



# EEOST Capital Fund Information Session

**FY25 Small Grant Round for Non-Profit Centers**  
October 22 and 24, 2024

## Information Sessions for Non-Profit Small Grants:

- October 22, 2024, 11AM
- October 24, 2024, 2PM

## Purpose of the Information Sessions:

- Discuss eligibility for the FY25 EEOST round
- Discuss application and grant conditions
- Describe timeline; and
- Answer questions

# About the Early Education & Out of School Time Capital Fund (EEOST)

- Created in 2013 by [An Act Financing the Production and Preservation of Housing for Low and Moderate Income Residents](#)
- Supported by many affordable housing as well as early education advocates
- \$45M authorized for first five years (FY14 – FY18), reauthorized in 2018 for additional five years, and \$50M most recently reauthorized in 2024 through the [Affordable Homes Act](#)



# About the Early Education & Out of School Time Capital Fund (EEOST)


- Provides capital grants to tax-exempt non-profit organizations
- At least 50% of the slots in the project facility shall serve low-income families who are eligible for public subsidy, as per legislation.
- Since the first round in FY14, the state has invested \$61M in 130 projects throughout the state.
- The Commonwealth of Massachusetts Executive Office of Administration and Finance has allocated \$10.8M in grant funding in FY25 for the EEOST Capital Fund Program.

# Administration of the EEOST Capital Fund

- EEC designated Community Economic Development Assistance Corporation (CEDAC) to administer the EEOST Program.
- Children's Investment Fund (CIF), which is affiliated with CEDAC, provides technical assistance and financing to ECE & OST facilities across MA.
- CEDAC/CIF is contracted to review grant applications and provide recommendations to EEC.
- In FY25, EEOST will run two rounds:
  1. Small grants (\$200K - \$500K)
  2. Large grants (up to \$1M)

# Eligible Applicant Organizations

- License in good standing from EEC
- None of the individuals at the organization can profit, in any way, from EECST Capital Fund assistance.
- Only Chapter 180 corporations are eligible to apply. Other 501(c)(3) entities are not eligible if they are not incorporated under Chapter 180.

**The Commonwealth of Massachusetts**  
OFFICE OF THE MASSACHUSETTS SECRETARY OF STATE  
**MICHAEL J. CONNOLLY, Secretary**  
ONE ASHBURTON PLACE, BOSTON, MASSACHUSETTS 02108  
**ARTICLES OF ORGANIZATION**  
 **(Under G.L. Ch. 180)**  
**ARTICLE I**  
The name of the corporation is:

# Partnerships

- A for-profit may act in a joint venture with a non-profit developer.
- The non-profit partner is required to have at least a 51% controlling interest in the joint venture.
- Organizational documents of the for-profit must be provided along with a description of non-profit's controlling interest and the non-profit's organizational documents.
- None of the members of the partnership, either for-profit or non-profit, can profit or benefit in any way from EEOST funding.

# Eligible Grant Uses

## Category One: Capital Improvements to Outdoor Play Spaces

- Surfacing
- Play Equipment
- Site Engineering, including drainage and other site issues
- Improving Accessibility

## Category Two: Improvements to Air Quality Through Investment in Heating, Ventilation and Air Conditioning (HVAC) equipment and Windows

- HVAC System Improvements or upgrades, including replacement or repair of existing components or installation of a new system.
- Particular items include the addition of air handlers to increase fresh air intake and installation, improvements to increase the Minimum Efficiency Reporting Values (MERV) filtration of existing systems, etc.
- Installation of a Dedicated Outside Air Unit/System
- Windows: repair or replacement to ensure windows are operational

## Category Three: Reconfiguration of indoor spaces including classrooms, gross motor rooms, and bathrooms.

- Conversion of existing space to newly licensed space
- Installation or purchase of sinks (permanently plumbed)
- Replacing surfacing (flooring, countertops) and other hard-to-clean surfaces.
- Creation of new, or improvement to existing restrooms



# Eligible Grant Uses (cont.)

Category Four: Emergency repairs that impact the health and safety of occupants including roof replacement, upgrading electrical, and life safety systems. IT upgrades will not be considered.

