



REINVESTMENT
FUND



Fund FOR
Quality

Expanding Early Childhood
Education in Philadelphia



Fund for Quality (FFQ)

Application Process Overview:
October 2025 – June 2028 Round

October 2025



Viewing Captions in Another Language/Ver Subtítulos En Otro Idioma



If the speaker is presenting in another language and you want the captions to be generated into your language, Zoom can translate the captions into your preferred language.

1. Click the Show Captions button. Captions will appear above the controls toolbar. By default, English is set as the speaking language the captions are generated in.
2. Next to the Show Captions button, click the up-caret button.
3. Under Captions and Translation, enable Translation by clicking the slide button.
4. Select My Caption Language to see available languages for translation.

Si desea que los subtítulos se generen en su idioma, Utilice Zoom para traducir a su idioma preferido.

1. Haga clic en el botón Mostrar subtítulos (Show Captions), los títulos aparecerán encima de la barra de herramientas de controles.
2. Junto al botón Mostrar subtítulos, haz clic en el botón up caret.
3. En Subtítulos y Traducción, habilite traducción haciendo clic en el botón deslizante.
4. Seleccione, Mi Idioma de subtítulos para ver los idiomas disponibles para traducción. Los subtítulos se generarán y traducirán a ese idioma para usted

AGENDA

Introductions

FFQ Program Overview

Current Round

- October 2025 – June 2028

Application Process: 2 Steps

- Letter of Intent (LOI)
- Full Application

FFQ Program Staff:

Reinvestment Fund

Karen Bustard
ECE Senior Program Manager



Jacob Kurtz
ECE Program Manager



PHMC

Rachel Gambino
ECE Quality Initiatives Director



Jenine Moore
ECE Project Coordinator



FFQ Overview & History

Fund for Quality (FFQ) is a partnership between **Reinvestment Fund** and **Public Health Management Corporation (PHMC)**, with funding from the **William Penn Foundation**.

Through business planning and facilities-related financing, Fund for Quality supports high-quality early care and education providers with expanding their services to reach more low-income families.

Program Partners



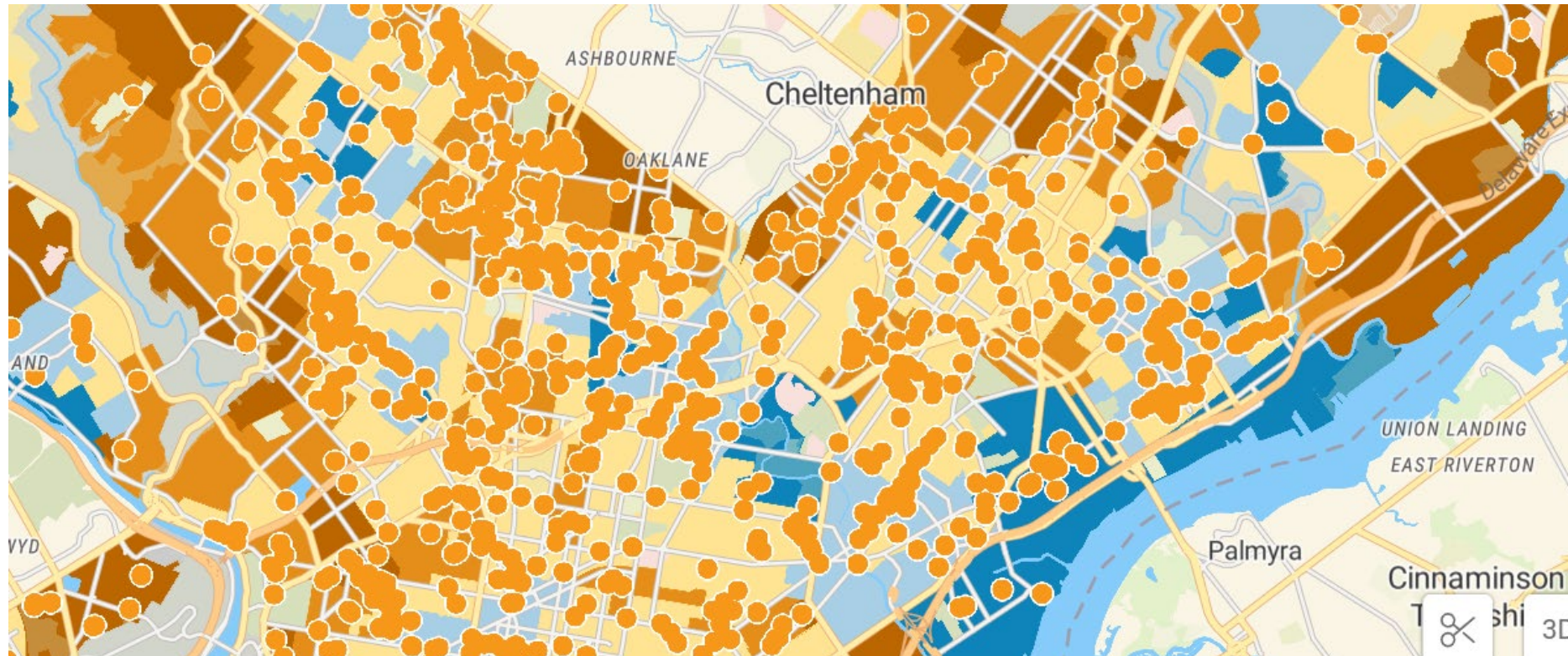
- 2014: Program began (pilot)
- 2016 – 2022: Round 2
- 2022 – 2024: Round 3
- 2024 (July) – 2025 (June)

