First Children's Finance

2026

Child Care Infrastructure Fund

A Report on Grantee Feedback

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Executive Summary

The Child Care Infrastructure Fund (CCIF) provides critical capital funding to support the development and improvement of child care and early learning facilities across Oregon. To better understand how the program functioned in practice, First Children's Finance (FCF) partnered with the Department of Early Learning and Care (DELC) and Business Oregon to conduct interviews with grantees. These interviews explored the application and implementation experience, the translation of program design to execution, and elevated the voices and stories of participating providers. This report is intended to complement an impact evaluation of the CCIF program, which will be completed by Business Oregon.

FCF identified several consistent impacts of the CCIF program. Grantees reported expanded capacity to serve young children. In many cases, CCIF enabled them to open new classrooms or increase enrollment. Many also described a direct connection between facility improvements and enhanced program quality. Beyond physical upgrades, the grant contributed to stronger business outcomes: child care entrepreneurs reported increased financial stability, improved operational capacity, greater business acumen, and renewed optimism about their long-term sustainability in the field.

Building on these findings, FCF developed a set of recommendations for policymakers, DELC, and Business Oregon to strengthen future facilities investments.

For policymakers:

- Replicate CCIF funding for facilities investments.
- Continue to support knowledgeable partners in grantmaking and child care for CCIF grant implementation.
- Apply lessons from CCIF to support co-location of child care within broader community development efforts
- Reinstate and expand funding for planning and pre-development activities

For program implementers (including DELC, Business Oregon, technical assistance providers, and others):

- Maintain strong partnerships with technical assistance providers to support grantees throughout the process
- Improve the timeliness and predictability of fund disbursement
- Align grant fund disbursement to project and grantee realities
- Provide longer project timelines, particularly for large-scale construction efforts
- Strengthen supports for grantees in navigating contractor relationships and project management

Together, these recommendations aim to build on the success of the CCIF program while addressing implementation challenges, ensuring future investments more effectively expand access to high-quality child care and support provider sustainability.

Child Care Infrastructure Fund (CCIF): A Primer

In 2023, House Bill 3005 established the Child Care Infrastructure Fund (CCIF), allocating $50 million to the Oregon Business Development Department, hereafter referred to as Business Oregon, to provide financial assistance to eligible applicants for activities that increase child care capacity across the state.

House Bill 3005 dedicated Oregon Lottery Bond funding to support infrastructure projects. The established goals of this capital improvement funding included the creation of new child care programs, the expansion of existing child care programs to serve more children, and the preservation of existing slots by offering safer learning environments. The bill established priorities related to increasing infant and toddler care, culturally and linguistically appropriate care, care during nonstandard hours, as well as care in communities with a historic lack of child care access. Business Oregon then developed systems to collect, review, and process grant applications, establish ranking criteria, and monitor grants. The House Bill directs the Department of Early Learning and Care (DELC) to consult and collaborate with child care technical assistance providers to support capacity expansion, business operation support, and training. DELC partnered with Northwest Native Chambers and First Children's Finance for technical assistance.

House Bill 3005 established allowable costs for CCIF grants, including costs for planning and design of early learning and care facilities, property acquisition, repairs, new construction, improvements, and renovations to existing early learning and care facilities, and related construction costs and expenses. The House Bill also names eligible grantees, including child care entrepreneurs operating family and center-based child care programs, Federally recognized Indian Tribes, non-profit and other organizations that support or operate child care programs, relief nurseries, Head Start and Early Head Start Programs, and other applicants the department deems eligible.

As of March 2026, three rounds of funding have been disbursed, but this report will focus only on eligible grantees from rounds one and two. Grant rounds one and two distributed $30 million to 124 projects. This represents just a fraction of the need, as Business Oregon received applications requesting a total of $558 million in capital improvement funding across the same two rounds.

Methodology

First Children's Finance (FCF), in partnership with DELC, sought to better understand grantees' experiences of applying for and implementing the CCIF grant.

Using grantee data from Business Oregon, FCF conducted email outreach to round one and round two grantees. This outreach invited them to participate in compensated, one-hour interviews to share their experiences with the grant process.

Outreach to round one grantees was conducted in March of 2025. A second round of outreach to both round one and round two grantees was conducted in March of 2026. Interviews and focus groups with grantees were conducted in April 2025 and 2026. Across both rounds of outreach, FCF conducted interviews or focus groups with 34 of the 124 total grantees, including 11 grantees interviewed in 2025 and 23 in 2026. Four grantees met with the FCF team during both rounds of outreach, providing insight into the full grant lifecycle.

Interviews were transcribed and uploaded to qualitative analysis software for coding to identify key themes. FCF staff analyzed the coded data and key themes to develop the findings and recommendations featured below.

Given the voluntary nature of engagement for this report, the experiences shared through interviews may not represent all those experienced by the wider field of grantees. However, the sample of interviewees, across grant type and geography, is representative of the wider pool of grantees.

