

Detroit & Wayne County Regional Child Care Plan



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Introduction

Overview

The Regional Child Care Planning Coalition for Wayne County was established in April 2023 to assess regional child care needs and develop a regional action plan to address those needs. The Coalition is focused on the Wayne County region in southeast Michigan, which includes the City of Detroit. The Coalition includes community-based organizations, child care business owners, funding organizations, local government representatives, economic development organizations, and a parent representative. In 2023, the Coalition was led by Hope Starts Here. In 2024, the Coalition's leadership transitioned to IFF with support from the Detroit Regional Partnership and the Detroit Regional Workforce Partnership. Public Policy Associates (PPA) has provided research, consulting, facilitation, and project management support for the Coalition and contributed to the development of this report. See Appendix A for a full list of participating Coalition members.

The purpose of this report is to describe the need for, as well as outline, an action plan to help Wayne County organize and respond to challenges related to the access, affordability, and quality of child care. Where possible this plan presents information broken down by geography (e.g., Wayne County and the City of Detroit or other municipalities within Wayne County), population groups (e.g., race, ethnicity, gender), type of child care business,¹ and age range of child(ren). The purpose of breaking down the information when possible is to acknowledge that Wayne County is a diverse region and that within Wayne County the child care challenges and strategies to address those challenges can vary substantially depending on community and family characteristics. Additionally, in Wayne County there are great disparities in child care access for BIPOC (Black, Indigenous, and people of color) and low-income communities. Breaking down the information helps to shed light on these disparities and to more fully communicate the severity of the child care crises for BIPOC and low-income communities.

This plan is laid out into the following sections:

1. Introduction, including the methodology, which describes the data and information sources used in this report.
2. Defining Child Care Gaps, which presents a set of key challenges related to child care gaps and needs in the region and presents supporting data and information.
3. Framing the Problem, which presents information on the root causes of or reasons for the key challenges.
4. Charting a Course for Action, which presents strategies for addressing the root causes and challenges identified. This section includes information on strategy implementation including key partners, timeline, and projected costs, and on tracking progress for each strategy.
5. Final Thoughts and Conclusions, which provides an overview of the key findings and action strategies and includes thoughts on what comes next for the Coalition.

¹ Child care businesses in Michigan are separated into three categories. Family Child Care Homes typically serve one to 6 children in a private residence. Group Child Care homes typically serve 7 to 12 children in a private residence. Child Care Centers typically serve one or more children at a facility, other than a private residence.

This plan was funded through a grant awarded by the Early Childhood Investment Corporation (ECIC) – Child Care Innovation Fund. The purpose of the grant is to accelerate community-level efforts to develop new partnerships and implement action plans to address the child care crisis.

This plan was supported by funding provided from the Michigan Department of Lifelong Education, Advancement and Potential (MiLEAP) utilizing American Rescue Plan Act (ARPA) funding, from the Office of Child Care, Administration for Children and Families, U.S. Department of Health and Human Services.

Methodology

The problem statements and root causes presented in this report were generated and demonstrated using a combination of primary and secondary research. One central information source was feedback and input from the Regional Child Care Planning Coalition. Discussions on child care challenges in the region and their root causes were facilitated by PPA between April 2023 and June 2024.

Additionally, PPA and IFF conducted original research and analysis for this report, including conducting interviews and analyzing secondary data sources from the U.S. Census Bureau, American Community Survey (ACS); MiLEAP, Office of Great Start (OGS) (formerly with the Michigan Department of Education); ECIC, Great Start to Quality (GSQ) data; and Child Care Market Rate Survey data (originally collected by PPA).

Furthermore, PPA and IFF reviewed survey data and data from listening sessions and focus groups previously conducted by IFF, Congress of Communities, or Hope Starts Here and integrated relevant quotes and information into this report. PPA also collected, reviewed, and summarized existing reports and previously analyzed and aggregated data and information and integrated relevant information into this report.

The findings from these activities were then woven together to identify and demonstrate the problem statements and identify root causes. The findings were also used to inform the development of strategies in this plan.

Original Research

IFF and PPA conducted original research and analysis for this report, as described below.

IFF conducted an analysis of Early Childhood Education (ECE) gaps. Access to ECE services throughout Wayne County is vital to ensure equitable educational opportunities to all communities. This access is measured by the ECE slot gaps based on the population of children ages 0-5 and the number of slots available at different ECE facilities across Wayne County.

- The supply, demand, and gaps are estimates from a point-in-time snapshot and indicate the magnitude and geographic locations rather than exact numbers.
- Demand for ECE slots is estimated from the 2022 Esri single-year data on the population of infants and toddlers (ages 0-2 years), preschoolers (ages 3-5 years), and Pre-Kindergarten (67% of 4-year-olds and 33% of 5-year-olds). This data is further combined with poverty data from ACS 2017-2021 census to identify populations eligible for state and federal subsidies.

- Supply of ECE slots is calculated from the June 2023 data on child care provider capacity from the MiLEAP's OGS.
- Quality Supply of ECE Slots are calculated based on the quality level of ECE providers. Quality providers, as defined by GSQ, are those maintaining one of the three higher Quality Levels: Enhancing Quality, Enhancing Quality – Validated, and Demonstrating Quality. Therefore, gaps in quality care are calculated by subtracting demand from quality supply (i.e., ECE slots offered by providers with higher quality levels).
- The gap in ECE slots was calculated by subtracting the demand from the supply for the municipalities in Wayne County. The service levels, supply divided by demand, indicate the percentage of children with access to ECE in each municipality.
- ECE gaps were calculated for children ages 0-2 and 3-5 and for different subsidy programs such as the Child Development and Care (CDC) state subsidy program, Great Start Readiness Program (GSRP) state subsidy program for Pre-K, HeadStart (HS) and Early HeadStart (EHS) federal subsidy programs.
- Seven municipalities with the largest ECE gaps for ages 0-5 were identified for further analysis. These municipalities are Detroit, Dearborn, Taylor, Westland, Hamtramck, Dearborn Heights, and Canton Charter Township.

The list of variables within the ECE dataset can be found in Appendix B.

IFF conducted a study on zoning regulations and ordinances in Wayne County. The research process involved: (1) reviewing existing studies; (2) conducting stakeholder interviews with ECE providers, community advocates, and state and city officials; and (3) collecting zoning codes and ordinances from the seven municipalities (i.e., cities and townships) identified in the ECE gap analysis. These codes and ordinances were then reviewed to extract information on regulations related to ECE facilities. The research culminated in the creation of a summary zoning code matrix and individual charts for each municipality as well as a memo summarizing the most consequential zoning and regulatory barriers for new ECE providers along with recommendations for their remediation. The findings and recommendations from this study were also incorporated into this plan. The full memo, charts for each municipality, and detailed research methods are included in Appendices C, D, and E.

PPA analyzed 2024 Great Start to Quality data on licensed child care providers in Wayne County. The dataset includes information on hours of services, quality level, type of provider and setting, and types of scholarship/subsidy child care program offered at site. PPA generated descriptive statistics.

PPA analyzed 2023 Michigan's Child Care Market Rate data. PPA generated descriptive statistics for Wayne County from existing child care market rate data that PPA had collected between November 2023 and January 2024. This data originated from a survey that PPA conducted of 8,035 providers using contact information from the Michigan Department of Licensing and Regulatory Affairs (LARA) child care licensing records and the ECIC/GSQ data. Providers received a postcard announcing the survey, an email invitation, and a mailed paper survey from the survey vendor, Dynata. Providers could complete the survey on paper, online, or over the telephone. A total of 2,738 licensed child care providers responded to the survey. Qualitative and quantitative survey data analysis was conducted by members of the PPA research

team. Quantitative data is weighted. Relevant results from prior analysis were also incorporated in this report.

IFF also reviewed and incorporated data previously collected by IFF, Congress of Communities, or Hope Starts Here into this report. These existing data sources included surveys and focus groups of parents and surveys of child care business owners that were conducted prior to the Regional Child Care Planning Grants.

Southwest Detroit Parental Survey, IFF and Congress of Communities, 2022

In 2022, IFF partnered with Congress of Communities (CoC) to survey families in Southwest Detroit to gain better insight into the current experience and interest in (ECE) and care services of families with children under five years. Electronic and in-person event-based outreach efforts were conducted by CoC. A total of 148 parents from Southwest Detroit responded to the survey. The survey was available in both English and Spanish. Data analysis was originally conducted by the research and evaluation department at IFF. Relevant results were later incorporated into this report by the IFF and PPA Regional Child Care Planning Grant project team.

Southwest Detroit Parental Focus Groups, IFF and Congress of Communities, 2022

In 2022, IFF partnered with CoC to convene focus groups of families in Southwest Detroit to gain better insight into the current experience and interest in early childhood education and care services of families with children under five years. Two focus groups were convened, with 10 and 9 parent participants. Qualitative data analysis was originally conducted by the research and evaluation department at IFF. Focus group findings and transcripts were reviewed, and relevant insights were incorporated into this report by the IFF Regional Child Care Planning Grant project team.

Detroit Childcare and Summercare Family Survey, Hope Starts Here, 2020

In 2020, Hope Starts Here partnered with the Detroit Parent Network, Grand Valley State University, Community Education Commission, 313 Reads, Playworks, and DAW (Chioke 1) to survey parents in Detroit to better understand families' post-covid childcare and summer care needs. A total of 304 Detroit parents responded to the survey. The survey was distributed via email and in-person at outreach partner facilities. Data analysis was originally conducted by the Hope Starts Here program team in partnership with the research and evaluation department at IFF. Relevant results were later incorporated into this report by the PPA and IFF Regional Child Care Planning Grant project team.

Detroit Community Listening Sessions, Hope Starts Here: Detroit's Early Learning Partnership, 2017

In 2017, Hope Starts Here conducted a series of listening sessions across Detroit with thousands of Detroiters, including parents, caregivers, educators, health care providers, policymakers, youth and more. These sessions aimed to gather ideas on what early childhood could and should look like in Detroit. The sessions took place over the course of around four months with many occurring on April 27, 2017, during the First Annual Detroit Day of the Young Child. Hosts included organizations such as the Detroit Public Library, Black Family Development, Inc., Living Arts, Brilliant Detroit Parent Center,

Central Detroit Christian Development Corporation, Detroit Parent Network, and Matrix Head Start. By the end of the summer, more than 100 sessions were held, with over 6,500 people providing their input through the in-person sessions, social media, individual outreach, and a poster campaign. Qualitative data analysis was originally conducted by IFF, in partnership with FSG, EarlyWorks, llc., and Special D, with funding support from The Kresge Foundation and W.K. Kellogg Foundation. Relevant results were later incorporated into this report by the IFF Regional Child Care Planning Grant project team.

Literature and Report Review

PPA collected, reviewed, and integrated existing reports and summary data into this report. Existing reports and data sources were identified through desk research, through consultation with ECIC, or provided by Coalition members. Some key reports and summary data that were shared with PPA and integrated into this report include:

Child Development & Care Subsidy Utilization in the City of Detroit: A Report & Recommendations from City of Detroit Office of Early Learning, Office of Early Learning (City of Detroit), 2023

Using information from the Great Start to Quality database, the Office of Early Learning (OEL) conducted phone interviews with 71 child care providers located in the Detroit area. Interviews gathered information about enrollment and Child Development and Care (CDC) scholarship utilization. To gather families' perspectives on CDC utilization, OEL partnered with Detroit Parent Network to conduct outreach to families in the Detroit area and offer support for CDC enrollment. Outreach efforts included phone calls to those on provider waiting lists, CDC enrollment support fliers, and provider- and Detroit Parent Network-led events where families received enrollment assistance.

MiRegistry Statewide and Region 16 (Wayne County) Data, 2023

MiRegistry data from August 2023 is point-in-time educational attainment and wage data for early childhood and out-of-school time educators who participate in MiRegistry. This data does not reflect the entire early childhood and out-of-school time workforce. However, the data includes at least one employee from most (67%) licensed early childhood and out-of-school time programs. Wage data was self-reported by educators on the website and verified by MiRegistry staff, while educational attainment data was verified by MiRegistry staff directly.

Defining Child Care Gaps

The following top child care challenges facing Wayne County were identified through facilitated conversation with the Regional Child Care Planning Coalition and through a review of the data and information collected through the Planning Grant Process:

- Child care is not affordable for parents and guardians in Detroit and Wayne County.
- There is a lack of access to quality child care that meets parents' wants and needs.
- Child care businesses are having difficulty hiring and retaining qualified child care professionals
- Employers in the region cannot effectively recruit and retain the workforce they need because of a lack of affordable, accessible, and quality child care.

This section presents data and information about these challenges in Wayne County including, as possible, presenting differences across sub-groups.

Problem Statement #1: Child care is not affordable for parents and guardians in Detroit and Wayne County

Child care in Wayne County, including Detroit, is unaffordable for many families. Care for infants and toddlers and care provided by licensed centers tend to be more expensive than care for older children or care by home-based providers.

Public Policy Associates (PPA) surveyed child care providers through the Michigan’s Child Care Market Rate study and this data was specifically analyzed to understand the child care cost in Wayne County. In Wayne County, for most age groups, child care centers are more expensive than home-based providers. Providers typically charge higher hourly rates for caring for infants and toddlers compared to other age groups, and licensed centers have the highest rates for this age group. Figure 1 shows the median hourly rates by age group and provider types.

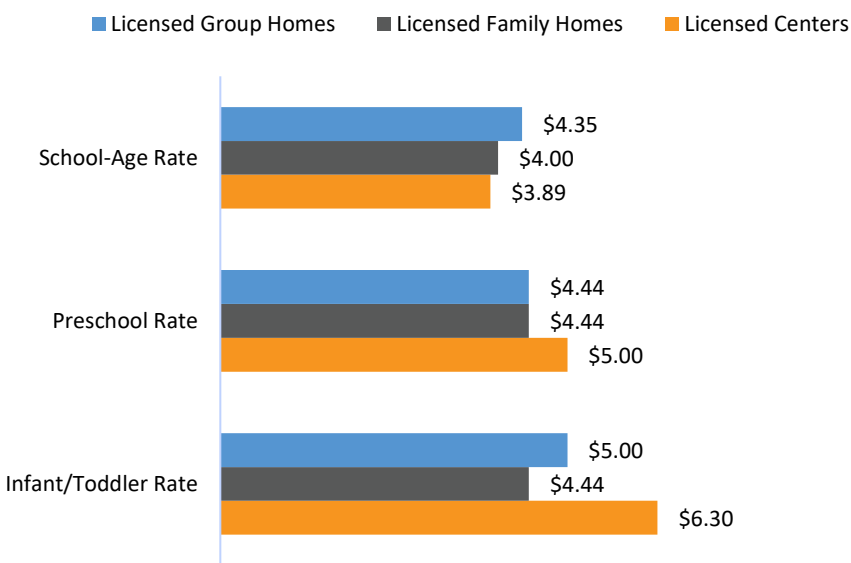


Figure 1. Median Hourly Rates for Child Care by Age Group and Provider Type for Wayne County, 2023

Table 1, below, shows the median biweekly cost of care by age and hours of care by provider type. The hours of care are defined using the State of Michigan’s definition for the number of hours for part-time and full-time and the two-week billing cycle used by the State to reimburse providers for child care scholarship (formerly referred to as subsidy). Hours of care are defined as follows:

- Low-hours part-time: Up to 30 hours bi-weekly
- Part-time: 31 to 60 hours bi-weekly
- Full-time: 61 hours or more bi-weekly

Table 1. Median Bi-Weekly Rates by Hours of Care and Provider Type, 2023

Age Group	Hours Enrolled	Licensed Centers	Licensed Family Homes	Licensed Group Homes
Infant/ Toddler	Low Hours	\$189.00	\$133.33	\$150.00
	Part Time	\$378.00	\$266.67	\$300.00
	Full Time	\$567.00	\$400.00	\$450.00
Preschool	Low Hours	\$150.00	\$133.33	\$133.33
	Part Time	\$300.00	\$266.67	\$266.67
	Full Time	\$450.00	\$400.00	\$400.00
School Age	Low Hours	\$116.67	\$120.00	\$130.42
	Part Time	\$233.33	\$240.00	\$260.83
	Full Time	\$350.00	\$360.00	\$391.25

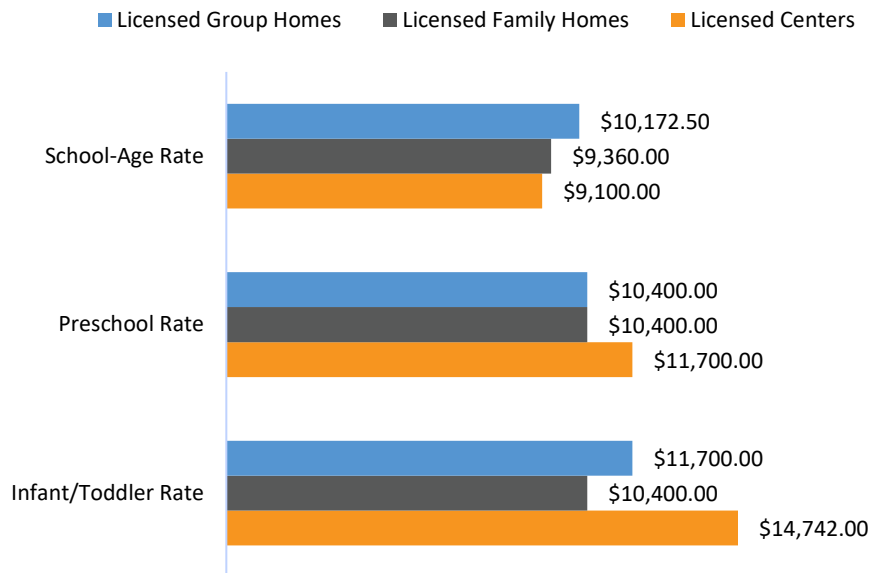


Figure 2. Median Annual Child Care Cost for Full-Time Child Care, by Age Group and Provider Type for Wayne County, 2023

Families in Wayne and Detroit may have a difficult time affording child care on their family income alone. Table 2 provides family median income by race and ethnicity.

Table 2. Median Family Income in the Past 12 months by Race/Ethnicity for Wayne County and Detroit

Race	Wayne County	Detroit
Black	\$48,898	\$42,784
Asian	\$105,685	\$52,206
Latino/a/x	\$60,887	\$43,403
White, alone	\$92,254	\$68,623

Source: B19113B-I, 1-Year American Community Survey, 2022

The following scenarios put these estimates in perspective and demonstrate the challenging cost of child care. These scenarios presume families are paying the median cost of child care. The family sizes in the scenarios are based on average family size estimates from the American Community Survey, 2022.

Scenario 1: A Black family of four in Detroit with one preschool-age child in part-time care and one school-age child in low part-time care in a licensed family home has an annual child care cost of \$10,053. The family earns the median income for a Black family in Detroit (\$42,784). For their child care cost to be affordable,² the family would need:

- \$7,058 (70%) of their annual child care cost to be covered by a scholarship or subsidy.
- To earn \$100,835 more (for a total annual income of at least \$143,619).

This scenario does not account for the full-time child care that this family may need for their preschool and school-age children during summer break, which would easily increase child care costs.

