Kent County Executive Summary

Split by More Than the Grand River

How uneven access to affordable child care divides Kent County

Image by Isabel Lopez Slattery, courtesy of the W.K. Kellogg Foundation
High-Level Findings

*Split by More Than the Grand River* examines the early childhood education (ECE) landscape across Kent County, Michigan, and quantifies the access to ECE programs for infants/toddlers and preschoolers.

Stakeholders can use the information presented here to create a comprehensive, high-quality, equitable strategy for the community. This report highlights the programs and neighborhoods with the largest gaps in services to enable more strategic investment and deployment of resources.

### County-wide service gaps and levels in different ECE programs

<table>
<thead>
<tr>
<th>Program by Age</th>
<th>Service Gap</th>
<th>Service Level (%)</th>
<th>Quality Service Level (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall E.E.C. &amp; Care Age 0 to 5</td>
<td>-20.513</td>
<td>60</td>
<td>31</td>
</tr>
<tr>
<td>Overall E.E.C. &amp; Care Age 3 to 5</td>
<td>-35,929</td>
<td>91</td>
<td>47</td>
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<tr>
<td>Pre-School Age 4</td>
<td>- 22,141</td>
<td>72</td>
<td>61</td>
</tr>
<tr>
<td>Head Start Age 3 to 5</td>
<td>- 13,789</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>Overall E.E.C. &amp; Care Age 0 to 2</td>
<td>- 18,029</td>
<td>30</td>
<td>14</td>
</tr>
<tr>
<td>Subsidized Care Age 3 to 5</td>
<td>- 16,523</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>Subsidized Care Age 0 to 5</td>
<td>- 8,832</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>Subsidized Care Age 0 to 2</td>
<td>- 3,761</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Early Head Start Age 0 to 2</td>
<td>- 3,761</td>
<td>6</td>
<td>6</td>
</tr>
</tbody>
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Three common themes emerged from this analysis.

1. The persistent legacy of redlining practices and the residual inequity those practices have caused. In Kent County, redlined areas were primarily in the city of Grand Rapids and its adjacent suburbs.

2. Inequitable access to ECE services throughout Kent County. Particularly acute issues are accessing quality care, subsidized care, and care for infants and toddlers.

3. ECE is both costly to provide and unaffordable for most families. Providers operate with slim margins while costs for low- and middle-income families are too high.
The Lingering Effect of Redlining

In the mid-1930s to late 1960s, redlining was a practice by banks and lenders that impacted investment in communities based on race.

- Redlined areas were primarily specific to the present-day city of Grand Rapids and adjacent communities.
- The results of redlining manifest today in limited investment in schools and health care, higher rates of crime, a lack of ECE providers, and few options for healthy food and dining establishments in communities that were redlined decades ago.
- We examined redlined areas in Kent County along with American Community Survey (ACS) data from the U.S. Census to better understand the household characteristics of the communities that were redlined decades ago.
- We found a strong relationship between communities with lower resiliency—as defined by lower median family incomes, higher prevalence of single-parent households, and higher prevalence of children under age 6 in households with all parents working—and whether it was a previously redlined area.
- These communities are disproportionately communities of color. Nearly 60% of the total Black, Indigenous, and People of Color (BIPOC) (mostly Black/African American and Hispanic/Latino) population of Kent County and only 27% of the total non-Hispanic white population live in these areas.
Inequitable Access + Low Capacity = Room for Improvement

While there are sufficient ECE slots for children ages 3 to 5 and for Pre-K, there is a high unmet need for all age groups for quality slots, including quality subsidized slots.

The townships of Tyne, Ada, and Grand Rapids and cities of Cedar Springs, Rockford, and Walker have an ample supply of slots for children ages 3-5 in relation to the total number of children. This is in contrast with the cities of Grand Rapids, Wyoming, and Kentwood and townships of Gaines, Algoma, and Alpine, which have a limited supply of ECE slots for children ages 3-5.

Key findings revealed that:

- The city of Grand Rapids has the highest gap (7,239 slots) in access for ages 0-5, followed by Wyoming (3,397), Kentwood (1,538), and Gaines township (1,191).

- These same places also have the largest gaps in quality ECE slots for ages 0-2, ranging from 7,759 to 1,042. On the other hand, the smallest gaps (104 to 45 slots) are in the cities of Lowell and Cedar Springs and the townships of Bowne and Grattan.

