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RRC
**CHILD CARE
READINESS
TOOLKIT
2024**



**MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION**

CHILD CARE IS A MOVING TARGET

The child care crisis is a multifaceted and evolving challenge both in Michigan and across the nation. This toolkit provides a snapshot of the current situation, but as new initiatives, legislation, and regulations emerge, updates will be necessary. While the core best practices remain valuable, it's important to verify specific elements with up-to-date legislation.

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INTRODUCTION TO CHILD CARE READINESS

CHILD CARE IS VITAL TO COMMUNITY HEALTH AND PROSPERITY

The child care industry has been struggling for years on multiple fronts:

- There are not enough child care facilities to meet the increasing demand.
- The number of child care educators is declining, in part due to the lack of competitive wages and the demanding requirements for ongoing training and credentials. Child care educators include providers, staff, and workers who are responsible for both the care and education of children. Despite this dual role, they are often paid less than teachers, even though both professions involve educating and caring for children.
- The rising cost of care is becoming prohibitively expensive for many families and heads of households. The scarcity of accessible, affordable child care has reverberating effects for parents, employers, and the economy including lost wages, depleting retirement savings, and stepping out of the labor market to care for children.

The Michigan Economic Development Corporation (MEDC) recognizes that a robust child care system which meets the needs of all families requiring child care services is an economic development issue. Child care is vital to community health and economic prosperity as it enables parents to participate fully in the workforce, boosting productivity and household income. It fosters long-term economic growth by creating jobs within the child care sector and improving children's future educational and career outcomes. Moreover, high-quality child care contributes to better early childhood development, which leads to healthier communities and reduces the need for costly social services later in life. Communities with robust child care systems also attract young families, promoting population growth and local economic vibrancy.

EXAMPLES OF CHILD CARE FACILITIES IN YOUR COMMUNITY:

State of Michigan defines three types of child care facilities, which are commonly recognized as:



FAMILY CHILD CARE HOME

A private home in which up to seven minor children are received for care and supervision for compensation for periods of less than 24 hours a day, unattended by a parent or legal guardian, except children related to an adult member of the household. A family child care home does not include an individual providing babysitting services for another individual.



GROUP CHILD CARE HOME

A private home in which up to 14 minor children are given care and supervision for periods of less than 24 hours a day unattended by a parent or legal guardian, except children related to an adult member of the household. Group child care home includes a home in which care is given to an unrelated minor child for more than four weeks during a calendar year.



CHILD CARE CENTER

A facility, other than a private residence, receiving one or more children under 13 years of age for care for periods of less than 24 hours a day, where the parents or guardians are not immediately available to the child. The facility is generally described as a child care center, day care center, day nursery, nursery school, parent cooperative preschool, play group, before- or after-school program, or drop-in center.

** Qualifying family and group child care homes are eligible for capacity increases by request to the Child Care Licensing Bureau. Family child care homes may be eligible for an increase from six to seven children and group child care homes may be eligible for an increase from 12 to 14 children.*

WHY IS CHILD CARE SO EXPENSIVE?

A March 2024 report by GoBankingRates.com found that in Michigan families will spend 15.7% of their annual income on child care. Infant care costs an average of \$12,667 while the same care for a four-year-old costs \$10,414.

Affordable, conveniently located, quality child care is one of the most pressing concerns of contemporary family life. At least 44% of Michiganders live in a child care desert. This occurs when the ratio of children ages 0–5 to the number of licensed child care spots is greater than three. There is a high demand for additional infant and toddler slots, and it is particularly difficult to find child care for families who work non-traditional hours.

- **Staff-to-Child Ratios.** Having sufficient staff to properly care for a specific number of children is essential for maintaining both quality care and safety. It's also a licensing requirement, making labor the primary expense in child care operations. Early childhood educators deserve a living wage and benefits like sick leave and vacation and health insurance. However, these benefits are rarely provided as it would increase the cost of child care even more.

- **Operational Costs.** Beyond staff salaries, operational costs include rent or mortgage payments for the space, utilities, insurance, food, and supplies for daily activities. Maintaining a safe and stimulating environment for babies and toddlers is essential. High-quality child care employers often invest in their staff through training and professional development to ensure they meet the developmental needs of children. Investment in qualified staff ensures children are in a nurturing and educational environment, but it can also mean higher costs.
- **Limited Public Funding.** Unlike primary and secondary education, which is largely funded by the government, child care services do not receive the same level of financial support. With limited public funding for child care, costs are balanced on the backs of families and underpaid business owners and child care educators.

THIS COSTS EVERYONE. Across Michigan, employers are forced to make compromises that have a negative impact on business because employees lack access to reliable child care. Limitations on access to quality child care facilities, similar to a school, impact the ability to recruit talent to the state.

THE ECONOMIC CASE FOR IMPROVING EFFICIENCIES IN THE CHILD CARE MARKET (ORGANIZATION HEARTLAND FORWARD)

A shortage of professional care givers for children prevents many prime-age adults from working. While parents need to support their families, they can only work full-time hours in most occupations when they have access to reliable and affordable child care.

The issue took on even greater urgency during the pandemic, and the U.S. allocated \$39 billion in supplemental funding to keep child care providers open. Even with the supplemental funding, a recent report by the Annie E. Casey Foundation suggested about 13% of children under age five had parents who had to switch jobs or resign because they did not have affordable child care arrangements that coordinated with their work schedules from 2017–2021.