- Roof repair or replacement, or other building envelope improvements
- Upgrades of fire protection system and other life safety systems (alarms, automatic doors, sprinkler installation)
- Upgrades of electrical or other building systems
- *Information technology (IT) upgrades or purchases will not be considered, including computers, tablets, software, or other technological upgrades and purchase of IT equipment. Classroom supplies and cleaning materials will also not be eligible for consideration.*

Category Five: Physical environment modifications including accessibility or other improvements to support inclusion of children and adults with special needs

- Mobility ramps
- Automatic Door Openers
- Elevator improvements
- Sensory and/or inclusionary classroom or outdoor play improvements

Category Six: Security enhancements to prevent and respond to potential threats, such as active shooters, including but not limited to the installation of security cameras and access control systems

- Secure exterior doors integrated into a building-wide security system
- Dedicated entry for child care program with greeters
- Visual communication/intercom systems with external visitors
- Key fobs/keypads and other access controls for families and staff entry

# Eligible Facility

## As outlined in the guidelines:

### Eligible Facilities include sites that:

- Comply with all other applicable Federal, State and Local statutes, regulations, and ordinances, including but not limited to the Americans with Disabilities Act (ADA) and the Massachusetts State Building Code (SBC)
- Serve at least 50% low-income families **as of the date of the EEOST application**



## Eligible Facility (cont.)

### As outlined in the guidelines:

An Applicant may own or lease the facility for which the EEOST grant is sought.

- If a building, structure, or site is leased, then the leased facilities shall have a lease term that is consistent with the scale of the capital investment, but shall not be less than 15 years;
- If a building, structure or site is or will be a municipally-owned building that dedicates a single purpose space for licensed early education or out of school time programs, then the lease must be for not less than 15 years.

# Obligation

If awarded, the grant agreement you will sign will include language regarding a **Land Use Obligation** that ensures continued use of the property for Large Group and/or School Age Child Care for specific term:

- For all program sites whether leased or owned: **5 years**

**The obligation may be released under the following condition(s):**

- Upon completion of the grant term
- If a project were to be foreclosed on by a mortgage holder of a bona fide first mortgage
- With EEC's consent
- In the event of a grant recapture

# Recapture

If for any reason the Grantee fails to comply with the terms and provisions of the Grant Agreement, CEDAC/CIF or EEC will recapture the grant funds accordingly:

- If the Event of Default occurs on a date that is on or before the first anniversary of the Completion Deadline, 100% of the Grant proceeds shall be recaptured and repaid to Grantor;
- A varied percentage of grant funds shall be recaptured between years two and five;
- If the Event of Default occurs after the 5<sup>th</sup> anniversary of the Completion Deadline, none of the Grant proceeds shall be subject to recapture and repayment.

# FY25 Amount of Grant Award

Small Round EEOST Grants:

- Range from \$200,000 and \$500,000 per project
- Can fund the entire cost of a project

If applicants identify funding sources in addition to EEOST grants to pay a portion of the project costs, they must be in place at the time of the application (December 12, 2024).

Organizations whose projects are 100% complete at the time of the application are not eligible to apply.

If a component of your ongoing project has already been completed, please be sure to attach invoices and details on what has been completed and when.

## Other FY25 Notes

Organizations that received an EEOST grant in any previous year **are eligible** to apply for this year's grant. This includes sites that previously received funding.

Applicants can apply for multiple sites but will still be required to submit an individual application for each site.



# Project Readiness

Ready projects are those that demonstrate they will have the ability to complete a full financial closing and start construction by March 31, 2026.

- Any additional funding needed must be in place at the time of application (December 12)
- Projects need to have been already working with a real estate development team and be far along in the process in order to be competitive



# Real Estate Development Team

All projects must assemble an experienced and competent team to ensure the project can be successfully completed.

Depending on the project's complexity, the development team may include an:

- Architect
- Mechanical engineer
- Project Manager
- Construction manager

# Grant Disbursement

- EEOST funds will be disbursed after the grantee completes a financial closing on the grant. The EEOST funds will be disbursed on a reimbursement basis for expenses relating to the project incurred as of January 1, 2024.
- Grantees should add to their budget legal costs incurred to close on an EEOST grant, typically up to \$5,000 for the EEOST attorney in addition to up to \$5,000 for the grantee's attorney. The EEOST grant can reimburse for these fees.
- All projects must complete a full financial closing and start construction by March 31, 2026.
- The EEOST program will cover the expense of a construction manager to monitor construction. This expense should be included in your project budget if applicable.

# The Application

All application information is posted on COMMBUYS [here](#). Please review the documents on COMMBUYS to determine whether your proposed project meets all the criteria.

