

GUIDELINES FOR

Economic Development Microenterprise Assistance Program



OPERATED BY

City of:
Garden Grove, Ca

ADOPTED

Dept. Updated: July 2024



TABLE OF

Contents

1 Introduction 3

**2 Business Assistance
Program Overview**

- 2.1 Program Admin 4
- 2.2 Program Description 4
- 2.3 Program Service Area 5
- 2.3 Source of Program Funds 5

**3 CDBG Program
Requirements**

- 3.1 Eligible Applicants 6
- 3.2 Eligible Project Costs 6
- 3.3 Ineligible Project Costs 6
- 3.4 Meeting National Objective Standards 7
- 3.5 Meeting Public Benefit Standards 8
- 3.7 Meeting Other Fed. Regulatory Requirements 8

4 Application Processing

- 4.1 Application Process 9
- 4.2 Program Eligibility and Review Process 9
- 4.3 Program Applicant Confidentiality 10
- 4.4 Applicant Dispute Resolution/Appeals Procedure 10

**List of Attachments with
Support Documents**

ATTACHMENT A: Intake Form

ATTACHMENT B: Duplication of Benefits Disclosure

ATTACHMENT C : Self Certification of Income Form

Introduction

The City of Garden Grove has established a Microenterprise Business and Technical Assistance Program named the Business Operations & Optimization Support Tools (BOOST) Program, hereafter called “the Program”. The Program is designed to use public taxpayer dollars to stimulate economic growth by providing technical assistance, business coaching, and support to microenterprise childcare owners and persons developing these microenterprises. The goal of the Program is to improve living conditions of low / moderate income residents in the community.

The Program provides business and technical assistance, support with hiring teaching assistants, capacity expansion, and increasing child enrollments to eligible childcare microenterprise business. In order to qualify, businesses are required to provide documentation of an active license and household income.

These Program guidelines describe the policies and procedures required to participate in the BOOST Program and how program participants can apply.



Business Assistance Program Overview

2.1 Program Administrator

The City has secured the services of WeeCare Inc., DBA Upwards to serve as the Program Administrator. We will be charged with originating business and technical assistance support, documenting compliance with Community Development Block Grant (CDBG) regulations and the Program guidelines. The contact information for the Administrator is:

Name: Judith Ahumada
Agency: WeeCare DBA Upwards
Address: 5521 N University Dr. Suite 104
Coral Springs Fl 33067
Phone Number: (323) 544-3552
E: Mail Address: Judy@upwards.com

2.2 Program Description

The BOOST program is designed to assist family child care home providers in optimizing their operations and achieving financial stability. Through the implementation of business automation tools, BOOST enables providers to streamline their processes, ultimately saving valuable time. By leveraging a robust Child Care Management System, providers can automate enrollments, manage and build their waitlists, track

attendance, facilitate tuition payments, and even match with interested families in real time.

BOOST is an economic development program tailored to serve in-home daycare owners through personalized 1:1 business and operational support. BOOST aims to cultivate healthy daycare business models and sustainable revenue generation, year after year. Its overarching goal is to support daycare providers on their business optimization journey and bolster the local childcare ecosystem.



BUSINESS ASSISTANCE PROGRAM OVERVIEW

Moreover, BOOST doesn't just stop at providing tools—it equips providers with the skills to market themselves effectively. By leveraging the largest childcare network in the US, providers learn how to attract and retain clients, ensuring their child enrollment reaches its maximum capacity and remains consistent over time.

2.3 Program Service Area

Microenterprise Business and Technical Assistance Activities under this Program are available to all eligible businesses physically located within the city of Garden Grove. These funds may not be used for

be used in other jurisdictions that receive CDBG funds from the federal Department of Housing and Urban Development (HUD) entitlement program. This Program is subject to CDBG service area requirement of substantially benefiting residents in the service area.

2.4 Source of Program Funds

The Program is financed with federal funds awarded by HUD to the sub-recipient. As such, federal laws and regulatory requirements must be followed.



CDBG Program Requirements

3.1 Eligible Applicants

Funding under this Program is available to all eligible low income microenterprise childcare providers located within Garden Grove. A microenterprise business is defined as employing fewer than five (5) employees. Applicants must be an existing legal business located within the city with insurance, and all applicable required state and local permits/licenses. Businesses that may not have an active city business license will receive support from the program to obtain one.

3.2 Eligible Project Costs

CDBG funds are non-discretionary and restricted to certain eligible costs. These eligible costs include staff salaries, technology costs and essential programmatic supplies associated with assisting Garden Grove microenterprises.

These eligible costs must be connected to the business' ability to meet an eligible CDBG national objective of these program guidelines.