The Household Pulse Survey from September 2022 through April 2023 showed 1.3% to 7.6% of adults in each state were missing work to care for children, and a recent report by the Society for Human Resource

Management estimated inadequate child care causes \$37 billion in lost wages and \$13 billion in lost productivity for employers each year. The Biden Administration issued executive orders in April 2023 that were intended to bolster the child care industry, improve job quality for child care workers and to cap what low-income families are expected to pay for care.

In addition to the executive order, the tight labor market has prompted employers to recognize they have a vested interest in their employees having access to reliable child care arrangements. The federal government is also encouraging employers to consider child care access: the CHIPS and Science Act of 2022 requires tech firms to submit plans for employees' child care access to qualify for larger grant requests.

Child care is a complex, multi-faceted issue that will take government, private and philanthropic cooperation to address effectively.

RECENT ON-GOING EFFORTS TO ADDRESS CHILD CARE

In 2022, the Michigan Department of Education, through a strategic partnership with MEDC and the ECIC's Child Care Innovation Fund, supported regions across Michigan to accelerate investments in child care. Regions created planning coalitions and prepared plans to begin tackling the child care problem.

Also in 2022, Michigan launched another statewide initiative focused on expanding child care capacity: Caring for MI Future. This initiative aims to help child care entrepreneurs open or expand 1,000 programs by the end of 2024. Led by the Michigan Department of Lifelong Education, Advancement, and Potential (MiLEAP), the program offers critical resources to entrepreneurs, including assistance with finding and renovating spaces, startup funding, staff recruitment, and business plan development.

In 2023, MEDC convened a workgroup, bringing together community members and industry leaders to study the child care environment and ecosystem and to identify solutions to remedy the challenges. These challenges cross state regulatory agencies, local governments, labor and industry groups, non-profits and social service organizations, and existing and potential child care business owners. Solving these challenges and overcoming the barriers to service delivery and access requires an integrated approach. Each of these entities has a discreet role to play which will contribute to a set of connected activities to create a robust infrastructure for supporting families, the economy, and business.



THE AMERICAN PLANNING ASSOCIATION'S (APA'S) POLICY GUIDE ON CHILD CARE STATES:

- APA advocates the inclusion of child care policies as part of local planning.
- APA supports legislation which provides for small child care homes as permitted land uses in all zoning districts, without the standard home occupation restrictions, but with reasonable compatibility standards; and further supports state preemption of local legislation which does not permit this type of child care home.
- APA encourages communities to consider amending local zoning ordinances to remove obstacles to the provision of regulated group and family child care in all zoning districts, in locations that are appropriate and safe for children.
- APA encourages communities to negotiate with developers and to offer incentives to provide space for child care in all types of projects, residential, office, mixed-use, and commercial, including new construction and reuse.

THE ROLE LOCAL COMMUNITIES PLAY

Contemporizing planning and zoning at the municipal level can solve some, but hardly all, of the problem. Most communities have likely not paid much attention to how local regulations may be creating barriers for child care business owners, or how their plans and policies may be silent on an issue that has only recently captured the attention of the nation.

Attention to child care is a recent paradigm shift. Historically, child care as a land use has not been an integrated element of planning considerations reserved for other “public goods,” like parks, public schools, and transportation. Child care was not only not considered a public good type land use, but has often been considered a public nuisance. Residents regularly opposed home child care as noisy, traffic generators that impinged on quiet enjoyment of property.

But planners and other municipal professionals **CAN** take the lead to effect meaningful policy change that will catalyze reforms and create an environment that embraces new child care facilities and supports existing businesses.

A local economy can't thrive without quality, reliable child care, and there is much that municipal leaders can do to amplify the need and adopt policies to address the issues. This includes educating and informing the public—residents and businesses—about the importance of child care to the health and prosperity of the community and its people. Engaging the community from the start and getting buy in for policy and regulatory solutions will pave the way to develop community plans, regulations, and development review procedures that create places where child care business owners are valued and welcomed into a community.



HOW CAN YOUR COMMUNITY BECOME CHILD-CARE-READY?

A child-care-ready community:

- Is informed of the need for child care in the community. The local policy/decision makers and citizens recognize child care as an essential element of the local economy, have determined how much additional child care is needed, where it should be located, and identified the regulatory barriers that might prevent new child care facilities from opening.
- Is organized to address identified short falls. It is actively engaged in talking about child care as an economic necessity, creates plans to address the problem, and implements those plans to achieve improvements. Child care policy and regulation responsibilities are clearly assigned to policy/decision makers and organizations.
- Has connected people and organizations that provide support. People from different groups and organizations are connected and prepared to work together to solve the child care problem in their communities. Community members understand their roles and how they can assist.
- Supports the unique needs of vulnerable groups. The community understands that it is only child care ready if everyone in the community has access to good, affordable child care close to home and work.

This toolkit is intended for local municipalities. It describes the Michigan Economic Development Corporation (MEDC) child care readiness toolkit and how to assess where a community lands on the child care readiness spectrum.

It is designed to guide municipalities to better integrate child care into planning efforts, zoning codes, economic development strategies, and local policies and procedures, to become more child-care-ready.

CONDUCT A CHILD CARE SELF-ASSESSMENT

STEP 1: Child Care Readiness

This tool is intended to help municipalities self-assess where they are on the continuum of planning for and developing child care facilities in the community. Being able to truly understand the complexity of the issue of child care in a community can be overwhelming. This assessment provides a baseline to begin to tackle the issues around demographics, land use, regulation, and economic development partnerships. It is imperative to regularly review new data to measure “how are we doing?”

