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FOR IMMEDIATE RELEASE

ChildCare Stabilization Fund Launches Two Additional Programs for New Hires and Facility Improvement

After the success of last year's retention bonuses for local childcare workers, the Arcata Economic Development Corporation (AEDC) has rolled out two additional programs under the Child Care Stabilization Fund to support childcare 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 childcare 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 childcare services and resources for providers and parents.

Humboldt County childcare providers operating in the peak of the Covid pandemic could receive a retention bonus of up to \$6000 for remaining open when so many providers were forced to shut down. "Childcare 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."

To date, the Covid-relief retention bonuses have impacted 405 Humboldt County Child Care providers, with payments totaling \$610,440. Three-hundred and ten of those recipients were childcare employees, and another 95 were business owners.

The first new program to launch this year, Facility Improvement Forgivable Loans, offers childcare providers up to \$10,000 in SBA 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 for receiving the loan.

Providers must complete a project plan outlining how they plan to use their funds by filling out a project [template](#), and by providing an estimate of the project's budget. Once the project is approved, AEDC's Jade Hoff will follow up with a separate application and walk providers through the next steps to receive their funds.

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 remaining loan balance.

The second program is for new childcare employees who started working on or after January 1st, 2023. Similar to the retention bonus, 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.

"It is a big relief to receive these extra funds to offset the losses I have experienced since the pandemic began. This generous additional support is very much appreciated and has been the essential factor keeping my daycare open and providing services for families doing the important work I love while helping young families in my community," said Diane Boutris, owner of Diane Boutris Family Child Care Home in Eureka after receiving her retention bonus last year.

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.

AEDC is a Community Development Financial Institution (CDFI) 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.