The application is an online submission through the following portal:

[EEOST FY25 Application - Small Grant \(cognitoforms.com\)](https://cognitoforms.com)

**Deadline for Online Application Submission: December 12, 2024 at 11:59PM**

**You will not be able to submit an application after the deadline.**

EEC will conduct a preliminary review to determine whether each Eligible Facility has a license in good standing with the Department and is in financial good standing with the Department. Eligible applications will then be transmitted to CEDAC/CIF for review and evaluation.

# The Application (cont.)

Three documents [posted on COMMBUYS](#) will help you prepare for the online application:

- Application Questions (Word)
- Checklist (Word)
- Application Spreadsheets (Excel)

As part of the online application process, you will upload required attachments to your application.

Please do not email your application. All applications must be submitted online. You will receive an email confirmation once you submit.

This year, there is no separate “Cover Page” that you need to sign and send to EEC.

## Please Note:

This is a **competitive** grant program.

Funds are limited and there is **no guarantee** that every applicant will receive an award.

# Grant Review Scoring

Criteria	Maximum Points Available
1. Accurate Presentation/Documentation of Project Costs	30
2. Readiness and Feasibility	30
3. Financial Stability	10
4. Social Vulnerability Index (SVI) Adjustment	5
5. Preferences	<u>25</u>
TOTAL	100

# Preferences

Preference will be given to Eligible Projects that reflect:

1. A balanced geographic plan that includes projects in different parts of the state, with emphasis given to Central MA, Southeastern MA, and Cape Cod and the Islands
2. Facilities where at least 80% of the site's enrollment (as of 12/12/24) is for low-income families receiving public subsidy.
3. Programs serving one or more of EEC's Priority Populations (homeless children, families in supportive child care, or young parents)
4. Project addresses accessibility for individuals with special needs.
5. Site location is within a Gateway City.

# Preferences

6. Solicitation and/or participation of businesses certified by state Supplier Diversity Office (SDO) and participants in the Supplier Diversity Program (SDP), including construction companies or development team members, as part of the project team.
7. Organizations that have not been previously awarded an EOOST grant.

Applications will also be scored according to the project site's Social Vulnerability Index score.



# Timeline

Written questions submitted to EEC ( <a href="mailto:jose.mendez@mass.gov">jose.mendez@mass.gov</a> )	October 31, 2024
Answers posted on COMMBUYS	November 14, 2024
Online application deadline	December 12, 2024, 11:59PM
EEC/CIF Review (including virtual meetings for eligible applications)	January – May 2025
Target for Award Announcements	July 2025
Deadline for Starting Construction	March 31, 2026

# Appendix A: Development Budget

**Section 1 DEVELOPMENT BUDGET:** Please indicate the costs associated with each of the following six categories for your project. Please only include hard costs (construction costs) and furnishings and equipment. Soft costs (consultant costs, testing, etc) should be included in the next tab, "2. Sources and Uses." Therefore, the costs listed in Tab 1 will be less than the total project costs noted in Tab 2.

COST OF IMPROVEMENTS	BRIEF DESCRIPTION	TOTAL COST of COMPLETED WORK As of the Date of this Application	TOTAL COST of WORK TO BE COMPLETED	Totals of ALL WORK
<b>Category One: Capital Improvements to Outdoor Play Spaces</b>				
Surfacing				\$ -
Play Equipment				\$ -
Site Engineering				\$ -
Other:				\$ -
Other:				\$ -
Other:				\$ -
<b>Category Two: Improvements to Air Quality Through Investment in Heating, Ventilation and Air Conditioning (HVAC) equipment and Windows</b>				
HVAC System Improvements or Upgrades				

# Appendix B: Sources and Uses

A	B	C	D
Section 2 SOURCES & USES BUDGET: List the funding sources you will seek for this project (right-hand side), as well as all costs associated with the project (left-hand side). On the left-hand side, please include all hard costs (construction) as well as soft costs (consultant costs, testing, legal, and other costs).			
SOURCES AND USES			
Uses	Amount	Sources	Amount
<b>Hard Costs:</b>			
Construction		Long Term Debt	
Construction Contingency (10% - 15% of hard costs)		Source 1:	
Bond & Permits		Source 2:	
<b>Soft Costs:</b>		Organization's Internal Equity	
Consultant Costs:		Federal Funds	
Design / Architect		Head Start	
Engineering Costs			
Project Mangement Costs		Other (specify: )	
Construction Management Costs		State Funds	
EEOST attorney legal closing costs	\$ 5,000	EEOST Request (between \$200,000 and \$500,000)	
Grantee attorney legal closing costs		Other (specify: )	
Environmental Testing Costs		Local Funds	
Hazardous Materials Testing Costs		Other (specify: )	
Furniture, Fixtures and Equipment		Private Funds	
Other:		Foundation Grants	
Other:		Corporate Giving	
Other:		Individual Giving	
<b>Total Uses:</b>	<b>\$ 5,000</b>	Other (specify: )	
		<b>Total Sources:</b>	<b>\$ -</b>

