

THE MISSION OF THE DULUTH 1200 FUND IS TO FOSTER THE LONG-TERM VITALITY AND DIVERSITY OF DULUTH'S ECONOMY BY PROVIDING SUSTAINABLE AND RESPONSIVE GAP FINANCING AND FUNDING OPTIONS THAT EMPOWER LOCAL BUSINESSES TO STARTS, GROW, AND THRIVE.

Childcare Collaboration Grant Program Overview

PURPOSE: The purpose of these programs is to provide grants to assist licensed childcare providers in creating new childcare availability for families in Duluth, Minnesota.

ELIGIBLE USES: These are flexible funds to be utilized for new childcare operations in need of state license and training requirements, furnishings, equipment, capital improvements for the space and working capital needs.

The 1200 Fund aims to collaborate with entities seeking to address the childcare shortage in Duluth, such as but not limited to: The Northland Foundation, APEX, Minnesota Power, ARDC Revolving Loan Fund and Entrepreneur Fund. The 1200 Fund assistance may be in the form of a grant or a forgivable loan. The childcare provider must be licensed. Priority will be given to providers that prioritize infant care and that offer extended/flexible hours. The 1200 Fund's assistance shall not exceed 25% of funding provided, with other limitations based on spaces created. The maximum amount for any collaboration grants will be \$100,000.

STRUCTURE: The City of Duluth Planning and Development department staff will provide the initial screening of applications via review of a pre-application form to determine compliance with the 1200 Fund Loan Criteria. Applications may work with other local development agencies to prepare their applications. Applicants will be required to pay reasonable legal and closing fees incurred for loan processing and any potential closing costs involved in making the loan lower. Grant approvals may take between 4-6 weeks from the date of the submitted application to be approved.

Applicants will be required to submit for review:

- A comprehensive business plan
- Three-year projection of both the balance sheet and income statement,
- Sources-and-uses of funds,
- An assessment of the potential of the business.
- Financial statements for the immediate past three years
- In person presentations are required to introduce the project for funding.

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THIS PROGRAM WAS APPROVED BY THE DULUTH 1200 FUND BOARD
ON THE 10TH DAY OF APRIL, 2025



DULUTH1200 FUND

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