Scenario 2: A white family of three in Wayne County with one infant in full-time care in a licensed center has an annual child care cost is \$14,742. The family earns the median income for a white family in Wayne County (\$92,254). For this child care cost to be affordable, the family would need:

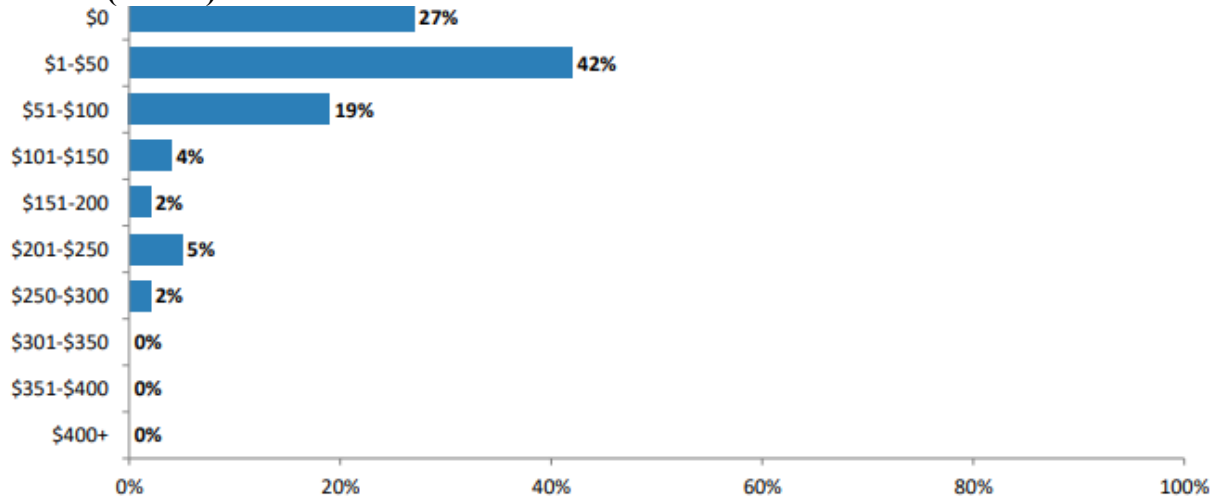
- \$8,284 (56%) of their annual child care cost to be covered by a scholarship.
- To earn \$118,346 more (for a total annual income of at least \$210,600).

Engaging directly with communities in lower-income areas illuminates the burden of the cost of child care. In a survey of 139 parents with children under 5 in Southwest Detroit conducted by IFF and Congress of Communities in 2022, the majority of respondents self-reported being able to afford less than \$50 per week, per child (IFF & Congress of Communities [CoC], 2022, See Figure 2 below). Additionally, in a community perspective survey fielded by Hope Starts Here in 2020, regarding summer child care during the COVID-19 pandemic, 76% of the 304 Detroit parents responded that child care cost was somewhat or a significant barrier to their family

² The Department of Health and Human Services and Administration for Children and Families (2016) defines affordable child care as up to 7% of a family's income.

(Hope Starts Here, 2020). At that point in time, 46% of the families surveyed felt that the cost of child care presented a barrier to them to the point that they would be unable to enroll their child in a program (Hope Starts Here, 2020). Only 14% felt child care cost was not a barrier during that time (Hope Starts Here, 2020).

Figure 2: How Much Would You be Able to Afford to Pay Per Child For Child Care Per Week? (N=139)



SoGoSurvey
© 2022

Problem Statement #2: There is a lack of access to quality child care that meets parents’ wants and needs

Parents in Wayne County face a significant lack in supply of child care slots to meet their needs. The number of available licensed child care slots in Wayne County can serve only 21% of children ages 0-12 in the County (Early Childhood Investment Corporation [ECIC], 2023b).³ The vast majority of zip codes in Wayne County are considered child care deserts⁴ for infants and toddlers (89%) and school-aged children (90%) (Michigan State University [MSU], 2023b). For ages 3-5, just over half (53%) of zip codes are considered child care deserts (MSU, 2023b).

There is more competition for child care slots for the youngest children and school-aged children in Wayne County. More than six children are competing for every one child care slot for ages 0-2 (MSU, 2023a). Between two and three children are competing for every one slot for ages 3-5 (MSU, 2023a). More than five children are competing for every one slot for ages 6-11 (MSU, 2023a).

³ Calculation based on population of 299,419 children under 13 in Wayne County and total number of available slots (62,744) (ECIC, 2023b).

⁴ A child care desert is defined as an area without providers or with three or more children competing for every one child care slot.

Accessibility to child care varies across Wayne County. The City of Detroit is the municipality with the largest gap between the number of slots available in the formal child care system and the number of children ages 0-5 (referred to as “service gaps” in this report). In the City of Detroit, there are an estimated 27,627 more children than slots available in the formal child care system, as shown by the analysis conducted by IFF (IFF, 2023).

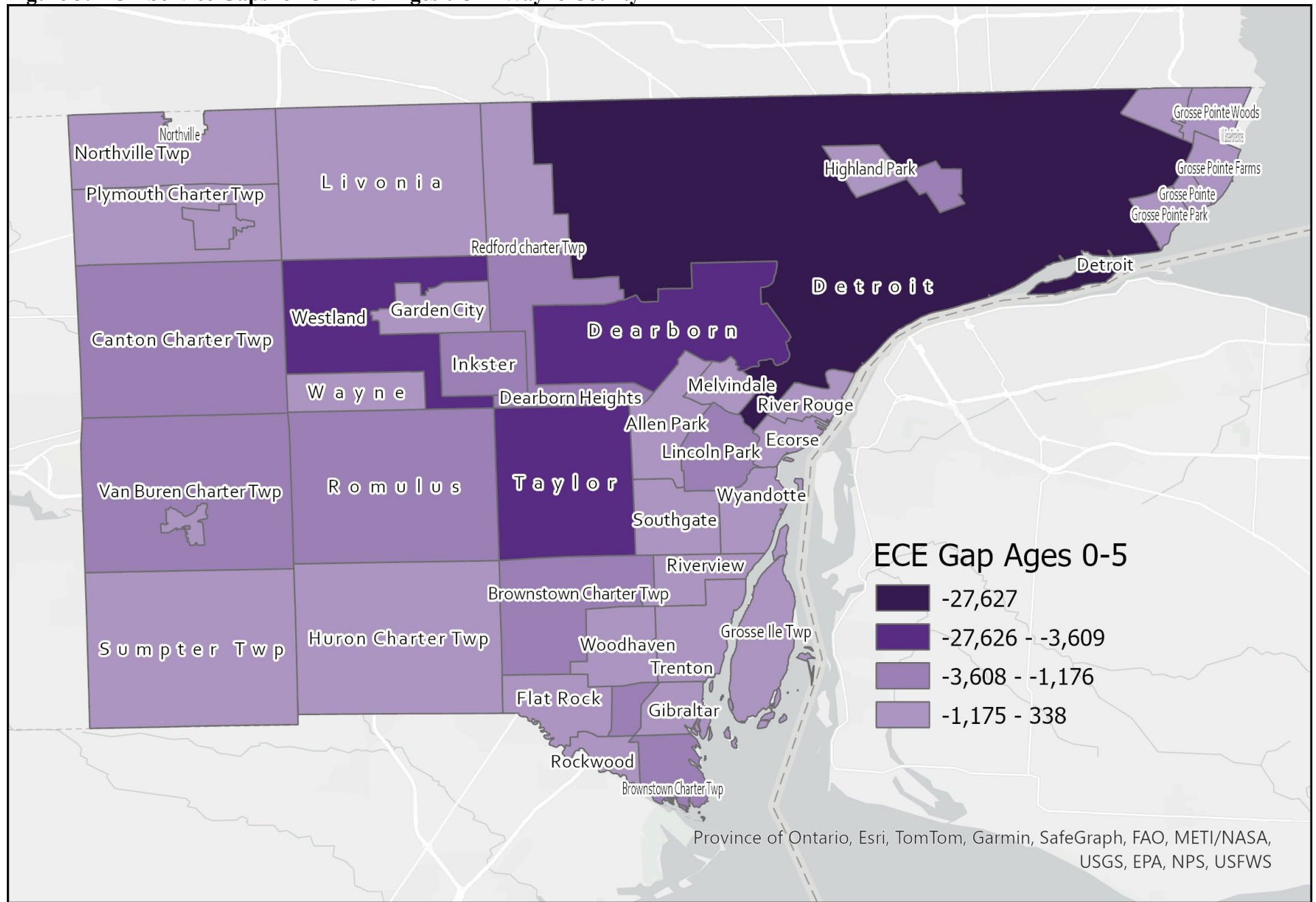
There are also differences in access to child care depending on the age of the child. Of the municipalities in Wayne County, over half (24 of 43 municipalities) need 400 or more additional licensed child care slots to meet the child care needs for ages 0-2. This ECE service gap is much smaller for children ages 3-5; around 11 municipalities have gaps of 400 or more. See Table 3 and Figure 3 for the municipalities in Wayne County with the largest service gaps by age group.

Table 3. Wayne County Municipalities with Highest Service Gaps, by Age Group

Municipality	Service Gap Ages 0-5	Service Gap Ages 0-2	Service Gap Ages 3-5
Detroit	(27,627)	(18,616)	(9,011)
Dearborn	(5,408)	(3,945)	(1,463)
Taylor	(3,668)	(2,171)	(1,497)
Westland	(3,609)	(2,278)	(1,331)
Hamtramck	(2,660)	(1,476)	(1,184)
Dearborn Heights	(2,527)	(1,754)	(773)
Lincoln Park	(2,194)	(1,289)	(905)

These seven municipalities with the largest Early Childhood Education (ECE) service gaps account for 72% of the total gap in Wayne County.

Figure 3: ECE Service Gaps for Children Ages 0-5 in Wayne County



Another way to look at accessibility to child care is through the percentage of children who need child care that can be served by the existing licensed capacity (referred to as ECE “service level” in this report). Hamtramck is the municipality with the lowest ECE service level in Wayne County, with licensed child care slots available for only 14% of children in need of care. See Table 4 for the seven Wayne County areas with the lowest ECE service levels, i.e., lowest percentage of children ages 0-5 served by the formal child care system (IFF, 2023). These seven places have an average service level of 20% compared to 66% for the rest of the county.

Table 4. Wayne County Municipalities with Lowest Service Level, Ages 0-5

Municipality	Service Level Ages 0-5
Hamtramck	14%
Sumpter Township	16%
Gibraltar	18%
Taylor	23%
Ecorse	23%
Lincoln Park	25%
Grosse Pointe Park	26%

ECE service level can vary significantly from the ECE service (or slot) gap. For instance, take the City of Detroit. Detroit has the largest service gap in Wayne County—Detroit needs more licensed child care slots (27,000+) than any other municipality to meet child care needs. However, Detroit is not on the list of municipalities with the lowest service levels. In Detroit, there are child care slots for 43% of children ages 0-5.

Service gaps and service levels consider whether every child in the region can access a child care slot. While not all children need formal child care, these estimates operate on the premise that every child can benefit from ECE programs.

Nonstandard Hours of Care

Availability of nonstandard hours care is limited in Wayne County, with between 7% and 12% of licensed programs providing 24-hour, overnight, weekend, or hourly drop-in care. The availability of licensed providers providing nonstandard hours care is somewhat higher when looking just at the City of Detroit rather than Wayne County as a whole, ranging from 11% to 17% of licensed programs depending on the type of nonstandard care (e.g., overnight, weekend) (Great Start to Quality [GSQ], 2024). Hourly drop-in care is the most available type of nonstandard care in Wayne County as a whole and in the City of Detroit. See Table 5 below for details.

Table 5. Percentage of Licensed Programs Offering Nonstandard Hours Care, February 2024

Type of Nonstandard Hours Care	Wayne County, including Detroit (N=1,156)	City of Detroit (N=483)
Open 24 hours	7%	11%
Open overnight	9%	14%
Open weekends	8%	13%
Hourly drop-in	12%	17%

(GSQ, 2024)

There is some indication that for Detroit families, the need for nonstandard hours care is high. Around 37% of Southwest Detroit families that answered a survey (N=125) in 2022 reported needing child care on weekends (IFF & CoC, 2022).

Quality Child Care

Many families in the City of Detroit and Wayne County do not have access to the highest-quality child care, as defined by Michigan’s GSQ system. Only 25% of Wayne County providers and 36% of Detroit providers received a rating in the top two tiers of the five-tier GSQ rating system (ECIC, 2024). This is a higher percentage than the 19% of licensed providers statewide who received ratings in these two tiers (ECIC, 2024).⁵ Eighty-four percent (Wayne County) and 80% (Detroit) of the programs in the top two quality tiers were center-based programs (ECIC, 2024), potentially limiting access to the highest-quality care to those families who can afford to pay more since child care centers tend to charge higher rates.

Table 6. Program Quality by GSQ Rating and Program Type – Wayne County, April 2024⁶ (N=1,143)

Program Type	Maintaining Health and Safety	Reflecting on Quality	Enhancing Quality	Enhancing Quality – Validated	Demonstrating Quality
Child Care & Preschool Centers	317	53	203	206	37
Group Child Care Homes	69	7	33	8	17
Family Child Care Homes	111	13	48	11	10
Total Programs	497 (43%)	73 (6%)	284 (25%)	225 (20%)	64 (6%)

Table 7. Program Quality by GSQ Rating and Program Type – Detroit, April 2024⁷ (N=483)

Program Type	Maintaining Health and Safety	Reflecting on Quality	Enhancing Quality	Enhancing Quality – Validated	Demonstrating Quality
Child Care & Preschool Centers	65	24	85	127	13
Group Child Care Homes	25	5	22	6	12
Family Child Care Homes	45	8	30	9	7
Total Programs	135 (28%)	37 (8%)	137 (28%)	142 (29%)	32 (7%)

⁵ The Detroit and Wayne County quality rating data is for April 2024 while the statewide data is for July 2024.

⁶ Percentages include all licensed providers with a quality level available (1,143). That excludes 10 providers whose quality level was unavailable at the time the data was retrieved.

⁷ Percentages include all licensed providers with a quality level available (483). That excludes 3 providers whose quality level was unavailable at the time the data was retrieved.

Table 8. Program Quality by GSQ Rating and Program Type – Michigan, July 2024 (N=7,363)

Program Type	Maintaining Health and Safety	Reflecting on Quality	Enhancing Quality	Enhancing Quality – Validated	Demonstrating Quality
Child Care & Preschool Centers	1,515	268	1,003	878	339
Group Child Care Homes	749	123	469	51	63
Family Child Care Homes	1,184	130	506	48	37
Total Programs	3,448 (47%)	521 (7%)	1,978 (27%)	977 (13%)	439 (6%)

Around 6% of licensed child care programs in Wayne County indicated that their program had achieved the highest GSQ quality rating. Similar numbers were seen when limiting the analysis to only include Detroit (ECIC, 2024). However, a much lower percentage of Detroit programs remained at the lowest GSQ quality level (28%) than Wayne County as a whole (43%) (ECIC, 2024).

The availability of quality child care differs by municipality within Wayne County (as found in analysis of secondary data conducted by IFF). IFF’s analysis considers quality care providers defined by GSQ as those maintaining one of the three higher Quality Levels: *Enhancing Quality*, *Enhancing Quality – Validated*, and *Demonstrating Quality*. Therefore, gaps in quality care are calculated by subtracting demand from quality supply (i.e., ECE slots provided by providers with higher quality ratings). See Figure 4 below for quality ECE gaps in Wayne County. Detroit has the highest gaps in quality child care for ages 0-5, followed by Dearborn, Canton Charter Township, Westland, and Taylor. The seven municipalities with the largest service gaps of providers with higher quality ratings account for 67% of the total county gap for children ages 0-2 and 64% for ages 3-5. Twenty-five municipalities have quality slot gaps of 400 or more for ages 0-2 and 18 municipalities have quality slot gaps of 400 or more for ages 3-5, thus implying the higher need for quality care for both age groups.

About the Great Start to Quality System

The GSQ ratings have five levels associated with quality-improvement activities and assessments. Maintaining Health and Safety is the lowest level that all child care business owners receive upon licensure (GSQ, n.d.). Reflecting on Quality denotes programs utilizing evidence-based standards to evaluate their program (GSQ, n.d.). Programs receive the Enhancing Quality rating if they are working with GSQ coaches towards their quality-improvement goals, and programs that receive Enhancing Quality – Validated have had documentation of their practices reviewed and proven to be high quality (GSQ, n.d.). Programs at the highest level, Demonstrating Quality, have been observed, assessed, and determined to have met State quality scores (GSQ, n.d.).

GSQ is only one way to measure quality that does not include all factors that may be important to families and that they may consider when making their own determinations of quality. For example, the GSQ rating system does not assess culturally sustaining practices of child care providers.

Furthermore, the GSQ data may be an underestimate of quality even by the “official” GSQ measures, as not all child care providers chose to fully participate in the GSQ program. There are likely providers that meet the criteria to receive a higher GSQ quality rating but have not submitted the necessary documentation to receive a higher rating because they do not perceive the value or do not have the capacity. Because center-based programs often have more resources and staff, they may be better able to participate in the GSQ program-improvement activities. As a result, GSQ may advantage centers compared to group and family homes.

Figure 4. ECE Quality Service Gaps for Children Ages 0-5 in Wayne County

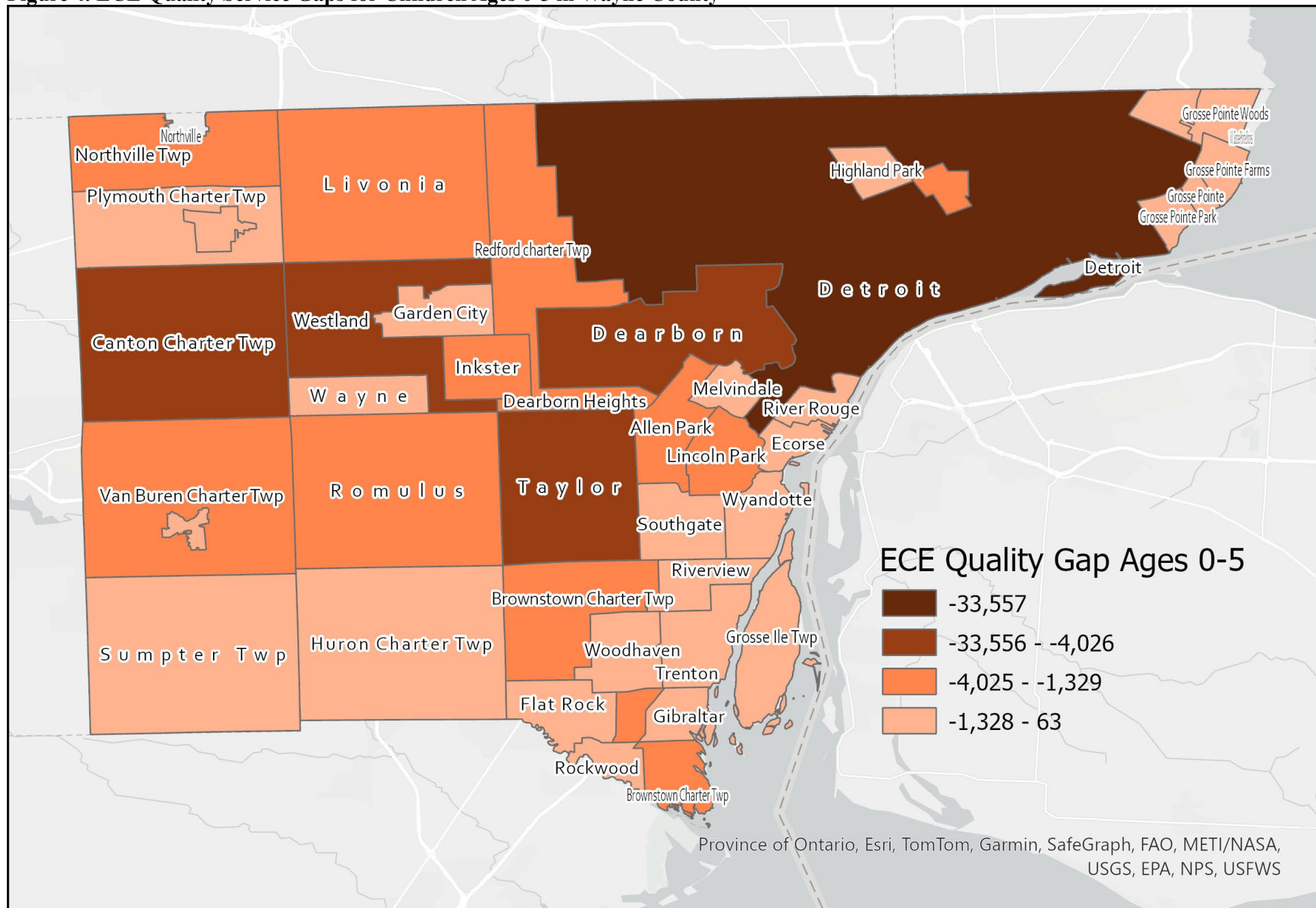


Table 9. Wayne County Municipalities with Highest Quality Service Gaps, by Age Group

Municipality	Quality Gap		
	Ages 0-5	Ages 0-2	Ages 3-5
Detroit	(33,557)	(19,727)	(13,830)
Dearborn	(6,783)	(4,163)	(2,620)
Canton Charter Twp	(4,949)	(3,023)	(1,926)
Westland	(4,050)	(2,344)	(1,706)
Taylor	(4,026)	(2,194)	(1,832)
Dearborn Heights	(2,981)	(1,829)	(1,152)
Hamtramck	(2,747)	(1,482)	(1,265)

The GSQ system is one measurement of quality that may not reflect all the aspects of quality that parents in Detroit and Wayne County care about. For example, the child care facilities and cultural responsiveness of child care providers is important to parents in Detroit and some find facilities and cultural responsiveness lacking.

