



To Whom It May Concern,

On behalf of the teachers, administrative staff, and board of directors of Kid Zone, a non-profit childcare center in Hopkins, MN, I am writing to urge you to approve SF4430, the proposed bill that would provide a 10% rebate on gross rent for non-profit childcare centers who rent their space. I cannot emphasize enough the positive impact this would have on our center.

As a non-profit early learning center, 99% of our income comes from tuition paid by families, which ranges from \$550/week for infants to \$395/week for our pre-K classroom. We serve 121 children from 87 families in the Minneapolis metro area and set our tuition rates at a level to have our budget break even annually. As a single tenant property, our landlord passes nearly all property expenses onto us. In 2024, property taxes will cost our childcare center \$139k, working out to \$1,148 per child we serve at our daycare facility and representing 6% of the total cost of childcare at our center.

Over the past 3 years, our property tax bill has increased by 72%, putting up a significant headwind on investing in staffing, facilities, and training at a time when the industry is already under strain. In 2023, the property was valued at \$2.6M – a 1M increase over 2021, and in 2024 the value has increased to \$4.2M, an increase that we're still appealing. This rapid escalation has and will again force us to increase tuition for the families we serve to address the gap in income created by the property tax increase.

While I understand that this bill will not recoup the full property tax amount, 10% of our gross rent - or \$17K – would be used to increase wages and invest in our facility. As the president of the Kid Zone Board of Directors, and a parent of two children enrolled, I am extremely invested in advocacy and legislation that will increase the value society places on early education, funding programs, raising teachers wages and ensuring early education programs have a bright future. Please vote for this bill as a right step in that direction.

Sincerely,

Emily Perot
President Kid Zone BOD