



City of Hillsboro Childcare Loan Program

The City of Hillsboro Childcare Loan Program (CLP) is intended to serve as funds to expand or improve the availability of childcare within the city.

Who Can Apply?

To qualify for the CLP, the project must be located within the City of Hillsboro. The childcare center can either be home-based or center-based, as well as either for-profit or non-profit. The applicant must provide full-time care of forty-plus (40+) per week to at least five (5) children. In addition, no more than 25% of the children served can be directly related to the applicant of the loan. The childcare center must be licensed to receive funding or be working toward licensure. The CLP is aimed to help fund new childcare centers, but existing childcare centers can apply if the loan funds lead to job creation or expand the center to accommodate additional children.

Eligible Projects:

1. Training and Licensing Costs
2. Fixed Machinery and Equipment
3. Building Purchase, Construction, and Renovation – Loan funds are used to make property suitable for childcare. Typically, related to improvements so the property can be licensed, or it expands the licensed space.
4. Operational Costs

Loan Parameters:

1. **Loan:** Up to a \$5,000.00 loan for home-based licensed childcare centers. Up to \$10,000.00 for center-based licensed childcare centers.
2. **Terms of Loan:** The interest rate for CLP loans shall be 1.00%. The term of the loan shall be determined by the city and shall not exceed a period of five (5) years.
3. **Loan Forgiveness:** If the applicant successfully pays off the loan in the agreed upon term, the city shall forgo the last ten percent (10%) of the loan payments by the applicant. If the applicant fails to pay the loan in the agreed upon term, the applicant shall not receive the ten percent (10%) payback grant and shall be responsible to pay any required interest for breaking the terms of the loan agreement.
4. **Disbursement:** The loan funds shall be disbursed either to pay an invoice for an approved loan expenses or to reimburse the owner for paid expenses upon furnishing of a receipt.

Application Timeline and Approval Process:

City Hall • 123 Mechanic Street • P.O. Box 447 • Hillsboro, Wisconsin 54634
Phone: (608) 489-2521 • Fax: (608) 489-3905 • www.hillsborowi.com

The timeline and approval process for the CLP may vary depending on any referral to the Hillsboro Community Development Authority (HCDA) for larger projects. Generally, the loan process will take 2-3 months.

The approval process is as follows:

1. Meet and discuss the proposed project with the City Administrator.
2. Consult with the Wisconsin Early Childhood Association and the Wisconsin Early Education Shared Services Network (WEESN) - <https://wisconsinearlychildhood.org/programs/weesn/>.
3. Complete and submit the loan application and all supporting documents
4. Applications will be reviewed and approved by any of the following depending on funding sources: Hillsboro City Council and/or HCDA Committee.

Contact:

For more information about the CLP, contact the City Administrator at (608)489-2350 or admin@hillsborowi.com.

City of Hillsboro Childcare Loan Program

INTENT

The City of Hillsboro Childcare Loan Program (CLP) is intended to serve as funds to expand or improve the availability of childcare within the city.

LOAN PARAMETERS

ELIGIBLE PROJECT AREA:	To qualify for the CLP, the project must be located within the City of Hillsboro. The childcare center can either be home-based or center-based, as well as either for-profit or non-profit. The applicant must provide full-time care of forty-plus (40+) per week to at least five (5) children. In addition, no more than 25% of the children served can be directly related to the applicant of the loan. The childcare center must be licensed to receive funding or be working toward licensure. The CLP is aimed to help fund new childcare centers, but existing childcare centers can apply if the loan funds lead to job creation or expand the center to accommodate additional children.
LOAN AMOUNT:	Up to a \$5,000.00 loan for home-based licensed childcare centers. Up to \$10,000.00 for center-based licensed childcare centers.
TERM OF LOAN:	The term of the loan shall be determined by the city and shall not exceed a period of five (5) years.
INTEREST RATE:	The interest rate for CLP loans shall be 1.00%.
LOAN FORGIVENESS:	If the applicant successfully pays off the loan in the agreed upon term, the city shall forgo the last ten percent (10%) of the loan payments by the applicant. If the applicant fails to pay the loan in the agreed upon term, the applicant shall not receive the ten percent (10%) payback grant and shall be responsible to pay any required interest for breaking the terms of the loan agreement.
PROMISSORY NOTES:	A Promissory Note signed by the applicant(s). Where possible, the City will hold a mortgage as collateral for the loan.

ELIGIBLE PROJECTS

- Training and Licensing Costs
- Fixed Machinery and Equipment
- Building Purchase, Construction, and Renovation – Loan funds are used to make property suitable for childcare. Typically, related to improvements so the property can be licensed, or it expands the licensed space.
- Operational Costs

City of Hillsboro Childcare Loan Program

CONTACT INFORMATION

BUSINESS NAME:				
BUSINESS ADDRESS:		CITY:	STATE:	ZIP:
CONTACT PERSON:				
DAYTIME PHONE:		CELL PHONE:		

PROJECT INFORMATION

Please attach a Business Plan and narrative, including a clear, detailed description of the proposed project, why it is important to undertake and what it is expected to achieve.

ESTIMATED COSTS (please itemize)

FINANCING SOURCES (please itemize)

	\$		\$
TOTAL COSTS	\$	TOTAL FUNDS	\$

BANK INFORMATION

NAME OF BANK:		CONTACT PERSON:	
ADDRESS:		PHONE NUMBER:	

JOB CREATION INFORMATION

OF FULL-TIME JOBS CREATED: _____

OF PART-TIME JOBS CREATED: _____

AVERAGE FULL-TIME SALARY: \$ _____

AVERAGE PART-TIME SALARY: \$ _____

LOAN REQUEST

LOAN AMOUNT: \$ _____

PURPOSE:

USE OF PROCEEDS	LOAN AMOUNT REQUESTED
A. Training and Licensing Costs	\$ _____
B. Fixed Machinery and Equipment	_____
C. Building Purchase, Construction and Renovation	_____
D. Leasehold Improvements	_____
E. Operational Costs	_____
F. Working Capital	_____
G. Other Debt Payment	_____
H. Other	_____

TOTAL LOAN REQUESTED	\$ _____

SUMMARY OF COLLATERAL

TYPE OF COLLATERAL	PRESENT MARKET VALUE	PRESENT MORT. BALANCE	COST LESS DEPRECIATION
A. Land and Building	\$ _____	\$ _____	\$ _____
B. Machinery and Equipment	_____	_____	_____
C. Furniture and Fixtures	_____	_____	_____
D. Accounts Receivable	_____	_____	_____
E. Inventory	_____	_____	_____
F. Other	_____	_____	_____
TOTAL COLLATERAL	\$ _____	\$ _____	\$ _____

DESCRIBE PRIMARY SOURCE OF REPAYMENT

SIGNATURES

By: _____ Date: _____

By: _____ Date: _____