This report aims to capture the experiences of grantees applying for and implementing the CCIF grant. Findings noted below reflect the interviewed grantee's experiences and reported program improvements. Business Oregon will be completing an impact evaluation of the CCIF grant. This report is not an evaluation of the CCIF grant.

Figure 1 Minor renovation in Yamhill County.

Figure 2 Distribution of Project Types and Geographic Context (All Grantees vs. Interviewees)

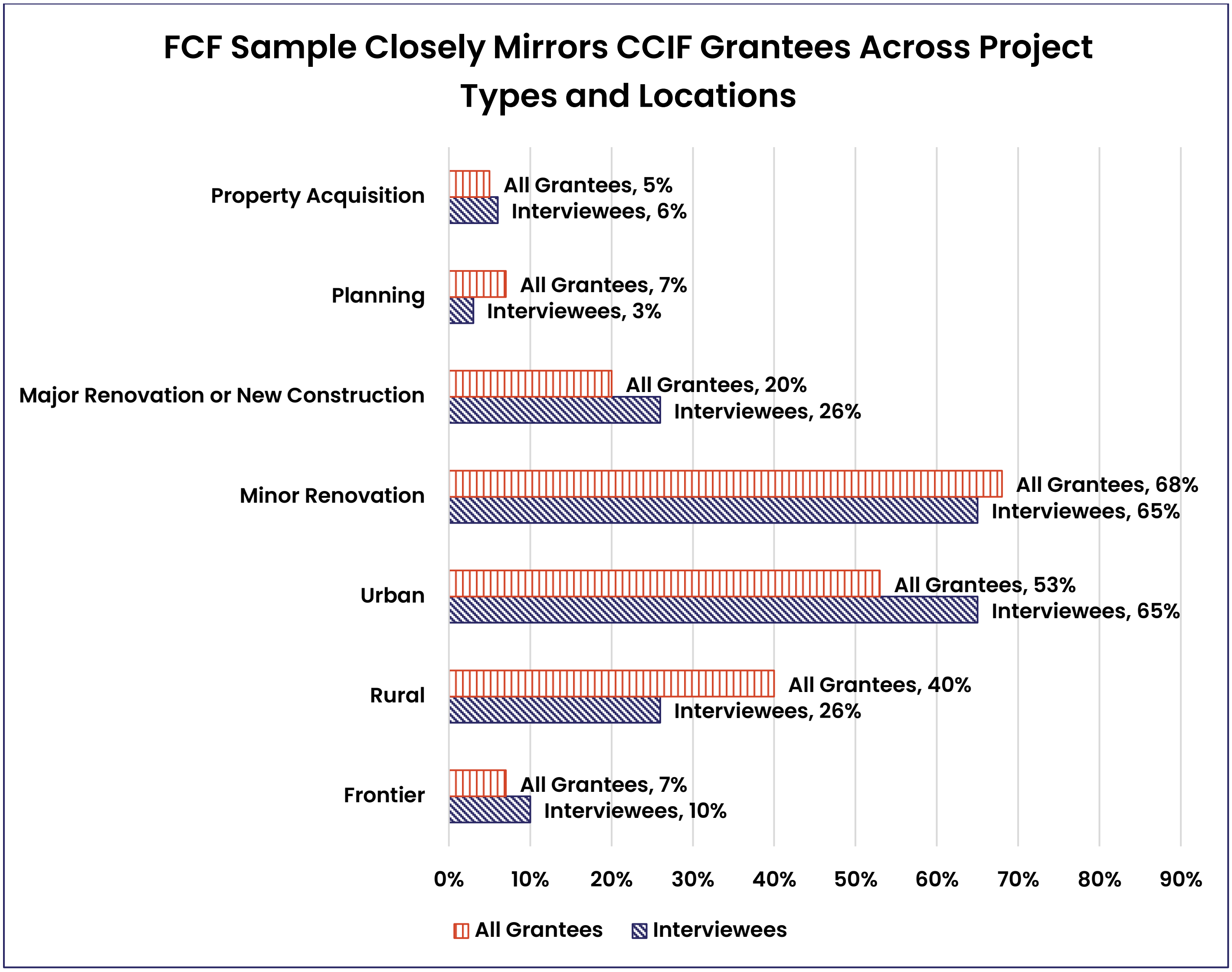


Table 1 Distribution of Project Types and Geographic Context (All Grantees vs. Interviewees)

Category	***All Grantees (%)***	***Interviewees (%)***
Property Acquisition	5%	6%
Planning	7%	3%
Major Renovation or New Construction	20%	26%
Minor Renovation	68%	65%
Urban	53%	65%
Rural	40%	26%
Frontier	7%	10%

Impact

Across interviews, grantees consistently expressed strong appreciation for the CCIF grant and the opportunities it created for their programs. Grantees described the grant as transformative, enabling both immediate improvements and long-term investments that would have otherwise taken years to achieve, if at all. While the specific impacts varied by program, several clear themes emerged related to impacts on the program's operation and on the grantee's personal development. As noted above, Business Oregon's impact evaluation will provide additional details on program impacts.