Childcare Map Insights and Data

Childcare Map has guided FFQ investments

- 11-years of supply and demand data, at neighborhood block level

www.childcaremap.org



Outcomes

Between January 2014 to September 2025:



More than **3,673** new high quality child care seats created in Philadelphia



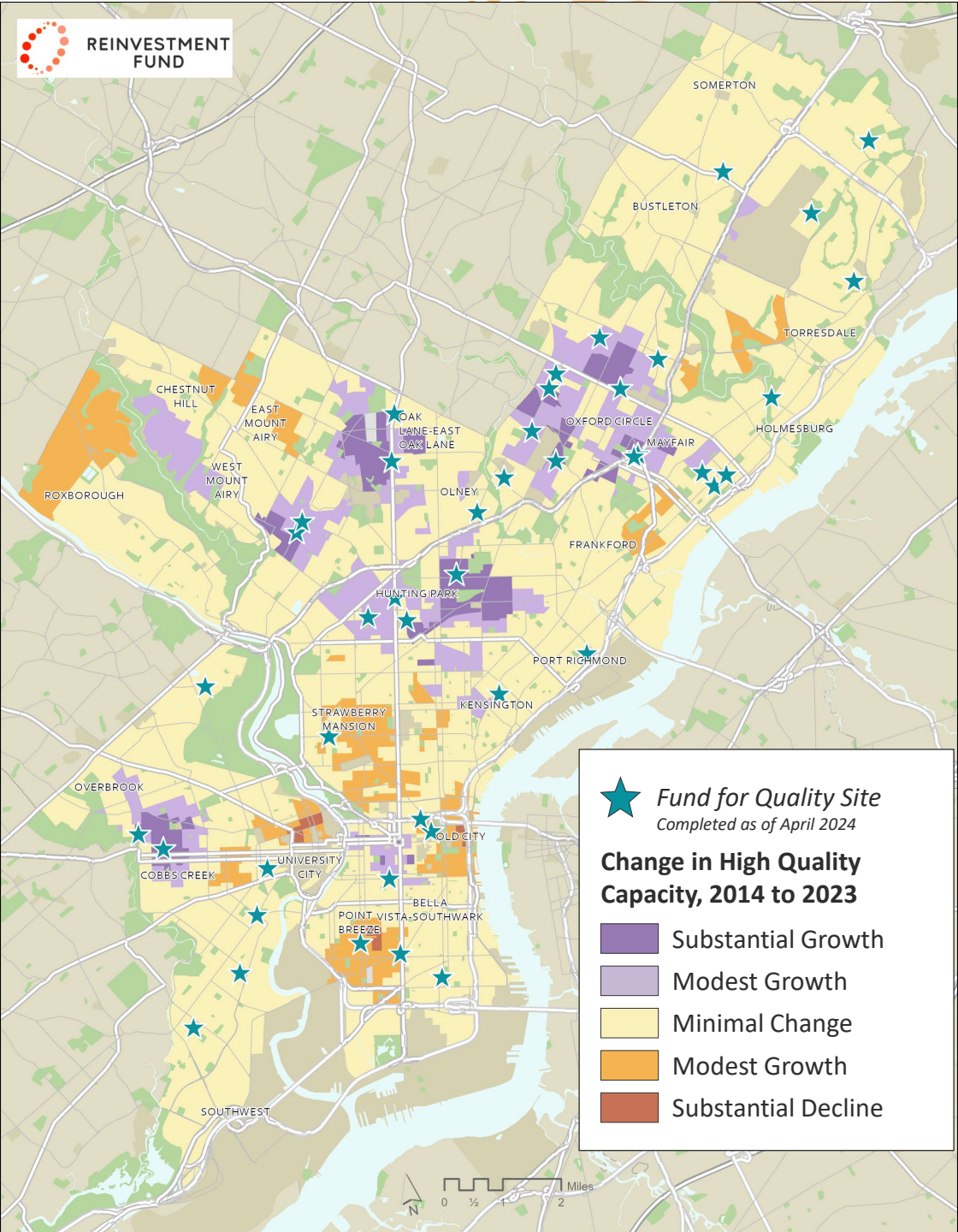
60 completed projects



6 projects actively in the Capital Phases



3,900+ total expected high quality seats created by end of 2026



★ *Fund for Quality Site
Completed as of April 2024*

**Change in High Quality
Capacity, 2014 to 2023**

- Substantial Growth
- Modest Growth
- Minimal Change
- Modest Decline
- Substantial Decline

Eligibility for Guided Planning Phase

**Organizations first apply to the Planning Phase of the program*



Existing high quality operator (STAR 3 and 4) at over 50% of sites

Must be in operation for 2+ years



Serving low-income populations

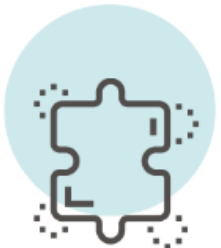
(over 50% of children served receiving subsidy funding including CCW, Head Start, Early Head Start, PreK Counts, and PHLpreK)



Positive attendance trends and strong business plan



Organizational capacity for expansion



Projects that will increase licensed capacity by 40 or more ECE seats in Philadelphia



Ownership or long-term lease (10+ years) on property and landlord consent for renovations

Guided Planning Phase

3-6+ months

