

A photograph of three people standing in a backyard. On the left is a Black man in a black button-down shirt with a small logo on the chest and black pants. In the center is a woman with grey hair wearing a pink shirt with a purple butterfly pattern and purple pants. On the right is a man with a grey beard wearing a navy blue t-shirt and blue jeans. They are standing in front of a wooden picket fence. Behind the fence is a green and yellow play structure, a blue slide, and some trees. In the background, there are white houses with dark shutters. The sky is overcast.

LSC

Building Innovation for Child Care

Moving from Assessing Need to Implementation

Child Care is Economic Infrastructure

Investments in child care:

Support workforce participation and talent attraction

Strengthen small businesses and local employers

Make communities more competitive and resilient

When families cannot access affordable, reliable child care:

- Employers struggle to hire / retain workers
- Parents leave the workforce
- Economic growth slows



Investing in Early Childhood Programs Yields Significant Returns

For
Society

Every \$1 invested can return up to \$7-\$12 in societal benefits, including improved educational outcomes and reduced crime rates.

Source: [UPenn](#)

For the
Economy

Adequate levels of child care would have **netted the US economy \$122 billion** in gained earnings, productivity, and revenue in 2023.

Source: [ReadyNation, 2023](#)

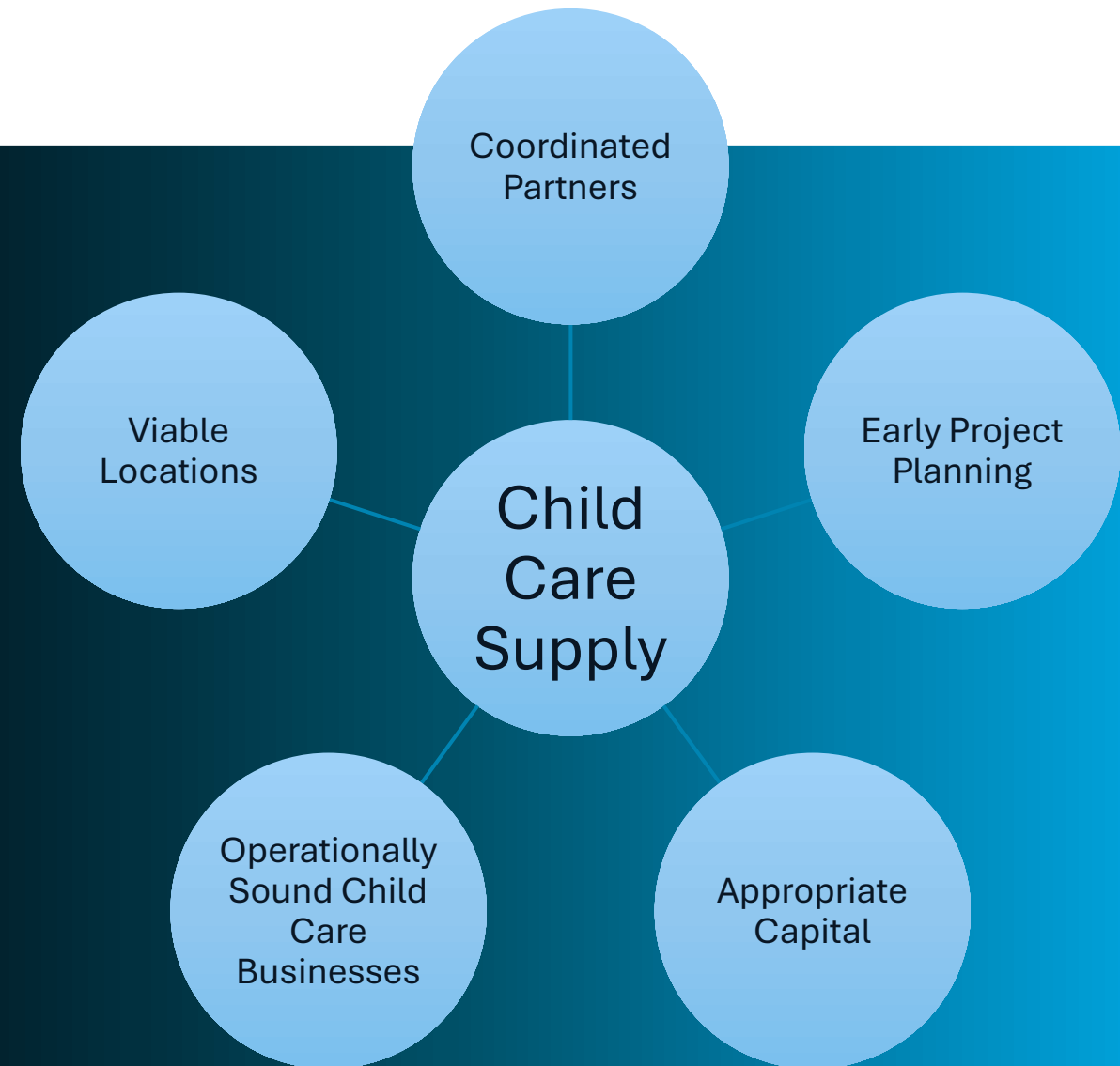
For the
Workforce

Addressing child care issues could have allowed **560,000 more parents to participate** in the US workforce in 2024.

