of providers positioned to serve under-represented populations.

4. Matching Funds

- A local match can be a demonstration of project commitment but applications should not be penalized nor precluded from getting funding if a local match is not feasible.
- Matching funds should take provider and community resources into account. A sliding-scale based on provider and community resources could be used.

- In-kind donation of services or products might substitute for a financial match.
- Consideration could be given to handling the match in different ways. Instead of requiring a match, extra points for providing a local match could be awarded in the application process. The amount of local match +/- or in-kind resources could be determined by the applicant and not specified by the state.

5. Standards for Designing, Implementing and Maintaining a Capital Project:

- A set of standards governing the early childhood capital initiative should be developed; however, applicants should be able to meet the standards in a variety of ways.
- Capital projects require experienced project managers and construction staff. Grantees should not be eliminated based on their lack of experience in developing a capital project proposal.
- General and project-based training and technical assistance with the application process, hiring project managers, and construction services should be made available.
- Costs related to providing technical assistance could be built into the grant request or funded by the state.
- The Illinois Facilities Fund can share guidelines for screening and evaluating capital projects that have been used in a variety of past early childhood capital development programs.

Application Process and Content Details:

- A two-step application process involving an initial letter of inquiry and a follow-up full proposal if requested would help the Capital Development Board target priority applications and save significant time for grantees. This type of two-step approach is often used effectively by federal agencies.
- A streamlined application process should be established for smaller capital improvement projects (e.g. for simple renovations vs. new construction or larger additions).
- A process should be devised for assessing the early childhood needs and the spatial resources that already exist in a given community or geographic area.
- Community stakeholder involvement in planning capital projects is important. In many instances, local funds can be directed to support a portion of the costs of the project.
- Small capital improvement projects (e.g. small renovations to existing space) would not have the same requirements for community involvement in planning as larger capital projects (e.g. new facility construction)
- Structuring the early childhood capital initiative using a combination of both proactive and reactive approaches is preferable:
 - In a proactive approach, a feasibility study involving a wide range of community stakeholders in an identified high-need area is often conducted with the intent of assessing space. An RFP is then released with specific parameters to hire early childhood providers to develop new space.
 - In a reactive approach, a more general RFP is released to solicit capital project proposals from applicants.

Consensus Points:

1. Grants that ultimately increase capacity should be prioritized over projects that address only health and safety issues without expanding service capacity.
2. All programs should be eligible to apply for capital funds, not just those currently funded through ECGB, with the goal of creating a pipeline of new, diverse early childhood providers in under-served areas or unserved populations.

3. A funding priority would be to invest in programs positioned to assist inadequately served children, including reaching out to under-represented populations.
4. A matching requirement for capital funds should be administered on a sliding-scale basis and must take into account provider and community resources with no applications being discarded based on the inability to secure a match. Matching funds can enhance an application, but a program's inability to secure a match should not disqualify it from the process.
5. Applicants may need technical assistance supports to help in all aspects of project planning and implementation, including developing an application for facilities renovation or construction as well as project management to efficiently complete the proposed project.
6. A two-step application process would be an efficient useful model for allocating funds.

Next Steps:

- Council members who would like to submit written comments should submit them by email to Margie Wallen at mwallen@ounceofprevention.org by close of business on Wednesday, 2/14/07.
- Executive Committee members will then finalize recommendations, which will be sent to the Governor's office next week.