Up to \$20,000 Planning Grant for project predevelopment expenses (architect, engineer, building permits, environmental testing, etc.)

Lead Consultant for organizational business planning

Specialty Consultants for licensing, construction review, etc.



Planning Phase Activities:



Organizational business
planning



Facility expansion planning

Eligibility for Capital Phase

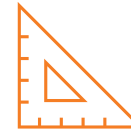
**Organizations must successfully complete all Planning Checklist Items to be eligible for Capital Grant funding*

Planning Checklist Items



Organizational Business Plan

- ☒ Staffing + recruitment
- ☒ Enrollment
- ☒ Marketing
- ☒ Business systems review
- ☒ HR and program handbook updates
- ☒ 5-year financial operating projections
- ☒ Furniture + materials list



Project Predevelopment

- ☒ Architect plans: draft + final permit set
- ☒ Mechanical, engineer, plumbing plans
- ☒ Sprinkler utility plans (*as applicable*)
- ☒ Environmental testing for lead + asbestos
- ☒ Construction estimates
- ☒ Risk due diligence (*insurance, etc.*)
- ☒ Building permits
- ☒ Licensing docs (*zoning, CO, FPSL plan, etc.*)
- ☒ Plan + cost review (*by construction inspector*)

FFQ Goals for Business Practices

See [FFQ Key Business Practices](#) on website for more details

By strengthening key business practices, ECE providers can enhance the quality of their child care programs and position themselves for sustainable growth and expansion.