Source:
Federal Reserve Bank of St. Louis

Increasing Child Care Capacity

How do we create more child care spaces in the communities that need them most?



Child Care & Early Learning at LISC

Our approach is comprehensive.

We invest in 10 overlapping areas of community life.

Our experience has taught us that our impact is far greater--and communities benefit more--when we support many of these building blocks simultaneously.



Child Care & Early Learning at LISC

Child care is essential. LISC invests in the nation's caregiving infrastructure.

LISC helps child care educators develop or improve their facilities—a critical need—and strengthen their businesses. We do this by working with key community stakeholders, including educators, to build hyper-localized strategies that connect providers with the right range of technical-assistance services and capital products.

LISC'S IMPACT TO DATE

>\$175M

invested in early learning

1,500+

new or improved facilities

45,000

children served



23 INNOVATIVE CO-LOCATION PROJECTS

that pair child care operations with :

- affordable housing
- health services
- community hubs.

Published 100+ Technical Resources including Tool Kits, Webinars, Case Studies, and Guidance Documents

Reimagining Community Spaces for Child Care

Exploration of how existing community infrastructure can expand child care access & advance broader community & economic development goals.

Strong prototypes need to solve for:

- High-quality child care environments,
- Real estate,
- Partnerships, and
- Operator sustainability.

The Prototypes

1. Small-Scale Center + Storefront
2. Modular Facility + Community College
3. Affordable Housing + Home-based Child Care
4. Rite Aid + Community Center
5. Public School + Inclusive Space

The Role of RDOs

How can regional partners support implementation

- What problems could this prototype help to address and how could they connect to regional development strategies?
- Who might be the right partners to convene in moving a project like this forward?
- Are there sources of capital that might be applicable and /or can resources be made more accessible for models like these?



Storefront / Small Center



Community College / Modular



Affordable Housing / HBCC



Community Center / Vacant Pharmacy



Public School / Inclusive Child Care

Prototype 1: Storefront + Microcenter

Adaptive Reuse of Vacant Retail Storefronts, Strip Malls, & Other Repeated Small Footprints



Prototype 1: Storefront + Microcenter



Opportunities

- Can create a lower-barrier pathway for providers and opportunity for growth over time
- Persistent storefront vacancies create a need for revitalization

Key components to Success

- Child care-friendly zoning, permitting, & outdoor play solutions
- Shared services or hub support for operations, licensing, enrollment, and quality



Prototype 2: Modular + Community College

Replicable, Adaptable, Quality Facilities Partnered with Anchor Institutions



Prototype 2: Modular + Community College

Opportunities

- Connects child care access with student success, workforce development, and educator pipeline goals
- Uses modular design to support faster deployment and replicability