STEP 2: Evaluate

The “RRC Child Care Readiness Toolkit” is based on RRC Best Practice experience and case study review across the nation and refined for Michigan communities. Evaluation focuses on identifying indicators to determine overall current

and future needs, but also to determine those factors that are restricting better outcomes. At the local level, every community will have their own needs and priorities, but there are opportunities at the county and regional level to address child care needs more collectively, particularly around economic development. This toolkit provides a number of resources that communities can use to retrieve their own data and determine how they measure up today and in the future.

STEP 3: Take Action

As the community begins to implement child care improvements, it is imperative to track implementation, so that successes can be measured (and celebrated!). Strategies can then be adjusted, as needed. As the community changes, work may broaden or evolve.

COMMUNITY SELF-ASSESSMENT PROCESS

STEP 1: CHILD CARE READINESS	STEP 2: EVALUATE		STEP 3: TAKE ACTION
Phase 1: Build Awareness and Capacity	Phase 2: Assess Child Care Needs	Phase 3: Set Priorities	Phase 4: Track Implementation Efforts
Review action plan developed by your region’s child care coalition.	Collect data.	Determine goals, objectives and priorities.	Examine successes.
Connect with coalition partners.	Determine current child care needs.	Learn from neighboring communities.	Modify strategies as needed.
Engage the local community around the issue of child care.	Anticipate future child care needs.	Develop an implementation plan.	
Allocate time, resources, and funding.	Identify constraints that are reducing necessary child care facilities.		

RRC CHILD CARE FRAMEWORK THEMES AND RESOURCES

The “RRC Child Care Toolkit” is organized using the following framework of planning for people, place, policy and process, and economy. This framework is comprehensive enough to address a wide range of topics influencing child care readiness while remaining focused on the specific needs of Michigan communities. Communities are encouraged to adapt the definitions of these themes to align with their unique contexts and needs.

Each region in Michigan has its own child care coalition that has done valuable work in this space. Before launching a local effort, explore what your regional coalition has already done and build upon that.

01: PEOPLE

Including and engaging child care partners.

02: PLANNING FOR PLACE

Providing the physical spaces for child care facilities.

03: POLICY AND PROCESS

Regulating child care facilities at the state and local level.

04: ECONOMY

Promoting economic vitality in communities by supporting the workforce.

RESOURCES

Supplemental quick sheets are available to help implement the recommendations in the toolkit. These quick sheets are designed to simplify the implementation of recommendations and provide a stand-alone resource for communities to reference as needed:

- [Child Care Facilitator: Roles and Responsibilities](#)
- [Zoning Ordinance Self-Audit for Child Care Readiness](#)
- [Summary of Child Care Licensing Bureau Regulations](#)
- [Child Care Incentives at the Municipal Level](#)
- [Community Engagement and Communications Strategy](#)



1.0 PEOPLE

People are the foundation of a community and ensuring that adequate provisions are made for individuals within the community is crucial for its overall success. This includes supporting children and families by providing high quality, affordable child care. While there are many obvious contributors to the effectiveness of these facilities, such as business owners, employers, child care teachers, and early educators, there are others working behind the scenes to ensure their success. Caregivers, teachers, and child care educators are crucial to the success and quality of child care. Discussions on how best to support these essential individuals are explored further in Chapter 4.0, "Economy." This chapter focuses on individuals working outside of child care facilities who are essential partners and advocates for these businesses, including community and economic development officials, coalitions, and community child care liaisons.

A coalition is an alliance or partnership formed by groups, organizations, or individuals who come together around a common goal, issue, or interest. Across Michigan, there are several regional child care coalitions that work toward improving access to and affordability of child care. These coalitions are valuable resources and advocates for families, child care providers, employers, and the community as a whole.

In today's digital age, social media has emerged as an important component in promoting awareness of child care opportunities, transforming the way information is disseminated, communication is facilitated, and connections are maintained. Leveraging social media platforms not only aids in raising awareness and garnering support for new child care ventures but also plays a pivotal role in connecting with families, sharing valuable resources, and building a sense of community.

TOP 3 PRIORITY ACTIONS TO TAKE:

- 1** Designate a child care facilitator for your community.
- 2** Engage with your local child care coalition and statewide child care advocacy groups.
- 3** Identify and promote child care businesses in your community on official social media channels.

1.10 COMMUNITY ENGAGEMENT TOOLKIT



OBJECTIVE: *Develop a participation plan or strategy for effectively engaging child care partners.*

SUGGESTED ACTION: Identify Partners

Partners are any key individuals or groups who have an interest in advancing child care in your community and include child care providers, parents, government agencies, higher education institutions, public workforce organizations, businesses, employers, educators, or policymakers. Engaging partners allows for increased ownership, buy-in, and accountability, as well as offering more diverse perspectives and increased collaboration that leads to meaningful change and lasting benefits in the child care sector.

- Consult with existing child care advocacy groups, local and regional leaders, and community members to build off existing engagement efforts and identify both internal partners (those directly involved in providing or receiving child care services) and external partners (those who have an interest in or are affected by the outcomes of child care initiatives).
- Determine how partners wish to be engaged, including the frequency and the means (through a survey, meeting, or other correspondence).

ARE YOUR COMMUNITY ENGAGEMENT TOOLKITS CHILD CARE READY?

