



In 2003, the David and Lucile Packard Foundation and its partners will launch the Affordable Buildings for Children's Development (ABCD) Initiative to build a comprehensive and sustainable financing *system* for quality child care facility development in California, utilizing existing organizations and adapting a proven model drawn from the affordable housing development system.

The goals of ABCD are to

- Enlist new and diverse partners such as employers, health care providers, housing owners to provide support such as sites or other resources,
- Increase the number and ability of child care operators to develop child care centers,
- Achieve multi-fold increases in public and private capital investments in child care, and
- Create the capacity to significantly increase the number of licensed quality child care spaces in California.

ABCD will employ four key strategies, the first three of which will begin in 2003:

1. The **ABCD Fund**, managed by the Low Income Investment Fund, to provide technical assistance, grants and loans for child care centers, feasibility planning, acquisition and construction costs, and long-term real estate financing needs.
2. **ABCD Development Assistance** to utilize the expertise of regional community developers to increase statewide the construction of child care facilities within educational, health, and housing facilities. Partners include Bridge Housing, Child Development, Inc., Community Housing Works of San Diego, Los Angeles Community Design Center, and Mercy Housing California.
3. **ABCD CONNECTIONS** to strengthen the facilities development expertise of child care center operators and intermediaries and to improve the regulatory and funding environment to support child care facilities as a top priority.
4. **ABCD Campaign to Sustain Child Care**, to catalyze new coalitions of representatives of a variety of sectors to advocate for increased child care program operating subsidies from state and local governments.

The Packard Foundation has committed \$2 million in grants and \$14 million in program-related investments to ABCD as a catalyst to investment by other partners. An encouraging number of foundations and financial institutions have expressed interest and in some cases made preliminary commitments. Discussions have begun with the state's First Five Commission to build further support for the Initiative.

ABCD's success will be measured by the degree to which it

- Establishes a financing system that directly increases availability and affordability of child care centers,
- Directly increases co-location of child care programs within housing, health, and education facilities,
- Promotes private investment in child care center financing as an attractive community development opportunity, and
- Promotes increased public expenditures for child care center operations.

An advisory group composed of public and private funders, representatives of the child care sector, community developers, and lenders guides the work of ABCD.

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