



Childcare Business Assistance Forgivable Loan Program

12-month term • 0% interest • Payments Deferred • Forgivable

Program Rules

The City of Hutchinson recently received a grant from First Children's Finance to support the creation of new childcare slots within the City. The program will work with existing and soon-to-be licensed childcare providers to purchase items or make improvements that are required by licensing and will result in the creation of new childcare slots.

Eligible Applicants

Both existing and new, start-up child care providers physically located in City of Hutchinson and serving children from 6 weeks to 11 years old are eligible to apply.

Maximum Forgivable Loan Amount

Applicants may apply for a forgivable loan up to \$10,000.

Loans may be less than this amount depending on the number of applicants seeking project funding. All funds are paid on a reimbursement basis after the provider provides receipts/documentation of expenses. All funds must be expended by November 1, 2023.

Providers cannot request funds for projects/items that are already being paid for by another grant or loan program.

Program Requirements & Conditions of Loan Forgiveness

Any newly created or expanding child care business receiving funding through this program must:

- 1) Work with First Children's Finance Development staff to receive a minimum of two (2) hours of technical assistance.
- 2) Provide the City with documentation, in the form of paid invoices or receipts, for all qualified costs (please refer to **Eligible Uses of Funds**).
- 3) Expand the number of child care slots they have available.

Eligible Uses of Funds

This list is not exhaustive, but provides some guidance to providers of the type of expenses typically eligible for program funds.

Household alarms and detectors		Transportation safety	
<ul style="list-style-type: none"> Smoke alarms Carbon monoxide alarms Radon detectors Lead content detectors (for toys and other child items which could be put in the mouth) Items required by Fire Marshal or Licensing regulations 		<ul style="list-style-type: none"> Appropriate child restraint systems for the ages of the children in care Safety helmets for children riding bicycles or tricycles Strollers that meet safety specifications Double/multiple kid strollers 	
Household Safety		Child safety	
<ul style="list-style-type: none"> Fire extinguishers Choke tubes (for gauging choking potential of small objects) Disaster kits Fireplace, heater and wood-burning stove screen covers Safety latches or locks for doors and cabinets Safety gates Appliance locks First aid items 	<ul style="list-style-type: none"> Electrical outlet covers Refrigerator thermometer Hot liquids thermometer Window blind and curtain cord tension or tie-down devices Air purifiers, humidifiers, dehumidifiers Light fixtures containing shielded or shatterproof bulb 	<ul style="list-style-type: none"> Cribs, mattresses that meet safety standards Cots, mats and linens for sleeping Highchairs that meet safety standards Changing tables Shock-absorbent or loose material such as sand under outdoor climbing equipment Outdoor play equipment that meets safety standards Audio/visual monitoring equipment 	<ul style="list-style-type: none"> Playground safety surfacing Large outdoor umbrella Sandbox covers Infant bucket swings for outdoor playground swing sets Swings with soft or flexible seats Fencing Replacement of wooden barriers that contain creosote or arsenic Guardrails on stairs
Facilities and operations			
<ul style="list-style-type: none"> Egress windows Lead-free environment Facility improvements such as repairing steps, installing railing if flagged by licensing Gates Training costs 		<ul style="list-style-type: none"> Antibacterial wall dispensers Secured garbage cans and wastebaskets, hands-free covered waste disposal cans Computer and software for financial management and other necessary functions of business. Printer 	
Room equipment and furniture		Active Play	
<ul style="list-style-type: none"> Tables Chairs Coat, cubby units Storage units Centers (book, listening, writing) Computer table 	<ul style="list-style-type: none"> Cots or mats Classroom activity carpets Activity mats and gyms Classroom displays 	<ul style="list-style-type: none"> Bicycles, Tricycles, Wagons Scooters, scooter boards Balance beams Tumbling mats Play tunnels or hoops Basketball hoops, balls Sensory items 	<ul style="list-style-type: none"> Playground equipment (climbers, swing sets, slides) Large unit blocks Rocking boats Parachutes Large motor games (such as bean bag, ring toss) STEM materials

Funds can be used to cover the cost of materials for outdoor play area fencing or other minor construction projects as required by licensing to ensure child safety or meet other program standards. All materials must be new and must be purchased from a retail store, not a private party. Funds can be used to cover both material and labor costs. **Funds cannot be used for major renovations, construction, or purchase of property.**

Funds may also be used for technology and software to create, enhance, and maintain business management systems, to include costs associated with accessing the internet, such as installation or equipment and website costs for start-up. Ongoing subscription fees, monthly payments, and maintenance are not eligible.

Funds are not allowed to be spent on items considered to be part of the ordinary cost of doing business, including but not limited to:

- Accounting and legal fees
- Advertising
- Monthly/annual subscription fees for websites, internet, software, etc.
- Banking service charges
- Cleaning
- Food
- Insurance
- Licenses
- Taxes
- Rent or mortgage
- Salaries
- Transportation
- Utilities

Submitting Your Application

1. Send one complete packet, including the application with all required attachments.
2. Keep a copy of the completed application form and all required attachments for your records.
3. Mail or email the original completed application packet to:

**City of Hutchinson
ATTN: Miles R. Seppelt
1164 Benjamin Avenue SE
Hutchinson, MN 55350**

MSeppelt@Hutchinsonmn.gov

Application Checklist

To be complete, your application packet must include:

- Completed application form
- Copy of your current child care license, if applicable. Also include any documentation from your licensor if the items in your forgivable loan application are needed to meet licensing requirements.
- Building permit (*if applicable*). If your project requires a building permit please attach a copy.
- Estimate or bid (*if applicable*). This is required for the installation of fences, windows, or construction, as required by licensing, or equipment assembly projects. This bid must be from a licensed and bonded contractor.
- W-9 Form.

Incomplete applications will not be accepted.

The City of Hutchinson reserves the right to deny any application.