

VISTA VERDE CHILD DEVELOPMENT CENTER CASE STUDY

Sponsor: South County Housing (Santa Cruz, San Benito and South Santa Clara Counties)
Development Consultant: ChildCare Ventures
Location: Watsonville, Santa Cruz County

Overview

HISTORY & PARTNERS

The Vista Verde Child Development Center is the result of a long-term effort to expand and enhance child care resources in South Santa Cruz County. The idea for the Center developed out of a David and Lucile Packard Foundation-funded initiative that provided funding and technical support to help the Pajaro Valley Housing Corporation begin planning for the facility in 1997. Over time, some of the players have changed and evolved, and the site has changed, but the basic concept and the critical need for child care has remained. By leveraging collaborative resources, the Vista Verde project has been able to accomplish what would have been very challenging for a single entity to achieve alone: purchase land, construct a state-of-the-art facility, and provide complementary programs and services for low-income children and their families. The center will house an array of vital family services for the most impoverished area of Santa Cruz County, and the area ranked highest in need of children's services.

South County Housing Corporation

The Vista Verde Center is truly a collaborative undertaking with the support and involvement of the County, the City of Watsonville and a core group of organizations that have had continuing roles in the project's construction and operation. In the spring of 2001 the project's founding organization, Pajaro Valley Housing Corporation, merged with South County Housing Corporation. SCH, incorporated in 1979, is a non-profit affordable housing corporation serving the four contiguous counties of Santa Clara, San Benito, Santa Cruz, and Monterey. To date, South County Housing has acquired, rehabilitated, and constructed over 1,350 affordable homes. South County oversaw the actual construction of the facility and will be the long-term owner of the building. The Vista Verde Child Development Center is located adjacent to South County Housing's new 76 unit family rental apartment project, Vista Verde Town Homes, completed in July 2001. The residents of the affordable housing town homes will receive priority for child care in the new center. (Please see attached agency background materials).

ChildCare Ventures

Responding to the growing need for licensed child care in Santa Cruz County ChildCare Ventures has recently been developed to assist local child care centers and family child care providers navigate the process of financing and building or remodeling their facilities. ChildCare Ventures operates with grant assistance from the David and Lucile Packard Foundation.

ChildCare Ventures is a collaborative effort of the Child Development Resource Center (a project of the Santa Cruz Office of Education), El Pajaro Community Development Corporation, the Santa Cruz Community Credit Union, the Central Coast Small Business Development Center and the Santa Cruz County Human Resources Agency. ChildCare Ventures provides technical assistance to other child care facilities development projects throughout Santa Cruz County. The organization also provides child care providers training and technical assistance on business management and affordable loans and is active in promoting long-range child care facilities planning within local jurisdictions. (Please see the attached background materials on ChildCare Ventures).

The Vista Verde Child Development Center is the first child care center project to receive major support from ChildCare Ventures. Early project management assistance as well as major portions of the project fundraising work was carried out by ChildCare Ventures staff.

PROJECT DEVELOPMENT BUDGET

Site Acquisition	300,000
Off-site improvements	55,000
Site Improvements (incl landscape)	210,000
Building Construction	792,856
Construction Contingency	52,893
Permits & Fees	50,000
School Fees	1,674
Architecture	92,529
Civil Engineering	5,000
Plans, Copies, Postage, Etc.	5,000
Construction Supervision	7,000
Environmental Assessments	1,206
Soils Reports	2,000
Soils Compaction & Concrete Testing	10,000
PG&E Fees	5,000
Pac Bell Fees	1,000
Cable Fees	

Furnishings/Personal Property	1,000
Course of Construction Insurance	40,000
Real Estate Taxes During Construction	2,800
Legal - loan closings	2,000
Legal - organization & leases	1,777
Construction Loan fees	3,000
Construction Loan Interest	5,250
Construction Loan closing costs	8,703
Permanent Loan closing costs	2,500
Permanent Loan Fees	5,000
Development Management	3,702
Soft Cost Contingency	75,193
Capitalized Replacement Reserves	10,500
TOTAL	1,762,583

PROJECT FUNDING

The development of the Vista Verde Child Development Center is an excellent example of a public/private partnership. Assistance from the City of Watsonville, Santa Cruz County government agencies and the federal government's Health and Human Services Department has been combined with donations from private foundations and individuals. A total of 16 funding sources have been gathered to raise the project's \$1,831,390 cost.

Funding Sources

<u>Source</u>	<u>Amount</u>	<u>Type</u>
David and Lucile Packard Foundation	\$550,000	Grant
South County Housing Corporation	\$ 350,000	Equity/Grant
Santa Cruz Community Credit Union	\$326,000	Below market loan
Health and Human Services Head Start	\$127,390	Grant
Santa Cruz County Human Resources Agency Child Care Fees Loan Program	\$125,000	forgivable loan
Neighborhood Reinvestment Corp.	\$100,000	Grant
City of Watsonville	\$ 75,000	Street Improvements

Local Initiatives Support Corporation	\$ 45,000	Grant
For All Kid's Foundation	\$ 28,500	Grant
Children's' Miracle Network	\$ 25,000	Grant
Richard and Mary Solari	\$ 25,000	Grant
Wells Fargo Foundation	\$ 10,000	Grant
Community Foundation of Santa Cruz County	\$ 20,000	Grant
Santa Cruz County Children & Families Commission	\$ 10,000	Grant
J M Long Foundation	\$ 10,000	Grant
AT&T Pebble Beach Youth Fund	\$ 4,500	Grant
TOTAL PROJECT COST	\$1,831,390	

BUILDING DETAILS

The Vista Verde Child Development Center is located on a 34,336 square site located at 1936 Freedom Blvd. The site was annexed to the City of Watsonville in 2001 and the City completed all of the Freedom Blvd. street improvements needed for the project. The one story 5,264 square foot child care facility will include four large child care classrooms, offices and staff rooms for the two child care provider agencies, a shared kitchen and entry way. The site also includes two large play yards that are fenced and well protected from the street. The Center site also includes 27 parking spaces and will have access to the common playgrounds and soccer field play areas of the adjacent Vista Verde Town Homes project.