# Appendix C: Slot Subsidy Data

	A	B	C	D	E	F
1	<b>Section 3 ENROLLMENT/SLOT CHARTS</b>					
2	<i>Please count one slot as an individual child in these charts, even if that child attends part-time. If "total current slots" exceeds licensed capacity because of part-time children, please add a note here.</i>					
4	<b><u>Chart 1: Project Site Enrollment as of date of the application:</u></b>					
5						
6	<b>Age Groups Served</b>	<b>Infants</b>	<b>Toddlers</b>	<b>Preschool</b>	<b>Out-of-School Time</b>	<b>Totals</b>
7	1. Licensed Capacity					0
8	2. Current public subsidies slots (EEC + Head Start) filled					0
9	3. Current discounted slots filled					0
10	4. Current private pay slots filled					0
11	5. Total current slots filled (#2+#3+#4)	0	0	0	0	0
12	6. % of total slots on public subsidy (#2 divided by #5)	#DIV/0!			#DIV/0!	#DIV/0!
13						

# Appendix C: Slot Subsidy Data - Example

A	B	C	D	E	F
<b>Section 3 ENROLLMENT/SLOT CHARTS</b>					
<i>Please count one slot as an individual child in these charts, even if that child attends part-time. If "total current slots" exceeds licensed capacity because of part-time children, please add a note here.</i>					
<b>Chart 1: Project Site Enrollment as of date of the application:</b>					
<b>Age Groups Served</b>	<b>Infants</b>	<b>Toddlers</b>	<b>Preschool</b>	<b>Out-of-School Time</b>	<b>Totals</b>
1. Licensed Capacity	7	9	20	30	66
2. Current public subsidies slots (EEC + Head Start) filled	6	3	6	10	25
3. Current discounted slots filled	1	3	3	10	17
4. Current private pay slots filled	0	3	10	0	13
5. Total current slots filled (#2+#3+#4)	7	9	19	20	55
6. % of total slots on public subsidy (#2 divided by #5)	43%			50%	45%

# Appendix D: Eligibility for other public subsidies

5	<b>Chart 2: Other Public Subsidies Site Enrollment as of the date of the application</b>					
	<p>Please fill in the following chart for children in your program who receive OTHER PUBLIC SUBSIDIES as of the date of the application but are not currently in an EEC or Head Start subsidized slot. Please count each child only once. ***Fill out this chart only if your enrollment as of the date of the application demonstrates subsidy slots representing less than 50% of total enrollment.***</p> <p>Children (family) receiving another public subsidy including:</p> <ul style="list-style-type: none"> <li>•Transitional Aid to Families with Dependent Children (TAFDC)</li> <li>•Supplemental Security Income (SSI) or Social Security Disability Income (SSDI) Benefits</li> <li>•Supplemental Nutrition Assistance Program (SNAP) or Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)</li> <li>•In Section 8 housing or on the waitlist for Section 8 housing subsidy</li> <li>•Low Income Home Energy Assistance Program (LIHEAP)</li> <li>•MassHealth / Medicaid and/or Children's Health Insurance Program (CHIP)</li> <li>•Family claiming Earned Income Tax Credit</li> <li>•Homeless Families</li> <li>•On the waitlist for an EEC subsidy or for Head Start</li> </ul>					
7	<b>Children (family) eligible for another public subsidy</b>	<b>Infants</b>	<b>Toddlers</b>	<b>Preschool</b>	<b>Out-of-School Time</b>	<b>Totals</b>
3	<b>Total number of children whose families are eligible for public subsidy and not currently receiving child care via a Contract Slot or Voucher*</b>					0

# Thank You!

For technical assistance regarding the real estate development aspects of your project, the Children's Investment Fund team can be reached at [EEOST@cif-ma.org](mailto:EEOST@cif-ma.org)

For questions regarding specific EEOST application questions or requirements, email [jose.mendez@mass.gov](mailto:jose.mendez@mass.gov). For answers to be included in the Q&A, questions must be emailed by October 31, 2024 and answers will be posted on or around November 14, 2024.



# WEBINAR

## *Design Webinar for Early Education and OST Centers*

*Zoom registration link:*

[Monday, November 4<sup>th</sup>, 1:30pm – 3pm](#)