The Hope Starts Here (HSH) 2017 Listening Session analysis breaks down parent desires and identifies the following hopes for quality care facilities:

- Accessible and inspiring child care centers
- “Learning houses in [every] neighborhood... Every 3 blocks has a learning house.”

The features of these spaces include:

- Family-centered supports
- Gross motor skills rooms
- Ample outdoor play spaces
- Age-appropriate play equipment
- Natural environments, including gardens and playgrounds. “Have natural environments throughout the center... Large safe playgrounds with green space, clean, bring more nature into the city.”
- Gardens connected to cooking kitchens

On facility quality in Detroit, from the HSH Framework (2017) provider verbatim:

“The infrastructure for buildings in Detroit is awful. It’s hard to find a really good facility to operate in. Just recently we were able to obtain a lease in an old Detroit Public School, but we still had to put a lot of money in it just to get it operable. But we had struggled for the last couple years in a facility that was not conducive to a healthy and safe learning environment” (p. 45).

Cultural responsiveness is a need/definition of quality identified in surveys and focus groups of Southwest Detroit parents, specifically bilingual or language-immersion programs. Cultural responsiveness is not a measure of quality captured by the GSQ system. The 2022 Southwest Detroit Parental survey indicated that many would prefer a Spanish or Arabic bilingual or full-immersion care provider (IFF & CoC, 2022).

Associated focus groups reinforced the preference and included verbatims such as:

“My child speaks almost only Spanish, I am worried about my child if I leave them with someone who speaks only English then they won’t understand my child’s needs. I want my child to learn both Spanish and English because that will help them in the future to have good jobs.”

“I don’t like when the kid goes in the class they start with all Arabic and by the end of the year is zero Arabic then just English at the end. They get shut down because they don’t understand.”

Problem Statement #3: Child care businesses are having difficulty hiring and retaining qualified child care professionals

Child care business owners and public early care and education providers in Wayne County are facing staffing shortages that are impacting their ability to care for families.

In 2022, there was a 23% staff shortage rate for Wayne County child care providers (ECIC, 2023b). These staffing shortages may result in child care businesses in Wayne County serving fewer children or having reduced operating hours, as has been the case statewide. Statewide, 87% of child care centers responding to a 2021 survey described “experiencing staffing shortages that forced them to serve fewer children (49%), have a longer waitlist (38%), not open classrooms (25%), or reduce their operating hours (28%)” (Sorenson, 2022, p. 2).

HSH (2017, p. 44) shared accounts from Detroit child care providers on their experiences with staff turnover:

“We have a challenge with staff turnover, for many various reasons. It could be the salary. It could be the work environment. When you have turnover it impacts quality because you want the continuity. We want the children to build those relationships with their teachers, so when you have that swinging door, that’s a challenge.”

“We don’t receive the same funding Head Start centers receive, and then we’re held to the same standards. You want this child to be able to spell their name, identify different colors, shapes, speak in complete sentences, begin phonics before kindergarten? It’s the same work, but I’ve got to tell this teacher, ‘Oops, I’ve got to pay you about \$20,000 less than they can.’ So yes, it’s hard to retain them.”

The early child care and education workforce in Wayne County has shrunk substantially over the last two decades. Between 2001 and 2022 in Wayne County, the early childhood education and care workforce lost 7,000 educators (Andrews et al., 2023b). In this time period, this workforce shrank more substantially in Wayne County (35.5%) than statewide (26.8%), and nationwide this workforce saw a 0.3% growth (Andrews et al., 2023b; Andrews et al., 2023a).

The 2022 IFF and CoC parental survey indicates that 83% of responding parents believe it’s important or very important that child care is provided by “qualified teachers.” The associated focus group included the verbatim:

“I know for me the one that stood out the most is someone that is licensed or certified. I know that there [are] a lot of things you have to do to be qualified to be in child care. So for me, someone who knows every precaution and how to handle things. That for me is especially important.”

Problem Statement #4: Employers in the region cannot effectively recruit and retain the workforce they need because of a lack of affordable, accessible, and quality child care

The lack of child care in Southeast Michigan negatively impacts the economic health of the region by limiting parents’ ability to work, according to a concept paper from the Detroit Regional Workforce Partnership (2024). The impacts of the lack of child care may be particularly severe for women and these impacts contribute to gender inequality in the labor market (Detroit Regional Workforce Partnership, 2024).

Furthermore, the COVID-19 pandemic strained the child care system in the region and in the City of Detroit. In Detroit employers faced significant retention and productivity challenges during the COVID-19 pandemic due to a lack of appropriate child care. A 2020 survey of Detroit businesses (N=90) about employee child care challenges during the pandemic revealed:

- 72% of respondents expressed concern that some employees would be unable to “fully return to work as the school year begins, due to child care responsibilities” (Detroit Regional Chamber, 2020, para. 5).

- 56% of respondents expressed worry that some employees would completely exit the workforce due to lack of appropriate child care during the 2020-2021 school year (Detroit Regional Chamber, 2020).
- “74% of respondents [were] concerned with productivity as employees with child care responsibilities adjust[ed] to managing work and changes to education due to COVID-19” (Detroit Regional Chamber, 2020, para. 6).

We anticipate the situation to have improved since the COVID-19 pandemic, although the extent to which remains unknown.

Framing the Problem

This section presents information on why the problems identified in the problem statements exist in the region. These “root causes” were identified by discussions with the Regional Child Care Planning Coalition, conducting interviews, and reviewing existing reports and summary data.

Problem Statement #1: Child care is not affordable for parents and guardians in Wayne County

Child care is not affordable for many parents and guardians in Wayne County because of the high cost of care compared to their income. Michigan’s Child Development and Care (CDC) scholarship program helps low-income families afford child care, but not all families that struggle with the cost of child care are eligible for the program. Furthermore, families that are eligible may struggle to find a provider that meets their needs and accepts scholarship payments. The lack of affordable child care may prevent families from taking steps that would increase their incomes, such as going back to school or participating in the workforce.

There are high rates of children living in poverty in Wayne County. The poverty rate for children under 6 in Wayne County was around 32% based on estimates from the 1-year American Community Survey, 2022. Notable disparities exist between the racial and ethnic identities of children experiencing poverty. In Wayne County, 46% of Black or African American children experience poverty compared to just 22% of white, non-Hispanic or Latino/a/x children. Similar disparities are seen when you look at just the City of Detroit. See Table 10 and Table 11 below for details.

Table 10. Poverty Status in the Past 12 Months for Children Under 6 in Wayne County by Race/Ethnicity, 2022

Race and Ethnicity	Total	Experiencing Poverty	
		Estimate	Percentage of Total
Black, alone	51,848	23,779	46%
Asian, alone	3,984	841	21%
Some other race, alone	2,947	957	32%
Two or more races	15,580	4,504	29%
Latino/a/x	10,959	2,976	27%
White, alone not Latino/a/x	52,802	11,647	22%
Overall	130,512	42,275	32%
Source: 1-year American Community Survey, 2022			
Note: Estimates for children that are Native Hawaiian and Other Pacific Islander and American Indian and Alaska Native are not provided because the data was unavailable for the 1-year American Community Survey, most likely due to the small sample size. Overall estimates were derived from table B17020; and estimates for racial and ethnic categories were derived from tables B17020B through B17020I.			

Table 11: Poverty Status in the Past 12 Months for Children Under 6 in Detroit by Race/Ethnicity, 2022

Race and Ethnicity	Total	Experiencing Poverty	
		Estimate	Percentage of Total
Black, alone	38,698	20,168	52%
Some other race, alone	2,146	957	45%
Two or more races	3,459	1,038	30%
Latino/a/x	3,887	1,708	44%
White, alone not Latino/a/x	4,218	1,535	36%
Overall	49,634	23,937	48%
Source: 1-year American Community Survey, 2022			
Note: Estimates for children that are Asian, Native Hawaiian and Other Pacific Islander, and American Indian and Alaska Native are not provided because the data was unavailable for the 1-year American Community Survey, most likely due to the small sample size. Overall estimates were derived from table B17020; and estimates for racial and ethnic categories were derived from tables B17020B through B17020I.			

CDC Scholarship Program

The CDC Scholarship program helps to make child care affordable for many families in the region. The CDC scholarship program assists families experiencing poverty and other eligible low-income families by paying a percentage of their child care costs at a licensed child care business (Michigan Department of Lifelong Education, Advancement and Potential [MiLEAP], 2024). Eligibility is based on income and an ability to demonstrate a need for child care, for example due to working or pursuing an education (MiLEAP, 2024).

However, families in need may not be eligible or may have other challenges utilizing the child care assistance program. Challenges accessing the scholarship program include:

- **Finding a provider that accepts scholarship payments.** Not all providers accept the scholarship. In 2022, in Wayne County, data showed that only around 2 of 5⁸ child care businesses accepted the CDC scholarship (Early Childhood Investment Corporation [ECIC], 2023b). However, some child care businesses registered as ‘not accepting scholarship’ may actually accept the scholarship. Interviews conducted in 2023 with a subset of Detroit child care providers revealed that “Most providers in the City of Detroit universally accept CDC [scholarships] with no limits, even programs currently registered as ‘not accepting [scholarships]’” (Office of Early Learning, 2023, p.2). Only two of the 73 providers interviewed did not accept scholarship payments (Office of Early Learning, 2023). This discrepancy between what child care businesses are doing and how they are officially registered could result in families in the region not being fully informed or aware of which providers accept the CDC scholarship.
- **Families may also be unaware that they qualify for assistance,** as 14% of Detroit families that completed an intake form to receive support enrolling in child care at a 2023 event did not know they were eligible for the CDC scholarship (Office of Early Learning, 2023).
- **Families may choose not to apply** for reasons such as finding the application process burdensome or distrust in the government. Of the families eligible to receive the CDC scholarship in Wayne County in 2023, less than 7% accessed it (Office of Early Learning, 2023). In the City of Detroit, 70% of families are CDC-eligible based on income level, representing 26,600 children (Office of Early Learning, 2023). Office of Early Learning (2023) research with families and child care businesses in the City of Detroit found the following about experiences with the CDC scholarship application process:
 - Application processing often takes 45 days minimum, during which time parents must pay for child care out of pocket. This is not feasible for families facing financial constraints.
 - The online application system can further delay the process.
 - It is challenging to contact Michigan Department of Health and Human Services (MDHHS) case managers by phone to get support.
 - Detroit families are concerned how the extensive information they must provide when applying for the scholarship may be used by the government.

⁸ This is based on calculations of the 434 Wayne County programs that accept CDC subsidy and the total number of 1,123 licensed child care providers in Wayne County (ECIC, 2023b).

“Program providers are frustrated with the [scholarship] application system and are burdened by supporting families through the process.” (Office of Early Learning, 2023, p. 2)

In the 2023 Michigan Child Care Market Rates Survey, the top three challenges of providers for accepting families receiving CDC scholarships were that it takes too long to receive an eligibility determination from the State (50%), that communication from the State is poor (e.g., “I don’t know when families are dropped”) (45%), and that the payment rates are too low (39%).

Furthermore, some families receiving the scholarship may still struggle to afford care, as the scholarship rate often does not cover the full tuition cost.

- A study of Michigan’s child care market rates shows that in the Metro Detroit area (i.e., the Wayne-Oakland-Macomb region), depending on the age of the child, CDC scholarships cover up to 71% of the market-rate tuition for licensed child care centers and up to 81% for home-based child care businesses (Burroughs et al., 2024). This means that many providers that serve families that receive the CDC scholarship are not being reimbursed for 20%, 30%, or more of their tuition costs.
- Most child care businesses in Michigan (68%) pass on all of the tuition costs that are not covered by the CDC scholarship and charge them to the families, while another 5% of providers charge families a portion of the difference. (Burroughs et. al., 2024). For child care business owners that do not pass on all of the remainder of their tuition costs to the families, the reduced pay for their services may impact their ability to pay a living wage to their educators, in turn negatively impacting their ability to effectively recruit and retain staff.

Additionally, many families in need of affordable child care are not eligible for the CDC scholarship. To meet income eligibility requirements for the CDC scholarship in Michigan in 2023, families needed to be living on an income below 185% of the federal poverty level, or less than \$55,500⁹ for a family of four (Whitmer, 2022; U.S. Department of Health and Human Services, 2024).

Wayne County families may face additional cost barriers to accessing high-quality child care. Per HSH (2017), Detroit families have identified cost as a major factor preventing access to quality child care. Lack of a shared understanding of what “quality” child care costs in the region makes it difficult to identify just how large and widespread the cost barriers are (HSH, 2017).

⁹ This is based on calculations of 185% of the \$30,000 federal poverty level for a family of four in 2023 (U.S. Department of Health and Human Services, 2024).

Problem Statement #2: There is a lack of access to quality child care that meets parents' wants and needs

There is a lack of access to quality child care that meets parents' wants and needs because the child care system is broken. As discussed in the other problem statements presented in this report, child care business owners spend most of their revenue on staff compensation, yet wages are so low they often do not cover basic living expenses of child care professionals. Child care business owners cannot increase their tuition because many families already cannot afford to pay and for families that receive the CDC scholarship, it does not cover the current market-rate costs (see problem statement #1). The low wages and compensation contribute to major staffing challenges (see problem statement #3) related to the recruitment and retention of staff. In turn, classrooms are closed and hours are cut and child care businesses have a hard time staying in business.

Municipal Policy and Zoning Barriers

Local zoning practices and policy also contribute to the lack of accessibility to quality child care by creating barriers for the development of early childhood education facilities. The barriers described below are substantive and material issues that exist in every local jurisdiction within Wayne County. They were identified by a mix of stakeholder input, topic research, and analysis of zoning codes undertaken by IFF.

Prohibitive Zoning

Prohibitive zoning practices adopted by local municipalities can greatly restrict the supply of suitable sites for potential early childhood education facilities throughout a community by prohibiting or restricting ECE facility uses in various zoning districts. Conditional use permits, special use permits, rezone requests, and variance requests can all create barriers for new child care businesses before they can even begin to generate revenue.

Each of the three child care classifications (family child care home, group child care home, and child care center) are distinctly differentiated from one another and are treated vastly differently from a local zoning regulation perspective.

Even when not expressly prohibited, group child care homes and child care centers are often classified as special or conditional land uses, thereby requiring additional scrutiny before approval is granted for the use at a specific location. Special/conditional land uses are those uses that a local zoning ordinance has identified as requiring a greater degree of scrutiny and consideration due to its potential to have adverse effects on surrounding properties. These conditional/special land use approvals are often costly and require substantial amounts of effort and time. They require the preparation of a site plan, the participation in a public hearing and oftentimes other stakeholder meetings, the payment of high application fees, etc.

These zoning prohibitions and restrictions are enacted for the purpose of minimizing perceived or anticipated adverse consequences associated with early childhood education (ECE) facilities. Often, planning commissions and city councils will limit or restrict ECE uses in residential or other districts in an effort to minimize sound disturbances, traffic impacts, and other adverse effects these facilities may impose on other nearby uses. However, based on IFF's extensive

experience in the sector and within the various interviews with ECE stakeholders for this report, we have found that these adverse impacts are negligible and only serve to create hardships for the development of and accessibility to vital ECE services for local families.

At the time of this report, the City of Detroit Office of Early Learning was actively engaged in zoning reform efforts to “expand the permissibility of Child Care Centers, Family Day Care Homes, and Group Day Care Homes, [and] to revise use regulations and parking requirements for such uses.” Specifically, the Office of Early Learning has petitioned the Detroit City Planning Commission and City Council for an amendment to their zoning code whereby they seek to allow all family and group child care homes by right within almost all residential and business zoning districts, as well as to expand the permissibility of child care center uses as a conditional use within the R-1 and R-2 zoning districts. After being met with some resistance and apprehension from the Detroit City Planning Commission regarding adverse impacts to surrounding landowners, a compromise was developed to allow all group child care homes by right only after having operated as a family child care home for not less than one year. While this compromise is more limiting than a blanket by-right permissibility, these efforts being undertaken by the City of Detroit Office of Early Learning are essential in reforming zoning code to facilitate greater accessibility to ECE facilities throughout Wayne County and abroad.

Local Zoning Processes

Local zoning processes can be arduous and complex, requiring additional time and monetary investment by prospective ECE businesses in order to acquire all of the necessary approvals for opening an ECE facility. Planning processes can often require the hiring of expensive consultants who are familiar with the specific municipality planning processes, who can draft the necessary plans, and who can advocate on behalf of the ECE business. Application fees, public hearings, stakeholder meetings, site plan reviews and revisions, etc. can all add to the burden imposed upon ECE businesses as they seek to develop new ECE facilities or expand existing facilities. The delayed generation of revenue for ECE businesses that is caused by these onerous processes make starting a new ECE business financially difficult.

For example, when allowed, group child care homes throughout Wayne County are customarily classified as a conditional/special land use and are therefore required to apply for and be approved a Special/Conditional Use Permit prior to operation of an ECE facility at a given site. Special/Conditional Use Permits typically require, at minimum, payment of a substantial fee, site plan review and approval, and a public hearing by a governing board, commission, and/or council wherein a decision is made by a planning board or commission on the approval of the special/conditional land use request. Some municipalities even require additional stakeholder meetings, public hearings, etc., thereby creating even further barriers for ECE businesses seeking to provide ECE in a group child care home.

One city within the study area requires that special land use permit applicants seek disposition from both the city planning commission and the city council. The scheduling of two public hearings significantly increases the time required to receive approval, creating even further barriers to entry for new ECE businesses seeking to provide group ECE services within the community. Another city’s special land use permit application fee is \$1,800 and requires

attendance at an Administrative Review Committee meeting as well as a public hearing at a planning commission meeting.

As it relates to state licensing processes, ECE businesses and consultants have shared that the Bureau of Fire Services' (BFS) plan review process as an area that presents opportunity to improve the experience of ECE businesses, thus impacting the availability of ECE slots in a community. Wait times for reviews have been shared as taking several months to complete. Providers have shared the need for adequate staffing for this necessary service. Furthermore, the State requires that any ECE facility improvements totaling over \$15,000 submit plans that are certified by an engineer or architect, further adding to the investment costs for new ECE businesses.

Development Standards

Development standards can increase the time and cost associated with developing new and renovating existing ECE facilities while also limiting the supply of suitable land. Landscaping and parking requirements, architectural materials, and design requirements are just a few examples of development standards that can greatly increase the cost of development for child care businesses.

Child care centers are often classified as a commercial use within municipal zoning ordinances and are therefore held to increased design requirements equal to that of new commercial retail buildings.