Increased Child Care Capacity and Quality

Expanded Capacity

Child care slot or seat creation was a priority for the CCIF grant and was included in the scoring criteria for application review. The majority of grantees interviewed reported adding seats to their programs.

Across CCIF Rounds 1 and 2, investments are expected to create approximately 300 jobs, and support more than 4,200 new and preserved child care slots statewide.

Source: Business Oregon CCIF data (Rounds 1 and 2)

For some grantees, CCIF grant money was used to establish and start a child care program, especially among non-profit partners. The creation of these programs leads to increased local capacity that will drive meaningful child care access in these communities.

- "There's one classroom that needs retrofitting, and then we want to build two more classrooms." Non-profit grantee
- "We are building three new classrooms through our CCIF funds." Non-profit grantee

Among grantees that were not opening new programs, respondents consistently reported that the impact of their grant would allow them to enroll more children. In high-need communities or child care deserts, the addition of even a few seats can represent meaningful access to families.

- "It will allow us to have a license for 60 to 70 children. We currently are licensed for 34 children. So, it's going to be double." Center Grantee
- "We added 22 slots just in that space. And since that project, I've probably hired 5 to 6 people." Center Grantee

Grantees that reported adding new seats were often registered family child care homes. As a result of receiving the grant, many programs became eligible and therefore applied to convert their license from a registered to a certified family child care home. This conversion adds up to 6 extra seats for young children in their community.

- "I wouldn't have been able to expand had I not gotten the grant, so it made the entire thing possible. Which means my license went up from 11 kids to 16 kids. It just made everything possible for me." Certified FCC
- "We presented the project we have in mind, which is going to be [an] expansion to double the capacity from 8 to 16 children. We also want it to be an investment that will last for many years." Registered FCC

For some grantees, receiving the grant allowed them to change or improve their program so that they were able to offer alternative hours or drop-in care. Although this type of expanded access can be challenging to offer, it is instrumental in increasing families' ability to participate in the job market, especially in communities with large tourism or manufacturing sectors, as well as other industries with extended or unpredictable shifts.

- "Our program was always meant to be a drop-in program so parents can use this whenever they need, so we intentionally don't fully enroll all the time. We have 6 full-time enrolled, and today, 10 drop-in children. It's really exciting that we've hit that kind of capacity. We've also started to open additional classrooms because one daycare in town is ending their infant and toddler program, and we've decided to adopt it into our new classrooms." Non-profit grantee
- "I was able to open up the space and two more spots for kids. And because it helps families in the community, now I'm looking forward to opening my program earlier in the day." Certified FCC grantee
- "I have drop-in care for Fridays available, and people take advantage of it all the time." Registered FCC grantee

Enhanced Quality

For many programs, upgrading their infrastructure, like adding a new room or improving their outdoor facilities, contributed to a broader perception of improved quality. More space, more access to the outdoors, and improved design and accessibility can mean more time spent on play and enriching interactions and less on transitions and behavior management. Grantees take great pride in their improved spaces and increased program quality. Grantees often noted that families notice and appreciate their continuously improving program quality.

> ***CCIF funding supported more than 120 providers statewide across two rounds, with strong representation from culturally specific and home-based programs.***
>
> *Source: Business Oregon CCIF data (Rounds 1 and 2)*

- "I have a lot more to offer. All of the projects have definitely increased the value of my daycare and what I have to offer for my kiddos." Registered FCC grantee
- "We want kids to get out and have experiences outdoors and in nature, and get some fresh air. If we can provide opportunities for them to go outside and climb, and play, and ride bikes, and hop around, and be kids, then that's pretty exciting." Center grantee

- "Being able to take advantage of the patio, especially in the summer, it has had a great impact. To be able to have one more space for children and, above all, outside, where there are many more things to explore, to play with. This has had a very positive impact because we have created a very valuable space here in the program." Registered FCC grantee
- "(The grant) also enhanced safety and accessibility. Keeping the environment for the children and families safe." Certified FCC grantee
- "(After the project) we were able to get another really cool climbing structure because we had the room. We know (having these things demonstrates) quality, but it also makes you feel quality. My families were able to see the work being done, and so they know that we're putting in the effort, that our plan is long term. People are seeing that we're continuously trying to make improvements. And so that's probably what keeps our waitlist full." Certified FCC grantee

Increased Child Care Provider Financial Sustainability and Capacity

Many of the grantees we spoke with were child care business entrepreneurs. During our interviews, they reflected on the personal and professional impacts the CCIF grant had not only on their program but also on themselves. Grantees described how technical assistance and guidance provided throughout the process helped them navigate unfamiliar aspects related to facilities development, project management, budgeting, and grant administration. For many providers, these supports increased their confidence in managing complex projects and strengthened their ability to pursue future funding opportunities.

One prominent theme was the sense of financial and operational security the grant provided. For some, this meant addressing major infrastructure needs that would otherwise have been deferred for years. Other grantees noted the peace of mind that came with addressing critical repairs.