- Are community child care partners identified?
- How does your community plan to engage residents? Other partners?
- How will the results of any community engagement be presented? Is there a dedicated web page? Will there be social media posts?
- How will community feedback be integrated into future planning efforts?

SUGGESTED ACTION: Develop a Community Engagement Toolkit

Community engagement toolkits are a RRC Best Practice (Best Practice 1.4) and help communities establish clear expectations for public engagement, ensuring all groups are represented in decision making processes. These plans outline the strategy for engaging a diverse group of community partners and outline the methods of engagement and how the results of that engagement will be shared.

Develop a community engagement toolkit that:

- Identifies child care partners, including those not typically included.
- Describes the participation methods and appropriate approach for each method.
- Details how engagement results will be shared and how feedback will be integrated into future planning and development efforts.
- Is reviewed and updated on a regular basis.



ONLINE RESOURCES

[MEDC RRC Library](#)

[Community Engagement and Communications Strategy](#)

1.20 SOCIAL MEDIA AND COMMUNICATIONS



OBJECTIVE: *Build and share support for your community's child care offerings.*

SUGGESTED ACTION: Engage through communications

There are many valuable avenues for communicating with members of your community including press releases, email blasts, blogs, website postings, and social media postings. To ensure that all community members are engaged, multiple forms of communication should be utilized. This is one of the most important aspects in promoting child care opportunities and initiatives.

- Ensure that there are child care resources, including training resources for child care educators and providers, as well as available child care providers, listed on your community's website.
- Promote new child care businesses via official communication channels to elevate child care opportunities in your community.
- Share child care programming available to residents and employers via multiple official communication channels.
- Ensure communications and online resources are current and updated regularly.

IS YOUR COMMUNITY'S SOCIAL MEDIA PROMOTING CHILD CARE?

- Does your community promote new and existing child care facilities on official social media platforms?
- Does your community regularly or semi-regularly issue press releases, blog posts, or social media post highlighting child care resources?
- Does your community identify available child care options for residents?



ONLINE RESOURCES

[Early Childhood Investment Corporation \(ECIC\)](#)

[Community Engagement and Communications Strategy](#)

1.30 FACILITATION, TRAINING, AND EDUCATION



OBJECTIVE: *Ensure your community has a designated child care facilitator, and make sure that community and economic development officials, elected leaders, planning commissioners, and zoning board members are adequately trained on the importance of child care facilities and the challenges they face.*

SUGGESTED ACTION: Designate a Child Care Facilitator

A facilitator acts as the point person for all child care related activities in your community. It's important to have a designated individual or department that is acting as the facilitator so that child care opportunities are not missed, and your community has access to child care resources as needed. This is similar to the RRC recommendation to have a designated point of contact for the development review process (Best Practice 3.2).

A good candidate for a facilitator may already be working in your community in planning, economic development, community development, downtown development, or with the chamber of commerce. Additionally, in smaller communities, a joint facilitator shared by several communities, or a more regional facilitator, including economic development organizations (EDOs), may be more appropriate. If your community lacks the staff to support an internal designated child care facilitator, also consider partnering with local schools or non-profit organizations.

- Review community staff roles and responsibilities to determine if an individual or department could be an appropriate child care facilitator.
- Designate a child care facilitator for your community, whether internal or external.

ARE YOUR STAFF AND APPOINTED/ELECTED OFFICIALS CHILD CARE READY?

- Does your community have an individual who is coordinating child care opportunities?
- Are community and economic development officials in your municipality educated on child care challenges?
- Are child care issues a component included in planning commissioner or zoning board member training?



CASE STUDY: Child Care Aware of Missouri

Child Care Aware of Missouri has been leading the charge of guiding entrepreneurs through the process of starting and expanding their child care businesses. They provide assistance with grant opportunities, startup, expansions, budgeting, accounting practices, training, professional advancement, and human resources support. They also have a designated chief business officer and have dedicated scholarship counselors to support education and credential attainment.

CASE STUDY: Family Child Care Network of Kentucky

The [Family Child Care Network of Kentucky](#) has regional offices with specialists who are there specifically to help potential providers understand the processes, recruit in-home providers, offer training and technical assistance and provide on-going support to regulated in-home providers. In addition, the regional offices will build relationships and connections among in-home providers in the area and across the state. They have regional organizations and local contacts to support providers in all counties of Kentucky.

1.30 FACILITATION, TRAINING, AND EDUCATION *continued*

SUGGESTED ACTION: Invest in Training and Education

Training plans are one of RRC's Best Practices (Best Practice 4.6), and are an important way to ensure that commissioners and board members are up to date on current best planning practices and planning topics. Developing a training plan identifies opportunities, expectations, and goals that are aligned with the community's plans, needs, and capacity. This working document addresses training needs and desires of current board and commission members.

- If your community does not have a training plan, develop a training plan that:
 1. Identifies training goals and expectations.
 2. Identifies established and potential funding sources.

3. Outlines how to consistently encourage training.
 4. Outlines how to encourage training report outs.
 5. Outlines how the community will review and update the strategy.
- If your community has an existing training plan, update it to include a topic on child care and barriers to child care. Ensure that community and economic development staff are educated on child care and barriers to child care.
 - Utilize education and consultation services offered by child care organizations and coalitions.



ONLINE RESOURCES

[MEDC RRC Library](#)

[Early Childhood Investment Corporation \(ECIC\)](#)

[Pulse](#)

1.40 COMMUNITY PARTNERSHIPS



OBJECTIVE: *Overcome financial challenges of opening and operating child care facilities through joint development initiatives.*

SUGGESTED ACTION: Identify and Engage with Community Partners

Community partners can be public, private, or non-profit entities. These partners have a vested interest in child care as it promotes economic development which supports the entire community. Collaboration with these partners can relieve the financial barrier to opening and operating child care facilities.