Likewise, even group family homes are also often subject to development standards when seeking approvals from local zoning jurisdictions. Group family homes, although operated from a single-family residence in which the child care business owner lives full time, are often subject to increased parking, landscaping, setbacks, and other development standards. For example, a city within our study area requires that all group child care homes provide a minimum of 2,000 square feet of outdoor play area, be screened by a landscaped greenbelt where abutting residentially zoned or used land, and maintain a minimum 25-foot side yard setback.

Development standards such as those imposed on both child care centers and group child care homes are restrictive and financially burdensome for prospective ECE businesses. Many of these standards require additional lot area to accommodate mandated facilities such as off-street parking spaces, landscape buffers and screening, outdoor play areas, and required setback. This consequently disqualifies numerous smaller lots from obtaining planning approval for ECE facilities strictly due to the lot area's inability to accommodate such improvements. Additionally, separation requirements are commonplace and further disqualify homes from eligibility as a group child care home business if located within a certain distance from another group child care home.

Other challenges related to municipal zoning, planning, and development that impede the development of ECE facilities include:

- **Lack of Incentives.** There is a substantial lack of incentives identified within local zoning ordinances and master plans for the development of ECE facilities.

- **Technical Assistance.** There is a lack of technical assistance for child care business owners as they navigate the regulatory landscape associated with zoning and licensing for new ECE facilities. ECE business owners are experts in their specific field of early childhood education, not land use and development. They are therefore not well equipped to handle the complex and arduous zoning and licensing processes required to start a new ECE practice.
- **Inconsistencies.** Individuals tasked with providing technical assistance to new ECE businesses have expressed difficulty helping potential new ECE businesses navigate the local regulatory landscape due to the inconsistent zoning practices between each individual local municipality. Each city analyzed as part of this report has different permitted use designations, different required standards for development, and different permit processes.
- **ECE Omitted from Master Plans.**¹⁰ Planning commissions, zoning boards of appeals, and city councils must refer and give substantial consideration to a community’s master plan when considering any zoning actions. Unfortunately, it is not uncommon for ECE to be altogether omitted from such a core planning document. The failure to address ECE within a master plan has a cascading effect on a community’s future land-use composition. ECE facilities are not appropriately weighted or factored into zoning requests reviewed by planning commissions, zoning boards, and city councils, thereby indirectly contributing to the scarcity of ECE options within communities.
- **Fees.** A lack of access to capital is one of the largest and most prevalent obstacles for new and existing ECE businesses.
- **Educational Awareness.** While a lack of accessibility to ECE services is a growing issue and awareness of this issue is spreading, there may be a lack of understanding of how municipal zoning practices affect the availability of ECE services.

Problem Statement #3: Child care businesses are having difficulty hiring and retaining qualified child care professionals

Despite child care business owners spending most of their revenue on compensation (60%-80%) (ECIC, 2023b), child care professionals’ wages are very low and benefits (e.g., health insurance, paid time off) are limited, making it difficult for businesses to recruit and retain staff.

In Wayne County, more than half (57%) of child care professionals earn less than \$15 per hour, even though most have an education beyond high school (Andrews et al., 2023b, p. 4). The median hourly wage for child care educators in Wayne County in 2022 was just \$17.52 for lead teachers, \$15.58 for substitute teachers, \$14.79 for assistant teachers, and \$12.24 for aides/floaters (Andrews et al., 2023b). See Figure 5 below.

¹⁰ A master plan is a comprehensive long-range planning policy document that serves as a guide for growth and future land use development within a community. Master plans provide recommendations for future land uses, zoning designations, transportation, parks, schools, etc. and serve as the principal document from which zoning ordinances derive their standards.

With these low wages, it’s no surprise that child care professionals do not earn enough to support their own families. Andrews et al. (2023) found that, “Less than 1% earn enough to support the average family size in [Wayne County] (one adult, one preschooler, one school-aged child)” (Andrews et al., 2023b, p. 4).

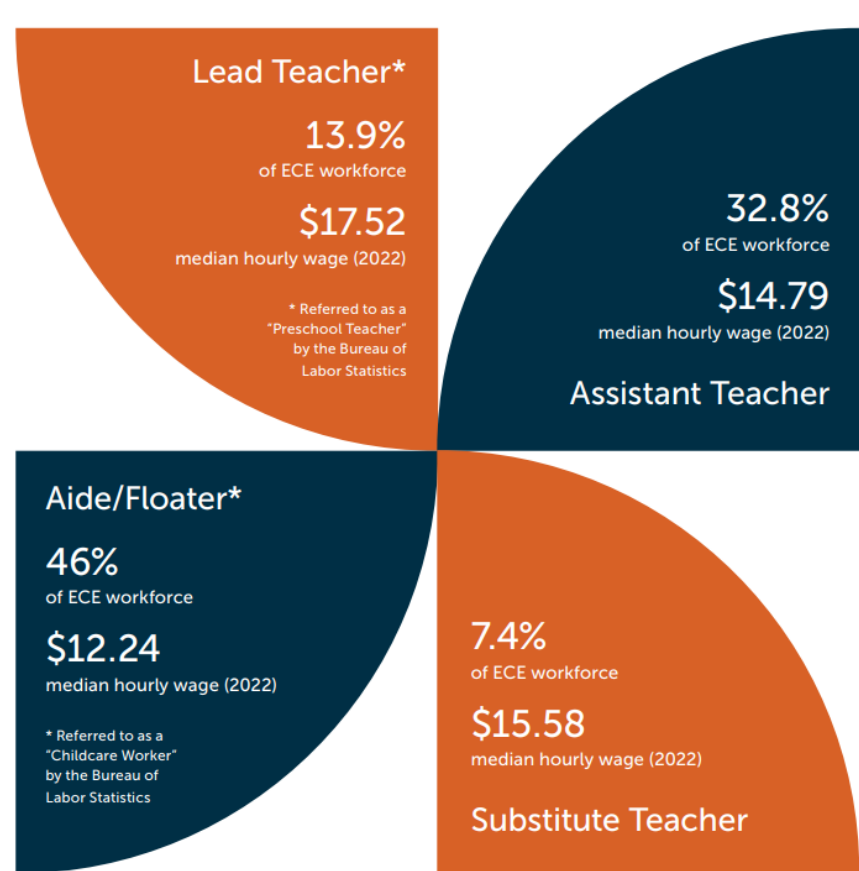


Figure 5. Median Wage of Wayne County ECE Workforce by Role

(Figure 5 is from Andrews et al., 2023b report)

Not only do child care professionals in Wayne County and the City of Detroit receive low pay, but their wages have also increased minimally in the past two decades, particularly compared to other fields.

- In Wayne County, when accounting for inflation, ECE Lead Teachers and Aides/Floaters earned only \$0.20 and \$0.10 more per hour in 2022 than they did in 2005, respectively (Andrews et al., 2023b).
- Wayne County ECE Assistant Teachers and Substitutes earned \$3.67 and \$6.52 *less* per hour, respectively, in 2022 than they did in 2005 when adjusted for inflation (Andrews et al., 2023b).
- Average annual earnings for a child care worker in Detroit have risen by only \$12,580 between 2002 and 2022, compared to a \$17,631 increase for K-12 educators (Detroit Head Start Provider Network, 2023). See Figure 6 below.

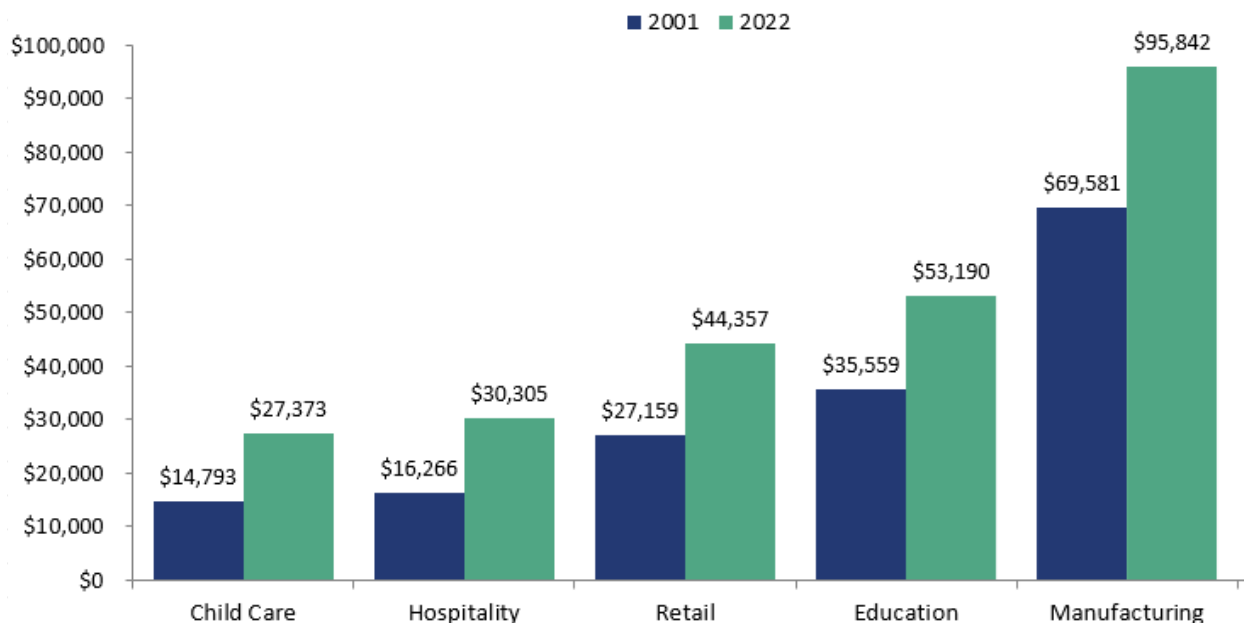


Figure 6. Growth in Average Earnings per Detroit Worker by Industry, 2001 vs. 2022 (Detroit Head Start Provider Network, 2023)

There are also pay rate disparities by gender and race/ethnicity within the Wayne County early childhood education and care system. Despite representing nearly 82% of the staff employed at licensed child care programs in the County and registered in the MiRegistry system, women earn almost \$1 less per hour on average than men, who make up only 2% of registered staff (MiRegistry, 2023a). See Table 12 and Table 13 for average hourly wages by gender and race and ethnicity.

Table 12. Wayne County ECE Average Hourly Wage by Gender (Source: MiRegistry data)

Gender	Average Hourly Wage	Response Count (N)
Female/Woman	\$17.63	1,849
Male/Man	\$18.53	46
All respondents	\$17.17	2,257

* The gender category response counts do not add up to the “all respondents” response count because the gender of the respondent was not always known and the gender categories with fewer than 10 respondents were not reported to protect anonymity.

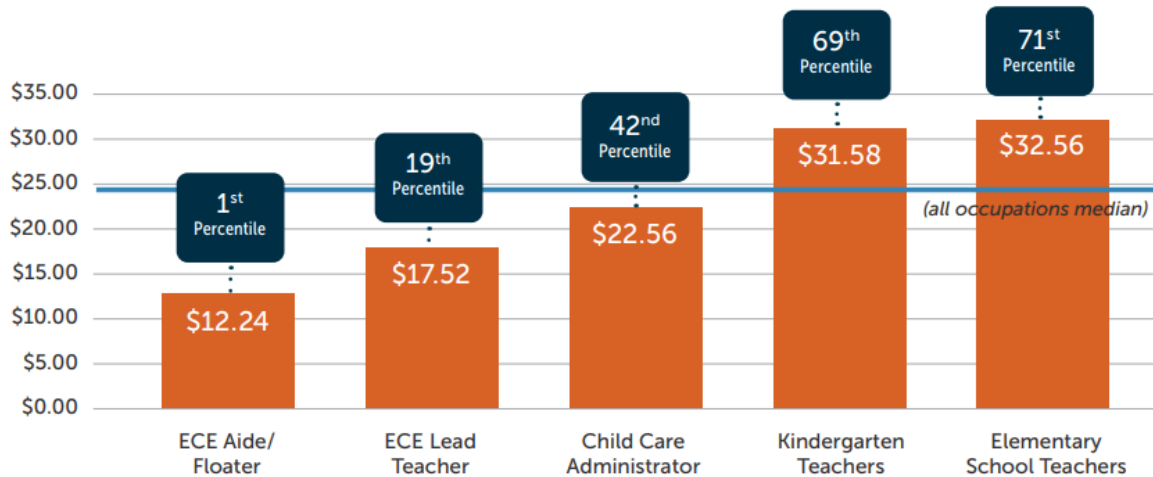
Table 13. Wayne County ECE Average Hourly Wage by Race/Ethnicity (Source: MiRegistry data)

	Average Hourly Wage	Response Count (N)
Race/Ethnicity		
Asian	\$16.94	48
Black or African American	\$17.05	761
Hispanic or Latino/a/x	\$16.51	101
Multi-racial	\$20.68	29
White	\$18.32	858
All respondents	\$17.17	2,257

* The race and ethnicity category response counts do not add up to the “all respondents” response count because the race/ethnicity of the respondent was not always known and the race/ethnicity categories with fewer than 10 respondents were not reported to protect anonymity.

Early childhood educators are consistently paid lower hourly wages and receive fewer benefits than grade school teachers, despite possessing very similar skills and education qualifications. In Wayne County:

- Kindergarten teachers earn a median wage 80% higher than that of lead child care teachers, benefits excluded (Andrews et al., 2023b). See Figure 7 below.
- “Despite a 97% overlap in required competencies, qualifications, and work activities, kindergarten teachers earn \$14.06 more per hour than lead teachers and have access to a host of benefits not available in the ECE environment.” (Andrews et al., 2023b, p. 4)
- Despite 94% skills overlap, the median hourly wage for ECE assistant teachers in 2022 was \$14.79 compared to \$31.58 for kindergarten teachers. (Andrews et al., 2023b)
- Substitutes in the early childhood education and care workforce are paid a median hourly wage \$16.00 below what kindergarten teachers in school systems are paid (this being the most similar comparison occupation), despite a 96% overlap in skill requirements and similar educational qualifications to school-based substitutes. (Andrews et al., 2023b)



Source: Occupational Employment and Wage Statistics; All teacher estimates exclude special education teachers. Hourly wages for preschool teachers, kindergarten teachers, and elementary school teachers account for standard school schedules. All other occupations assume 40 hours per week, 12 months per year.

Figure 7. Median Hourly Wage by Occupation in Wayne County, 2022
(Figure 7 is from Andrews et al., 2023b report)

Child care professionals have higher rates of educational attainment but receive lower wages than many other industries, including retail and hospitality (Detroit Head Start Provider Network, 2023, slide 38). See Figure 8 below.

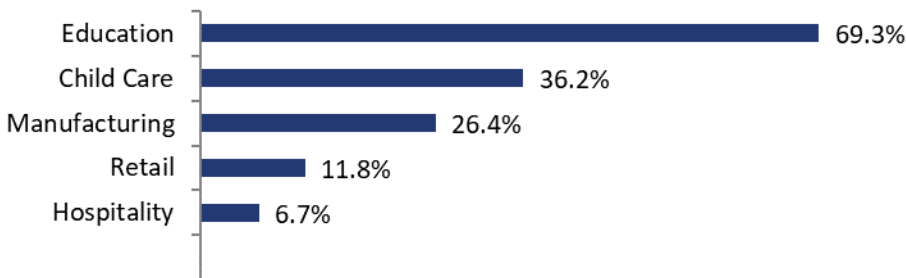


Figure 8. Share of Workers with Education Beyond High School by Industry, Detroit, 2022
(Detroit Head Start Provider Network, 2023)

The Regional Child Care Planning Coalition further identified the following root causes of child care business owners’ and public ECE providers’ staffing challenges:

- ECE jobs are challenging, which leads to people not wanting to enter the career or burning out in their jobs. Staffing shortages may result in minimal support for ECE professionals, compounding the inherent challenges of the job. ECE professionals may see a disconnect between their career aspirations or expectations and the reality of their jobs or feel judged as having a career that is “less than.” Additionally, the high turnover may give a sense of a lack of stability in the job.
- Staffing requirements for ECE job, such as education/training and criminal history requirements, may make it hard to find qualified staff. Some applicants have prior criminal

histories (dating back many years—e.g., age 17—which prohibits them from being hired). Some of these requirements are mandated by licensing or influenced by GSQ ratings.

- It is a worker economy. There are widespread workforce shortages and mass retirements, which may make it easier for ECE professionals to find jobs in other industries. There are many gig-economy options as well.
- Child care professionals cannot find or afford their own child care on their wages.
- It is difficult for child care professionals to advance their careers because of the low wages. Child care professionals who have a desire to earn another credential or degree that could help them advance (and earn a higher wage in the future) often do not proceed because they cannot afford it.
- There is a low return (e.g., low wages) on the educational investments (such as time and cost) of ECE certifications.

Increased revenue may help child care businesses provide more compensation including higher wages for their staff. However, raising tuition for parents is not a realistic option for many child care businesses given that many parents struggle to pay current rates and cannot afford to pay more for child care. Furthermore, the CDC scholarship program, which helps families with low incomes pay for child care, may not be adequately reimbursing providers for the full costs of providing high-quality child care in Wayne County (Think Babies Michigan & James, 2021). This may be impacting the wages that child care businesses are able to pay their employees. Participating in the Child and Adult Care Food Program (CACFP) has been shown to increase net revenue of providers in Michigan (Burroughs et. al., 2024). However, there are barriers to participating in this program as well.

Problem Statement #4: Employers in the region cannot effectively recruit and retain the workforce they need because of a lack of affordable, accessible, and quality child care

It is clear that the lack of affordable, accessible, and quality child care impacts parents' and caregivers' abilities to work. From the parent perspective, the lack of affordable child care is a barrier to participating in the workforce for Michigan parents and caregivers (HSH, 2017). In fact, 68% (N=47) of the respondents in a survey of Southwest Detroit guardians of children under age 5 who were not currently working or attending school indicated they would begin to do so if they could secure affordable, reliable child care (IFF & Congress of Communities , 2022).

The root causes or the reasons for the lack of affordable, accessible, and quality child care (which limits parents' and caregivers' ability to work) are complex and laid out in detail in the other problem statements in this plan. For example, parent and caregiver availability to work is limited when:

- They do not enroll their child(ren) in ECE programs because the cost is too much of a barrier (problem statement #1).

- They cannot find child care that meets their needs because of the lack of supply. As discussed in problem statement #2, there is limited access to quality child care, especially for our youngest children and school age children, and for families that need nonstandard hours of care.
- Their child care provider cuts hours or closes classrooms due to difficulty hiring and retaining qualified child care professionals (problem statement #3). Furthermore, parents' and caregivers' availability for work can change with little or no notice when classrooms temporarily close or reduce hours, such as when child care professionals are sick and there are not enough staff to provide back-up.

Charting a Course of Action

To address the identified root causes of the child care challenges in the region, the Regional Child Care Planning Coalition has prioritized five strategies:

1. Develop a child care business owner professional organization that includes shared services and technical assistance, and is a vehicle for joint advocacy, organizing, and community building
2. Establish ECE workforce and talent pathway programs
3. Expand ECE investments in existing facility finance and construction programs
4. Support regional employers to learn about and adopt child care solutions as an employee retention and equity strategy
5. Develop and advocate for municipalities to adopt model ordinances

This section includes information on the implementation strategy, timeline, responsible parties, projected costs, and tracking progress for each of the prioritized strategies. The strategies outlined in this plan are at different stages of implementation. Some of the strategies are in the process of being implemented. Other strategies have committed leads but lack investment to move them forward, while other strategies have been prioritized in this plan because there is a clear need and desire for them to move forward but there is not yet an organization that has committed to leading their implementation.

When moving forward on the implementation of each strategy, it will be important to meaningfully engage those most affected by the child care challenges in the region, such as parents and other caregivers. Additionally, it will be important to design equitable programs that consider and meet the specific physical, developmental, and/or emotional needs of children. All strategies should also have a plan for measuring whether there are disparities in program access or impact.