- "The grant saved us about 10 years of work, 10 years of savings." Registered FCC grantee
- "We're good. We got a roof. Now we don't have to worry about that for the next 20 years." Certified FCC grantee

Many entrepreneurs shared that the grant allowed them to preserve and reallocate financial resources for their business. By covering major capital expenses, the grant freed up savings that could be reinvested into other aspects of their programs, such as staffing, materials, or future growth.

- "This money that I have now set aside in a business savings account would have eventually been used for that (project). Now I can use it for other things, like hiring staff or other things we need for the school." Certified FCC grantee

Many entrepreneurs shared how the CCIF grant impacted their administrative capacity. For some, managing the grant required developing more structured systems for budgeting, documentation, and reporting. Grantees reflected that these new or updated systems will continue to benefit their business moving forward.

- "(The grant) was a period of learning how to be well-structured from the beginning, peso for peso or dollar for dollar. How to organize it and be able to deliver evidence as to what was being done. It was, to learn to organize." Registered FCC grantee
- "I had to really be on top of my time management for all the extra hours it took to manage the paperwork side of it." Certified FCC grantee
- "I have my budgets down to the penny that matches my bank statements." – Center grantee
- "But it is a big lesson for me, because now I'm ready to do, I think, any construction." Center grantee

For many of the entrepreneurs we spoke with, receiving the grant not only had an impact on the infrastructure of their program but also on developing their skills as business owners. Grantees reflected on the strategies and business acumen that they developed and credited to the grant application, implementation, and reporting process.

Funding reached communities across Oregon, with awards distributed across urban, rural, and frontier counties in both rounds.

Source: Business Oregon CCIF data (Rounds 1 and 2)

- "I definitely learned that I need to ask questions if I don't know, even if I do think I know." Registered FCC grantee
- "It has taught me to be realistic. I have to plan for my life, not just my business. So, yes, I have to have fair prices, but they must also be fair for me. Fair for families and fair for me." Registered FCC grantee
- "I've learned a lot about grants. And so I would say my ability to understand grants is greater because of what I've learned." Center grantee

Most importantly, entrepreneurs shared that receiving this grant has shifted their understanding of what is possible for them in the field. The grant has allowed them to think beyond the survival of their business and toward expansion, advancement, and mentorship to other entrepreneurs.

- "My intention is to be able to look for another, better location later, so I can expand." Registered FCC grantee
- "One of my goals for the future is to be able to buy and rent houses for childcare. Because when I started, I had the family childcare license, and it was really hard to find a place to rent where they allowed childcare." Center grantee
- "I am better equipped now. I do have my eyes on another piece of property that maybe one day we can buy and expand our services. I would really like to do that." Center grantee

The grantees that we spoke with regarded their engagement with the CCIF grant as transformational. Given the historic underinvestment in child care facilities, CCIF provided an opportunity for grantees to effect change in their individual programs that contribute to a more robust, localized child care ecosystem that supports children and families.

Figure 3. Minor renovation project in Linn County

Recommendations

The Child Care Infrastructure Fund (CCIF), in rounds one and two, distributed $30 million to more than 120 child care programs to plan and implement facility improvements critical to their operations. While this amount of funding is certainly impactful, the awarded grantees represent less than 3% of eligible early learning and care programs.

As detailed above, the impact of this grant extended well beyond the children and families who gained access to high-quality care. It also strengthened the capacity of child care entrepreneurs, who reported increased confidence in managing their businesses, pursuing future funding opportunities, and delivering high-quality programming.