- Identify any **public** community partners that may be interested in collaborating on child care development initiatives (school districts, public transportation agencies, community colleges, economic development agencies).
- Identify any **private** community partners that may be interested in collaborating on child care development initiatives (foundations, banks, private businesses, chambers of commerce).
- Identify any **non-profit** community partners that may be interested in collaborating on child care development initiatives (community development financial institutions [CDFIs], social service organizations, neighborhood associations, small business development centers [SBDCs], community development corporations [CDCs]).

WHO ARE THE COMMUNITY PARTNERS AND HOW CAN THEY SUPPORT YOUR CHILD CARE INITIATIVES?

- Who are the partners in your community that can help with local child care development efforts?
- Who are the key partners who will advocate for child care readiness in your community?
- How are you engaging your partners?



CASE STUDY: Ironwood Early Learning Academy

When the last remaining child care facility in Ironwood faced closure, Chandra Moreno, with help from the Michigan Small Business Development Center (SBDC), sprang into action. Moreno and her husband had struggled to find child care for their son, discovering that Ironwood was becoming a child care desert. A private investor donated \$100,000, and a local dentist bought and leased them a former elementary school building.

In May 2023, Moreno opened Ironwood Early Learning Academy with four classrooms and 12 staff members.

Since then, she has hired over 22 staff members, cared for over 100 children, and is expanding operations to include a nursery. “We’ve achieved financial independence and continue to receive support from angel investors,” Moreno said. “The SBDC has given us the confidence and guidance needed for success, allowing us to provide a critical resource for our community.”

The partnership between Moreno, private investors, and the SBDC highlights the importance of community partnerships.

1.40 COMMUNITY PARTNERSHIPS *continued*



CASE STUDY: Commongrounds Cooperative

Commongrounds Cooperative in Traverse City, Michigan, demonstrates how community-driven real estate can address critical local needs, particularly in early childhood care. The project was approved under the Michigan Strategic Fund. Current investors include commercial tenants such as Higher Grounds Coffee, Pathways Pre-School, Iron Fish Distillery, Common Place Co-working, and Crosshatch Community Art, along with over 500 local co-op owners. The project is expected to create 17 full-time jobs and has been awarded a \$1.5 million Michigan Community Revitalization Program grant. The Grand Traverse Brownfield Redevelopment Authority also secured \$440,693 in

state tax capture to support environmental remediation, alongside a \$210,000 local grant and approval of local brownfield tax capture.

The cooperative's pilot project at 416 East Eighth Street is a four-story mixed-use building that includes centrally located early education classrooms to tackle the region's shortage of infant and toddler care, as identified by a 2019 Great Start Collaborative study. By providing quality child care, Commongrounds not only supports child development but also helps attract and retain families in the area, contributing to the region's economic vitality and enhancing community well-being.



ONLINE RESOURCES

[Chamber of Commerce, Michigan](#)

[Community Development Corporations \(CDCs\)](#)

[Community Development Financial Institutions \(CDFIs\)](#)

[Economic Development Organizations \(EDOs\)](#)

[Pulse Municipal Roadmap](#)

[Regional Planning Organizations](#)

[Small Business Development Centers \(SBDCs\)](#)

Major employers in your community (e.g., universities, health systems, public school systems, or even your municipality)

1.50 STATEWIDE INITIATIVES AND COALITIONS



OBJECTIVE: *Promote participation in regional and statewide child care initiatives.*

SUGGESTED ACTION: Engage with Regional Child Care Coalitions

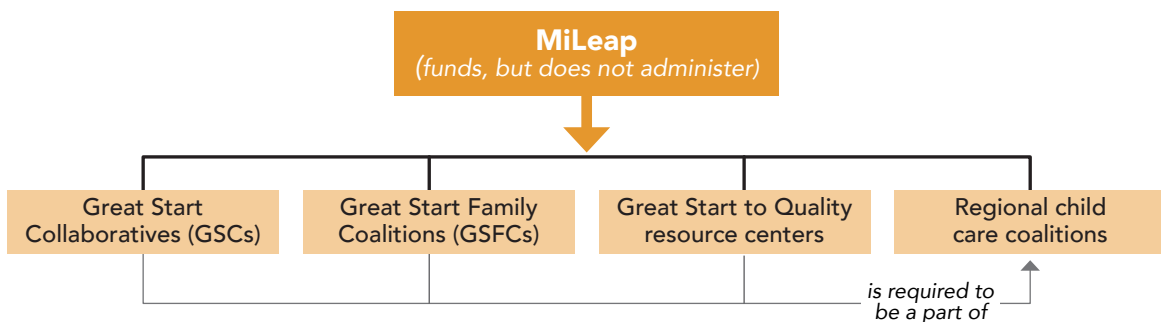
MiLEAP, short for the Michigan Department of Lifelong Education, Advancement, and Potential, is a newly established state education agency in Michigan. Launched by Governor Gretchen Whitmer in December 2023, MiLEAP is designed to enhance the state’s education system by focusing on lifelong learning from early childhood through postsecondary education and beyond. It aims to expand access to early education, make higher education more affordable, and create stronger connections between education and employment.

