TO: Scott Nicewarner, City Administrator

FROM: Chris Siemerling, Economic Development Specialist

DATE: April 1, 2026

RE: Bright Start – Childcare Grant Program (New or Expanded)

At the April 7, 2026 Work Session, staff will review proposed guidelines for the creation of the "Bright Start – Childcare Grant Program" funded by $250,000 in awarded State Community Legacy Funding.

This program will operate as a 1:1 matching grant designed to support and encourage new or expanded childcare services within the City's Sustainable Communities Area. There is no City match. The match comes from the applicant.

These funds will assist by helping offset costs associated with meeting State regulatory requirements and preparing facilities for operation. Funding may be used for property upgrades needed to comply with State mandates, facility renovations, equipment purchases, and marketing efforts to ensure the space is ready to serve children. By reducing key financial barriers to starting or expanding childcare within the City, the program aims to make these services more feasible for providers and may be combined with other City, County, State, or related funding programs to further support this goal.

Deadline to apply will be 1/31/2028, or until funds are no longer available.

On 06/04/2025 Mayor and City Council approved the City's application to the Community Legacy program through the state for this program.

Attachments: Draft Motion
Proposed Program Guidelines
Proposed Program Application

c: Jill Thompson, Director of Planning & Economic Development

REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

DATE: April 28, 2026

TOPIC: **Approval of the Guidelines and Application Form for Bright Start – Childcare Grant Program (New or Expanded)**

Charter Amendment	__
Code Amendment	__
Ordinance	__
Resolution	__
Other	X

MOTION:

I hereby move for the Mayor and City Council to approve the attached Guidelines and Application Form to create the Bright Start – Childcare Grant Program. Staff may make administrative edits with the approval of the City Administrator.

The program will be funded with $250,000 of awarded State Community Legacy funding.

DATE OF INTRODUCTION:	4/28/2026
DATE OF PASSAGE:	4/28/2026
EFFECTIVE DATE:	4/28/2026

Bright Start - Childcare Grant (New or Expanded) Guidelines

The City of Hagerstown has established an incentive program to expand access to high-quality childcare within the City's Sustainable Communities Area by reducing financial barriers for operators seeking to open new facilities or expand services for childcare.

Guidelines:

- The grant(s) awarded under the Bright Start – Childcare Grant Program shall be a minimum of $10,000 up to maximum of $250,000. A cross-department Review Committee will use the following criteria in determining grant eligibility:
  - Applicant/Project Need,
  - Infant and Toddler Care Capacity,
  - # of Jobs Created,
  - Hours of Operation,
  - Viability of Business Plan/Business Experience & Capacity,
  - Economic Impact of the Project,
  - Amount of Investment or Capital Expenditures,
  - Length of Prior Vacancy.
- Awarded grants require a 1:1 match from the applicant completing the project. Example: A $100,000 grant would require a match of at least $100,000 for a total project cost of $200,000.
- Funds may be used for the renovation/fit-out of an eligible space, construction of a new building or addition, and the purchase of furniture, fixtures, equipment required for operation and marketing of the facility.
- Applicants must be the party responsible for the costs of the improvements.
- A project must be classified as "in planning" at the time of application. Projects that are already in progress or completed are not eligible. Approved projects must begin within three (3) months of receiving approval.
- Timeline must show completion of project, as described by the applicant in the Application and Development Plan, no later than 05/31/2028.
- Applicants may apply and utilize other grant and incentive programs, such as Invest Hagerstown, but must provide unique expenses/receipts for each City program used.
- All upgrades must be performed to City Code and will be regulated through the City's Permits & Inspections Department.

- All projects shall comply with Federal, State and Local codes, laws and ordinances.
- Funds shall only be disbursed after staff have verified all work in the Application and Development Plan has been completed to Code, including all required site inspections and approvals, any required State licensing has been completed and obtained, and final receipts have been submitted.
- The City will issue a 1099 form following grant disbursement, and the grant may be taxable based on that year's State and Federal tax guidelines.
- Once a project is approved, any changes in the scope or timeline will require the project to be resubmitted for determination of continued eligibility.

