



The COVID-19 pandemic has amplified critical child care infrastructure needs across Colorado where 51% of Colorado's population lives in a child care desert (defined as having 3 or more children who need care for every child care slot available). This infrastructure is just as essential as roads, bridges, communication networks, and other community services. Executives Partnering to Invest in Children (EPIC) is uniquely positioned to serve as a catalyst to develop solutions around Colorado's child care infrastructure. To reverse the trend of child care program closures and the disappearance of child care slots across Colorado, EPIC is taking action to change the child care business model in a way that supports a healthy, sustainable bottom line while ensuring high quality early learning experiences for children and the ability for families to work. Working to decrease the expenses and increase access to start-up capital and revenues will allow businesses to meet their workforce needs by providing quality child care and long-term early learning services.

## **Economics of Child Care in Colorado**

- → 8th highest cost of child care in the country
- → 7,000+ licensed infant child care slots lost since 2011, nearly 30% of supply
- → Commercial property tax rates are some of the highest in the nation
- → Child care businesses require larger amounts of square footage per child than the average company maintains for employees.
- → Women owners/operators of child care businesses lack access to low-cost capital and financing to support long-term sustainability

## EPIC has developed the Building Up Initiative to support this critical child care infrastructure need.

Building Up will enhance the capacity of EPIC to support the generation of ideas, prototyping solutions, and project management for child care infrastructure projects in addition to advocacy support for state and local efforts in this area. EPIC will support projects from the concept stage through the point when the child care business is ready to operate with data informed decisions.

Areas of impact within the Building Up Initiative include:

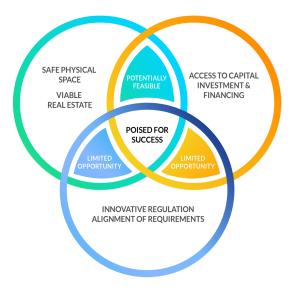
- 1. **Real estate:** Partners will generate ideas to improve access to lower-cost real estate for child care facilities including building owners, developers, commercial real estate associations, and construction experts as well as key public partners in community planning and development.
- 2. **Financing:** Partners with legal, finance, lending, and economic development insights along with public partners who provide child care assistance and community resources will generate ideas to increase start up capital and other funds to support sustainable child care business models.

3. **Barriers to Entry:** New policy will be developed to eliminate unnecessary barriers to entry for child care business operators and partners seeking to enhance access to child care within the local community, including employers. These are likely to include zoning, licensing, and other regulatory aspects related to both the physical space and the child care business.

## **Strategic Goals**

Building Up seeks to uncover a new sustainable model in Colorado for child care infrastructure to enable statewide access to high-quality, affordable child care. The Initiative will...

- 1. Decrease operating expenses for child care businesses through identification of more affordable and secure facilities for child care within each community.
- 2. Increase revenue available to support sustainable child care access including financial capital financing, employer supports, and philanthropic fund development.
- 3. Clear the path and eliminate barriers to entry through regulatory alignment and innovation.



## **Conclusion**

Through Building Up, EPIC will continue to develop its ability to provide comprehensive support to collaborative efforts by providing expert research and technical assistance/coaching to local project opportunities to increase the availability of child care infrastructure including convening local expertise as needed, provide comprehensive data to inform best decision making, utilize outside facilitation for efficient and effective collaboration, and offer communication support to give transparent and clear information at the local and statewide level.

At a time of great need and significant challenge, EPIC seeks to provide strong leadership to support a critical state need through strong collaboration, data informed decision making, and innovation for long term success.