MiLEAP is the central hub for resources such as TriShare, Child Care Scholarship, Great Start Readiness Program (facilities grants), Great Start to Quality Resource Centers, and more. Additionally, MiLEAP currently funds the regional child care coalitions in Michigan, while the Early Childhood Investment Corporation (ECIC) currently administers the initiative. Regional child care coalitions are directly addressing the state’s child care challenges by bringing together key partners to improve access, quality, and affordability of child care services. These coalitions typically consist of local government officials, early childhood educators, parents, business leaders, and community organizations who collaborate to identify the specific needs of their communities and develop strategic solutions.

- Visit the [ECIC website](#) to determine which regional child care coalition represents your community.
- Familiarize your community with the existing work of your coalition.
- Connect with your coalition coordinator and determine the best way to plug into existing programs and initiatives.
- Maintain ongoing communication with your child care coalition to stay up to date on current funding opportunities and statewide initiatives.

DOES YOUR COMMUNITY PARTICIPATE IN REGIONAL AND STATEWIDE CHILD CARE INITIATIVES?

- Is your community engaged with an existing regional child care coalition?
- Is your community engaged with your MI Tri-Share hub?
- Is your community engaged with your Great Start to Quality resource center?



1.50 STATEWIDE INITIATIVES AND COALITIONS *continued*



CASE STUDY: MI Tri-Share Program

Tri-Share is a program created in response to the rising costs of child care and associated burden of these costs. The program splits the cost of an employee's child care equally among the employer, the employee and State of Michigan—a three-way split—with coordination being provided regionally by a MI Tri-Share facilitator hub. This program is also aimed to help ALICE populations (asset limited, income constrained, employed), who are typically underserved by existing local, state, and federal programs, eliminate employment barriers.

During its first year, Tri-Share had a slow start, with only 54 employers and 52 employees participating by June 2022. Recruitment took longer than expected as employers needed time to plan and budget for the new

benefit. Hubs also needed time to develop internal management systems. The program gained momentum and expanded from three to 13 hubs by early 2023, covering 59 counties and Detroit. By March 2024, Tri-Share had 195 employers, 351 child care providers, and served 514 families and 713 children statewide.

An evaluation by Public Sector Consultants in late 2022 found that pilot participants had household incomes 244% above the federal poverty level, with employers from diverse industries. Employees saw an average 65% reduction in monthly child care costs, with 82% more likely to stay in their jobs and 63% of employers noting improved employee retention due to Tri-Share.

SUGGESTED ACTION: Engage with Statewide Initiatives

Michigan has many valuable resources and partners for furthering child care across the state. These initiatives offer resources, funding, and technical assistance for families, business owners, employers, and community leaders.

- Become familiar with ongoing, state-wide child care advocacy organizations, such as Child Care Network, that provides support to families looking for child care as well as child care providers.

- Connect with program representatives to determine the best way to plug into existing programs and initiatives.
- Maintain ongoing communication with statewide child care organizations to stay up to date on current funding opportunities and statewide initiatives.



ONLINE RESOURCES

[Child Care Network](#)

[Early Childhood Investment Corporation](#)

[Great Start Collaborative Michigan Resource Centers](#)

[MI Child Development and Care Partners](#)

[MI Tri-Share Program](#)

[MiLEAP](#)



2.0 PLANNING FOR PLACE

Families and children in Michigan use the spaces, structures, systems and environments in our communities. These places may be neighborhoods, parks and open spaces, downtowns, or places in between. These places are influenced by the land use, development and land management policies, regulations, and practices of our communities.

In Michigan, land use regulation or zoning may be done at the local or county level. Zoning regulations must be based on an adopted land-use plan in accordance with the Michigan Planning Enabling Act (MPEA).

Master plans or comprehensive plans are a community's guiding framework for growth and investment. Information and strategies outlined in the plans should serve as policy guidelines for local decisions about the physical, social, economic and environmental development of the community.

Capital improvement plans are a tool to identify and prioritize the long-term capital project investments of a local unit of government. Capital improvements are major projects, or improvements to existing physical facilities, or "capital assets," that involve a substantial investment and last a long time, for example development of a new splash pad or widening of sidewalks in downtown; construction of a new municipal building, community center, or fire station; or purchase of a new emergency vehicle. The MPEA requires most communities that adopt a master plan to also adopt a capital improvements plan on an annual basis.

Other plans, like downtown plans, consolidated plans, sub area plans, transportation plans, and recreation plans may be adopted by a community depending upon the community's needs. These supporting plans are another opportunity to integrate child care polices in greater detail, relative to the issues each plan focuses on.

Coordination between the master plan, capital improvements plan, and any other adopted plan is essential. It is important that planning documents establish goals, implementation actions, timelines and responsible parties. **All adopted plans in a community should align and reinforce each other.**

TOP 3 PRIORITY ACTIONS TO TAKE:

- 1** Update your master plan to include child care in your community.
- 2** Develop a capital improvement plan that supports child care in your community.
- 3** Align any other adopted plans (downtown plan, transportation plan, sub area plan, consolidated plan, recreation plan) with goals and objectives in master plan.

2.10 MASTER PLANS



Comprehensive plans are a community's guiding framework for change and investment. Information, data, and background studies, along with objectives and strategies serve to inform the plans adopted policies and guide local decisions about not only the physical development of the community, but also social well-being, economic stability and prosperity, and environmental and natural resource preservation. The plan articulates community values, and those values are embedded in the policies that are adopted. The plan sets expectations for those involved in development, giving the public some degree of certainty about the vision for the future, while assisting the community in achieving its stated goals. An updated master plan or comprehensive plan is essential to articulating the types of development the community desires and the specific areas where the community will concentrate resources.