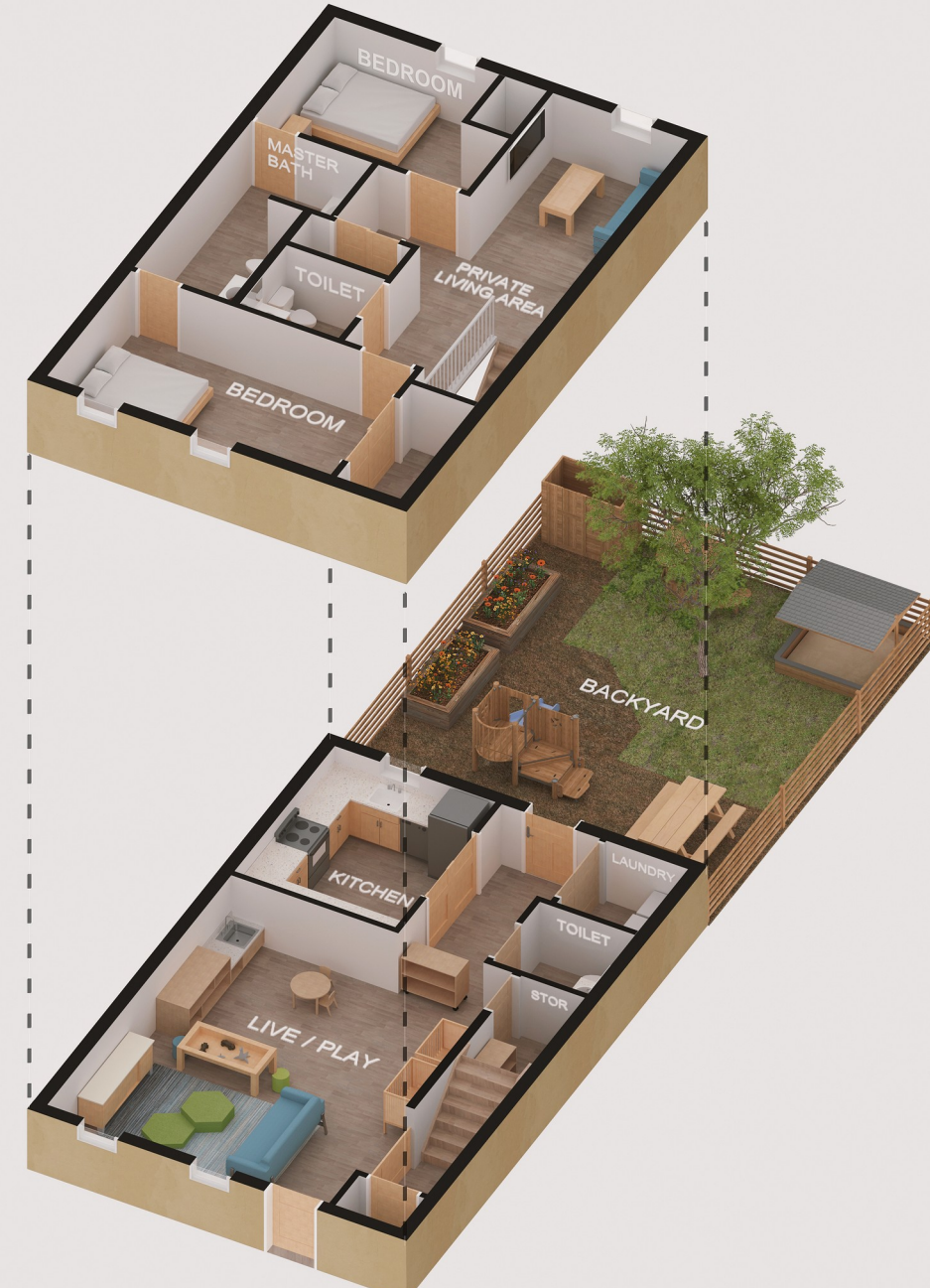
Key components to Success

- Available anchor institution land or space
- Anchor institution leadership that sees child care as central, not peripheral



Prototype 3: Affordable Housing + Home-Based Child Care

Creating New Opportunities for Home-Based Child Care in Affordable Housing Developments



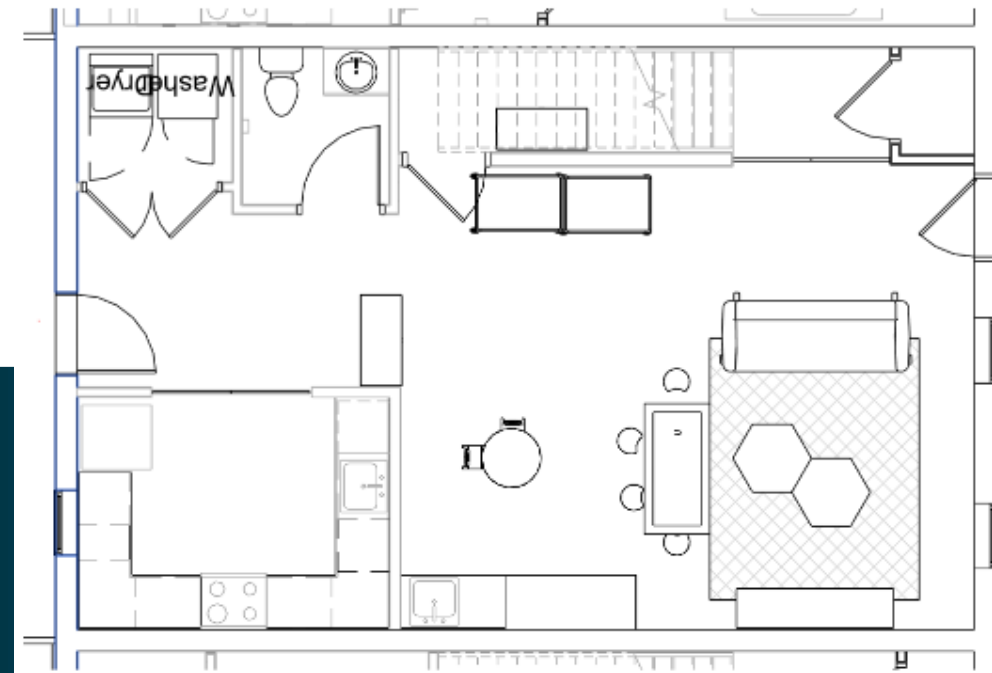
Prototype 3: Affordable Housing + Home-based Child Care

