Montgomery County Early Care and Education (ECE) Facility Loan Program
0% Interest Loans Quick Guide

The Montgomery County ECE Facility Loan Program is an initiative that helps child care providers in Montgomery County, Maryland improve or grow their facilities.

The fund offers two main types of loans:

- Forgivable Loans for Homes and Centers (do not need to be paid back if requirements are met over time), up to $74,000
- 0% Interest Loans for Centers (must be repaid, but with no interest), up to $300,000

This one-pager only explains 0% interest loans. For details on forgivable loans, see the Forgivable Loans Quick Guide.

What Are 0% Interest Loans?

These loans must be paid back, but there is no interest charged. They help child care centers improve or expand their facilities.

Who Can Apply?

- Continuously Licensed child care providers in Montgomery County, MD who remain in compliance with the Office of Child Care licensing regulations
- Family child care, large family child care, and child care centers
- Providers with a published Maryland EXCELS rating
- Providers who offer full-time and full-year care

Please note, if you received an award during the last cycle your program is ineligible to receive funding for the same project site.

What Can the Loan Be Used For?

- Renovations and improvements
- Expansion projects to increase licensed capacity
- Architect plans, building permits, construction costs, contractor insurance and licensing, zoning approval
- Purchasing furniture, fixtures, equipment and learning materials

Loan Details

Maximum Amounts:

- Center Quality Improvement: $200,000
- Center Expansion: $300,000

Loan Funding:

- Payments are made as work is completed and verified by an inspector

Repayment:

- Flexible schedule
- Must show strong business case and ability to repay

Application/Funding Process

The application/funding process has four main steps:

- Step 1. Submit a Letter of Intent (LOI): Short form to confirm eligibility.
- Step 2. Submit your loan application: If eligible, this step includes details on the business and project.
- Step 3. Underwriting & Approval: If selected, this step includes completing site visits with program staff and the construction monitor to confirm a feasible project scope.
- Step 4. Loan Closing: If your loan request is approved, during this step the applicant completes paperwork, shares insurance certificates with Lender named, and signs loan documents.

Technical assistance is available to help at every step.

If you have any questions, email Laura Montas-Brown, ECE Program Manager, at laura.montas-brown@reinvestment.com