- While 10 of the 30 cities/townships in Kent County have enough capacity to meet the ECE needs of children ages 3-5, none of these places meet the needs of children ages 0-2. For children ages 3-5, the townships of Grand Rapids and Ada, and the city of Walker, have a surplus of 598, 535, and 452 ECE slots respectively, but a deficit of 225, 206, and 360 ECE slots for children ages 0-2.

- The number of ECE slots in Kent County decreased during COVID by 10.2%, from 33,735 to 30,308 and most of the provider turnover occurred in the cities of Grand Rapids, Wyoming, and Kent.

We also saw that communities with limited access to quality ECE were those with large BIPOC populations and economically challenged households. Many of these households have limited financial resources, as well as specific language and cultural needs.
Kent County: Access to Quality ECE for Ages 0-2

Children 0-2
Quality Slots
Highest Access
Lowest Access
Cities and Townships

Image by Isabel Lopez Slattery, courtesy of the W.K. Kellogg Foundation
Affordability for Families and Cost of Care for Providers

Access to subsidies is higher in many places with medium-to-high family income and low BIPOC population.

Examination of the need for and access to the state-subsidized Child Development and Care (CDC) program shows that the cities of Grand Rapids (8,343 slots), Wyoming (2,933 slots) and Kentwood (1,137 slots) have the largest gaps for ages 0-5. Neighborhoods in the city of Grand Rapids show inequitable access to state-subsidized ECE services. The communities with the most critical need for additional access to subsidized ECE are Southeast Community, West Garfield Park, Black Hills-Grandville, and West Grand (East).

Child care in Kent County is expensive, especially for families with limited financial resources. Even for families with moderate household incomes, the price tag can be significant. For child care to be considered affordable, the U.S. Department of Health and Human Services indicates that families should spend no more than 7% of their household income. In Kent County, 7% of the median family income is $5,670. However, the actual costs are much higher with the 75th percentile of the annual, full-time child care costs ranging between $9,713 for preschoolers and $10,816 for infants/toddlers.

Estimated Cost of Full-Time Child Care (Single Child)
7% of Kent County Median Family Income

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost (Kent County)</th>
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<tbody>
<tr>
<td>Preschool</td>
<td>$9,713</td>
</tr>
<tr>
<td>Infant/Toddler</td>
<td>$10,816</td>
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Grand Rapids Neighborhoods: Access to Subsidized Care for Ages 0 to 5
Since 2020, state subsidy eligibility has been expanded from 130% of the Federal Poverty Level (FPL) to 200% of the FPL (gross annual income of $55,512 for a family of four). Nevertheless, subsidy eligibility still does not extend nearly far enough, resulting in many families with incomes above the eligibility threshold but below state median income who pay full price for child care.

In Kent County, 37% (18,993) of children under age 6, in families between 200% and 400% of FPL, are not eligible for child care subsidies. It is vital that this so-called “missing middle” group be included in conversations on ECE affordability.

In Grand Rapids, these “missing middle” communities are in John Ball Park, West Grand (East and West), Highland Park-Belknap Lookout, Northeast-Fulton Heights, Michigan Oaks-Twin Lakes, Downtown-Midtown, and Richmond-Oakley-Shawmut. Families in the cities of Grandville, Wyoming, Kentwood, Cedar Springs, and the townships of Gaines, Tyrone, Spencer, and Sparta also bear a heavy financial burden in paying for ECE.

Family access to home-based providers is mostly in the southwestern portion of Kent County in suburban areas of Kentwood, Grandville, Wyoming, and south of Interstate 196 within the city of Grand Rapids. Access to center-based providers is heavily concentrated in the northern portion of Kent County in the communities of Alpine, Algoma, and Plainfield Township. Home-based providers may operate on a different scale compared to center-based providers, but they play an important role in the ECE system in urban, suburban, and rural communities. They may provide more flexible hours and smaller learning environments compared to centers.