3.3 Ineligible Project Costs

The goal of this Program is to stimulate economic growth and create/retain high quality jobs within the childcare ecosystem. There are restrictions in how CDBG funds can be utilized, as well as certain ineligible expenses. CDBG funds under this

Program will not pay for:

- Costs associated with supporting "other" businesses the applicant owns;
- Personal expenses such as cars, home repairs, not directly associated with the business;
- Costs of paying off credit cards (personal or business); and,



3: CDBG PROGRAM REQUIREMENTS



- Costs of paying off any personal debt not directly associated with business.
- Once approved, funds cannot be shifted from one approved type of cost to another without formal written approval of Lender.

3.4 Meeting National Objective Standards

All CDBG funded projects must meet a “National Objective” as described in the federal regulations. Use of funds under this Program must meet the National Objective of “benefiting low and moderate income persons by satisfying the requirements under “Limited Clientele Activities” and/or “Job Creation/Retention”.

Limited Clientele - An applicant meets the Limited Clientele objective when they meet federal income limits, as outlined by the Housing and Urban Development Department. In order to meet this requirement, the approved

microenterprise owner completes a self-certification form where they include household size and household income among other demographic information to determine eligibility.

Job Creation/Retention - An applicant meets the Job Creation/Retention objective when the business in question uses the Program to create or retain jobs, of which 51% will be held or made available to LMI persons. In order to meet this requirement, the approved microenterprise shall certify the following:

- Report that new low/moderate income jobs have been created/retained and filled by LMI individuals by submitting a self-certification form to be completed by each owner and employee holding the new/retained positions.
- Provide documentation of the business owner's proof of income such as paystub, or W2.
- All employee information is confidential and will not be released unless disclosure is required by law.

3: CDBG PROGRAM REQUIREMENTS

3.5 Meeting Public Benefit Standards

CDBG regulations require that Economic Development related activities provide benefits to LMI individuals. Upwards' BOOST Program provides microenterprise technical assistance to childcare providers, meeting the Limited Clientele (LMC) National Objective.

For qualifying Job Creation/Retention applicants under this Program, the following criteria is required:

- One full-time equivalent (FTE) job must be created/retained.
- More than one (1) Part-time staff may be combined to make up one FTE.

As with the National Objective requirement, each microenterprise owner, new hire, and/or retained position, must

complete a Self-Certification form to determine household income and eligibility. This form must be completed and provided to the City so that the demographic and income information can be included in the annual report submitted to HUD.

3.6 Meeting Other Federal Regulatory Requirements

Duplication of Benefits Certification: We require an electronic Duplication of Benefits Disclosure from applicants. Duplication of benefits occurs when Federal financial assistance is provided to a person or entity through a program to address losses resulting from a federally declared emergency or disaster, and the person or entity has received (or would receive, by acting reasonably to obtain available assistance), and the total amount received exceeds the total need for those costs.



Application Processing

4.1 Application Process

Program applications are processed on a first-come, first-served basis and applicants are prioritized based on their level of risk and need.

The application process generally follows these procedures:

- Applicants are directed to complete an online application on our online portal <https://upwards.com/provide-care/boost> to determine eligibility. The online application includes a self certification section where applicants declare their household size and income along with additional demographic information. We request income documentation for 20% of our program participants. Applicants that do not meet eligibility requirements are notified with an explanation of outstanding deficiencies.
- Eligible applicants are then assigned a dedicated Care Specialist who crafts a customized Individual Business Action Plan based on the daycare owner's business optimization needs and desired goals.
- The dedicated Care Specialist provides 1:1 support throughout the daycare owner's application process and program selection journey.

To complete an application for the BOOST Program, please visit:

<https://upwards.com/provide-care/boost>

4.2 Program Eligibility and Review Process

The target population for this program is low to moderate income microenterprise owners who run licensed childcare facilities, also known as home daycares. This population is majority female-run, minority-owned microenterprise businesses who often serve as the primary income-earners in the household. Most of



4: APPLICATION PROCESSING

these childcare providers are located in opportunity areas and play a huge role in a neighborhood's revitalization efforts. The BOOST program is designed to approve participants based on High-Risk /High-Need Assessments that reflect their personal situation and the area they serve. High-Risk factors include income, race/ethnicity, and other factors.

High- Need Areas include zip codes with high populations of single-headed households, Black and Hispanic families with children under six years old, and schools with high participation in free or reduced-lunch programs.

Microenterprise participants are required to report their income and household size to determine their LMI eligibility. HUD requires subrecipients to verify household income for participating providers and ensure that household income is within the low income limits for Garden Grove according to limits established by HUD.

4.3 Program Applicant Confidentiality

Administrator, City or any persons involved in the application process for this Program will not disclose any of the applicant's business or personal confidential information. All confidential information will only be disclosed to persons required to view the information as part of the approval process. All personal and business confidential information will be kept in a secured drive and are not available to



persons outside of the program. If the Lender or Administrator receives a formal public records request for an applicant's file, then only non-confidential information, as verified by legal counsel, will be provided.

4.4 Applicant Dispute Resolution/Appeals Procedure

Any business applying for assistance through this CDBG program has the right to appeal, if their application is denied. The appeal must be made in writing to the Administrator and the Lender. The Lender will schedule a meeting for the appeal to be heard.