

Child Care Stabilization Fund launches two additional programs

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Arcata Economic Development Corporation (AEDC) has rolled out two new programs under the Child Care Stabilization Fund to support child care business owners looking to upgrade their facilities, as well as hiring bonuses for those who started working in child care this year.

Last spring, the Humboldt County Board of Supervisors voted to allocate \$4.86 million of State and Local Fiscal Recovery Funds (SLFRF) to support our child care industry. AEDC took the administrative lead on the project, in partnership with the County of Humboldt, Changing Tides Family Services, First 5 Humboldt, and the Humboldt County Office of Education Local Child Care Planning Council to create a collaborative effort that integrates other child care services and resources for providers and parents.

The first new program to launch this year is for the Facility Improvement Forgivable Loans, which offers child care providers up to \$10,000 in small business loans to upgrade their facilities in ways that improve

efficiency, safety, and learning. Investments in facility equipment, environment, and modernization are all eligible project plans.

Payments on these forgivable loans are deferred for six months. Once facility upgrades are completed, the AEDC will use ARPA funds to write off the loan balance.

The second program is for new child care employees who started working on or after January 1st, 2023. These hiring bonuses are aimed at increasing the number of certified providers in Humboldt to create more access to child care, especially in Humboldt's most rural communities.

The new round of hiring bonuses offers up to \$1,000 to full-time employees or \$500 for half-time (12-29 hours) employees. Employees must work a total of 90 days before they are eligible. Simply email the completed application to jade@aedc1.org with the subject line Child Care Hiring Bonus Program or mail a hard copy of the application to 707 K Street Eureka, CA.

The Retention Bonus program, which recently closed its first round of funding, allowed Humboldt County child care providers operating in the peak of the Covid pandemic to receive a retention bonus of up to \$6000 for remaining open when so many providers were forced to shut down.

"Child care workers tend to be undervalued and are underpaid even though we are considered essential workers," says Michele Palazzo, head teacher at Beginnings Inc. in Redway. "Receiving a bonus like this not only assisted each of us with our daily lives but was also a necessary boost for morale."

AEDC is a Community Development Financial Institution committed to delivering responsible, affordable lending to help low-income, low-wealth, and other disadvantaged people and communities join the economic mainstream. AEDC provides loans and support to entrepreneurial, innovative business and community endeavors, such as the Humboldt Child Care Stabilization Fund.

Head to www.humboldtchildcare.org to learn more about the financial aid available to Humboldt Child Care providers and families, or contact Jade Hoff at jade@aedc1.org with any questions.