Fund for Quality participants will work with organizational consultants during the planning phase to evaluate and improve upon these key business practices:

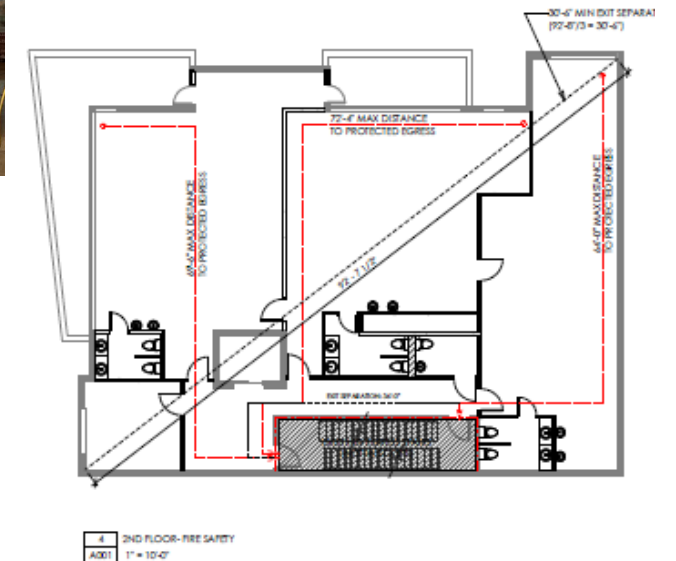
- Organizational structure
- Staff recruitment, retention, and compensation/benefits
- Financial systems
- Technology and automation
- Marketing and enrollment
- Continuous quality improvement

Capital Phase

6-10+ months

Up to \$300,000 Capital Grant for construction, furniture and materials

Construction inspection to ensure project success, and progress payments based on work complete



Co-investment

	Project Description			Provider Co-Investment				
	Project	Site	New Seats	FFQ Grant	Business Cash	Loan	% Co-Investment	Total Cost
A	Tenant fitout - new construction	New site - renting	70	\$ 300,000	\$ 130,000	\$ -	30%	\$ 430,000
B	Renovation - previously licensed child care	New site - purchased	90	\$ 300,000	\$ 145,000	\$ 200,000	53%	\$ 645,000
C	Renovation	On site - owned	100	\$ 300,000	\$ 370,000	\$ -	55%	\$ 670,000
D	Renovation	New site - purchased	50	\$ 300,000	\$ 145,000	\$ 480,000	68%	\$ 925,000
E	Renovation	New site - renting	180	\$ 300,000	\$ 750,000	\$ -	71%	\$ 1,050,000

FFQ Goals for High Quality Design

See **FFQ Key Design Standards for Quality Environments** for requirements:

Review the **FFQ Design Guides** and work with your consultant in the planning phase for detailed decisions



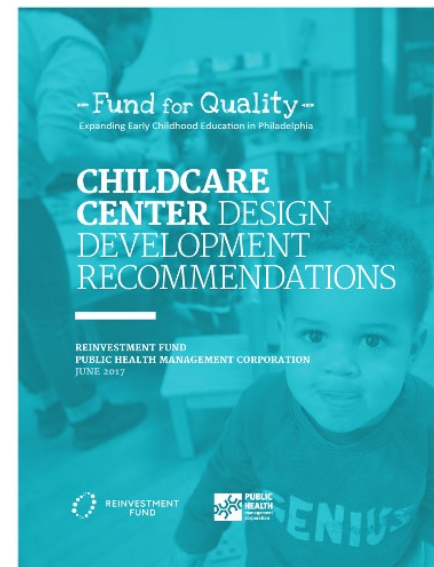
In Classrooms

- Full height walls
- Sinks
- Bathrooms
- Efficient classroom/group sizes



In Program

- Gross motor space for at least 1 classroom
- Staff space + dedicated bathroom



FFQ Design Guide Video
Part 1: Introduction



FFQ Design Guide Video
Part 2: Entrances, Doors,
and Windows



FFQ Design Guide Video
Part 3: Floors, Ceilings,
Walls, and Lights

Example FFQ projects:



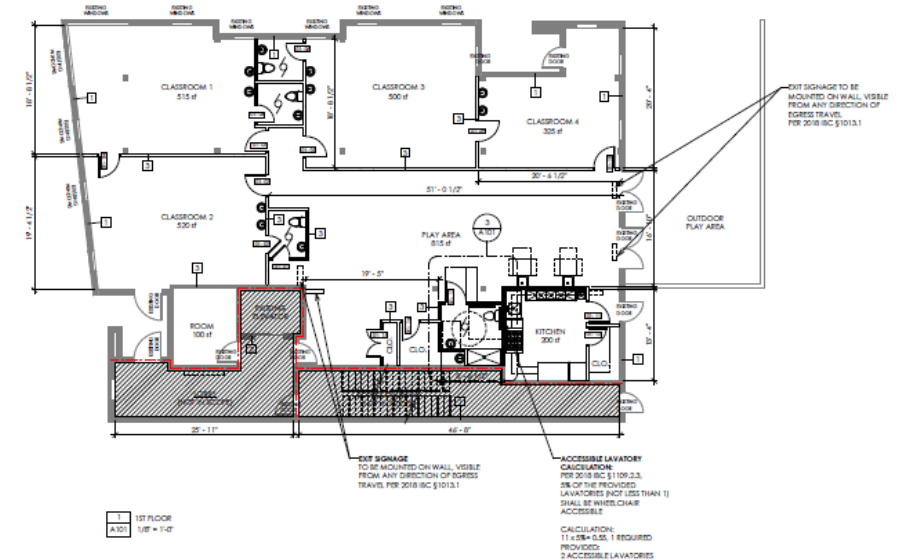
FFQ Sprinkler Standard



FFQ Sprinkler Standard

FFQ requires childcare providers to follow [Philadelphia Building Code \(IBC 2018\) sprinkler requirements](#) and provider sprinklers on any floor that does not exit directly to grade (ground level).

FFQ requires sprinklers on any second floor, basement, or first floor where children are served if there is not a direct exit to grade in all cases, including if building permits could be issued without requiring a new Certificate of Occupancy.



In addition to meeting all regulatory and required licensing requirements, all projects must pass review by a third-party construction inspector.



APPLICATION PROCESS

September 2025 – June2028



Priority Selection Criteria

Program Priorities:



Commitment to quality



Program readiness to expand



Serving all care levels



Quality business practices

Project Priorities:



High-quality design commitment and potential at site



High potential new seat creation



Location priority

- Based on Childcare Map data



First time FFQ grantee

Key Dates for LOI and Full Application

1. Fund for Quality Information Session – October 7, 2025, 1:00-2:00pm – [Register Here](#)

2. Letter of Intent (LOI) Deadline – Friday, October 31, 2025, at 5:00pm

- Potential site visit with licensing consultants, if questions about location
- LOIs will be reviewed on a weekly basis, and if meet initial eligibility, invited to the full application
 - *We encourage interested providers to submit early to allow time for questions or feedback, and to ensure plenty of time to complete the full application
- All providers will be notified by Friday, November 7, 2025, at the latest if invited for a full application
- **Only** LOI submissions that meet initial eligibility will be invited to the full application.

3. Application Deadline – Friday, November 21, 2025, at 5:00pm

- Site visits with select applicants

4. Notifications – Monday December 15, 2025

5. Another application cycle will open in spring/summer 2026

What do I need for the LOI and Full Application?