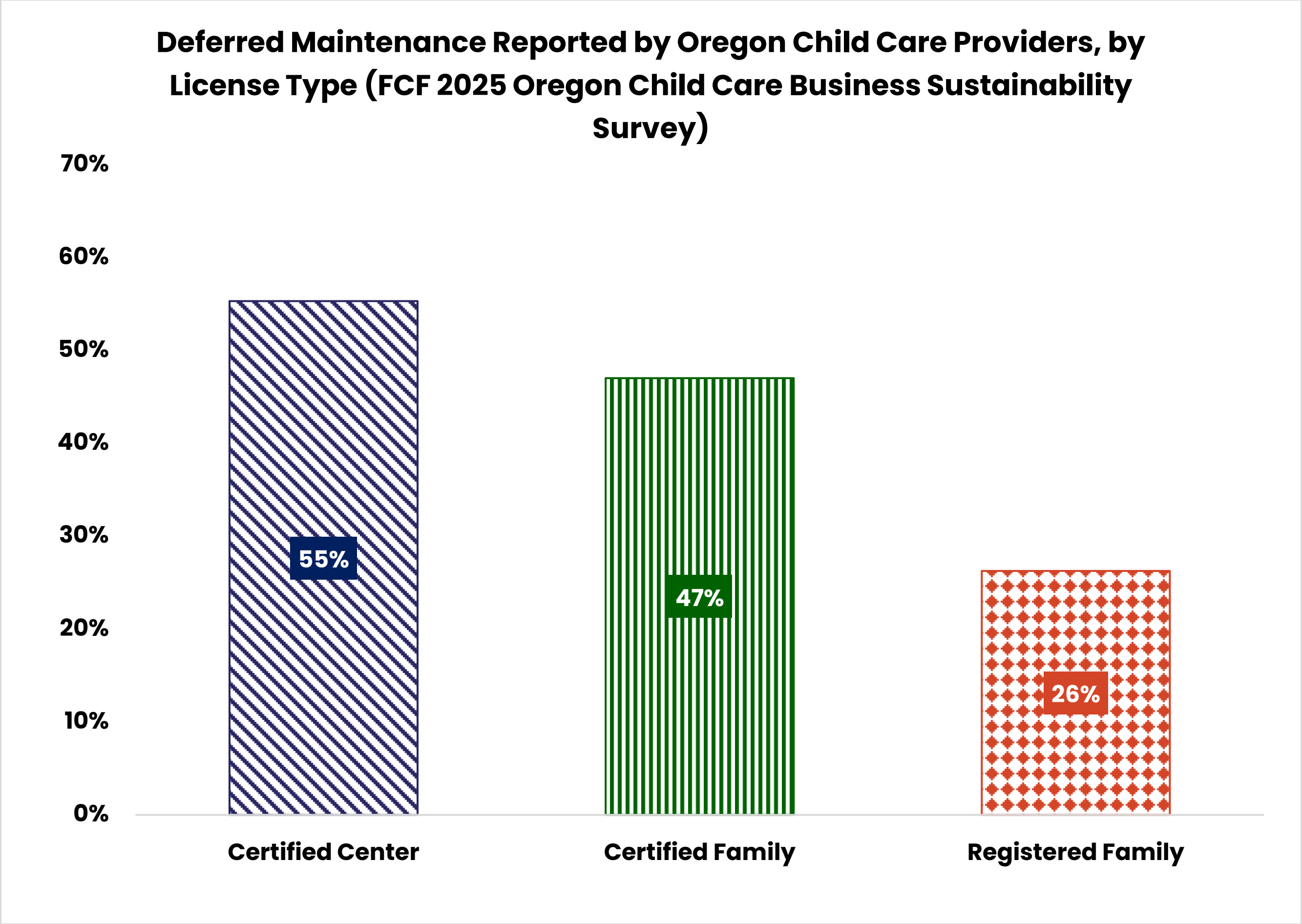
These outcomes were driven by the grant's flexible approach that supported a wide range of infrastructure needs, from modest upgrades like flooring to full-scale new construction, as well as the technical assistance and support provided throughout the process. Together, these elements enabled grantees to navigate complex projects and build lasting skills and results.

As Oregon considers future investments in child care facilities, there is a clear opportunity to build on the strengths of the CCIF program. The following recommendations highlight ways to sustain and enhance this model, ensuring that future initiatives continue to expand access while supporting the long-term success of providers.

Recommendations for Policymakers

Replicate CCIF funding for facilities investments. Infrastructure support, from planning grants through property acquisition, can have a meaningful impact on local child care capacity and programming. Facilities improvements, including minor renovations like updating a roof or flooring, impact a program's capacity to serve more children, to improve program quality, and to avoid unexpected closures. The prevalence of deferred maintenance across provider types further illustrates the ongoing need for facility investments to address repairs and minor renovations. More than half of certified centers and nearly half of certified family child care providers reported delaying needed facility maintenance in 2025 (Figure 4). Additionally, funding for major renovations, new construction, and property acquisition increases the availability of safe and healthy child care environments in a community.

Figure 4. Percentage of Child Care Providers Reporting Deferred Maintenance by License Type, 2025



Source: *First Children's Finance, 2025 Oregon Child Care Business Sustainability Survey.*

Table 2 Percentage of Child Care Providers Reporting Deferred Maintenance by License Type, 2025

License Type	Percentage Reporting Deferred Maintenance
Certified Center	55%
Certified Family Child Care	47%
Registered Family Child Care	26%

Both the volume of CCIF applications and the scale of the funding requested demonstrate the need for continued investment in child care facilities. Across the first two funding rounds alone, more than 1,400 applications were submitted, requesting nearly $560 million in funding. This demand far exceeded available resources.

Together, the experiences of grantees and the volume of unmet demand suggest that continued investment in child care infrastructure represents a significant opportunity to strengthen Oregon's child care system and expand access for families across the state. Exploring flexible funding mechanisms and complementary supports can further broaden the scope of what is possible, enabling more providers to successfully complete facilities projects and sustain high-quality care in their communities.

An essential component of replicating CCIF's success is ensuring that diverse child care and early learning programs across the state remain eligible for funding. CCIF grantees include traditional center and family child care providers, as well as Head Start, Tribally operated child care, and relief nurseries, among others. Child care supply building is locally driven, and by continuing eligibility for a variety of program types, CCIF encourages increased child care supply to flow from the most knowledgeable sources, those already serving children and families in need.

As demonstrated throughout the following recommendations, CCIF produced effective facilities support for grantees. Lessons from this grant process can support policymakers in creating effective future investments.