Providers indicate that the cost of child care is rising because of staffing shortages and the inability of providers to attract and retain qualified workers. This has resulted in providers paying higher wages to retain employees. According to an analysis from Hope Starts Here, infant care costs for providers in Michigan can run as high as $9.69/hour for centers and $7.01/hour for homes, which is far more than what the available subsidies can cover. Factoring in living wages for child care workers bumps the “true cost” even higher.

| Gap Between Subsidy, Tuition, and Provider Hourly Cost for Infant Care in Michigan |
|----------------------------------|----------|----------|----------|----------|----------|
| True child care provider costs   | $12.50   | $8.05    | $9.69    | $7.01    |
| Child care provider costs        |          |          | $6.47    | $4.22    |
| Child care tuition rates         |          | $4.22    | $5.80    | $4.93    |
| Available subsidy maximum        |          |          | $5.80    | $4.93    |
| Available subsidy base rate      |          |          | $4.30    | $3.45    |

Subsidy programs and federally funded Head Start and Early Head Start are an option for families who qualify, but they are oftentimes complicated and time consuming to navigate. For some families, child care providers who are affordable and have openings are located too far from home or work, in a setting they don’t prefer (home vs. center vs. school options) or offer hours of operation that don’t work with their schedules (Urban Institute 2021).
**Call to Action**

An equity lens is key to rebuilding the ECE system in ways that benefit both families and providers. The systemwide recommendations generally have the same key elements but must be customized to cater to specific communities and local situations. We have hope in a brighter and more equitable future for the ECE system in Kent County and the change that can occur. So, what does that look like?

**Place-specific strategies.** Improve the access to quality ECE for children ages 0-2 and subsidized care for ages 0-5 in Grand Rapids’ highest-need neighborhoods, such as Southeast End, Kenosha Park-Millbank, East Garfield Park and West Garfield Park. In Kent County, the highest-need cities to focus on are the Cities of Grand Rapids, Wyoming and Kentwood.

**Getting involved.** Local residents should contact their elected officials and make known the urgent need for quality and affordable child care, particularly in areas with low access. While elected officials understand the existing challenges in the ECE system, they need to hear from constituents to prioritize solutions. With its child care requirement, the federal Creating Helpful Incentives to Produce Semiconductors (CHIPS) act provides a model for potential employer incentives that help support the ECE system between employers and employees. While the CHIPS Act is specifically for semiconductor businesses, the act provides an example of what is possible for incentivizing ECE services that benefit employers, employees, and childcare workers.

**Hubs of activity.** One possible solution to improve access to child care for everyone is to incentivize providers to locate near “hubs” of common activity. In more suburban or rural areas, this can mean locating near existing areas of commercial activity. In more urban areas, areas of common activity—such as mass transit stations, commercial/shopping complexes, health care, and educational settings—are prime locations for ECE providers to serve a potentially large number of families. This provides easy access to child care providers for commuters, students, and workers who travel to these locations as part of their daily routines. In some cities and towns, it is not uncommon to find child care centers adjacent to or inside large office buildings or near the entrance to train or bus stations.

**Michigan’s Tri-Share Program.** The Tri-Share Program is an innovative approach to increasing access to high-quality, affordable child care for working families, while also helping to retain talent and removing one major barrier to employment. Through Tri-Share, the cost of an employee’s child care is shared equally between the employer, the employee, and the State of Michigan, with coordination being provided regionally by facilitator hubs. Vibrant Futures is the Tri-Share hub for Kent County.

Change can be slow and hard, but the West Michigan spirit is strong and compassionate and up to the challenge of identifying new and innovative approaches to solve complex problems to increase access to high-quality and affordable child care for hard-working parents and families. This report provides insights and solutions to begin bridging the child care divide in Kent County in much the same way the Blue, Pearl Street, Fulton Street, and other bridges span the Grand River. We can do this Kent County!

The full report and additional recommendations can be found here, and the detailed methodology report can be found here.

**Acknowledgments**

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Mark Woltman, K-Connect

Grounded in equity and deep sector expertise, IFF is a nonprofit Community Development Financial Institution (CDFI) that champions nonprofits to shape more equitable and resilient communities through community-centered lending, development, real estate consulting, and place-based research. In the early childhood education (ECE) sector, IFF has conducted research on various topics, including the history of federal and state child care legislation and programs for low-income children, the economic impact of the early childhood care and education industry, and more than a dozen statewide, regional, and community needs assessments for child care.

These analyses inform systemic thinking and comprehensive planning about child care and education. IFF’s early childhood care and education methodology is distinctive in its spatial analysis of capacity at a neighborhood level. This neighborhood-level approach helps stakeholders focus investments where they will reach the greatest number of underserved children. In other cities where IFF has conducted similar research, the data and analysis have informed such decisions as investment in facilities modernization, program location, and targeted community engagement about child care options.
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