Part 1: Letter of Intent (LOI)

Focus:

- Initial Eligibility
- General program information
- Detailed project and site information

Attachments:

- EIN letter
- Current operating budget
- Childcare License (Certificate of Compliance)
- Deed/Agreement of Sale or Lease/LOI to lease
- Certificate of Occupancy (*as available*)
- Zoning-related documents (*as available*)
- Existing architect drawings for site (*as available*)
- Photos of expansion space/site (*please share 2-5 pictures*)

Part 2: Full Application

Focus:

- Detailed program information
- Commitment to quality
- Project plans
- Financials and due diligence documents

Attachments:

- Financials:
 - 2 years of tax returns
 - Current year budget
 - Current year financial (P&L and Balance Sheet)
 - Yellowbook audit (*as available*)
- Certificate of Formation (LLC paperwork, Articles of Incorporation, etc.)
- Salary Scale (*required*)


Complete the LOI Online:

Access the online LOI form on the FFQ webpage:

Fundforquality.org

Or direct link:

reinvestmentfund.smartsimple.com



Fund for Quality
Expanding Early Childhood Education in Philadelphia

ABOUT

IMPACT

ELIGIBILITY

APPLICATION

GUIDE

RESOURCES

NEWS

CONTACT

Application

The Fund for Quality program has a new 1-year program funding cycle (July 2024 through June 2025) to support three high quality expansion projects that can be completed within a 12-month timeline.

The application process for this round includes two steps:

Step 1: Letter of Intent (LOI) – due Friday, May 31, at 5pm


LOIs will be reviewed on a weekly basis through the deadline for eligibility. Providers that meet initial eligibility criteria will be invited to submit a full application.

Providers may be requested to participate in a preliminary site visit from program staff or a licensing consultant if there are questions about the expansion site.

Step 2: Full Application – due Friday, June 7, at 5pm

An application will be emailed to providers who meet initial eligibility. Select applicants will be requested to participate in a site visit.

Providers will be notified of their award status in July.



FFQ Letter of Intent (LOI)

MAY 2024

→

FFQ 2024 LOI and Application Frequently Asked Questions (FAQ)

MAY 1, 2024

→

SOLICITUD – en Español

El programa del Fondo de Calidad tiene un nuevo ciclo de financiación de un año (de julio de 2024 a junio de 2025) para apoyar tres proyectos de expansión de alta calidad que puedan completarse en un plazo de 12 meses.

El proceso de solicitud para esta ronda incluye dos pasos:

Paso 1: Carta de Intención (LOI) – hasta el viernes, 31 de mayo a las 5 p. m.

Las LOI se revisarán semanalmente hasta la fecha límite de elegibilidad. Los proveedores que cumplan los criterios iniciales de elegibilidad serán invitados a presentar una solicitud completa.

Es posible que se solicite a los proveedores que participen en una visita preliminar al sitio por parte del personal del programa o de un consultor de licencias en caso de que surjan dudas sobre el sitio de expansión.

Paso 2: Solicitud completa – hasta el viernes, 7 de junio a las 5 p. m.

Se enviará una solicitud por correo

LOI Guidance: Site Ownership or Lease

Do not sign a lease if you cannot say yes to all 3 questions below

Required for Planning Phase:

- **If owning:** Deed or Agreement of Sale to Own
- **If leasing:** Full lease or Letter of Intent (LOI) to Lease for 10+ years

Required for Capital Phase:

- **If owning:** Deed
- **If leasing:** Full lease for 10+ years

What do I need for the LOI? *If you do not currently own or lease the property, an Agreement of Sale to Own or LOI to Lease for 10+ years is a requirement to submit an LOI. If a current lease term is less than 10 years, you need a letter from your landlord indicating ability to lease for 10 years.*

Should I Sign A Lease???

Only sign a lease if you can say yes to all these questions:

- ☒ I plan to pursue this expansion **with or without** FFQ program funding
- ☒ I understand all zoning and licensing requirements, and have a good sense of program design and cost
- ☒ I can afford both the estimated capital cost for construction and cashflow during the ramp-up period before earning income at this site.

LOI Guidance: Zoning

Check the zoning for your site: <https://atlas.phila.gov/>

If you don't already have a Day Care Center use permit for the site, child care centers in **commercial and mixed-use districts** are either:

Permitted as Right

Requirement: Submit zoning use permit

Districts: CMX-2, CMX-2.5, CMX-3, CMX-4, CMX-5, CA-1, CA-2, IRMX, ICMX

Special Exception Approval Required

Requirement: Go before Zoning Board of Adjustment (takes time)

District: CMX-1



PHILADELPHIA CITY PLANNING COMMISSION



IMPORTANT DEFINITIONS

As-of-Right, 'By-Right' When your project proposal complies with all the zoning provisions that apply to your property, it means you can proceed with your project 'as-of-right' without any action by the Zoning Board, Commission, or City Council.