Continue to engage knowledgeable partners in grant implementation. A consistent and notable theme across interviews was the strength of the partnership between grantees and Business Oregon project managers. Many grantees we spoke with identified their Business Oregon project managers as highly responsive, supportive, and instrumental in helping them navigate the grant process. Grantees emphasized that this relationship made the experience more manageable and, in many cases, more empowering.

- "He made us feel capable of doing good; he showed us that we can do things by organizing ourselves. At first, we were nervous that maybe we couldn't. But when we were inside. This manager almost took us by the hand." Registered FCC grantee
- "The Business Oregon staff was really good. (They) always answered all of my questions, and I had questions! She was right there. You had what you needed." Center grantee

Effective grant partners and administrators demonstrate strengths-based, business-oriented approaches when working with grantees. These partners build trusting relationships with grantees and provide tailored and responsive support.

Support co-location of child care and community investments. New construction and property acquisition require not only larger grant sizes but also more grantee capacity and specialized technical assistance. Grantees who were solo child care entrepreneurs engaging in a new construction, major renovation, or property acquisition often reflected on the challenges of accomplishing this major project on their own. One grantee, who, through community connections partnered with a local business, credited this partnership with her final program location and ultimate project success.

- "I think what's just really tough about all of this is that each step takes so much money, and if I wasn't married, or have someone else to support this process, or have a business partner, or have the capacity to take out loans, or do all this stuff, I wouldn't have been able to do this. There's so much support needed from the very, very first step. I can't imagine how hard it would be if I didn't have the team that I have, and have those different connections." Certified FCC transitioning to Center grantee

In addition to the CCIF Business Oregon partnership, DELC has partnered with the Department of Housing and Community Services to advance innovative co-location efforts, embedding child care programs within affordable housing development across the state. Marrying the lessons learned from these two initiatives, Oregon should dedicate funding, build pipelines, and enhance technical assistance infrastructure to support the equitable participation of small community child care businesses and nonprofits in co-location initiatives. Funding new construction in the context of co-location would harness additional funding and resources to advance project success and promote public investment in the communities most in need.

Pursue flexible funding sources that support planning grants and pre-development funding. While planning grants were available for first round grantees, subsequent rounds did not include this funding due to restrictions originating with CCIF's funding source. Lottery bond funds cannot support standalone planning projects. The CCIF planning grants offered in Round 1, funded through an alternative source, provided dedicated funding and time for feasibility assessments, site evaluations, and early design work. They enabled grantees to engage architects, contractors, and local officials before committing to full-scale projects, reducing risk and improving project readiness.

Many grantees, especially those pursuing property acquisition, major renovations, or new construction, described these early planning activities as significantly more complex and resource-intensive, particularly for solo entrepreneurs. While these large-scale projects hold the potential for substantial expansion of child care supply, they also introduce heightened risk, longer timelines, and a need for specialized expertise that many providers do not initially possess.

Expanding funding flexibility beyond lottery bonds would allow CCIF to better support child care entrepreneurs as they take on large construction projects. By providing the capital to adequately plan and engage experts, CCIF funding for these large projects may go further and provide greater impact to grantees.

Several grantees shared experiences where early-stage planning challenges led to significant delays or setbacks. In one case, a round one grantee had not yet opened their program due to prolonged delays, resulting in the loss of previously enrolled families and staff who had since moved on. Earlier and more structured engagement with local permitting and planning entities may have helped mitigate some of these challenges.

In another case, a second round grantee experienced challenges in their project process because they were unable to afford and conduct feasibility and landscape scans on the property they hoped to acquire before receiving the grant. Entrepreneurs noted that they often lack the upfront capital to undertake early due diligence steps independently.

"It would have been great if [buying and planning for this property or expanding my program] was something that I was working 5 years into the making. It's just, I saw the opportunity, and I wanted to jump on it." Center grantee

These experiences highlight the planning and coordination needed to purchase land or a building or construct a new program. This planning takes both time and financial resources. Without this foundational work, grantees may enter complex projects without the information needed to make informed decisions, increasing the likelihood of costly delays or project redesign.

- "For me, it would not have been possible to face a planning expense (without the grant). (My program) has not yet begun to generate a profit, so that you can save enough and be able to spend that money, invest it in planning, because it goes away very quickly. That money left very quickly." Planning Grantee

Figure 5. Minor renovation in Benton County.

Recommendations for CCIF Implementers

Foster a comprehensive technical assistance support network. Technical assistance providers with knowledge of the local child care landscape provide invaluable support to grantees as they navigate their facility projects. Grantees credited trainings and capacity-building opportunities with helping them build strong applications, navigate funding, and develop more robust business acumen. Participation in technical assistance and training, through First Children's Finance and Northwest Native Chamber, supported grantees in becoming more organized and confident in managing their finances. Technical assistance providers provide grantees with expertise in grant navigation, construction management, and building child care business sustainability.