The typical master plan identifies and evaluates existing conditions and trends, makes projections for the future, establishes goals with public input, considers alternatives, and provides recommendation for the physical development or redevelopment of the community.

The MPEA requires that the master plan be updated, or minimally reviewed with a determination that insufficient change has occurred to merit an update, every five years to provide a community with a current and relevant decision-making tool. This is also an RRC Best Practice (Best Practice 1.1). The five-year review provides an opportunity to update current information and policies; reflect on recent trends, emerging issues, and new opportunities; and identify key redevelopment sites.

CASE STUDY: Portage Forward Together 2045 Draft Master Plan (Portage, Mich.)

Portage, a city in southwest Michigan, is located adjacent to Kalamazoo and has experienced steady growth over the past few decades. With a 2022 estimated population of approximately 49,000, Portage has been proactive in planning for its future development to ensure sustainable growth, economic vitality, and a high quality of life for its residents. The city's master plan draft, initiated in 2023, represents a comprehensive vision for the future, addressing key areas such as land use, transportation, housing, economic development, and environmental sustainability.

The ongoing Portage master plan, "Forward Together 2024," includes many progressive policy recommendations relating to housing, economic development,

transportation, and sustainability. Additionally, the draft plan identifies child care as an important pillar of the economy and quality of life for families. The plan pushes to attract and support local businesses and major employers by developing more resources for families, such as daycare, after school programs, and flexible work hours. Furthermore, the economic development chapter specifically emphasizes supporting working families by expanding child care options and facilities. The draft plan includes statewide context for the child care shortage and recommendations for expanding child care. Although this plan is still in progress, incorporating child care goals as an economic component will lay the foundation for long-term child care sustainability.

2.10 MASTER PLANS *continued*

SUGGESTED ACTION: Review Your Master Plan (and update if needed!)

FOUR KEY STEPS TO UPDATE A MASTER PLAN:

Step 1: Review and examine existing conditions.

Step 2: Analyze patterns and identify areas where child care development is a priority.

Step 3: Examine goals and objectives related to child care.

Step 4: Articulate which child care facilities are appropriate in future land-use categories.

STEP #1: REVIEW AND EXAMINE EXISTING CONDITIONS.

A. Review and Analyze Demographic Changes

It is important that local policy/decision makers understand how the family compositions in their community are changing. Comparing current data to past trends can help determine how much a community is changing and what direction trends are pointing toward. Community data by the census tract or block group will identify more accurately where the children in a community live and the neighborhoods typologies.

Additionally, regional child care coalition actions plans outline current child care conditions and can be a helpful place to start to understand the child care conditions in and around your community. This will help local decision makers

determine not just where child care facilities might want to locate, but where parks, sidewalks, and other basics that make being a child (and an adult) easier should be developed. Useful data to examine could include:

- Are there more children today in your community than there were 10 years ago?
- Is the child age population in your community increasing?
- Are there more infants and preschoolers or more school age children?
- Are children (and families) relatively well off or getting poorer? (*This can help policy makers to determine what other support may be needed.*)
- Are children living in one parent homes or two parent homes? (*Single parent families could indicate a need for not just more child care, but also child care that has flexible and extended hours.*)
- Determine your community's child care needs by using Census and American Community Survey (ACS) data to calculate the population 5-years-old and under.
- Determine your community's projected child care needs by using regional population projections to calculate the anticipated population 5-years-old and under.
- Assess your community's child care capacity by identifying the number of child care facilities and determining each facility's capacity.
- Reach out to existing child care business owners to understand their capacity including waitlist and operational barriers.

RESOURCES FOR DEMOGRAPHIC SOURCES

[Michigan League for Public Policy, State of Child Care by County](#)

[Statewide Search for Licenses Child Care Centers/Homes](#)

[U.S. Child Care Deserts](#)

[Data Driven Detroit](#)

[American Community Survey/U.S. Census](#)

- Determine if any census tracts in your community are classified as child care deserts.
- Determine if any types of child care facilities are under represented by inventorying your existing child care facilities and determine if there is a need to focus on the development of any specific child care business types.

B. Inventory, Review, and Analyze Child Care Facilities as a Land-use

Classifying and mapping existing land-use patterns not only identifies particular land-use activities, but also highlights areas with future growth potential and areas where land-use conflicts may exist. Land use patterns exist for a number of reasons. Understanding what exists and why those patterns have been in place helps develop more realistic plans and policies.

Often existing land uses are categorized by type, such as agriculture, single-unit or low-density residential, higher-density or multiple-unit residential, commercial, mixed-use, office, industrial, public uses, and parks. Child care facilities as a land-use could fit into any of these categories.

Another aspect of the land-use inventory is to identify where child care businesses already exist.

Once existing child care facilities are identified, collect details about each establishment. You can gather this information by hosting focus groups or conducting a short survey. Child care business owners have information that is useful to local

2.10 MASTER PLANS *continued*

RESOURCES FOR EXISTING CHILD CARE DATA

<https://greatstarttoquality.org/find-programs>

[Child Care Hub Information Records Portal](#)

[Early Childhood Investment Corporation](#)

MiLEAP

Local school district

Regional child care coalition

decision makers, such as:

- How many children each facility is licensed to care for and if there are any openings?
- What type of facility is it? Does the facility care for infants or just toilet learned children? (*Many facilities care for toilet learned children. Parents of infants may have a much harder time finding a child care facility.*)
- What are the hours of operation? (*Employees who work nights or long shifts may need child care with more flexible hours.*)
- Customer characteristics. Where or in what occupation do your customers (the parents) work?
- Do you have employees? Has it been difficult to keep employees? Why or why not?

