

Memorandum

REPORT TO: City Commission

FROM: Jesse DiTommaso, Economic Development Coordinator
Brit Fontenot, Economic Development Director

SUBJECT: Authorize the City Manager to Sign a Grant Agreement for a Portion of Impact Fees Associated with the Early Alpine Academy Child Care Expansion

MEETING DATE: October 28, 2025

AGENDA ITEM TYPE: Grant

RECOMMENDATION: Authorize the City Manager to sign a grant agreement for a portion of impact fees associated with the Early Alpine Academy Child Care Expansion.

STRATEGIC PLAN: 2.1 Business Growth: Support retention and growth of both the traded and local business sectors while welcoming and encouraging new and existing businesses, in coordination with the Economic Development Plan.

BACKGROUND: The importance of early childhood education cannot be overstated. 90% of brain development occurs in children ages 0-5, meaning the vast majority of brain development occurs before children enter kindergarten. Quality early childhood education helps children build a solid foundation for attention, cognition, memory, social-emotional skills, language skills, and sensory and motor skills. Investing in early childhood education reduces educational gaps, economic burdens, and inequities by creating upward mobility through opportunity. Instead of costly and marginally successful programs later in life, quality early childhood education helps prevent the achievement gap by building the cognitive and social skills necessary for school readiness and eventual entrance into the workforce.

Our current economy also relies on a stable child care sector. Child care is the workforce that enables the workforce. The 2025 Montana Department of Labor and Industry Report, [Montanan's for Hire](#), highlights the impact of the lack of child care on labor force participation. According to the report, an estimated 64,000 Montana parents could not fully participate in the labor force in 2024 due to family responsibilities and lack of child care.

The cost of opening a new child care facility presents a significant barrier to child care providers. In the FY25-26 budget process, the City Commission approved the Economic Development budget which included monies for child care tenant improvements that open up more child care slots in the community. Early Alpine Academy is in the process of renovating a private middle school into a new child care facility and has requested assistance with

the associated impact fees.

UNRESOLVED ISSUES: None.

ALTERNATIVES: As recommended by the Commission.

FISCAL EFFECTS: The grant agreement is \$5000, which is available in the approved Economic Development Budget.

Attachments:

[Early Alpine Academy Expansion Grant Agreement FULL.pdf](#)

Report compiled on: October 8, 2025