Eligible Applicants:

- Non-profit or For-profit Applicants.
- Projects must create new or expand existing licensed childcare facilities. Projects must be within the City's Sustainable Communities Area (See attached map).
- Applicants must obtain or demonstrate eligibility for childcare licensing through the State of Maryland's Office of Child Care.
- A signed letter of intent or draft/signed lease is a required attachment. Applicant must demonstrate they are responsible for the expense of the scope of work proposed.
- Eligible In-Home providers must be able to demonstrate compliance with all applicable zoning, building, safety, and State of Maryland License regulations. Improvements must be directly attributable to the childcare operation.
- Applicants shall provide a signed lease or Letter of Intent (LOI) showing a minimum duration of one (1) year or longer.

Ineligible Applicants:

- Projects where construction/renovations, or other listed project expenses, have already begun will not be eligible for consideration.
- Operating expenses such as rent, utilities, employee salaries, etc. are ineligible for the program.
- Grants will not be provided for applications that include or support projects for which the principal use is one of the following types of activities: pawn shops, gun shops, tanning salons, massage parlors, adult video/book shop, adult entertainment facilities, check cashing facilities, gambling facilities, tattoo parlors, or liquor stores.
- Individuals, businesses, and properties not in Good Standing with the City of Hagerstown or State of Maryland will not be considered.

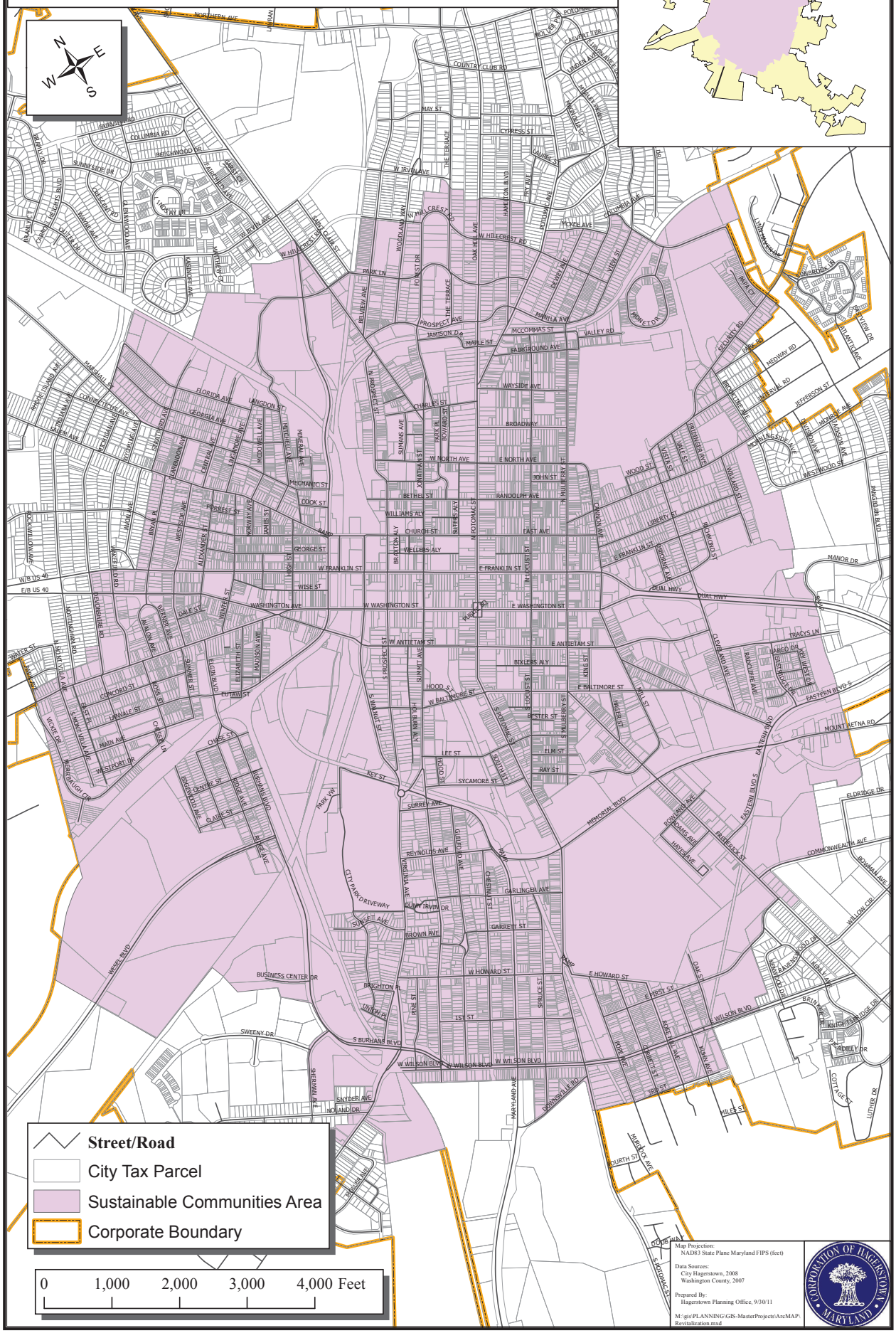
Application Process and Requirements:

1. Complete the Childcare Grant Application and provide all required attachments.
2. Return completed application and required attachments via email to csiemerling@hagerstownmd.org, or in person/mail to 32 N. Potomac Street, Suite 200, Hagerstown, MD 21740.
3. All applications and supporting documents must be submitted for consideration no later than 1/31/2028.
4. All grants are subject to funding availability.
5. All applications shall be reviewed by a cross-department review committee on a first-come, first-served basis.
6. The Review Committee will review the application and supporting documents to determine the eligibility and level of funding that may/may not be awarded.
7. Funding for this program is provided through the State of Maryland as pass-through funds; therefore, all applications are subject to review and final approval by the State.
8. Additional project information may be requested at any time during the process.

Please direct questions to:

Chris Siemerling
Economic Development Specialist
Department of Planning & Economic Development
City of Hagerstown
32 N. Potomac, Suite 200, Hagerstown, MD 21740
Phone: 301-797-6294 Email: **csiemerling@hagerstownmd.org**

City of Hagerstown
Sustainable Communities Area



Map Projection:
NAD83 State Plane Maryland FIPS (feet)

Data Sources:
City Hagerstown, 2008
Washington County, 2007

Prepared By:
Hagerstown Planning Office, 9/30/11

M:\gis\PLANNING\GIS-MasterProjects\ArcMAP\Revitalization.mxd

CORPORATION OF HAGERSTOWN MARYLAND

BRIGHT START – CHILDCARE GRANT (NEW OR EXPANDED)
Application Form

Property Information

Property Address: _____, Hagerstown, MD Zip: _____

Applicant Information:

Name: _____

Company: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Phone: _____ Email: _____ Website: _____

Business Type: [ ] For-Profit [ ] Non-Profit

Project Information

Expected Start Date: _____

Expected Completion Date: _____

Total Project Cost: $_____

Grant Request Amount ($10,000-$250,000, and not to exceed 50% of total project cost): $_____

Project Square Feet: _____sqft

Has the property been vacant, and if so, for how long? (Yes / No)
Vacant Since _____(month/year)

Terms of Lease:

Lease Start Date: _____Number of years: _____

How many new jobs will be created within 2 years of the project completion? ____ new jobs

Required Attachments:

ALL APPLICANTS:

- ☐ Narrative Description of Project (Development Plan) to Include:
  - Description of the Project including renovations, improvements, and upgrades to existing facilities;
  - Description of planned occupancy; and
  - Description of the anticipated economic impact of the project on the immediate commercial area/neighborhood.
- ☐ Business Plan with Financial Projections
- ☐ Project Timeline
- ☐ Project budget and itemized quotes and estimates detailing the scope of work for the project.
- ☐ If applicant is acting as its own General Contractor, at least one outside construction cost estimate for the full scope of work for the project must be provided to illustrate that expenses are in line with market-rate costs.
- ☐ Financing plan showing proposed funding sources and any other incentives or grants being used (bank statement, confirmed loan letter, award letters, etc.)
- ☐ Photo(s) including 1 front, street view of the property
- ☐ Design Plans/Floor Plans
- ☐ Signed Letter of Intent (LOI), copy of a draft or executed lease showing a minimum duration of one (1) year. If a draft lease or LOI are submitted, a final executed lease reflecting the same terms and conditions will be required prior to finalization of the incentive.

Applicant Signature:
By signing below, I certify that the information above is true and correct, I agree to comply with the program requirements and eligibility as described in the Bright Start Childcare Grant Guidelines, and I understand that if my application is approved, failure to comply will result in termination of the Letter of Commitment and forfeiture of grant funds committed.

_____ _____

Applicant's Signature *Date*

Return to:

Chris Siemerling
Economic Development Specialist
Department of Planning & Economic Development
City of Hagerstown
32 N. Potomac, Suite 200, Hagerstown, MD 21740
Phone: 301-797-6294 Email: csiemerling@hagerstownmd.org