Opportunities

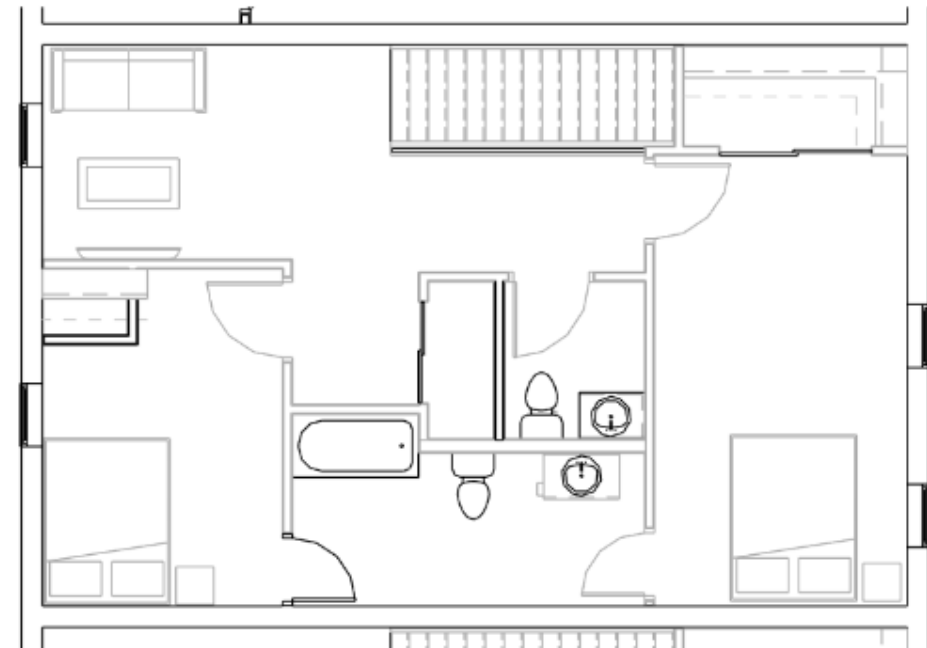
- Addresses housing instability and child care shortages, especially for families with nontraditional or less predictable hours
- Can apply to developments being built, rehabbed, and repositioned

Key components to Success

- Early planning and partner alignment:
 - Lease terms, licensing & zoning, property management, and housing funding rules
 - Resident demand, provider selection, expectations, and contingency planning



Level 2 Interior = 762.52 SF



Prototype 4: Rite Aid + Community Center

Revitalizing Underutilized Real Estate to Support Co-Located Community Use



Prototype 4: Rite Aid + Community Center

Opportunities

- Creates an active, high-visibility community anchor
- Combines multiple uses and funding streams under one roof

Key components to Success

- Commercial corridor revitalization is a community priority
- Feasible outdoor play strategy using parking or drive-through areas



Prototype 5: Public School + Inclusive Space

Integrating Early Childhood into K-12 Schools with Inclusive Spaces and Supported Transition



Prototype 5: Public School + Inclusive Space

Opportunities

- Uses underused school space for early learning
- Strengthens birth-to-8 transitions and inclusion

Key components to Success

- District leadership and community-provider partnership





Prototype Implementation: Conditions for Success

Real estate conditions

Long-term site control and occupancy cost relief, including long-term leases, below-market rent, shared maintenance responsibilities, or other arrangements, can help reduce fixed costs for operators.

Financial and operating supports

Predevelopment, ramp-up, and bridge support are often needed to carry projects through the period before enrollment and tuition revenue stabilize.

This may include planning dollars, technical assistance, and patient, flexible financing. Shared services and operational supports can also help smaller providers manage administrative, financial, staffing, compliance, and business functions.

Partnership structures

Durable partnership and governance structures can also define roles, responsibilities, decision-making, and contingencies so child care remains a community asset despite changes in leadership, ownership, funding, or institutional priorities.

