

SOUTH DAKOTA
GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

CHILD CARE GRANT PROGRAM

JOINT FUNDING EFFORTS WITH THE DEPARTMENT OF SOCIAL SERVICES



SOUTH DAKOTA
GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

TWO PHASED FUNDING APPROACH



PLANNING



IMPLEMENTATION

GOAL OF FUNDS



- The emphasis of this grant program was to provide funds for innovative community-based child care solutions. Many of the projects aimed to expand sustainable, reliable, quality child care services and provide career pathways to improve the workforce.
- Not just supplies for daycares.

GOAL OF FUNDS



- Needed to have a multifaceted partnership explained in their applications.



- Partnership examples:
 - City, Economic Development office, non-profit, church, school, daycare



PLANNING AWARDS



- November 2023 GOED awarded \$1.1 Million to 28 communities to assist with planning

PLANNING IDEAS



- Creating a list of local substitutes
- Community survey to understand needs
- Transportation evaluation for bussing

IMPLEMENTATION AWARDS

- February 2024 GOED awarded \$3.8 Million to 13 communities.
- This funding was to actually implement the programs.



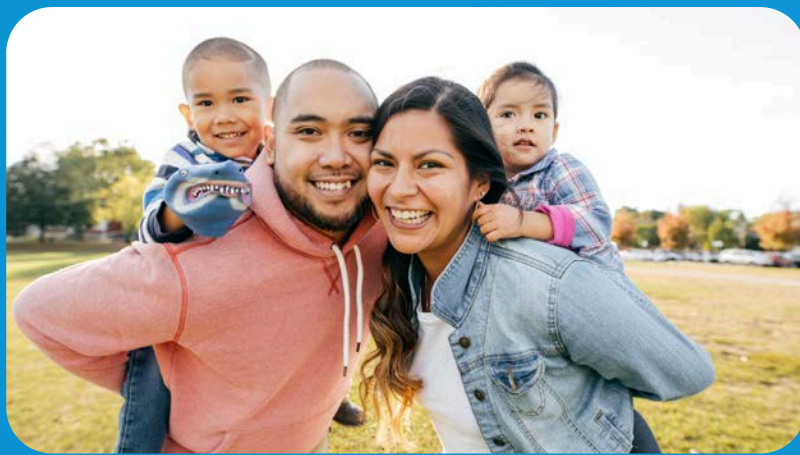
IMPLEMENTATION AWARDS

- McIntosh- Governor's Home
- Rapid City – Childcare Business Bootcamps
- Murdo – Educate students to fill childcare gaps and receive certs.



WHY DID LAIC GET INVOLVED IN CHILDCARE?

INVESTING IN CHILDCARE TO STRENGTHEN MADISON'S WORKFORCE



- Workforce development is at the core of LAIC's mission
- Lack of accessible, affordable childcare identified as a top barrier for working families
- A stable childcare system helps attract and retain employees across industries
- Quality of life matters: supporting families supports economic growth

WHERE DID WE BEGIN?

FROM IDEA TO ACTION



- Community conversations & studies conducted in 2021-2022 revealed childcare as a critical need
- Formed partnership with educators, local leaders, and eventually EmBe
- After many failed attempts, identified and secured a site
- Pursued grants, gifts, and pledges backed by favorable financing to develop a financially sound, scalable solution
- **Goal:** break down infrastructure barriers and focus on what LAIC is proficient in- infrastructure

SUPPORT FROM THE GOVERNOR'S OFFICE & GOED

GOVERNMENT ENTITIES SUPPORT THAT MADE IT POSSIBLE



- GOED granted LAIC 50k for planning & 400k for implementation all through AARPA funds
- Governor's Office consistently voiced support for the innovative public-private model
- Governor's Office awarded LAIC a \$1,020,000 Community Development Block Grant

BUILDING A STRONG FINANCE PACKAGE

CREATIVE & COLLABORATIVE FUNDING



- REDLG loan through Heartland Energy (\$2.3M at 0% interest)
- EmBe operating lease-free to keep tuition affordable
- Local capital campaign: businesses & individuals stepping up
- In-kind contributions from local suppliers
- Long-term ownership/partnership structure to ensure sustainability

BUSINESS COMMUNITY - THE BACKBONE OF SUCCESS

LOCAL SUPPORT DRIVING LOCAL SOLUTIONS



- Over 3.3M gifted & pledged from local individuals & employers
- Strong buy-in from healthcare, education, manufacturing, and many other sectors
- Businesses recognize childcare as key to recruiting and retaining workers

“Grants like the Community-Based Child Care Grant indirectly boost the local economy. Parents who have dependable child care can remain in or re-enter the workforce contributing to local businesses and overall economic growth. GOED’s grant helped ensure that small towns can offer the same critical services that larger communities enjoy. This levels the playing field and fosters sustainable development with strengthens the community’s future.”

- Platte Development Corporation