An immediate need and next step in this work is to formalize the structure of the Coalition beyond this grant so that activities and movement toward the strategies outlined in this plan move forward and are coordinated across the region. The Coalition leads recommend that Hope Starts Here and their new facilitator (expected to start in early September 2024) consider providing leadership to the Coalition and toward the implementation of this plan. The partnership structure of Hope Starts Here and their focus on supporting the youngest residents in Detroit make them a clear fit to lead the Coalition and the implementation of the plan.

Key Action Strategy #1: Develop a child care business owner professional organization that includes shared services and technical assistance, and is a vehicle for joint advocacy, organizing, and community building

The coalition identified inefficiencies as one of the cost drivers in providing early childhood services. One reason child care is not affordable to most families in Wayne County is that the business model for provision of ECE services is broken. In order to address marketplace inefficiencies, the coalition centered on the potential benefits of an organization that can play a strong role in helping providers off-load back-office functions for savings, achieve cost savings through group purchasing of supplies, and provide robust technical assistance to help save time and money.

Implementation Strategy

This new organization can take one of several forms depending on the specific needs of the provider community. An association-like organization could fill the identified need by creating a provider-governed and provider-directed organization, the purpose of which is to develop a set of member services like those described above. The advantage of this type of organization [traditional 501(c)(6)] is that advocacy (lobbying) would be an allowable and expected activity under the IRS code.

Another organizational option is to organize as a Shared Services Network. A child care shared services network is a collaborative partnership among child care businesses aimed at streamlining and enhancing operations by sharing costs and delivering services more efficiently. The provider members of the coalition were enthusiastic about the possibility of providing the following services:

Cost Savings – By pooling resources and acting as a purchasing co-op, child care businesses can share costs related to training and operations as well as everyday purchasing of supplies.

Streamlined Administrative Tasks – Shared services can handle necessary administrative tasks that most child care providers do not have expertise or experience with such as payroll, billing, and record keeping; allowing providers to focus on quality care rather than paperwork.

Access to Substitute Staff – Most child care businesses do not have access to a reliable set of substitutes. A network organization can maintain a pool of substitute educators and professionals allowing providers to maintain a high quality of care even when regular staff are sick or on vacation.

Training and Professional Development – A shared services network can provide training for staff and business owners, coaching, and ongoing professional development. Workshops and online training can help providers keep abreast of best practices and other quality-related initiatives.

Community – Providers find value in convening with other providers and sharing practical advice and support. An organization that provides a safe and supportive environment for providers to collaborate also supports the child care ecosystem.

In Wayne County and the greater SE Michigan region there are, as one coalition member explained, “too many supporting organizations to keep track of”. This recommendation includes building upon the work of existing child care provider networks in Wayne County to add capacity and specifically to not duplicate or displace the organizations in this space. The expressed need this strategy addresses is the need to centralize, organize, convene, and collaborate. The provider members of the coalition were not specific as to the type of organization that should be created (not-for-profit, association, shared services network), feeling they did not have the background to recommend the precise structure. Therefore, implementation of this strategy should/could take three phases.

Timeline

Initial input from Coalition members on their shared service needs has been collected (as described above). Additionally, Coalition leads have reviewed materials or had conversations with other organizations working on similar initiatives in Michigan, including Develop Iosco and Data Driven Decisions, to understand their processes and lessons learned.

Phase 1 – Feasibility Study (Months 0-6)

Convene Wayne County providers and provider organizations to gather input.

- Utilize interviews and/or surveys to understand the services that could benefit ECE providers and their willingness to participate in a network.
- Conduct landscape scan to understand the current shared service organizations and other supporting organizations operating in Wayne County.
- Consider organizational options to determine the best corporate form for this organization.
- Develop core leadership among providers and support organizations.
- Consider a startup funding strategy.

Phase 2 – Operationalize (Months 6-12)

- Incorporate nonprofit organization.
- Develop and recruit a Board of Directors.
- Create mid-term (6-18 months) development plan.
- Hire initial staff.
- Develop initial programming.
- Create a sustainability plan including long-term funding, programming, leadership, and vision.

Phase 3 – Scale and Add Programming (Ongoing)

After staff and board leadership are in place and a clear budget including sources and uses of funds is implemented, additional services and supports can be added to provide deeper and more long-lasting benefits to the broader provider community. Continuing to regularly convene and engage the provider community will be an ongoing role for this organization. In this phase, leadership of some of the other strategies listed below can be shared or led by this group.

Responsible Parties

The following organizations have been identified by Coalition leads as potential leads and partners on this strategy:

Potential Lead Organization: Hope Starts Here, given their existing network structure that includes child care business owners, families, advocates, champions, and partner organizations dedicated to improving ECE in Detroit

Potential Partner Organizations: United Way for Southeastern Michigan, Southeast Michigan Early Childhood Funders Collaborative, Detroit Regional Partnership, Detroit Regional Workforce Partnership, Detroit Regional Chamber of Commerce, Matrix Human Services, Brilliant Detroit, Empowered Community Outreach Services (ECOS), the Brightmoor Alliance, and the Detroit Parent Network.

Matrix Human Services and ECOS have experience providing shared services to child care business within Matrix's child care partnership and ECOS' family child care network. It will be important to determine how to best build on these organizations' expertise and existing networks when considering the development of a child care professional organization that provides shared services.

Other: Existing professional or shared services organizations could be valuable sources of information and partnership in this work. For example, at the time of this report, Develop Iosco was in the process of conducting a feasibility study for developing a Managed Services Organization in the Iosco area. Develop Iosco had developed a survey tool, which they were willing to share, aimed at child care business owners to understand their shared service needs.

For provider-focused training and professional development, existing resources include Wayne Oakland Macomb Resource Center, which provides coaching for providers and guidance with developing provider improvement plans. In addition, there is the ECE Career Center that provides training and professional development for early childhood educators. These classes are approved through MiRegistry and fulfill best practice standards while enabling child care providers to earn their annual required training hours for licensing.

Projected Costs

Phase 1 budget should be minimal. The investment will mostly be in the form of staff time to organize, convene, and plan.

Phase 2 budget is to be determined based upon the scope and size of the agreed-upon organization. It could be anticipated that a small nonprofit organization with a focused set of services could operate in the \$750,000 to \$1-million range. Startup funding may be necessary to get the organization off the ground, but this organization should be able to be self-sufficient in time with funding from a variety of sources including dues, fee-for-service income, grants, partnership, and sponsorship revenue. Depending on how the professional network is set up, there may be state funding available to support this work. The Michigan FY25 budget included continued investment in family child care networks, which provide shared services for family child care businesses.

Tracking Progress

The organization's establishment and ultimately self-sustainability will be an important measure of success of this key action strategy. Other measures could include cost savings to provider members, membership growth, net addition of child care facilities or slots, or reduced turnover of providers/facilities.

Key Action Strategy #2: Establish ECE workforce and talent pathway program

The focus of this strategy is to establish ECE workforce and talent pathway programs that recruit and support the retention of child care educators. These pathway programs will also provide child care educators with training and education, which are expected to have a positive impact on the quality of child care and educator wages in Michigan. Therefore, this strategy will address some of the challenges that child care businesses have with hiring and retaining qualified professionals (problem statement #3), which in turn would be expected to improve access to quality child care in the region (problem statement #1) and therefore support other regional employers to be able to recruit and retain the workforce that they need (problem statement #4) because parents would have the care they need to work. The Coalition coalesced around this strategy because it addresses the identified problem statements and because there was existing momentum and progress toward implementing this strategy by the Michigan Educator Workforce Initiative (MEWI).

Implementation Strategy

The purpose of this strategy is to recruit the next generation of Michigan ECE educators and retain the talented educators already serving our state's youngest children by expanding promising early childhood educator training programs, building on best practices and innovations that exist in Michigan and other states, and developing new, innovative pathways that contribute to the recruitment, diversity, quality, and retention of Michigan's ECE workforce.

Overall program priorities include:

- Making significant progress towards closing the PreK lead teacher gap and PreK associate teacher gap
- Making significant progress toward closing the PreK center leadership/program director gap
- Aligning efforts to the [PreK for All](#) framework and coordinating with Wayne Regional Educational Service Agency (RESA) (and key school systems in other regions), nonprofit, and leading early childhood education (ECE) partners to successfully position Michigan Educator Workforce Initiative (MEWI) ECE projects and programs for statewide expansion
- Working with school and district partners to open and staff model PreK classrooms
- Support Michigan's ECE landscape by supporting educators serving children ages 0-5 in enrolling in and completing CDA, bachelors, and teaching licensure programs

This program will focus on meeting the massive demand for teachers to support PreK for All. However, all those getting their CDA credential through the following programs can work in any ECE setting serving whichever age group their program needs.

This strategy would establish three ECE workforce and talent pathway programs in Wayne County as part of a larger effort to establish these programs statewide. These programs would be offered free for program participants to limit barriers to entering and progressing in the field.

Pathway 1 - PreK Associate Teacher Certification Pipeline

- Offering Child Development Associate (CDA) certification for those who do not yet possess a CDA or associates degree

Pathway 2 - PreK Lead Teacher Certification Pipeline

- Offering a bachelor's degree in early childhood education for candidates who possess some college but have not yet achieved their bachelor's degree
- Offering an Early Elementary teaching certificate (PreK through 3rd Grade) program to candidates who already possess a bachelor's degree in another field

Pathway 3 - Program Director Apprenticeship

- Offering a Master of Early Childhood Education and supplementary course work for successful early childhood educators working at a program seeking to expand to an additional location

The program will serve ECE educators across school district, community-based, and home-based settings. The program director apprenticeship will support programs serving children across multiple age groups, not just PreK. However, the two Lead Teacher Pipelines (Pathway 2) will only certify in Early Elementary (PreK-3) during phase 1 of the program. During phase 2, MEWI intends to add an additional Educator Preparation Program that can certify in Birth to K, as well. See the “timeline” section below for more information about the various phases of implementation.

Timeline

This strategy will be implemented in phases. Phase 1 involves establishing partnerships and implementing these programs in Wayne County (and Montcalm and Marquette-Alger RESA [MARESA]). The second and third phases involve scaling the programs in Wayne County and existing regions and implementing the programs in additional regions statewide.

Phase 1 would also involve getting input from cohort (pipeline and apprenticeship) participants on the program and the need for wraparound services that would be helpful to support the success of the program, and a robust program evaluation that identifies lessons learned from initial cohorts and actionable strategies for program improvement and scaling.

Phase 1
Launch Immediate Impact Programs in Wayne County and Other Pilot Regions
June 2024 – June 2026
<ul style="list-style-type: none"> • Make an immediate impact on the PreK associate teacher and lead teacher shortages in three diverse regions across the state • Establish model PreK classrooms in three diverse regions across the state, staffed by MEWI ECE program participants • Establish programs as a successful recruitment pipeline for aspiring early childhood educators, making a compelling case for additional funding and expansion into additional counties statewide
Locations: MARESA, Montcalm, and Wayne RESA. (The model classrooms would be in the same locations, staffed by program participants.)

Phase 2
Build on Phase 1 Learning & Success to Expand Statewide
January 2026 – June 2028
<ul style="list-style-type: none"> • Building on successes of Phase 1, expand the associate teacher and lead teacher recruitment pipelines to additional regions across the state of Michigan with the intention of having a presence statewide • Establish and strengthen relationships with partners in expansion regions to ensure strong local supports for expansion regions • Expand impact by launching additional cohorts in Phase 1 regions and cohorts in new regions statewide, with the intent of certifying 3x the number of educators in Phase 1 • Establish program director apprenticeship pipeline
Locations: MARESA, Montcalm, Wayne RESA, and 3-5 additional regions statewide

Phase 3
Strengthen Partnerships & Establish Sustainability
June 2028 Onward
<ul style="list-style-type: none"> • Building on successes of Phase 1 and Phase 2, expand the associate teacher, lead teacher, and program director pipelines statewide • Establish and strengthen relationships with partners in expansion regions to ensure strong local supports for expansion regions • Build infrastructure for long-term sustainability, including formalizing partnerships, funding streams, and personnel for long-term impact
Locations: MARESA, Montcalm, Wayne RESA, Phase 2 regions, and 3-5 additional regions statewide

Responsible Parties

Lead Organizations: Michigan Educator Workforce Initiative (MEWI), Program Lead and Apprenticeship Sponsor

Partner Organizations and Role

- Talent Together, recruitment partner
- Wayne RESA, Montcalm ISD, and Marquette-Alger RESA, recruitment partners
- Leaps and Bounds, CDA Program provider (Pathway 1)
- Northern Michigan University, credit-bearing CDA Program provider (Pathway 1) and higher education provider for Bachelor of Early Childhood Education (Pathway 2) and Master of Early Childhood Education (Pathway 3)
- Detroit Employment Solutions Corporation (DESC), supports apprenticeship programming
- First Children’s Finance, child care business and operations curriculum development and education provider for Program Director Apprenticeship (Pathway 3)
- Other Planning Coalition Member Organizations, support referring candidates and high-quality providers to the program

This program and the above partners have been approved by the MEWI board. As this program moves forward, MEWI will consider how to best coordinate with additional partners that provide CDA training and/or teaching licensure in Wayne County. One such example is ECOS, lead CDA trainer for bi-lingual (Arabic and Spanish) CDA candidates in the region. There may be opportunities in the future for this program to bring on additional partners; for existing CDA providers in the region to work with the approved partner organizations listed above (such as NMU); or to refer out program candidates who would be best served by other CDA programs (such as a bi-lingual program).

Projected Costs

Phase 1 Costs				
Budget Item	Description	Cost	Quantity	Total
CDA Certification Cost	Per participant cost for CDA certification	\$2,500	75	\$187,500
CDA Retention Bonus	\$500 retention bonus for each associate teacher candidate upon program completion + 1 year out	\$1,000	75	\$75,000
Lead Teacher Certification Cost	Bachelor's degree credits + certification cost	\$15,000	20	\$300,000
Lead Teacher Retention Bonus	\$1K retention bonus for each lead teacher candidate upon program completion + 1 year out	\$2,000	20	\$40,000
Program Director Masters & Apprenticeship Costs	Master of Early Childhood Education cost (\$28,000 per participant) + apprenticeship supported by First Children's Finance (\$12,000 per participant)	\$40,000	5	\$200,000
Resource Navigation & Wraparound Supports	Books, transportation stipends, child care stipends, etc. (\$1,500/CDA candidate and \$3,000/lead teacher candidate)	\$172,500	1	\$172,500
Program Manager	2-year staff costs	\$200,000	1	\$200,000
Total				\$1,175,000

Note: With additional funding for Phase 1, MEWI could serve more candidates and increase its impact on the ECE workforce shortages in Wayne County.

	Phase 2	Phase 3
Projected Cost	\$3.15M	\$4.96M
Anticipated Outcomes (across all regions)	235 Early Childhood Educators Total <ul style="list-style-type: none"> • 150 Associate teacher candidates • 75 Lead teacher candidates • 10 Program Director candidates 	340 Early Childhood Educators Total <ul style="list-style-type: none"> • 200 Associate teacher candidates • 125 Lead teacher candidates • 15 Program Director candidates

Tracking Progress

As previously outlined in this report, staff recruitment and retention is a major challenge for child care programs. Furthermore, it is anticipated that more child care professionals will be needed with Governor Gretchen Whitmer's "PreK for All" plan to provide every four-year-old in Michigan with access to free Prekindergarten (PreK). This strategy addresses the ECE educator challenges by recruiting potential child care educators and supporting the retainment of existing child care educators. Additionally, this strategy supports the quality of child care in Michigan and educator wages, by providing training and education for child care educators.

Anticipated Phase 1 Outcomes in Wayne County Only:

- 31-38 newly certified associate teachers with Child Development Associate credential
- 8-10 newly certified PreK teachers
- 2-3 newly certified program directors
- 1-3 model PreK classrooms in each placement region
- 85%+ program retention, completion, and satisfaction
- Explore and pilot course clusters and on-the-job training/performance tasks that result in micro-credentials building towards certification, in partnership with the CDA and higher education partner

Key Action Strategy #3: Expand ECE investments in existing facility finance and construction programs

The Coalition expressed a need to bring more funding and investment into the child care system from sources other than direct payments from families, given that they often could not afford to pay more. Bringing more funds into the system was recognized as a strategy to address the lack of access to quality child care (Problem Statement #2) while not exacerbating the problem of child care not being affordable to families (Problem Statement #1).

To get increased investment to expand ECE facilities, there are often calls to create regional loan funds. These calls are often made without a deep understanding of the existing ECE financing ecosystem. Throughout the Midwest, there are more than 1,000 certified community development financial institutions (CDFIs) providing a broad range of grants and financing for equipment, operating capital, and facilities. The infrastructure is built with strong connectivity to communities, capacity to underwrite, funded loan loss reserves, and the ability to recycle catalytic capital. In addition, debt is not always the right or best tool for ECE providers. There are some challenges with localized ECE facility funds. The first is that ECE providers run very-low-margin businesses that leave limited cash flow available to repay debt. Debt can be utilized but also needs to be blended with grant funding. In addition, regionalized funds often become capital constrained and tend to be isolated to larger cities. Funds that need to be stood up require infrastructure, lending policies, procedures and underwriting expertise, net assets, and loan loss reserves, all of which consume capital that could be deployed through the existing ecosystem, which has already built and is maintaining that infrastructure. Therefore, investing in funds or, ideally, the existing CDFI infrastructure with at least statewide scale is likely to be most effective. Finally, many ECE providers have limited experience with building or renovating real estate, and therefore need technical assistance to increase the chances for projects to be viable.

Implementation Strategy

Rather than create new programs for ECE facility finance and construction, we propose taking action to expand investments in the existing programs that are highlighted below.

Michigan CDFI Fund

In 2023 the State of Michigan created a CDFI fund managed by the Michigan Economic Development Corporation. This fund has granted \$19 million to the CDFIs operating in the state. These funds have been effective in adding net assets to the balance sheets of these CDFIs that can then leverage those net assets to make loans. Several of the CDFIs including First Children's

Finance, Local Initiatives Support Corporation (LISC), and IFF lend in the ECE space and there are multiple examples of CDFIs partnering to meet the needs of ECE providers. IFF has partnered with Detroit Development Fund, Invest Detroit, Capital Impact Partners/Momentum, and Cinnaire on multiple ECE projects tailoring a suite of products and services and leveraging various federal programs to meet the unique needs of ECE providers in Detroit.

Request: In addition to allocating future funding to the Michigan CDFI Fund for all CDFIs, the State could allocate specific funding for those that lend into the ECE sector providing leverage of up to 5:1 on every dollar invested and an assurance there will be statewide reach to for-profit and nonprofit ECE programs.

Amount: \$2 million – \$3 million annually to support statewide loans to ECE providers creating \$8 million – \$15 million in leveraged impact.

Learning Spaces

IFF has been running the Learning Spaces program in Metro Detroit and Grand Rapids for several years. Learning Spaces is an innovative program focused on supporting ECE providers in aligning programmatic and facilities quality. IFF pairs an internal real estate expert with an ECE provider to learn more about facilities quality and develop a comprehensive facilities plan with access to grant funds to begin facilities improvements and implementation. Through the program, IFF has preserved and improved 2,680 slots and created 330 more investing more than \$3.4 million. Learning Spaces was initially funded by The Kresge Foundation, and then joined and expanded with the collaboration of the W.K. Kellogg Foundation, the PNC Bank Foundation, the M.M. Fisher Foundation, and the Ralph C. Wilson Jr. Foundation. This is an example of leveraging sector-specific expertise, philanthropy, and building facilities champions.

Request: Fund additional cohorts of Learning Spaces. Cohorts have been running consistently in Detroit for the past seven years and can continue to run and be expanded to focus on additional high-need communities in Wayne County.

Amount: \$2 million in grant funds over the next three years.

Grants for ECE Providers Using Caring for MI Future Infrastructure

Building on the success of Learning Spaces, IFF worked with the State of Michigan to execute the Caring for MI Future: Facilities Improvement Fund (FIF). The FIF has distributed \$59 million to new and expanding child care providers across Michigan. The FIF grant has helped 1,100 home- and center-based child care providers undertake more than 3,500 projects to renovate and upgrade their facilities. These projects range from replacing furnaces and windows, to improving outdoor playscapes and creating safe play spaces indoors. The funds have also enabled the providers to add an additional 10,600 slots.