Special Exception Special exception uses are not permitted by right, but may be considered to be compatible with the surrounding neighborhood only under certain conditions. L&I will review your application, then issue a refusal so that you can file for a hearing with the Zoning Board. The Zoning Board will hold a public hearing and evaluate your application using criteria specified in section 14-204(4). These essentially determine that your proposal will not adversely impact the surrounding neighborhood.

Variances Sometimes site constraints prevent projects from conforming to the zoning use regulations. In these instances, applicants must obtain variance approval from the Zoning Board in order to deviate from the zoning standards. L&I will review your application, then issue a 'refusal' since the project proposal does not comply with the zoning code. You may then choose to alter your project to make it conform to the zoning code, or you may appeal to the Zoning Board to get approval of your variance. The Zoning Board will hold a public hearing and evaluate your application using the criteria specified in section 14-204(8).

See "[City of Philadelphia: A Guide for Child Care Providers](#)"

LOI Guidance: Certificate of Occupancy Steps

A Certificate of Occupancy (CO), issued by the **City of Philadelphia Licensing & Inspections (L&I)**, shows that a building is safe to be occupied for specific uses.

DHS License Requirements:

- Certificate of Occupancy:** with “**daycare**” listed as an allowable use.
- Classification E and I-4 allow for childcare and specify if/how many children under 2 ½ may be served.
 - The CO will also specify which specific part of a property it applies to (i.e. first floor, second floor, basement, and outdoor space).

Food Prep and Serve License

**For on-site expansions, a project may result in a new CO just for the new space being licensed, or it may result in a new CO for the entire program space, and prompt a review that the entire building meets current building code.*



CITY OF PHILADELPHIA
DEPARTMENT OF LICENSES AND INSPECTIONS


CERTIFICATE OF OCCUPANCY
FOR THE PROPERTY LOCATED AT:

4955 FRANKFORD AVE 19124-2643
LOCATION: INT. ALT @ 1ST AND 2ND FLOORS - **CO FOR 1ST FLOOR ONLY**

DAY CARE CENTER



This is information that FFQ program consultants and your project team could help you understand, and at times can only be confirmed by a plans examiner from L&I.



Department of
Licenses and Inspections
CITY OF PHILADELPHIA

Certificate of Occupancy
Permit Number AP-2024-000523

LOCATION	
543 W PIKE ST, Philadelphia, PA 19140 543 West Pike St / Phila, PA 19140	
PERMIT HOLDER	
[REDACTED]	
OCCUPANCY CLASSIFICATION(S)	TYPE(S) OF CONSTRUCTION
E	III-B
LOCATION OF SPRINKLERS	LOCATION OF STANDPIPES
NFPA 13 THROUGHOUT	N/A
VARIANCE	
None	
CERTIFICATE OF OCCUPANCY DETAILS	
DAYCARE	

Find more info here: <https://www.phila.gov/services/permits-violations-licenses/get-a-certificate/get-a-certificate-of-occupancy/>

LOI Guidance: Sprinklers

The Philadelphia building code [Philadelphia Building Code \(IBC 2018\)](#) requires sprinklers for child care on any floor with young children that does not exit directly to ground level without stairs (such as a basement, second floor, etc.).

Will my project need sprinklers??



See [FFQ Key Design Standards](#) for information about our program sprinkler requirements on all basements and second floors. For first floors, FFQ follows L&I requirements for permit approval.

*This is information that your architect could help you understand based on review of building codes, and at times can only be confirmed by a plans examiner from L&I.