- "The fact that FCF and Northwest Native Chamber are there to help made it so easy." Non-profit grantee
- "I benefited from a couple trainings that First Children's Finance have done. Those meetings helped me." Center grantee
- "There were some workshops on grant writing and tips, which was helpful." Certified FCC grantee

Improve fund disbursement timelines. Many grantees raised concerns about the timing and structure of grant disbursements, particularly their impact on contractor payments and cash flow management. A common challenge was the lag between submitting reimbursement requests and receiving funds, which often took longer than anticipated. Several grantees reported waiting three to four weeks, or longer, for payments, creating tension with contractors and, in some cases, requiring grantees to cover costs themselves. For small business owners already operating on thin margins, finding funding to cover the lag time in disbursement can lead to larger fiscal challenges. In extreme cases, grantees reported taking out second mortgages and borrowing from their retirement accounts to make timely payments to their contractors prior to reimbursement.

- "The company that I was working with was kind of impatient with me. Because there were rules that I had to go by with the grant. And I found that it took a lot more time than what I anticipated. I mean, like, months. And a lot more paperwork than I anticipated to actually get the money in my hands to give to them." Center grantee
- "I was extremely upfront with my contractors and just let them know that I was working with the state of Oregon, and sometimes things can be a little bit slower of a process. They were all pretty fine with it. There were a few projects that I actually had to cover out of pocket, just because they were requiring me to pay it within a certain time frame, or I would have to pay [an] additional fee." Registered FCC grantee
- "I will say the distribution, like, do it faster. Because sometimes contractors are waiting for the repayment, and I understand that because they also have workers, and the workers have families. And now they have to wait several times before they get paid, and it is hard." Center grantee

Restructure grant fund disbursement to tailor to program realities. Child care businesses historically operate on razor-thin margins. Given this, many child care business owners do not have access to upfront capital that is required for a reimbursement-based grant. As mentioned in the recommendation above, given this lack of capital, grantees relied upon retirement accounts or drawing second mortgages to cover funding while awaiting fund reimbursement. For grantees without access to upfront capital, the reimbursement structure posed a significant barrier. While some grantees were able to request advance payments, they reported that timelines for receiving those funds were inconsistent and often longer than expected.

- "I think that this process would be really difficult for someone who doesn't have funds available to them to start, because the disbursement process takes 3 to 4 weeks to get back to me. But you can also request funds in advance. For instance, when I had a general contractor come in, he wanted a $10,000 deposit for materials. And so, I submitted that request ahead of time, but I had to wait to receive that for him to start the work. And I was told initially that it... the turnaround rate is about 2 weeks, but I never got a check prior to, like, almost 4 weeks. It took almost a month for every disbursement check to come to me." Certified FCC grantee

Creating differentiated disbursement procedures for different program types or grant types creates an opportunity to tailor grant funding to program realities. For family child care providers, who often lack access to financial reserves and traditional sources of capital, establishing a standard practice of 50% of funding up front and 50% of reimbursement upon project completion would alleviate many of the funding challenges highlighted above. Facilities grant programs in other states have successfully advanced between 30 to 90 percent of project costs, with final payments withheld until all grantee reporting is complete.[2]

A similar process could also be applied for varying grant types. As indicated in a previous recommendation, grantees taking on major renovation, new construction and property acquisition projects often faced construction or purchasing delays due to disbursement timelines. A set percentage of costs up front could support the down payment on these large projects and jumpstart construction during this critical window.

- "It's a reimbursement contract. So, it is dependent on you having a healthy cash flow, which we do, but I also know when you speak with other community-based organizations, that can be very dependable, and especially at a time as now. We're able to do it, which is why we partnered to take on such a big grant, because we have such really good infrastructure internally." Non-profit grantee

Another option would be to restructure the application process into a two-phase model that better aligns with real-time project planning and market conditions. In Phase One, applicants would submit a high-level concept describing their project, along with supporting data tied to CCIF evaluation criteria such as community alignment and service to high-need populations. Based on these initial scores, the most competitive applicants would advance to Phase Two, where they would participate in a more robust technical assistance period in partnership with grant administrators. During this stage, applicants would refine their project plans, assess readiness, and confirm alignment with program goals. They could also solicit contractor bids with greater confidence in their likelihood of funding and clearer timelines for project initiation. This approach would improve the accuracy of cost estimates, reduce delays between contractor engagement and project start, and ultimately support more efficient and feasible project implementation.

Support longer project spend-down periods for large infrastructure projects. Second round grantees with property acquisition or major construction costs particularly reported challenges within the existing timelines of the grant process. All CCIF funds must be spent down by May 31st, 2028. While many minor renovation grantees noted that their extensions were often granted, those extensions remained limited in scope.

For large construction projects, funding and contractor delays led to timelines that could not be extended due to funding limitations, which left grantees feeling anxious about the feasibility of project completion. Creating longer funding runways, especially for large grants could limit these challenges and provide flexibility to programs to develop these large-scale projects.