Potential Resources Generated by Policy Opportunities

Federal

21st Century ROAD to Housing Law ([Public Law 119-101](#))

- Home Repair Program (HUD Administered)
- Innovation Fund
- Planning and Implementation Grants
- Community Development Block Grant and Disaster Recovery (CDBG DR)

SBA Programs

- [504 Program](#)

USDA Programs

- [Farm Bill](#) drafts include child care prioritization across several Rural Development and Business and Industry programs

[Bipartisan Build America Caucus](#)



Prototype Implementation: Partnerships

<u>Child care operator</u>	<u>Facility partner</u>	<u>Public sector</u>	<u>Finance / philanthropy</u>	<u>TA / networks</u>
Defines program needs, licensing requirements, staffing model, family engagement, and quality goals.	Provides the real estate asset, favorable occupancy structure, site stability, and coordination on building operations.	Aligns policy, incentives, capital programs, zoning, licensing, and community and economic development priorities.	Supports planning, capital, credit enhancement, shared services, and risk reduction.	Helps providers navigate business planning, facilities readiness, licensing, quality, and implementation challenges.

Reimagining Community Spaces for Child Care Activity

- 1. Choose one prototype that most caught your attention.**
- 2. Reflect individually for two minutes.** On your sticky notes, write:
 - **Green:** Where could this model create an opportunity in your region?
 - **Yellow:** What question or challenge would need to be resolved?
 - Write the prototype name at the top and one idea per note.
- 3. When prompted, move to your selected prototype and place your notes on the display.**
 - If ten or more people select the same prototype, divide into two groups.
 - Each group should quickly select a recorder and spokesperson.
- 4. Take three minutes for a rapid share.**
 - Share why you selected the prototype and either your opportunity or your challenge.
 - Keep each response to approximately ~30 seconds.
- 5. Take four minutes to complete one group conclusion:**
 - One promising opportunity for implementation is _____.
 - One issue to consider from a policy standpoint is _____.
 - An RDO could help by _____.
- 6. Be prepared to report.**
 - Selected groups will have 45 seconds to share their conclusions.

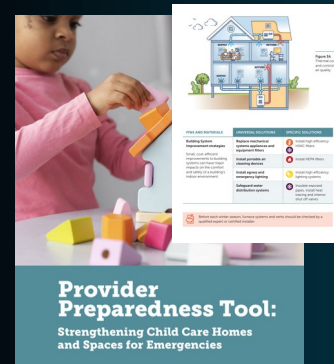
Reimagining Community Spaces for Child Care Activity Group Share-out



- One promising opportunity for implementation is _____.
- One issue to consider from a policy standpoint is _____.
- An RDO could help by _____.

LISC's Child Care and Early Learning Resource Library

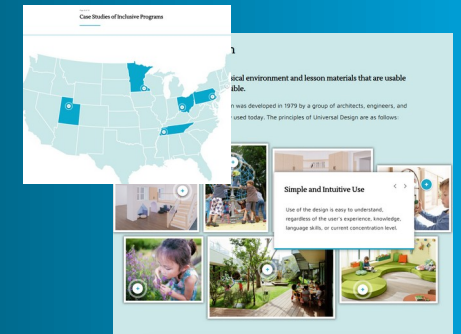
Access our searchable database of webinars, tools, site assessment checklists, resource guides, case studies, and more:



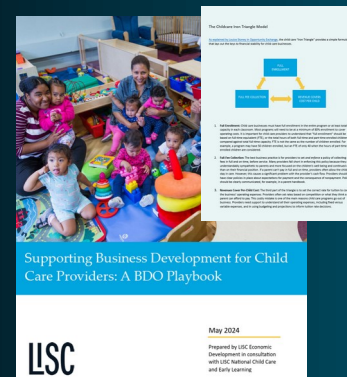
Strengthening Child Care Homes and Spaces for Emergencies



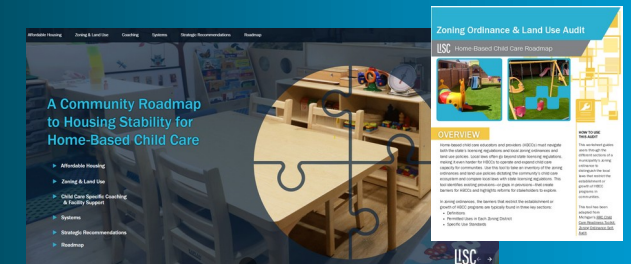
Community-Integrated Child Care Co-location – Foundations for Success



Building Innovation for Inclusive Child Care Settings: Inclusive Programming Toolkit



Supporting Business Development for Child Care Providers: A BDO Playbook



A Community Roadmap to Housing Stability for Home-Based Child Care

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