

(#1)



First Children's Finance

Mike

Thank you for meeting with us and giving us the opportunity to work with you on the potential project in Gilbert. Below is a diagram highlighting the high-level statewide child care need data by region from our Child Care Need Summary dated June 2022. This is public information and can be found on our website at <https://www.ruralchildcare.org/data>.

Area Childcare need:

| City | CCC Capacity | FCC Capacity | Total Capacity | Capacity* | Under '6' Working | Children Under 5** | Child Care Need |
|---------------|--------------|--------------|----------------|-----------|-------------------|--------------------|-----------------|
| Hoyt Lakes | 0 | 10 | 10 | 9 | 27 | 23 | -14 |
| Aurora | 0 | 26 | 26 | 22 | 94 | 80 | -58 |
| Biwabik | 0 | 0 | 0 | 0 | 40 | 34 | -34 |
| Gilbert | 0 | 0 | 0 | 0 | 80 | 68 | -68 |
| Eveleth | 140 | 50 | 190 | 162 | 234 | 199 | -37 |
| Virginia | 247 | 60 | 307 | 261 | 245 | 208 | 53 |
| Mountain Iron | 90 | 12 | 102 | 87 | 86 | 73 | 14 |
| | 477 | 158 | 635 | 541 | 806 | 685 | -144 |

Our summary of the childcare need is a shortage of 144 slots. The region shows an overage in Virginia and Mt. Iron while indicating a slight need in Eveleth and Gilbert. The main work hub is the community of Virginia which supports that shortage with parents bringing their children to their employment community for care.

Recommendation

We recommend that solutions to child care shortages be met with the right-sized solutions in order to elevate the success and sustainability of new programs. Given the size of the need as depicted within our Child Care Need Summary mentioned above, a child care center in the Gilbert area may not be the right-sized solution at

this time. In addition to the need, it is also important to consider area staffing dynamics, as other local programs are experiencing staffing challenges at this time.

One option to explore may be family child care located in a commercial setting such as a "Pod". This model would be licensed and regulated by St. Louis County Child Care Licensing. If this option is a consideration, First Children's Finance recommends you begin your conversation with St. Louis Child Care Licensing and then the Fire Marshal.

Regardless of the direction, you decide to go, First Children's Finance would be happy to provide you with business-related consultation services. Our services are free of charge due to generous funding from the Department of Human Services. I have included a flyer of our services for your review.