



Wells Child Care Forgivable Loan Program

Purpose

The purpose of the Wells Child Care Forgivable Loan Program is to aid in the process of creating *new licensed and quality child care slots* to offer to local families. This loan program is intended to provide an incentive to newly licensed and current child care providers to provide or expand their services in the City of Wells.

The program provides a forgivable loan towards actual expenses relating to the cost of opening or expanding a child care business in the City of Wells, up to \$3,000 per licensed child care provider. Qualifying expenses must be approved by the Wells Economic Development Authority (EDA).

Eligibility

1. Only child care providers who will be creating *new* licensed and quality child care slots are eligible for the loan program. This can be as a newly licensed provider or a current provider who is expanding their business and increasing their number of slots.
2. Providers must run their business within the City of Wells or within a five mile radius of Wells and must have a 56097 zip code.
3. New providers must include proof that they have been in contact with the Faribault County Licensing Worker by providing a copy of the letter of recommendation from the licensor. Current providers must show proof that their license is current.
4. Providers must be licensed for infants and actively seek to fill that age slot.
5. Providers must have a one hour (no cost) consultation with First Children's Finance related to best business practices.
6. Within the first year the provider needs to have a signed Parent Aware participation agreement signifying intent to become a Parent Aware rated provider and must continue to maintain a parent aware rating for the term of the loan.

Qualifying Requests

1. The following is a list of items that funds may be requested for as well as a maximum dollar amount allowed per item. It is at the discretion of the Wells EDA if they would like to reimburse any amount over the maximums listed. *(Please note that not all of these items are a requirement and this list is meant simply to be used as a guideline):*
 - Licensing fee - \$50
 - Background check fee - \$50 per person
 - Pre-licensing training - \$175 per person
 - Ongoing training - \$250 per person
 - Fire Marshal inspection - \$50
 - Smoke detectors - \$100
 - Carbon monoxide detectors - \$100
 - Fire extinguishers - \$100
 - Outlet plugs - \$15
 - Stationary baby gate - \$60
 - First aid kits - \$50
 - Plates/Cups/Utensils - \$50
 - Pack 'n Play - \$150
 - Pack 'n Play mattress - \$50
 - Pack 'n Play sheet - \$25
 - Cots - \$125
 - High chair/Booster seat - \$100
 - Fluid Cleanup Kit - \$30
 - Potty seat/chair - \$30
 - Baby monitor - \$50
 - Toys for each age group - \$200 per age group
 - Craft supplies - \$200
 - Strollers - \$100
 - Structural improvements
2. All items for which the child care provider is requesting funds must be approved by the Wells EDA.
3. Other items may also be eligible if prior approval is obtained by the Wells EDA.
4. Items purchased prior to approval will typically not be eligible for funding unless the Wells EDA finds there was a significant underlying reason for the purchase to occur prior to approval (i.e. licensing fee, background check fee, and the like).

Program Guidelines

1. Program management and authority for loan approval is delegated to the Wells EDA.
2. Loan applications will be reviewed at the monthly Wells EDA meetings, which are held the second Thursday of every month at 5:00 pm at the Wells Community Center.
3. The Wells EDA may approve loan issuance after the following items have been submitted and reviewed:
 - a. Completed application
 - b. Business plan – Briefly explain what your intentions are for your child care business. Are you a newly licensed provider or a current provider expanding your business? How many new child care slots are you planning on offering? How long do you plan on running your child care business? Etc.
 - c. Additional proposed expenses – This section is for any expenses that are not listed in the “Expense Description” section. If you are planning any structural improvements please give a brief summary of what the improvements will be and what they will cost.

Loan Disbursement

Awarded loan funds will be dispersed to the child care provider upon submittal of receipts or invoices for supplies purchased.

Repayment of Loan

The Applicant will be required to pay back \$1,000 (without interest) every year on the anniversary of the distribution of loan funds. If, however, the child care business to which the loan was granted is still in business on that anniversary date, the payment for that year shall be forgiven by the Wells EDA. If after three years the child care business to which the loan was granted is still in business, the entire loan amount will be forgiven.

Wells Child Care Forgivable Loan Program Application

Business Name: _____

Property Address: _____

Business Owner(s): _____

Property Owner(s): _____

Mailing Address: _____

Phone Number: _____

Fax Number: _____

Email Address: _____

Expense Description

Please check each item that you plan to purchase and the total dollar amount that you intend to spend on each item.

✓	Item	Quantity	Total
	Licensing fee - \$50		
	Background check fee - \$50 per person		
	Pre-licensing training - \$175 per person		
	Ongoing training - \$250 per person		
	Fire Marshal inspection - \$50		
	Smoke detectors - \$100		
	Carbon monoxide detectors - \$100		
	Fire extinguishers - \$100		
	Outlet plugs - \$15		
	Stationary baby gate - \$60		
	First aid kits - \$50		
	Plates/Cups/Utensils - \$50		
	Pack 'n Play - \$150		
	Pack 'n Play mattress - \$50		
	Pack 'n Play sheet - \$25		
	Cots - \$125		