- "It is a much longer process than I had anticipated. Once we received the notice, it took 6 months to actually have the contract in hand, and that is very valuable time in construction. Now we are just starting to have forward movement, and there are things that could have been done at the very beginning, but because we didn't have the contract in hand, we didn't want to commit with a contractor until we had that agreement. And now we're on a very short, very tight deadline, and it's nerve-wracking because it's new construction. And there's a lot at stake. Because, I mean, there's other things, like equipment delays, shipping delays, or just the physical capacity to get the work done. I just want to give us a little bit more wiggle room to get it. Done in time to open." Non-profit grantee

Support engagement with contractors. Grantees reported a wide range of experiences working with contractors to complete their projects. While many ultimately reported successful outcomes, their experiences highlight the importance of contractor relationships, clear expectations, and project oversight.

Many grantees described positive, collaborative relationships with contractors, particularly when those relationships were pre-existing. Providers who had previously worked with their contractors noted greater trust, smoother communication, and more predictable project timelines. Others emphasized that working with a contractor through their CCIF project strengthened their understanding of partnership and collaboration more broadly.

- "The contractor I have used on multiple projects for multiple years. So (they are) wonderful, we love them." Certified FCC grantee

- "My learning curve was huge related to working with contractors. I guess, just how important relationships are." Certified FCC grantee

At the same time, other grantees encountered challenges related to contractor reliability, transparency, and cost fluctuations. Some reported difficulty securing contractors willing to take on projects or provide clear, timely estimates. Others described unexpected cost increases or unclear pricing structures that created financial strain. These experiences highlight the need for support for child care entrepreneurs, many of whom are not construction experts, as they navigate complex building projects.

- "I got estimates from two more contractors. But then, they did not want to do the work. Or they want like, 10%, ahead, before they break the walls, and then after that they will give me an estimate." Center grantee
- "I did have difficulties with our contractor. Clearly, the contractor knew that we didn't know a lot. We knew what the cost of the (one part) was, but when they got to the cost of (the other part), suddenly it doubled. And I was like, 'Whoa, I can't afford that. What the heck? Where did this come from?' And that's where it got wishy-washy. But we did use them. We kind of were stuck because [of] the timeline." Center grantee

Program implementers could further support contractor engagement through direct engagement of contractors to build awareness and understanding of the funding opportunity. Implementers could generate a list of interested licensed contractors. Such a list could provide easy access to information on their respective specialties and service areas.

Program implementers could create resources and materials that provide further guidance on selecting, vetting, and engaging with contractors, which would better support grantees. Optional templates of contracts, scopes of work, and payment schedules could be utilized by grantees to support defining and establishing clear expectations for working relationships.

Implementing the above recommendations for direct liaising between Business Oregon and contractors, clarifying fund disbursement processes, and reinstating planning and pre-development grants would each contribute to more positive engagement between contractors and grantees.

Conclusion

The Child Care Infrastructure Fund grant provided meaningful funding to over 120 grantees in the first two rounds of disbursement, strengthening local, culturally relevant, and sustainable child care access in communities where it is desperately needed.

According to grantees, the CCIF grant was successful in increasing child care slots and program quality. CCIF has empowered small business owners to improve their business practices, expand their operations, and increase the financial health of their child care programs. CCIF grantees reported the ripple effects that more safe, beautiful, and functional spaces can have on their ability to hire and retain staff and enroll additional families.

Through CCIF, Oregon has designed and administered a facilities funding program that effectively reached diverse child care provider types statewide and supported them through complex capital projects. Paired with resources and technical assistance, CCIF accelerated provider capacity to successfully apply for and administer grants and accomplish renovation and construction projects, large and small. Continued investment in CCIF would benefit from this proven infrastructure and growing provider capacity, offering a clear path to strengthening child care access and helping children, families, and communities across Oregon thrive.

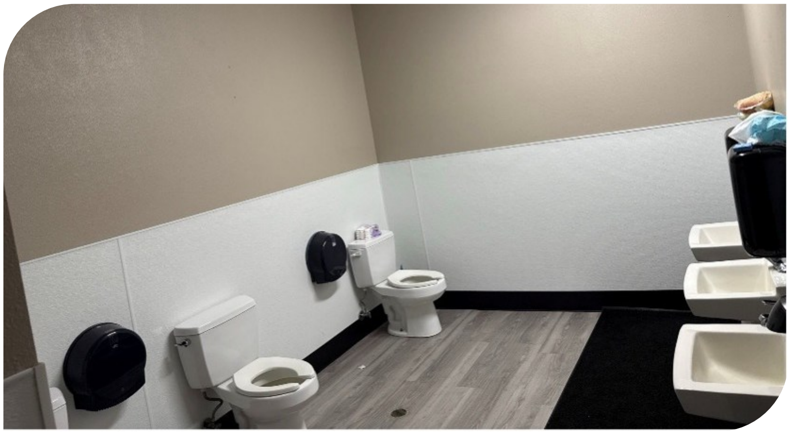


Figure 6. Minor renovation in Gresham County.

Figure 7. Minor renovation in Polk County.