This initiative is a model for how federal funds, from the American Rescue Plan to the Infrastructure Investment Jobs Act to the Inflation Reduction Act, can and should be distributed through community-based intermediaries like CDFIs. These organizations can provide the necessary technical assistance to support implementation (such as supports around contracting or project budgeting), leverage relationships in the community to reach under-reached providers,

leverage high-quality research to inform need, and, when at scale, have the systems and capacity to manage funds at this scale to ensure that federal funds can be used by those who haven't traditionally been able to access these programs.

Over the course of the program, IFF has centered community voice and provider needs to continually refine the program – adding elements like culturally responsive technical assistance for grant applications, support for providers to identify and work with construction contractors, building a network of providers for shared learning, and more. The combination of grant funds and technical assistance ensured the success of each of these projects, giving children and families access to the physical spaces they deserve.

While the money funding Caring for MI Future is a one-time opportunity initiated through the American Rescue Plan Act, this way of working does not need to be. Utilizing CDFIs, their relationships, and deep connections to community is now a proven way to get capital out the door and make system-level changes that benefit all communities. Many important policy lessons were learned from IFF and other CDFIs administering funds from other states and that learning can be brought to bear to shape even more catalytic programming in the future to maximize impact.

Request: Use the infrastructure created for Caring for MI Future to distribute additional grant funds to ECE providers across the state. Focus next on fully maximizing all dimensions of the Inflation Reduction Act (Greenhouse Gas Reduction Fund), CHIPS and Science Act (CHIPS), U.S. Department of Energy (DOE), and U.S. Department of Transportation (DOT) funds.

Amount: TBD

Facility Construction

Ultimately, to add ECE slots in Wayne County, new facilities need to be constructed. IFF has worked with the Kresge, W.K. Kellogg, and Fisher foundations as well as the City of Detroit and many others to build new high-quality centers in Detroit. This began with the construction of the nearly 29,000 square foot facility operated by Starfish Family Services that serves 144 children on the Marygrove P-20 campus.

Currently IFF is finishing the construction of the 14,000 square foot McClellan facility on the east side of Detroit that will be operated by Matrix Human Services. This facility utilized funding from a multitude of public and private sources with the intention of creating a replicable model to develop additional facilities in Detroit. See the following pages for highlights of the projects that are currently being developed.

Request: Provide additional grant funding to complete three more ECE centers in Detroit over the next two to three years.

Amount: \$6 million of grant funding to fill gaps in the capital stacks for these three projects. Future funding TBD with additional facility development.



Early Childhood Learning Center **McClellan**

Detroit, MI

Vision

The McClellan ECE is on a 1.7 parcel in Detroit's Kettering neighborhood. The site is located where the old Pingree Elementary Detroit Public School once stood, which many older residents in the neighborhood once attended. Residents are excited and encourages by the idea of bringing back an institution of quality learning on the site of the old Pingree Elementary School. The McClellan Early Childhood Education center will have 7-8 classrooms, a community room, and other meeting spaces for local providers and community development organizations. Every classroom will have access to play, learning, and outdoor space via an accessible playground and interior courtyard that emphasize cohesion with the natural landscape.

Impact

Within a three-mile radius of the McClellan ECE site, there is a 521-slot gap in available childcare spots and current demand. The goal for the McClellan ECE is to reduce this gap by 108 slots and put children on a sustainable path for adolescent development. Providing a high-quality design childcare facility that is accessible to families of all incomes will function as larger asset on Detroit's East Side. This facility will support a locally operated childcare business which will help build their capacity, grow their business, and eventually, allow them to leverage an asset.

Project Type: Early Childhood

Size: 14,000 SQFT - New Construction

Development Cost: \$7,700,000

IFF Role: Developer, Owner

Partners: Matrix Human Services, City of Detroit, HeadStart

Expected Completion: June 2024



Choice Neighborhood Owen EEC

Detroit, MI

Vision

Owen Economic Empowerment center is a part of a Greater Corktown neighborhood revitalization strategy led by the City of Detroit Department of Housing and Planning. The strategy plans to expand and strengthen amenities and resident services, while positioning Corktown to become one of Detroit's most sustainable and resilient neighborhoods. This project will create new public spaces, increase access to community services, and create safer and more accessible streets, while reactivating a large vacant parcel that will act as an anchor within the community.

Impact

An overarching goal of the Greater Corktown initiative is to safely connect residents to each other, assets, jobs, opportunities, and amenities. This project will fulfill critical elements of that plan by providing high quality early childhood learning spaces and supportive community services.

Project Type: ECE Center

Size: 12,500 SQFT - New Construction

Development Cost: \$10,800,000

IFF Role: Developer

Partners: City of Detroit, Starfish Family Services

Expected Closing: September 2026



Southwest Early Learning Center

Southwest Detroit, MI

Vision

IFF in partnership with placed based community organization Congress of Communities (CoC) will be developing a 10,000 square foot new construction, high quality, Spanish Immersion Early Childhood Education Center (ECE) in the culturally rich neighborhood of Southwest Detroit. The Southwest ECE Center will have 6 classrooms, a gross motor room that can double as community space, along with an accessible outdoor playground. This project is a direct response to community members seeking quality and culturally conscious childcare in a pocket of Detroit that has been historically overlooked.

Impact

With a 5,057-seat gap, Southwest Detroit has long needed quality childcare. The early childhood education center will give 88 kids access to high quality licensed childcare in an area where childcare is scarce. The ECE will also house an incubator program to assist with licensing and professional development of informal providers, as 90% of childcare in Southwest is provided by unlicensed providers. Together IFF and CoC are working together to ensure the project is a long term neighborhood asset that aligns with the community's vision, addresses local concerns and needs, as well as contributes to Southwest's overall betterment.

Project Overview

Project Type: Early Childhood

Size: 10,000 SQFT - New Construction

Development Cost: \$6,500,000

IFF Role: Developer, Short term Owner

Partners: Congress of Communities, Kresge, PNC, Kellogg

Completed: Q3 2026



Children Of The Rising Sun

Detroit, MI

Vision

In Partnership with Children of the Rising Sun (CRS), IFF is developing a culturally conscious, wholistic early childhood and wellness center in the McDougal-Hunt neighborhood of Detroit. The learning center will focus on sustainable growth over time through multiple phases, allowing CRS to respond to community needs, as well as build internal capacity. Partnership conversations are ongoing, but CRS is looking to partner with a physician's, mental health specialist, and birthing support services to serve the neighborhood with a holistic, family health center.

Impact

This facility will provide quality childcare in an area of Detroit that currently has a large ECE seat gap. Once the first phase of the the project is complete, the ECE center will serve roughly 60 children and families. ECE programming will be bolstered by wraparound services to further support youth and their families, as part of a holistic care approach. This new wellness center would also activate three vacant lots in the neighborhood.

Project Type: Early Childhood

Size: 5,000 SQFT - New Construction

Development Cost: \$2,000,000

IFF Role: Developer, Owner

Partners: Children of the Rising Sun, Fisher Foundation, Kellogg Foundation, PNC,

Detroit Means Business

Expected Closing: Q3 2024

Timeline

Additional funding can be sought at any time. The construction of three new facilities in Detroit may take two to three years once funding is obtained.

Responsible Parties

Seeking ECE Funds from Existing Sources

A purpose of key action strategy #1 “Develop a child care business services organization...” is to create a vehicle for joint advocacy. Once this group is established, they would be ideal partners on any efforts to seek additional funds. Furthermore, strategy #4 “Support regional employers to learn about and adopt child care solutions...” proposes creating a task force of regional business leaders that have potential to be leveraged to support or advocate for policy (including budget) change such as may be required to increase state or federal funding.

Funding Partners

Potential funding sources that are also potential targets of this strategy include:

- State of Michigan
- Michigan Economic Development Corporation, regarding the Michigan CDFI Fund
- Kresge Foundation
- W.K. Kellogg Foundation
- PNC Bank Foundation
- M.M. Fisher Foundation
- Ralph C. Wilson Jr. Foundation
- U.S. EPA, regarding the Inflation Reduction Act (Greenhouse Gas Reduction Fund)
- U.S. DOE
- U.S. DOT

Lending Partners

The following CDFIs lend in the ECE space. With additional Michigan CDFI Funds or funds from other sources, these CDFIs could do additional lending to and partnering with ECE providers to meet their needs.

- First Children’s Finance
- LISC
- IFF
- Detroit Development Fund
- Invest Detroit
- Capital Impact Partners/Momentum
- Cinnaire

Facility Construction Partners

The lead organization for developing or providing technical assistance for facilities development, once funding is obtained, is IFF.

Projected Costs

The project costs are primarily personnel time to seek additional funding or changes to how existing funding sources are managed and distributed.

The following are the projected costs to fund existing facility finance and construction programs and their potential funding source(s):

Use of Funds	Funding Source	Amount
Loans for ECE providers through the Michigan CDFI Fund	Michigan Economic Development Corporation	\$2 – \$3 million annually
Facility Construction	Foundations, CDBG funding, New Markets Tax Credits, state and federal earmarks, corporate investors	\$6 million of grant funding to fill gaps in the capital stacks for the Owen, Children of the Rising Sun, and SW Detroit projects. Future funding TBD with additional facility development.
Learning spaces, additional cohorts	Foundations, corporate grant partners	\$2 million in grant funds over the next three years
Grants for ECE providers, distributed through community-based intermediaries like CDFIs	Federal government: U.S. EPA, U.S. DOE, U.S. DOT	TBD

Tracking Progress

The purpose of this strategy is ultimately to increase the child care supply and the quality of child care facilities in the region by expanding investments available through existing grant, lending, and other funding programs.

Long-term results metrics that would help quantify the achievement of this strategy include the total number and the dollar amount of support for child care facility start-up, expansion, and improvements. Metrics could also be tracked by type of business: family, group, and center-based.

Medium-term metrics could include the dollar amount of additional investments through existing programs that are made available to and obtained by child care businesses in the region. We would anticipate that these medium-term metrics would result in the longer-term results of increases in the number and quality of child care businesses in the region.

Key Action Strategy #4: Support regional employers to learn about and adopt child care solutions as an employee-retention and equity strategy

This strategy addresses a key problem statement related to the challenges and negative impacts of the lack of child care on workforce participation and talent recruitment and retention in Detroit and Wayne County, and recognizes regional employers' influence on increasing access to child care for their employees and strengthening the child care system as a whole.

This strategy was selected by the coalition because there is motivation by local workforce partner organizations and regional employers to launch this strategy. The activities outlined in this strategy are intended as a launch point to help regional employers learn about and adopt child care solutions that improve access to quality child care for their employees.

The result of this strategy would be that regional employers have a suite of tools, resources, and best-in-class solutions that are the most viable, cost effective, equitable, and poised to yield the greatest impact on employee retention and social determinants of health.

Furthermore, by building an employee task force of regional employers, there is potential for future coordinated action from task force members around other systems and policy-change efforts.

Implementation Strategy

During the first stage of this strategy, the project team will:

- Form an employer task force
- Conduct a comprehensive needs assessment to understand industry-specific child care needs
- Develop an employer-led, regional (Southeast Michigan) plan that outlines how industry leaders can come together to strengthen the child care solutions. The plan will include recommendations on a suite of best-in-class solutions that regional employers can implement that are viable, cost effective, equitable, and can yield tremendous impact. The plan will also include implementation guidance for regional employers.
- Disseminate the recommended solutions and provide training or other guidance on implementation.

This work would be focused on the broader Southeast Michigan region. However, we expect to engage employers and identify and disseminate solutions in Wayne County.

It is anticipated that Stage 1 will take 18-24 months once funding is secured. The timeline, partners, and projected costs for Stage 1 are outlined below.

Timeline

The following is the timeline for Stage 1 of this work:

1. Secure funding
2. Build the Team: Months 1-6
 - a. Form an Employer Task Force, comprising representatives from one or several target industries including health care.
 - b. Collect existing data from employers on child-care-related concerns
 - c. Engage a consulting firm to facilitate a comprehensive needs assessment
3. Needs Assessment: Months 4-10
 - a. Conduct a comprehensive needs assessment of child care shortages for employees
 - b. Assessment will include regional data evaluation, employee surveys, and focus groups
 - c. The team will deliver a Needs Assessment Report
4. Strategic Action Plan and Program Implementation Recommendations: Months 10-13
 - a. Develop a 12-month strategic action plan based on insights from the Needs Assessment Report
 - b. The Strategic Action Plan will produce recommendations on programs that regional employers can elect to adopt or new program models that they could pilot. The plan will include implementation guidance to support employers as well as outcome metrics for program evaluation.
5. Dissemination, Communication, and Training on Recommended Programs and Other Solutions: Months 13-24

Responsible Parties

The following are the responsible parties for Stage 1 of this strategy—the development of the task force, the needs assessment, and the development of the plan that includes program models from the pilot projects that employers could adopt. The actual implementation or adoption of the recommended strategies or programs would be a subsequent step that may be led by or involve different organizations.

Lead Organization: Detroit Regional Workforce Partnership (DRWP)

Partner Organizations

- Detroit Regional Partnership
- United Way for Southeast Michigan
- New Economy Initiative
- Regional CEO Group
- Corewell Health
- Michigan Medicine
- Trinity Health
- Henry Ford Health
- McLaren Health Care

Projected Costs

The anticipated budget for Stage 1 (the key planning steps for this Southeast Michigan regional project) is estimated to be between \$200,000 to \$250,000. This includes allocations for DRWP project support and consulting support, as well as assumed expenses for training and communications related to employer engagement and dissemination of recommendations, which includes a roadmap to implementation.

Tracking Progress

Tracking success of this project will include tracking the completion of activities and outputs of those activities. For example, tracking metrics around the number and diversity of businesses engaged in the task force and employees engaged through the needs assessment. Part of the planning and pilot development process will involve developing outcome metrics for program evaluation. After the pilot projects are implemented, we anticipate that they will move critical success indicators such as reduction of absenteeism at work.

Key Action Strategy #5: Develop and advocate for municipalities to adopt model ordinances

Local zoning practices and policy contribute substantially to this lack of access to quality child care that meets parents' wants and needs (problem statement #2). The Coalition chose to prioritize this strategy because each of the municipal policy and zoning barriers identified within this report is a substantive and material issue that exists in every local jurisdiction within Wayne County. However, each of these identified barriers also has a clear and actionable resolution that is oftentimes not difficult to enact.

Implementation Strategy

Phase 1. Identify Zoning, Planning, and Municipal Policy Changes to Address Barriers to Developing and Starting Up Child Care Facilities

The first phase of the implementation strategy was completed through the Regional Child Care Planning Grant. The IFF team identified six tactics, described below, that local policymakers in Wayne County can implement to significantly increase access to the vital ECE services needed to support their children's development and foster more equitable and prosperous outcomes for everyone within the community.

1. Eliminate or reduce prohibitive zoning for ECE facilities. Allow group child care homes and child care centers by right within more zoning districts.

The single most influential action that communities can take to reduce zoning-related barriers for ECE providers is to allow ECE facilities by right in more or all zoning districts thereby increasing the supply of suitable land and reducing the time, effort, and money required for seeking approval from planning boards and commissions. Other things communities can do to eliminate or reduce prohibitive zoning are described below.

The reclassification of group child care homes and child care centers from conditional/special land uses to by-right land uses would have a profound effect on eliminating barriers for ECE providers. Michigan law already states that, "For a county or township, a Family Child Care

Home is a residential use of property for the purposes of zoning and a permitted use in all residential zones and is not subject to a special use or conditional use permit or procedure different from those required for other dwellings of similar density in the same zone.” State law could be utilized to expand this permissive regulation to include group child care homes as well, or local municipalities could adopt a similar ordinance.

Special/conditional land uses should be reserved for very intense or potentially harmful land uses such as landfills and scrapyards, not for essential services such as early childhood education.

A reorganization of permissible land uses within zoning ordinances throughout Wayne County would introduce ECE facilities into areas that have previously not had access to these resources. By expanding permissibility, group child care homes would more easily be established within more neighborhoods in need and child care centers would cease to be strictly relegated to commercial/business districts. ECE facilities then would be integrated within neighborhoods and communities, serving people where they live, allowing for a more accessible and convenient use of services for families.

2. Eliminate or simplify burdensome planning and zoning processes. Streamline approvals for group child care homes and child care centers. Allow approvals to be granted via administrative approval rather than requiring a public hearing and approval by a board, commission, or council.

There are various steps that local governments can take to simplify their zoning processes, specifically regarding the approval of conditional use permits. First and foremost, local governments can outright avoid the long and complex processes associated with special/conditional land uses approvals altogether by simply amending their zoning ordinances to allow family and group child care homes and child care centers by right in more zoning districts. However, the processes for special/conditional land uses can themselves be simplified. Rather than requiring public hearings for special/conditional land use approvals associated with an ECE facility, local governments could instead review and approve these requests administratively.

The City of Grand Rapids adopted this administrative review and approval strategy for group child care homes sometime around 2018, requiring only a “Director Review” approval by the planning director rather than a special land use approval by the planning commission. By omitting the requirement for a public hearing and judgement by a board or commission, Grand Rapids has facilitated a more accessible, manageable, and navigable process for approval of ECE facilities. Grand Rapids planning staff have shared that this shift in policy has not created any issues with surrounding land uses and have asserted that the public hearings themselves often generated neighborhood angst rather than any actual adverse effects from the ECE facility itself.

It is also imperative that the Bureau of Fire Services facilitate timely reviews of early childhood education facility plans so as not to restrict this essential service.

3. Eliminate or reduce required development standards imposed on group child care homes and child care centers. Amend ordinances to reduce or eliminate parking, landscaping, and other standards.

By alleviating many of these development standards, a community can significantly reduce the financial barriers associated with developing a new facility or renovating an old building to provide early childhood education services and can greatly increase the supply of suitable land for early childhood education.

4. Create incentives for developers to integrate ECE facilities within their residential and commercial developments. Offer density, landscape, architectural, and other bonuses in exchange for the inclusion of an ECE facility within a new development.

Communities can incentivize residential and commercial developers to include ECE facilities as an integrated part of development through various creative techniques. One such technique is by allowing the developer to utilize, by mechanism of the zoning ordinance, “bonuses” in exchange for the inclusion of an ECE facility within a development. These “bonuses” can include increased allowable density of housing, reduced architectural standards, reduced landscape standards, and more. These bonuses are attractive offers for developers seeking to improve their profit margins and can be leveraged to meet the early childhood education needs of communities.

More complexly, local governments can explore the possibility of imposing development impact fees for new commercial and residential development whereby funds are collected and allocated towards early childhood education efforts. The legality and viability of imposing development impact fees for this purpose should be further investigated and legal counsel should be consulted, but it is a worthy consideration that has the potential to make a direct and impactful effect on ECE providers.

5. Include early childhood education needs as a core intention within master plan documents. Analyze data regarding existing ECE facilities within the community and explore methods to facilitate their proliferation.

Local governments should seize these opportunities to update their master plans to specifically address early childhood education needs within their jurisdictions. This action will facilitate further planning policy actions in support of increased accessibility to early childhood education services. Michigan statute requires that local governments review their master plans every five years.

6. Reduce application fees for ECE developments. Explore creative options to provide capital or reduce costs for ECE providers.

While the issue of limited capital is not directly tied to local zoning practices, there are several ways in which a municipality can alleviate this problem. Simply put, local governments can waive or reduce fees for all ECE-related matters such as special/conditional land use permit fees and building permit fees. While not transformational, this minor change

can make a notable difference for providers as they begin the process of building their early childhood education business.

When effectively executed, these tactics will not only benefit the families whom ECE providers directly serve but will create a more prosperous future for the entire community and beyond.