Full Application – by invitation

- Please leave at least 1 week for program staff to review your LOI
- If eligible, you will be invited to complete the full application online

Additional Resources:

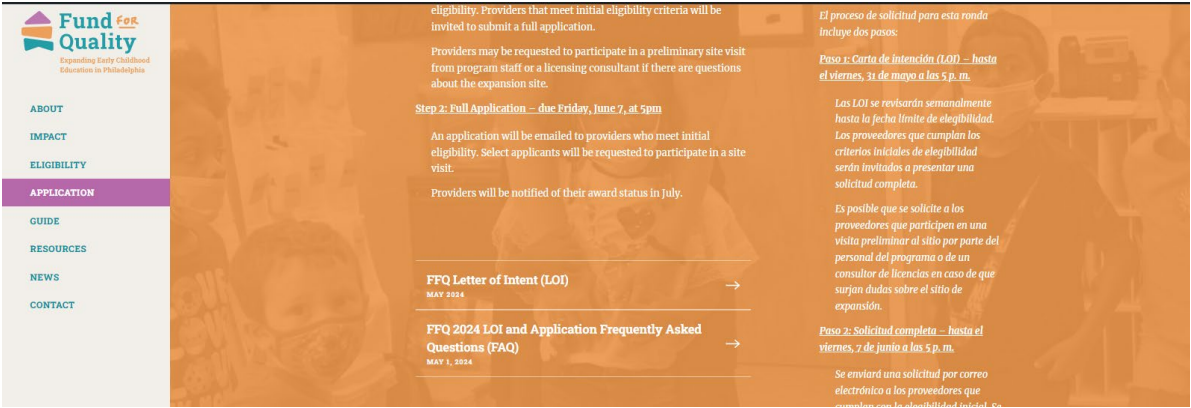
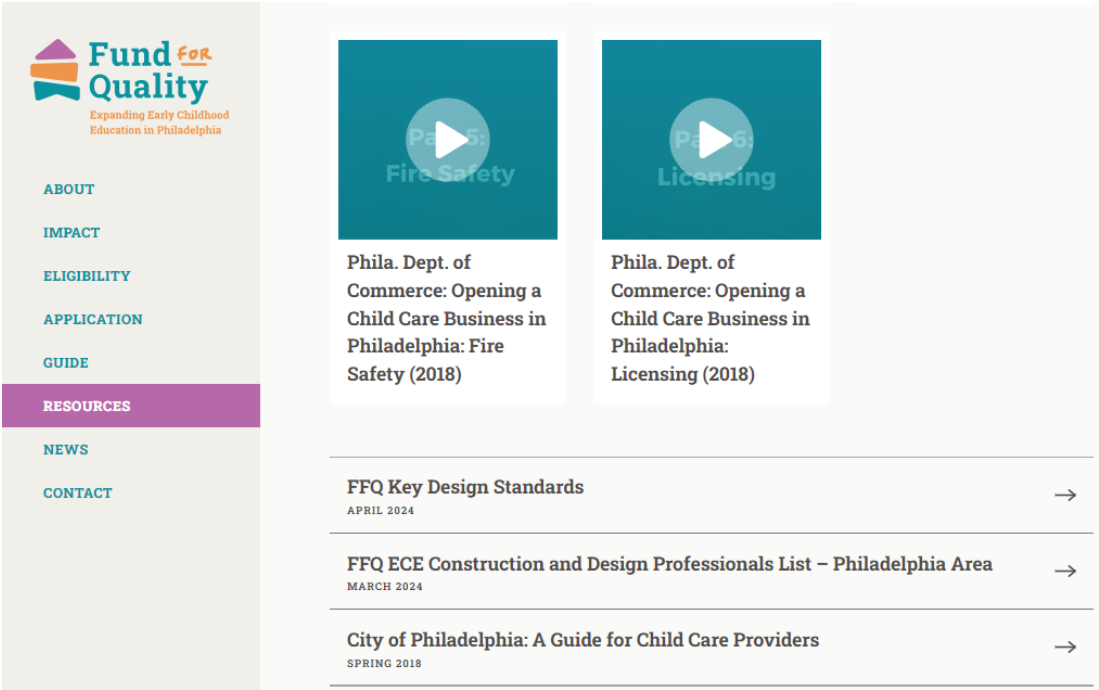
Find more info on the FFQ webpage:

Fundforquality.org

- General resources about expansion:



- Specific resources about application:



Questions?

Email:

- Fundforquality@phmc.org

