Child Care Financing Program

The Virginia Small Business Financing Authority's Child Care Financing Program (CCFP) is designed to assist Virginia child care providers in obtaining financing for fixed asset needs and educational materials. The Virginia Small Business Financing Authority offers direct low-interest rate loans to regulated child care providers for quality enhancement projects or to meet or maintain childcare standards.

Funding provided by the U.S. Administration for Children and Families through the Virginia Department of Social Services.

Eligible Borrowers:

Child Care Centers
- Child care providers that are 1) Virginia Department of Social Services (VDSS) licensed child care centers; 2) unlicensed but regulated religious-exempt child care centers; or 3) VDSS certified preschools.

Family Home Provider
- Child care providers that are: 1) VDSS licensed or local ordinance family day homes; 2) voluntarily registered; 3) part of a Licensed Family Day Care System; or 4) participating in the USDA Food Program.

Amounts:
- Child Care Centers: Up to $150,000
- Family Home Providers: Up to $10,000

Maximum Term:
- Child Care Centers: Up to 7 years
- Family Home Providers: Up to 7 years

Fees:
- Non-refundable application fee:
  - Child Care Centers: $100
  - Family Home Providers: $15

Interest Rate:
- Interest rates starting as low as 2.44% (but may be higher based on current Wall Street Journal Prime rate, but not to exceed 4%).

GENERAL ELIGIBILITY REQUIREMENTS:

Loan proceeds cannot be used for the purchase or improvement of land, building construction, permanent mortgages, working capital or to refinance existing debt. Loan proceeds are used to make payments directly to vendor(s) or to reimburse borrowers for costs, supported by paid receipts, incurred after the date of written loan approval from the VSBFA.

To be eligible to apply for assistance under the Child Care Financing Program, the applicant must:
- Be in “good standing” with the Division of Licensing Programs of the Department of Social Services.
- Demonstrate a reasonable assurance of repayment.
- Maintain business operations in Virginia.

Under the Child Care Financing Program (CCFP), the loan proceeds may be used for:
- Fixed asset purchases and quality improvements directly related to the health, safety and welfare of the children, as well as the overall learning program, such as playground equipment, tricycles, resilient surfacing for playground areas, lockable cabinets for poisonous substances, cribs, cots, blankets, cubbies, books, curriculum, and equipment or infant care, etc.
- Minor building maintenance, renovations, or repairs necessary to comply with health and safety standards required by the VDSS, or to meet necessary requirements for children with special needs, etc.
- Purchasing buses (child care centers only).

For additional information and application materials, visit our website, www.sbsd.virginia.gov/virginia-small-business-financing-authority/ or call 804-371-8254.