Phase 2. Build Readiness, Awareness, and Model Ordinance for Action

Local policymakers have the power to enact the zoning, planning, and municipal policy changes suggested above. Local community members and interested parties can influence and push policymakers to make these changes through coordinated action. Next steps include:

1. Build a coalition of community members/organizations and other parties interested in pursuing local policy changes. There may be opportunities to collaborate with other regional planning coalitions doing similar work and with the network of people that drove and supported efforts to influence municipal child care policy in Detroit in 2024.
2. Develop model ordinances, designed specifically to address the quality and accessibility of early childhood education. The development of model ordinances could greatly assist in the uniform application of care throughout communities within Wayne County, as well as the entire state of Michigan. If all or many of the cities within Wayne County adopted a standardized model ordinance for ECE with consistent development standards, permitted uses, and so forth, it would make it easier for providers, developers, real estate agents, and technical assistance providers to navigate the regulatory landscape.

These model ordinances should be developed with the input of all stakeholders including ECE providers, community leaders, land use professionals, and public input. It should be developed through informed research and driven by data, addressing the concerns of the community while maintaining accessibility to ECE as a top priority. As some communities adopt and refine this model ordinance to fit their specific needs, it will encourage and give confidence to other communities throughout Wayne County regarding its efficacy.

These model ordinances should also be informed by the work of other regional planning coalitions. There may be opportunities to work in collaboration with other regions to develop a statewide playbook of model ordinances to build consistency beyond Wayne County and across Michigan.

3. Raise awareness regarding the scarcity of ECE services. Educate the public, zoning boards, plan commissions, town and city councils, city managers, mayors, and other decision-makers regarding the scarcity of ECE services and how municipal regulatory policies influence them.

It is important that state, local, and community actors continue to identify, expose, and challenge these codified barriers within local zoning ordinances and elsewhere throughout the regulatory system. Planning commissions, zoning boards, city councils, and all other decision-making bodies within a community must be educated on these issues so that they may strongly consider these factors when making any decision that has the potential to affect accessibility to ECE services.

Phase 3. Educate and Advocate for Policy Change

Once Phases 1 and 2 are completed, the next step would be to educate policymakers and decision-makers on the model policies and advocate for their adoption in municipalities across Wayne County. This would likely involve developing greater regional buy-in from local organizations and community members in each municipality, building advocacy capacity such as educating organizations and community members about the policymaking process and the opportunities for policy change (both administrative and legislative).

Timeline

Phase 1: Identify Zoning, Planning, and Municipal Policy Changes to Address Barriers to Developing and Starting Up Child Care Facilities (Months 1-17)

This phase was completed in tandem with the regional planning grant that supported and funded the development of this planning document, between April 2023 and August 2024.

Phase 2: Build Readiness, Awareness, and Model Ordinance for Action (Months 18-26)

This phase is contingent upon a local organization taking the lead on continuing this initiative. We anticipate this phase to take around 9 months.

Phase 3. Educate and Advocate for Policy Change (Months 24 onward)

This phase is anticipated to have some overlap with Phase 2 and would ideally start up as the model ordinances were being finalized.

Responsible Parties

Phase 1

The lead organization for Phase 1 of this strategy was IFF. The following people provided invaluable feedback and information to the IFF team:

- Dr. Lisa Sturges, Director of Quality, Office of Early Learning
- Maria Ortiz Borden, Pulse @ W.E. Upjohn Institute
- Kathy Szenda Wilson, Pulse @ W.E. Upjohn Institute
- Theresa Mitchell, potential ECE provider
- Julia Gurley Johnson, Child Care Licensing Bureau, MiLEAP
- Kristy Carmichael, Child Care Licensing Bureau, MiLEAP

Phases 2 and 3

The lead for Phases 2 and 3 of this strategy have not yet been identified. Organizations or existing coalitions or networks that may be valuable contributors include:

- Hope Starts Here
- Empowered Community Outreach Services (ECOS) and their existing family child care network
- Matrix Human Services and their existing child care partnership

Furthermore, several of the strategies proposed in this Plan (#1 and #4) involve the creation of additional networks and task forces. Depending on the stage of their development, these networks may be valuable voices to help refine model ordinances and advocate for their adoption.

Additionally, this strategy would benefit from collaboration with other regional planning coalitions and their partners that are working on similar initiatives such as the Northwest Michigan Council of Governments.

Projected Costs

The costs for this strategy have not yet been projected. The primary costs for this strategy would be staff time to:

- Build regional buy-in and capacity to move this strategy forward, such as bringing together a group of local organizations and/or community members to move this strategy forward.
- Increase awareness and educate community members and local policymakers and decision-makers on the impacts of local zoning and policy on child care access. This could involve some costs around producing educational materials.
- Develop and disseminate model ordinances. This would involve collecting broad input from interested parties such as ECE providers, community leaders, land use professionals, and public input. This may also involve collaboration with other regional planning coalitions.

Tracking Progress

The desired end of this strategy is to make it easier for child care business owners to start up and operate their businesses through municipal policy and rule changes. The ultimate indicator of success is that more child care businesses start up and remain in business. Other indications of success include the reduction in time and cost associated with launching an ECE business. Other outcomes to track progress could include the number of municipalities that eliminate or simplify burdensome policy, zoning, and related processes and municipalities adopting standardized or model ordinances, incorporating ECE into their master plans, offering incentives to developers to include ECE, and reducing ECE-related fees. Additionally, it would be useful to track progress toward increasing awareness of how local policies and regulations affect child care availability. Increased awareness could be indirectly tracked by measuring the output of various activities, such as how many policymakers and other people have received educational materials or participated in educational opportunities or how many people are members of or attend meetings related to pursuing policy changes.

Final Thoughts & Conclusion

The child care system is not working for families in the Detroit and Wayne County area. There is a lack of access to child care that meets parents' wants and needs. There are not enough licensed child care slots for all of the children needing care in the region. Child care slots for the youngest children are particularly hard to come by and most providers do not offer nonstandard hours of care such as overnight, weekend, and drop-in hourly care. Furthermore, many families have a hard time affording the care that is available in the region.

The reasons for the lack of access to child care are complex. Many child care educators receive low compensation that does not cover their basic living expenses. Low compensation contributes to child care businesses facing challenges with recruiting and retaining staff. However, child care

businesses are already spending most of their revenue on staffing. Increasing tuition to be able to pay staff more is not a viable strategy because many families already struggle to pay.

Child care businesses (or potential businesses) also face barriers to develop or expand child care and early education facilities. These barriers include local ordinances and municipal policy as well as a lack of access to capital.

The implications of a child care system that is not working for families are far ranging. When families do not have adequate child care, it makes it difficult for them to work. This results in great financial hardships for families and results in employers facing barriers to recruiting and retaining the workforce that they need.

To address the identified root causes of the child care challenges in the Detroit and Wayne County region, the Regional Child Care Planning Coalition has prioritized key action strategies that create efficiencies and cost saving within the existing system, and work to bring in more funding and investment by changing the way our current child care system functions and operates and partnering with sectors that have not traditionally been advocates on child care issues.

Specifically, the key action strategies prioritized in the plan include:

1. Develop a child care business owner professional organization that includes shared services and technical assistance, and is a vehicle for joint advocacy, organizing, and community building
2. Establish ECE workforce and talent pathway programs
3. Expand ECE investments in existing facility finance and construction programs
4. Support regional employers to learn about and adopt child care solutions as an employee retention and equity strategy
5. Develop and advocate for municipalities to adopt model ordinances

These strategies are locally focused; however, an integral part of many of these strategies involves strengthening networks and bringing in new partners that could be leveraged for joint advocacy at both the local and state levels.

This plan sets a path forward for Detroit and Wayne County to address some of the highest priority child care challenges. To increase the likelihood that this plan will be successfully moved forward and strategies implemented, there should be a concerted effort toward the following next steps:

It is imperative that an organization take the lead around organizing and implementing the plan. Some of the strategies in this plan are in process and are very likely to move forward regardless of whether there is an organized child care planning coalition in operation after the conclusion of this grant. Other strategies do not yet have momentum or a committed implementing organization.

The leads of the coalition have recognized and appreciated the unique role that Hope Starts Here has played in the region to date. While Hope Starts Here is changing its leadership structure, the organization, its mission, and supporters all seem well positioned

to lead this work going forward. An overarching organization committed to implementing this plan and coordinating the efforts of organizations working on each strategy is sure to benefit each individual organization's work and help the region accomplish these goals.

Synergy between the regional plans and efforts in Wayne County and neighboring counties should be considered. The leads of this Coalition recognize that there are extensive efforts to address child care challenges within the broader Detroit-metro area and that the strategies prioritized in this report may be best implemented to include Oakland and Macomb counties. Coordination across the Detroit-metro region should be robust in continued planning and implementation efforts.

There will be a need for sustained outreach to child care providers, parents and guardians, economic development organizations, regional employers, philanthropy, and others in the region to confirm the direction of the strategies, vet next steps, and build additional support for the regional plan.

Acknowledgments

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The Early Childhood Investment Corporation (ECIC) and the Policy Equity Group provided invaluable support to the Coalition through their guidance, technical assistance, and by providing opportunities for peer learning.

Furthermore, this plan would not have been possible without the funding provided from the Michigan Department of Lifelong Education, Advancement, and Potential (MiLEAP) utilizing American Rescue Plan Act (ARPA) funding, from the Office of Child Care, Administration for Children and Families, U.S. Department of Health and Human Services.

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Appendix Files

Appendix A. Regional Child Care Planning Coalition Membership List

The Regional Child Care Planning Coalition was originally led by Hope Starts Here, followed by IFF in partnership with the Detroit Regional Partnership and Detroit Regional Workforce Partnership. Public Policy Associates acted as a consultant to the Coalition leads.

Additionally, at least one individual affiliated with each of the following organizations participated in one or more coalition meetings between 2023 and 2024:

- 313 Reads
- Agape Love Child Care Center
- Alternatives for Girls
- Brilliant Detroit
- Data Driven Detroit
- Detroit Champions for Hope
- Detroit Economic Growth Council
- Detroit Edison Public School Academy
- Detroit Parent Network
- Detroit Regional Chamber of Commerce
- Early Childhood Investment Corporation (ECIC)
- Empowered Community Outreach Services (ECOS)
- Everybody Ready
- Family Assistance for Renaissance Men (F.A.R.M.)
- First Children's Finance
- Focus Hope
- Great Start Wayne
- Head Start
- Homeroom Detroit
- Hope Starts Here Detroit
- LACC Child Care Academy, Inc.
- Matrix Human Services
- Matrix Human Services, Head Start
- Michigan Educator Workforce Initiative
- MiSide (formerly Southwest Solutions and Development Centers)
- New St. Paul Head Start
- Office of Early Learning – Detroit Mayor's Office
- Parent/guardian representative
- United Children and Family Head Start
- United Way for Southeastern Michigan
- Wayne Metropolitan Community Action Agency
- Wayne RESA

Appendix B. ECE Variables and Indicators

IFF conducted an analysis of the gaps in Early Childhood Education (ECE) using secondary data. Access was measured by comparing the population of children ages 0-5 and the number of slots available at different ECE facilities across Wayne County.

The following data sets were used for the gap analysis:

- 2022 Esri single-year data on the population of infants and toddlers (ages 0-2 years), preschoolers (ages 3-5 years), and Pre-K (67% of 4-year-olds and 33% of 5-year-olds)
- Poverty data from the ACS 2017-2021
- Provider capacity data from the Michigan Department of Education's (MDE) Office of Great Start (OGS). This data included data from the Child Development and Care (CDC) Program, the MDE OGS Great Start Readiness Program (GSRP), the MDE OGS Head Start Collaboration (Head Start/Early Head Start), the Michigan Department of Licensing and Regulatory Affairs (LARA), and the Early Childhood Investment Corporation's (ECIC) Great Start to Quality (GSQ).

Below is a list of variables within the ECE data set:

- Licensed child care facilities by type – center, family home, group home.
- Quality ECE providers are those providers that have a GSQ ranking of 3 and above.
- Subsidized child care programs by type – Child Development and Care, (CDC) state scholarship program, GSRP state subsidy program for Pre-K, HeadStart (HS) and Early HeadStart (EHS) federal subsidy programs.
- Family income eligibility for subsidized child care – GSRP = below 250% of the federal poverty level (FPL); CDC state scholarship = below 200% of the FPL; HS/EHS federal subsidy = below 100% of the FPL.
- Supply = the number of licensed child care slots in a specific geography (e.g., census tract/neighborhood/city).
- Demand = the number of children under age 6 in a specific geography.
- Service Gap = the difference between the supply and the demand. It provides an estimate of the scale of the unmet need for child care in that area. Negative numbers imply need for slots and positive numbers imply surplus slots in that geography.
- Service Level = the percentage of children under age 6 that can be served by the existing licensed capacity. It provides an estimate of the degree of service coverage in that area.

Appendix C. Planning and Zoning Barriers to Early Childhood Education: Wayne County

Planning and Zoning Barriers to Early Childhood Education: Wayne County

Background

The quality and accessibility of early childhood education (ECE) are vital in fostering fruitful childhood development and a productive workforce throughout Michigan and the nation. High quality early childhood education is an essential resource that not only benefits children, but also enables parents more freedom to engage in the workforce thereby contributing to a community's economic productivity.

However, recent trends have indicated a decline in the accessibility of early childhood education providers throughout Wayne County. While ECE Facility scarcity is a deep and complex issue, local zoning practices and public policy contribute substantially to this lack of accessibility. This memo will briefly analyze the local policy factors that create barriers for the development of early childhood education facilities and provide recommendations on how to remediate them.

Prohibitive Zoning

Prohibitive zoning practices adopted by local municipalities can greatly restrict the supply of suitable sites for potential early childhood education facilities throughout a community by prohibiting or restricting ECE facility uses in various zoning districts. Conditional use permits, special use permits, rezone requests, and variance requests can all create barriers for new providers before they can even begin to generate revenue.

Early childhood education organizations in Michigan are separated into three distinct categories. Effectively: 1) Family Child Care Homes are private residences that serve one to six children 2) Group Child Care homes are private residences that serve seven to twelve children. 3) Child Care Center is a facility, other than a private residence, that serves one or more children. Each of these three classifications are distinctly differentiated from one another and are treated vastly differently from a local zoning regulation perspective.

Even when not expressly prohibited, Group Child Care Homes and Child Care Centers are often classified as special or conditional land uses, thereby requiring additional scrutiny before approval is granted for the use at a specific location. Special/conditional land uses are those uses that a local zoning ordinance has identified as requiring a greater degree of scrutiny and consideration due to its potential to have adverse effects on surrounding properties. These conditional/special land uses approvals are often costly and require substantial amounts of effort and time. They require the preparation of a site plan, the participation in a public hearing and oftentimes other stakeholder meetings, the payment of high application fees, etc. While these ideas will be further explored in the 'Development Standards' and 'Process' sections of this memo, the reclassification of Group Child Care Homes and Child Care Centers from conditional/special land uses to by-right land uses will have a profound effect on eliminating barriers for ECE providers. Michigan Law already states that, "For a county or township, a Family Child Care Home is a residential use of property for the purposes of zoning and a permitted use in all



residential zones and is not subject to a special use or conditional use permit or procedure different from those required for other dwellings of similar density in the same zone.” State law could be utilized to expand this permissive regulation to include group childcare homes as well, or local municipalities could adopt a similar ordinance.

These zoning prohibitions and restrictions are enacted for the purpose of minimizing perceived or anticipated adverse consequences associated with ECE Facilities. Often, planning commissions and city councils will limit or restrict ECE uses in residential or other districts in an effort to minimize sound disturbances, traffic impacts, and other adverse effects these facilities may impose on other nearby uses. However, based on our extensive experience in the sector and within our various interviews with early childhood education stakeholders for this report, we have found that these adverse impacts are negligible and only serve to create hardships for the development of and accessibility to vital early childhood education services for local families. Special/conditional land uses should be reserved for very intense or potentially harmful land uses such as landfills and scrapyards, not for essential services such as early childhood education.

A reorganization of permissible land uses within zoning ordinances throughout Wayne County would introduce ECE facilities into areas that have previously not had access to these resources. By expanding permissibility, Group Child Care Homes would more easily be established within more neighborhoods in need and Child Care Centers would cease to be strictly relegated to commercial/business districts. ECE facilities then would be integrated *within* neighborhoods and communities, serving people where they live, allowing for a more accessible and convenient use of services for families.

The single most influential action that communities can take to reduce zoning related barriers for ECE providers is to allow ECE Facilities by-right in more or all zoning districts thereby increasing the supply of suitable land and reducing the time, effort, and money required for seeking approval from planning boards and commissions.

The City of Detroit Office of Early Learning is currently actively engaged in zoning reform efforts to “expand the permissibility of Child Care Centers, Family Day Care Homes, and Group Day Care Homes, [and] to revise use regulations and parking requirements for such uses.” Specifically, the Office of Early Learning has petitioned the Detroit City Planning Commission and City Council for an amendment to their zoning code whereby they seek to allow all Family and Group Child Care Homes by right within almost all residential and business zoning districts, as well as to expand the permissibility of Child Care Center uses as a conditional use within the R-1 and R-2 zoning districts. After being met with some resistance and apprehension from the Detroit City Plan Commission regarding adverse impacts to surrounding landowners, a compromise was developed to allow all Group Child Care Homes by right only after having operated as a Family Child Care Home for not less than one year. While this compromise is more limiting than a blanket by-right permissibility, these efforts being undertaken by the City of Detroit Office of Early Learning are essential in reforming zoning code to facilitate greater accessibility to ECE facilities throughout Wayne County and abroad.

Processes

Local zoning processes can be arduous and complex, requiring additional time and monetary investment by prospective ECE providers in order to acquire all of the necessary approvals for opening a

ECE facility. Planning processes can often require the hiring of expensive consultants who are familiar with the specific municipality planning processes, who can draft the necessary plans, and who can advocate on behalf of the ECE provider. Application fees, public hearings, stakeholder meetings, site plan reviews and revisions, etc. can all add to the burden imposed upon ECE providers as they seek to develop new ECE facilities or expand existing facilities. The delayed generation of revenue for ECE providers that is caused by these onerous processes make starting a new ECE business financially difficult. By simplifying processes and/or outright exempting ECE providers from obtaining required approvals, communities can promote accessible and affordable early childhood education within areas of need.

For example, when allowed, Group Child Care Homes throughout Wayne County are customarily classified as a conditional/special land use and are therefore required to apply for and be approved a Special/Conditional Use Permit prior to operation of an ECE facility at a given site. Special/Conditional Use Permits typically require, at minimum, payment of a substantial fee, site plan review and approval, and a public hearing by a governing board, commission, and/or council wherein a decision is made by a planning board or commission on the approval of the special/conditional land use request. Some municipalities even require additional stakeholder meetings, public hearings, etc., thereby creating even further barriers for ECE providers seeking to provide early childhood education in a Group Child Care Home.

One City within the study area requires that Special Land Use permit applicants seek disposition from both the city planning commission *and* the city council. The scheduling of *two* public hearings significantly increases the time required to receive approval, creating even further barriers to entry for new ECE providers seeking to provide group early childhood education services within the community. Another city's Special Land Use permit application fee is \$1,800 and requires attendance at an Administrative Review Committee meeting as well as a public hearing at a plan commission meeting.

There are various steps that local governments can take to simplify their zoning processes, specifically regarding the approval of conditional use permits. First and foremost, local governments can outright avoid the long and complex processes associated with special/conditional land uses approvals altogether by simply amending their zoning ordinances to allow Family and Group Child Care Homes and Child Care Centers by right in more zoning districts. However, the processes for special/conditional land uses can themselves be simplified. Rather than requiring public hearings for special/conditional land use approvals associated with an ECE facility, local governments could instead review and approve these requests administratively.

