



Building Early Childhood Facilities

What States Can Do to Create Supply and Promote Quality

by Carl Sussman with Amy Gillman

The early care and education field continues its decades-long expansion, experiencing a new phase of educationally oriented growth. Most states now fund preschool programs and enrollment continues to rise. Yet the field remains fragmented and insufficiently resourced. It lacks the institutional frameworks necessary to address basic challenges to continued growth and development. The design, development, finance and maintenance of facilities are key issues. State governments will need to more actively stimulate facilities investments—building the *supply* of facilities and making sure these spaces are designed to support programmatic *quality*. Otherwise, the benefits of early education—academic achievement and long-term savings in remedial programs to name just two—will not be fully realized.



National Institute for
Early Education Research

120 Albany Street
Suite 500
New Brunswick, NJ 08901
Tel 732 932-4350
Fax 732 932-4360
www.nieer.org

A joint publication
with the Local Initiatives
Support Corporation

LISC


Community Investment
Collaborative for Kids

501 Seventh Avenue
New York, NY 10018
Tel 212 455-9800
Fax 212 682-5929
www.lisc.org

What We Know:

- Well-designed facilities enhance child development and program quality.
- An adequate supply of facilities is needed to support rapidly increasing preschool education programs.
- The quality and location of the facilities can encourage enrollment and parent involvement.
- Facilities can help promote a positive workplace in an industry challenged to retain experienced teachers.
- Child care program income is typically meager, especially when compared with the full cost of delivering quality early education services.
- The cost of constructing facilities designed specifically for young children is relatively high when compared with standard commercial space.
- Few centers have the experience or personnel to handle the complexities of real estate development tasks.

Policy Recommendations:

- Facilities development policies need to address issues related to financial barriers, design, real estate development, and the policy and regulatory environment.
- Capital subsidies must be available in order for child care programs to substantially renovate or construct state-of-the-art facilities.
- If providers use debt to raise capital, it must be affordable to preschool programs with limited means.
- Technical capacity needs to be developed—organizational, real estate development, and architectural—to build early education facilities.
- Facility standards that address program quality, in addition to health and safety, need to be in place.
- A supportive policy and regulatory environment is needed to enable the early education field to meet its physical capital needs.

The Need for Comprehensive Facility Policies

Facilities are a key “infrastructure” issue that states must address as they build an early care and education system. An adequate supply of well-designed facilities is needed to enhance child development and program quality. Young children need classrooms and outdoor play space that are markedly different from conventional elementary school classrooms and playgrounds, requiring architectural elements specifically designed to support active learning. In addition, facilities can increase parental involvement and in an industry challenged to retain experienced teachers, can contribute to a positive workplace environment, thus enhancing job satisfaction.

Research on the Early Childhood Environment

Academicians and practitioners in the child development field conclude that the physical environment exerts an obvious influence on program quality and teacher job satisfaction. For example, studies linking early childhood settings to positive behavioral and developmental outcomes for preschoolers assert that the widely accepted 35-square feet per child standard for preschool classrooms is neither supported by research nor sufficient.

Overcoming Financial Barriers

The most obvious barrier to facilities development is financial: revenue in child care programs is typically meager while the cost of constructing facilities designed specifically for young children is high.

To renovate a building or construct a new facility requires access to capital. Potential state policy responses include: offering grants; providing loan guar-

antees; making direct loans; lowering the interest rate on loans; awarding rate enhancements for higher quality; and funding facilities through an established school construction program.

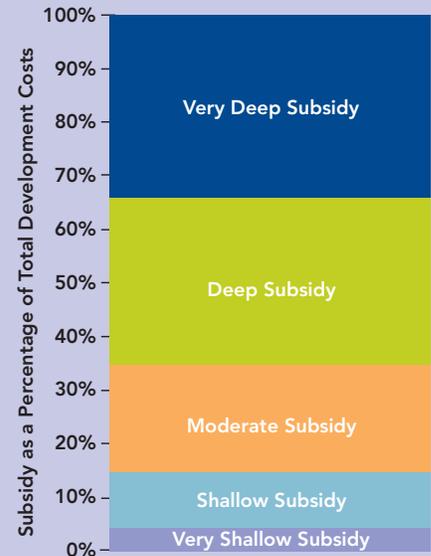
The ability of centers serving low-income communities to support debt is limited. Therefore, if providers use debt to raise capital, it needs to be on affordable terms for programs with limited means. The most effective way to fill the funding gap is with a significant public sector capital subsidy. Capital subsidies can be deep or shallow (see chart). One successful strategy is for states to provide a deep capital subsidy by repaying a significant portion of long-term debt, which spreads the cost of the capital investment and makes it affordable for both the state and the provider.

Promoting Design and Development Practices

Due to scarce resources, many center directors “make do” with physical space that meets only the minimal licensing requirements, unable to incorporate best practices in quality design. States should promote demand for quality facilities, through such strategies as training and awareness campaigns to expose educators to the latest research on well-designed facilities. States could also fund technical assistance intermediaries to stimulate provider interest in quality space and help them implement a facility project.

Further, few centers have the experience or personnel for a complex building project. Options include the creation of a quasi-public authority to develop, lease, and maintain early childhood facilities; providing technical assistance for preschool directors to develop facilities themselves; or having directors retain a nonprofit developer familiar with such projects. Finally, states need to ensure a thoughtful and well-informed design

Categories of Capital Subsidy



process that supports professional development workshops for providers and their architects and development partners. Capital subsidy awards should incorporate design reviews conducted by architects experienced in early childhood facilities. States also need to commit resources for practice-oriented research and resource development.

Creating a Supportive Regulatory Environment

A state’s overall approach to expanding and improving the early care and education system should create a reliable, coordinated system—or infrastructure—that addresses the full spectrum of capital, technical and regulatory barriers that prevent the development of a sufficient supply of quality early care and education settings. In addition, states should incorporate facility standards into state-administered rating systems and revise licensing regulations to raise minimum standards for facilities to reflect the ways in which facilities can promote a child’s emotional and cognitive development.