

Lincoln County Economic Development Foundation
216 E Lincoln Avenue, Lincoln, KS 67455 | (785) 524-8954 | LcedfDirector@Outlook.com

Childcare Startup Grant

Guidelines & Application

Guidelines & Requirements

The Childcare Startup Grant program aims to increase the number of licensed childcare providers within Lincoln County. The grant can assist with start-up costs such as licensing and training fees, purchasing supplies and toys, making minor modifications to a property (such as fencing in a backyard) required to license the property as a childcare facility, and assisting with the provider's cash flow in the early stages of operating a childcare facility.

The grant will be **\$5000** with the following conditions:

- The provider agrees to operate a childcare facility, licensed with the Kansas Department of Health & Environment (KDHE) for five years.
- The provider agrees to operate the facility at maximum capacity. (Maximum capacity will vary depending on the ages of the children enrolled in the facility and scheduling. Some leeway on capacity may be allowed.)
- The provider is and remains current on all property taxes and utilities.

An **additional \$3,000 grant** will be offered (for a total of \$8,000) if the provider is fully and permanently licensed and open for business by July 1, 2022.

To ensure these conditions are met and to protect the LCEDF's investment in new childcare facilities, the \$5,000 grant is initially offered as a five-year loan from the provider's local bank. Every year the provider meets the conditions of the program, *no payments on the loan will be due*. Instead, the LCEDF will repay \$1000 of principal and associated interest on the provider's behalf to the local bank. If the provider operates a facility for a full five years, all principal and interest will be 100% paid by the LCEDF resulting in the entire amount being a grant. However, if at any point the provider closes the facility or chooses to operate at a reduced capacity before five years have passed, any remaining principal and interest after that point must be paid by the provider according to the terms of their bank loan.

The additional \$3,000 in grant funding will be paid to the provider after the new childcare facility is operational *and permanently licensed* by the KDHE.

Process

The process can be adjusted to meet the individual needs of the provider, but generally will include the following:

- 1) The provider must have attended the KDHE's required orientation. Contact Liberty Kester, Primary Child Care Facility Surveyor for the area at (785) 207-2041 or Liberty.Kester@ks.gov.
- 2) Have been pre-approved for a \$5000 loan from a local bank.
- 3) Have submitted an application to the KDHE.
- 4) Have begun scheduling trainings and certification courses to meet KDHE licensing requirements.
- 5) Submit Childcare Startup Grant application to the LCEDF for review.
- 6) If approved, an agreement between the provider, the local bank and the LCEDF will be signed outlining the terms and conditions of the \$5,000 loan and of the LCEDF's repayment of the loan on the providers behalf.
- 7) After the childcare facility is operational and permanently licensed by the KDHE, the LCEDF will make a \$3,000 grant payment to the provider.
- 8) Annually, the following will be required by the provider for the LCEDF to make payment on the provider's loan: proof of KDHE licensure, disclosure of any non-compliance findings by the KDHE surveyor during an annual inspection, list of enrolled children along with their ages and schedule, proof property taxes and utilities are current.

Questions

If you have questions on the Childcare Startup Grant, please contact Kelly Gourley, Director of the Lincoln County Economic Development Foundation, at 785-524-8954 or by email: LcedfDirector@Outlook.com.

Childcare Startup Grant Application

Return completed applications to the LCEDF office or by emailing it to lcedfdirector@outlook.com. Please call 785-524-8954 with any questions.

Applicant/Provider Information

- 1) Childcare provider name: _____
- 2) Address: _____
- 3) City: _____ State: _____ Zip: _____
- 4) Phone/cell number: _____
- 5) Email address: _____
- 6) Please describe your experience with caring for children and operating a childcare facility: _____

- 7) Do you or any entity you own have a tax liability in arrears with the Kansas Department of Revenue, IRS, or local municipality or owe utility payments to a local municipality?
_____ No _____ Yes, please explain: _____

Facility Information

- 8) Address of proposed facility: _____
- 9) Is this property:
_____ My personal residence _____ A property I own _____ A property I rent
- 10) What childcare license do you intend to operate under:
_____ Licensed Day Care Home
_____ Group Day Care Home
_____ Childcare Center
- 11) What type of business entity will you operate under:
_____ Sole Proprietor _____ LLC _____ Non-Profit _____ Other

- 19) Have you submitted an application to the KDHE? ___ Yes ___ No
- 20) Have you scheduled or completed any training or certification courses required to be licensed by the KDHE? ___ Yes ___ No
- 21) Do you intend to enroll in the state-sponsored Child & Adult Care Food Program that reimburses for children's meals? ___ Yes ___ No
- 22) Have you been pre-approved by a local bank for a loan of \$5000 to start the childcare business? ___ Yes ___ No
- Name of the bank: _____
- Name of banker: _____

Acknowledgements:

- Yes No I acknowledge and agree that some parts of this application (such as the grant amount and terms) may be made public.
- Yes No I grant permission for the LCEDF to contact my local banker and ask questions related to my personal finances that may be relevant to my opening a childcare facility and fulfilling the terms of the program.
- Yes No I understand and acknowledge that any grant funds approved by the LCEDF will be paid directly to the local bank as payment on a loan that was approved by the bank for the purpose of starting up a childcare facility. I further understand and acknowledge that I am responsible for the loan and meeting all conditions of the program on an annual basis in order for the LCEDF to make grant payments on the loan and that I am responsible for repaying the loan if/when I am no longer meeting the conditions of the program.
- Yes No If approved, I agree to provide regular updates to the LCEDF on the status of my childcare business including any substantive changes that may impact the operation of the childcare facility.
- Yes No I understand and acknowledge that my Childcare Startup Grant application will be reviewed based on the viability of the listed property to be a childcare facility, owner/operator experience, pre-approval by a local bank for a \$5000 loan, financial soundness of the applicant and application, and likelihood of maintaining a childcare facility for five years.

Signature:

The information in this application is true to the best of my belief. If it later appears that I knowingly provided false information to obtain a grant and/or loan, the grant and/or loan may be immediately called and the LCEDF may avail itself of its rights in the District Court of Lincoln County, KS.

Applicant Signature: _____ Date: _____