The City of Grand Rapids adopted this administrative review and approval strategy for Group Child Care Homes sometime around 2018, requiring only a "Director Review" approval by the planning director rather than a Special Land Use approval by the planning commission. By omitting the requirement for a public hearing and judgement by a board or commission, Grand Rapids has facilitated a more accessible, manageable, and navigable process for approval of ECE facilities. Grand Rapids planning staff have shared that this shift in policy has not created any issues with surrounding land uses and have asserted that the public hearings themselves often generated neighborhood angst rather than any actual adverse effects from the ECE facility itself.

As it relates to state licensing processes, ECE providers and consultants have shared that the Bureau of Fire Services' (BFS) plan review process as an area that presents opportunity to improve the experience of ECE providers, thus impacting the availability of ECE slots in a community. Wait times for reviews have been shared as taking several months to complete. Providers have shared the need for adequate staffing for this necessary service. It is imperative that the Bureau of Fire Service facilitate timely reviews of early childhood education facility plans so as not to restrict this essential service. Furthermore, the state requires that any ECE facility improvements totaling over \$15,000 submit plans that are certified by an engineer or architect, further adding to the investment costs for new ECE providers.

Development Standards

Development standards can increase the time and cost associated with developing new and renovating existing ECE facilities while also limiting the supply of suitable land. Landscaping and parking requirements and architectural materials and design requirements are just a few examples of development standards that can greatly increase the cost of development for providers.

Child Care Centers are often classified as a commercial use within municipal zoning ordinances and are therefore held to increased design requirements equal to that of new commercial retail buildings. By alleviating many of these development standards, a community can significantly reduce the financial barriers associated with developing a new facility or renovating an old building to provide early childhood education services.

Likewise, even Group Family Homes are also often subject to development standards when seeking approvals from local zoning jurisdictions. Group Family Homes, although operated from a single-family residence in which the provider lives full time, are often subject to increased parking, landscaping, setbacks, and other development standards. For example, a city within our study area requires that all Group Child Care Homes provide a minimum of 2,000 square feet of outdoor play area, be screened by a landscaped greenbelt where abutting residentially zoned or used land, and maintain a minimum 25' side yard setback.

Development standards such as those imposed on both Child Care Centers and Group Child Care Homes are restrictive and financially burdensome for prospective ECE providers. Many of these standards require additional lot area to accommodate mandated facilities such as off-street parking spaces, landscape buffers and screening, outdoor play areas, and required setback. This consequently disqualifies numerous smaller lots from obtaining planning approval for ECE facilities strictly due to the lot area's inability to accommodate such improvements. Additionally, separation requirements are commonplace and further disqualify homes from eligibility as a Group Child Care Home provider if located within a certain distance from another Group Child Care Home.

Local governments can greatly increase the supply of suitable land for early childhood education by outright eliminating or greatly reducing unnecessary development standards thereby facilitating accessibility to these essential services.

Lack of Incentives

There is a substantial lack of incentives identified within local zoning ordinances and master plans for the development of early childhood education facilities. Communities can incentivize residential and commercial developers to include ECE facilities as an integrated part of development through various creative techniques. One such technique is by allowing the developer to utilize, by

mechanism of the zoning ordinance, “bonuses” in exchange for the inclusion of an ECE facility within a development. These “bonuses” can include increased allowable density of housing, reduced architectural standards, reduced landscape standards, and more. These bonuses are attractive offers for developers seeking to improve their profit margins and can be leveraged to meet the early childhood education needs of communities.

More complexly, local governments can explore the possibility of imposing development impact fees for new commercial and residential development whereby funds are collected and allocated towards early childhood education efforts. The legality and viability of imposing development impact fees for this purpose should be further investigated and legal counsel should be consulted, but it is a worthy consideration that has the potential to make direct and impactful effect on ECE providers.

Technical Assistance

There is a lack of technical assistance for providers as they navigate the regulatory landscape associated with zoning and licensing for new ECE facilities. Early Childhood Education providers are experts in their specific field of early childhood education, not land use and development. They are therefore not well equipped to handle the complex and arduous zoning and licensing processes required to start a new ECE practice.

The state should therefore continue to invest in programs that can assist potential new ECE provider as they traverse the zoning and licensing phase of the process. Programs such as Our Strong Start are invaluable to local providers but currently suffer from under-funding and under-resourcing.

Inconsistencies

Individuals tasked with providing technical assistance to new ECE providers have expressed difficulty helping potential new providers navigate the local regulatory landscape due to the inconsistent zoning practices between each individual local municipality. Each city analyzed as part of this report has different permitted use designations, different required standards for development, and different permit processes.

The development of a model ordinance, designed specifically to address the quality and accessibility of early childhood education, could greatly assist in the uniform application of care throughout communities within Wayne County, as well as the entire state of Michigan. If all or many of the cities within Wayne County adopted a standardized model ordinance for early childhood education with consistent development standards, permitted uses, etc., technical assistance could be more effectively administered to providers throughout the county and state. This model ordinance should be developed with the input of all stakeholders including ECE providers, community leaders, land use professionals, and public input. It should be developed through informed research and driven by data, addressing the concerns of the community while maintaining accessibility to early childhood education as a top priority. As some communities adopt and refine this model ordinance to fit their specific needs, it will encourage and give confidence to other communities throughout Wayne County regarding its efficacy.

Long Range Planning

A master plan is a comprehensive long-range planning policy document that serves as a guide for growth and future land use development within a community. Master plans provide recommendations

for future land uses, zoning designations, transportation, parks, schools, etc. and serve as the principal document from which zoning ordinances derive their standards. Planning commissions, zoning boards of appeals, and city councils must refer and give substantial consideration to the Master Plan when considering any zoning actions, such as rezones, variances, zoning ordinance text amendments, and special/conditional land use permits.

Master plans will often analyze various demographic and economic data such as housing stock, tax base diversity, and existing infrastructure to identify areas needing addressing and make recommendations accordingly. Unfortunately, it is not uncommon for early childhood education to be altogether omitted from such a core planning document. The failure to address early childhood education within a master plan has a cascading effect on a community's future land-use composition. ECE facilities are not appropriately weighted or factored into zoning requests reviewed by planning commissions, zoning boards, and city councils thereby indirectly contributing to the scarcity of early childhood education options within communities.

Michigan statute requires that local governments review their Master Plans every five years. Local governments should seize these opportunities to update their Master Plans to specifically address early childhood education needs within their jurisdictions. This action will facilitate further planning policy actions in support of increased accessibility to early childhood education services.

Fees

A lack of access to capital is one of the largest and most prevalent obstacles for new and existing ECE providers. While the issue of limited capital is not directly tied to local zoning practices, there are several ways in which a municipality can alleviate this problem. Simply put, local governments can waive or reduce fees for all early childhood education related matters such as special/conditional land use permit fees and building permit fees. While not transformational, this minor change can make a notable difference for providers as they begin the process of building their early childhood education business.

Educational Awareness

While a lack of accessibility to early childhood education services is a growing issue and awareness of this issue is spreading, there may be a lack of understanding of how municipal zoning practices affect the availability of ECE services. It is important that state, local, and community actors continue to identify, expose, and challenge these codified barriers within local zoning ordinances and elsewhere throughout the regulatory system. Planning commission, zoning boards, city councils, and all other decision-making bodies within a community must be educated on these issues so that they may strongly consider these factors when making any decision that has the potential to affect accessibility to ECE services.

Summary

Each of the barriers identified within this memo is a substantive and material issue that exists in every local jurisdiction within Wayne County. However, each of these identified barriers also has a clear and actionable resolution that is oftentimes not difficult to enact. By addressing the following, Wayne County communities can significantly increase access to the vital ECE services needed to support their children's development and foster more equitable and prosperous outcomes for everyone within the community.

- **Eliminate or reduce prohibitive zoning for ECE facilities.** Allow Group Child Care Homes and Child Care Centers by-right within more zoning districts.
- **Eliminate or simplify burdensome planning processes.** Streamline approvals for Group Child Care Homes and Child Care Centers. Allow approvals to be granted via administrative approval rather than requiring a public hearing and approval by a board, commission, or council.
- **Eliminate or reduce required development standards imposed on Group Child Care Homes and Child Care Centers.** Amend ordinances to reduce or eliminate parking, landscaping, and other standards.
- **Create incentives for developers to integrate ECE facilities within their residential and commercial developments.** Offer density, landscape, architectural, and other bonuses in exchange for the inclusion of an ECE facility within a new development.
- **Offer technical assistance to ECE providers as they navigate the regulatory system.** Continue to invest in programs such as One Strong Start to guide providers through the process of starting a new ECE facility.
- **Develop and adopt a model ordinance in order to apply consistent regulations across every community within Wayne County.** Make it easier for providers, developers, real estate agents, and all others providing technical assistance to navigate the regulatory landscape.
- **Include early childhood education needs as a core intention within master plan documents.** Analyze data regarding existing ECE facilities within the community and explore methods to facilitate their proliferation.
- **Reduce application fees for ECE developments.** Explore creative options to provide capital or reduce costs for ECE providers.
- **Raise awareness regarding the scarcity of ECE services.** Educate the public, Zoning Boards, Plan Commission, Town Councils, and other decision-makers regarding these barriers and how municipal regulatory policies influence them.

When effectively executed, these reform efforts will not only benefit the families whom ECE providers directly serve but will create a more prosperous future for the entire community and beyond.

Appendix D. City and Township Zoning Charts

Canton Charter Township, MI						
Zoning Districts	Zoning Code Categories	Family Day Care Homes	Group Home Care (Children)	Child Care Centers Sec. 6.02(E)	Child Care Centers Sec. 6.02(E) and Sec. 15.02(A)(7)	Child Care Centers Sec. 6.02(E) and Sec. 21.02(B)(4)
Key: Permitted Uses [] Special Land Use [] Not Permitted [] N/A (No Data) --						
DAY CARE LAND USES						
	R-A (Rural Agricultural)		--			
	RR (Rural Residential)		--			
	RE (Residential Estate)		--			
	R-1 (Single-Family Residential)		--			
	R-2 (Single-Family Residential)		--			
	R-3 (Single-Family Residential)		--			
	R-4 (Single-Family Residential)		--			
	R-5 (Single-Family Residential)		--			
	R-6 (Single-Family Residential)		--			
	MR (Multiple Family Residential)		--			
	RMH (Mobile Home Park)		--			
	C-1 (Village Shopping)		--			
	C-2 (Community Commercial)		--			
	C-3 (Regional Commercial)		--			
	C-4 (Interchange Services)		--			
	MRD (Mid-Rise Development)		--			
	HRD (High-Rise Development)		--			
	O-1 (Office)		--			
	LI-R (Light Industrial Research)		--			
	LI (Light Industrial)		--			
	GI (General Industrial)		--			
	WC (Wetland Conservation)		--			
	OSP (Off-Street Parking)		--			
	CBD (Central Business District Overlay)	See Section 6.10	--	See Section 6.10	See Section 6.10	See Section 6.10
	CP (Corporate Park Overlay)	See Section 6.11	--	See Section 6.11	See Section 6.11	See Section 6.11
	CHV (Cherry Hill Village Overlay)	See Section 6.12	--	See Section 6.12	See Section 6.12	See Section 6.12

Dearborn, MI				
Zoning Districts	Zoning Code Categories	Family Day Care Homes	Group Day Care Homes*	Child Care Center
Key: Permitted Use [] Special Land Use [] Not Permitted [] N/A (No Data) --				
	R-A (One Family Residential District)			
	R-B (One Family Residential District)			
	R-C (Multiple Family Residential District)			
	R-D (Multiple Family Residential District)			
	R-E (Multiple Family Residential District)			
	R-P (Residential Preservation District)			
	O-S (Business Office District)			
	B-A (Local Business District)			
	B-B (Community Business District)			
	B-C (General Business District)			
	B-D (Downtown Business District)	--	--	--
	I-A (Light Industrial District)			
	I-B (Medium Industrial District)			
	I-C (Intensive Industrial District)			
	I-D (General Industrial District)	--	--	--
	T-R (Technology and Research District)	--	--	--
	PUD (Planned Unit Development Mixed Use District)	--	--	--
	F-P (Floodplain District)	--	--	--
	V-P (Vehicular Parking District)	--	--	--
	VPD (Vehicular Parking District, Class A Auto Dealer)	--	--	--

Dearborn Heights

Zoning Districts	Zoning Code Categories	Family Day Care Home	Group Day Care Home	Child Care Center
Key: Principal Use [] Special Use [] Accessory Use [] Prohibited Use [] N/A (No Data)--				
	R1 (Single-family residential district)	--	--	
	RM (Multiple dwelling residential district)	--	--	
	MHP (Mobile home park district)	--	--	
	CX (Commercial-residential mixed use district)	--	--	
	C1 (Neighborhood business district)	--	--	
	C2 (General business district)	--	--	
	C3 (Commercial use district)	--	--	
	O (Office district)	--	--	
	MX (Industrial-commercial mixed use district)	--	--	
	M1 (Light industrial district)	--	--	
	M2 (Medium industrial district)	--	--	

Detroit, MI				
Zoning Districts	Zoning Code Categories	Family Home Care	Group Home Care (Children)	Child Care Center
Key: By Right [] Conditional [] Not Permitted [] Subject to Council Approval []				
RESIDENTIAL				
Areas where people live. Zones range from single family homes to high density areas with rental units	R1 (Single Family Residential)			
	R2 (Two Family Residential)			
	R3 (Low Density Residential)			
	R4 (Thoroughfare Residential)			
	R5 (Medium Density)			
	R6 (High Density Residential)			
COMMERCIAL/BUSINESS				
Areas where retail stores and offices are located ranging from small business areas to a large retail center	B1 (Restricted Business)			
	B2 (Local Business & Residential)			
	B3 (Shopping)			
	B4 (General Business)			
	B5 (Major Business)			
	B6 (General Services)			
SPECIAL DEVELOPMENT & OVERLAY				
Areas where typically unrelated uses are physically and functionally integrated	PD (Planned Development District)			
	PCA (Public Center Adjacent District)			
	SD1 (Special Development District—Small-Scale, Mixed-Use)			
	SD2 (Special Development District—Mixed-Use)			
	SD4 (Special Development District, Riverfront mixed use)			

Hamtramck, MI

Zoning Districts	Zoning Code Categories	Day care, family	Day care, group	Child Care Center
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Key: Permitted [] Special Land Use [] Not Permitted [] Subject to Council Approval [] N/A (No Data) --

	R (Residential)			--
	RM (Multiple Family Residential)			--
	C2 (Multi-Use)	--	--	--
	CBD (Central Business District)	--	--	--
	I (Industrial)	--	--	--

Taylor, MI				
Zoning Districts	Zoning Code Categories	Family Day Care Homes (up to 6 Children Less Than 24 Hours per Day)	Group Day Care Homes (7-12 Children less than 24 Hours per Day)	Child Day Care Centers, Nursery Schools & Day Nurseries
Key: Permitted Use [] Special Land Use [] Not Permitted [] N/A (No Data) --				
Single-Family Residential Districts Schedule of Uses				
	R-1A (Single-Family Residential District)			
	R-1B (Single-Family Residential District)			
	R-1C (Single-Family Residential District)			
Multiple-Family Residential Districts Schedule of Uses				
	R-2 (Townhouse Residential District)			
	RM-1 (Multiple-Family Residential District)			
	RM-2 (Multiple-Family Residential (High Rise) District)			
Manufactured Home Park Districts Schedule of Uses				
	R-3 (Manufactured Home Park District)			
Business and Office Districts Schedule of Uses				
	O-1 (Office District)	--	--	
	O-2 (Regional Office District)	--	--	
	B-1 (Local Business District)	--	--	
	B-2 (Regional Business District)	--	--	
	B-3 (General Business District)	--	--	
Midtown Districts Schedule of Uses				
	MT-1 (Midtown Taylor Office/Institutional District)			
	MT-2 (Midtown Taylor Mixed Use Commercial)			
Industrial Districts Schedule of Uses				
	TRO (Technology-Research-Office District)	--	--	
	I-1 (Light Industrial District)	--	--	
	I-2 (General Industrial District)	--	--	
Parking Districts				
	P-1 (Vehicular Parking District)	--	--	--
Overlay Districts				
	FP (Floodplain Overlay District)	--	--	--
	PUD (Planned Unit Development Overlay District)	--	--	--

Westland, MI				
Zoning Districts	Zoning Code Categories	Family Home Care	Group Day Care Home	Child Care Center
Key: By Right [] Special Land Use [] Accessory Structures and Uses [] Not Permitted [] N/A (No Data) --				
	CB-1 (Low Intensity Commercial Business)	--	--	--
	CB-2 (Shopping Center Commercial Business)	--	--	--
	CB-3 (General Commercial Business)	--	--	--
	CB-4 (Vehicle Service)	--	--	--
	FROD (Ford Road Overlay District)	--	--	--
	GAR (Garden Apartment Residential)	--	--	--
	I-1 (Light Industrial)	--	--	--
	I-2 (General Industrial)	--	--	--
	MHR (Mobile Home Residential)	--	--	--
	MRR (Mid-Rise Residential)	--	--	--
	OB (Office Business)	--	--	
	PUD (Planned Unit Development)	--	--	--
	R-1 (Single Family Residential)			
	R-2 (Single Family Residential)			
	R-5 (Single Family Residential)			
	R-6 (Two Family Residential)	--	--	--
	SPD (Special Planned Development)	--	--	--
	THR (Townhouse Residential)	--	--	--

Appendix E. Planning and Zoning Barriers to Early Childhood Education: Wayne County. Research Methods

The “Planning and Zoning Barriers to Early Childhood Education: Wayne County” memo was developed by IFF, in part, through a comprehensive review and analysis of zoning regulations and ordinances from multiple cities in Wayne County, Michigan, culminating in the creation of a summary zoning code matrix and individual charts for each municipality. The research process involved collecting zoning codes and ordinances from the seven target cities/townships: Canton Charter Township, Dearborn, Dearborn Heights, Detroit, Hamtramck, Taylor, and Westland. These codes were reviewed to extract information on regulations related to early childhood education (ECE) facilities.

The extracted information was organized into a table format, categorizing various aspects such as whether ECE is addressed in Planned Development/Planned Unit Development language, zoning regulation classification, and specific criteria including separation of facilities, hours of operation, parking during drop-off/pick-up, yard/fencing requirements, neighborhood compatibility, signage allowances, noise regulations, and fees. Notes on specific ordinance sections and requirements were compiled for each category across the different cities, using a consistent coding system to indicate the presence or absence of certain regulations.

Following this, individual charts were created for each municipality. This process involved reviewing each municipality’s zoning code and ordinances, focusing specifically on regulations related to child care facilities. Information was extracted on how three types of child care facilities (family home, group home, and child care centers) are regulated across different zoning districts. The municipalities’ zoning districts were categorized into groups where applicable, and for each district and facility type, the level of permission was determined using a standardized coding system (e.g., By Right, Conditional, Not Permitted, Subject to Council Approval).

This information was then organized into a matrix format for each municipality, with zoning districts as rows and child care facility types as columns. Brief descriptions of each zoning category were provided to give context. This approach allows for a systematic comparison of ECE-related zoning regulations across multiple municipalities in Wayne County. The summary matrix provides a comprehensive overview of how different cities regulate child care facilities through their zoning codes, while the individual charts enable easy comparison of regulations between districts and facility types within each municipality.

The zoning barriers written memo was developed through a mix of stakeholder input, topic research, and analysis of zoning codes and other regulations within the study area. These methods were utilized to compile a list of the most consequential zoning and regulatory barriers for new ECE providers along with recommendations for their remediation as identified by staff. Various stakeholders such as ECE providers, community advocates, and state and city officials were interviewed as part of this process to discuss their personal experiences in the ECE field as they relate to barriers for new providers. Additionally, staff conducted research into these and other zoning barriers both within Wayne County and abroad by reading various similar studies to gain insight into issues other communities are facing, while comparing their relevance to the communities within the study area. Michigan state law and the local zoning codes of the

communities within the study area were then analyzed to identify if these barriers existed within them and what effect they were having within these communities. Recommendations were subsequently formulated via a mix of research and input from stakeholders and subject-matter experts on staff.