With information mapped about where the children in the community are living, the location of schools, and the location of child care facilities, decision makers can identify gaps and consider how to fill in those gaps with better policies and regulations.

C. Identify Employment Centers

Not everyone who works in a community also lives there. Economic regions are amorphous and do not stop at municipal boundaries. A community is part of a larger economic system where goods and services flow across jurisdictions. Child care facilities within a community may be used by both workers (residents of the community) and employees.

RESOURCES FOR BUILDING AN EMPLOYMENT CENTER BASE

[Early Childhood Investment Corporation](#)

[U.S. Census' On the Map](#)

Regional child care coalition

Local metropolitan planning organization, regional planning organization, or council of governments, etc.

The U.S. Census provides detailed information about workers. It can be more difficult to get useful information about non-resident employees (those who work in the community, but don't live there). The best way to find out about employees in a community is to talk directly with the employers or the chamber of commerce. Often a school district is one of the largest employers in a community, and the school district may also be a child care facility to the community at large.

A short survey or focus groups can provide additional useful information. Possible questions to ask employers in the community:

- What communities do your employees reside in? Do your employees live in the community where this business is located, or do they live outside of the jurisdiction?
- How many employees have school age children? How many have infants or preschoolers?
- Is the availability of child care an issue for the employees?
- For large employers, have they ever considered providing on-site child care?

D. Review Transportation in Your Community

There is a direct correlation between transportation and child care. Children are transported to child care facilities as part of their parent's or parents' commute. How easy or hard that commute is impacts quality of life. The U.S. Census has data regarding commutes and vehicle ownership. If the community has transit, the transit agency can provide information about transit routes and ridership data. Past data can reveal possible future trends.

Information to gather from your local or regional transportation agencies include:

- How long is the average commute? (*If the commutes seem much too long, what can local decision makers do to get the housing, schools, and jobs closer to each other.*)
- How many households have a single vehicle? Or no car at all? (*This can help policy makers to determine if, and to what extent, other transportation modes are needed.*)
- How long are school bus commutes? *Your school district can tell you the length of school bus routes and pick-up and drop-off times. This information will highlight what it is like to be a parent and a child in the community on a daily basis.*

If local decision/policy makers have difficulty finding this data on their own, county or regional governments can assist with finding the above noted data.

2.10 MASTER PLANS *continued*

STEP #2: ANALYZE PATTERNS AND IDENTIFY AREAS WHERE CHILD CARE DEVELOPMENT IS A PRIORITY.

Once existing conditions are assembled and examined, patterns and gaps may emerge. Analyze the data and ask the following questions:

- Where are most child care facilities located?
- Is demand greater than supply for child care facilities; and if yes, by how much?
- Would residents be better served if child care facilities were located elsewhere?

STEP #3: EXAMINE GOALS AND OBJECTIVES RELATED TO CHILD CARE.

Child care is a crucial part of any development strategy, as important as Wi-Fi (broadband) and roads, and master plan goals and objectives should clearly make that connection. For example:

- If the master plan has visions or values that include “caring and welcoming to people of all ages,” then **increasing access to high quality, affordable child care** should be included as a goal or objective.
- If home-based businesses are listed as an appropriate use, the plan should also expressly state that **family child care** is permitted.
- If a commercial district includes zoning categories such as “mixed-use buildings, offices, entertainment, retail, restaurants, and institutions,” then **child care centers** should also be allowed by-right.
- If a master plan goal is “to attract new business and industry to the city,” along with objectives such as, “increase the marketing efforts or encourage entrepreneurial development and assistance programs,” the plan should also include an objective related to child care. For example, “encourage those services necessary to support employees, like **(high quality, affordable child care and)** transportation.”
- If a master plan goal is “to retain more young professionals to stay in the area,” then **increasing access to child care** should be an objective to meet that goal.

- If a market gap analysis includes observations like, “findings suggest a need to add community (and especially downtown) amenities that help local workers stay socially connected while working from home, then **child care should also be included as a necessary support service**. Examples include co-working space; small business and office support services; restaurants and eateries; and square, parks, and other public open spaces.”

Sample language to consider:

The community should have an adequate supply of high quality, affordable child care facilities to meet the needs of families and businesses locally and regionally.

Provide high quality, affordable child care facilities that support commercial, and office uses, including family child care in residential districts and child care centers in all land-use districts.

Provide incentives and flexible mechanisms for child care facilities to upgrade and expand (?) existing sites.

Support the development of high quality, affordable child care in existing businesses and residences.

STEP #4: ARTICULATE WHICH CHILD CARE FACILITIES ARE APPROPRIATE IN WHICH FUTURE LAND-USE CATEGORIES.

Based upon the existing conditions, community goals and objectives, and the state’s definitions of different types of child care facilities, the future land use categories should also expressly state which types of child care facilities are desired and permitted in each future land-use category. For example:

“Family and group child care homes are considered compatible in residential districts. Child care centers, along with neighborhood schools and parks, are appropriate anchors for our neighborhoods.”

“Properties that are within walking distance of neighborhood parks are especially suited to development as child care centers.”

“Within the downtown, residential uses above first floor uses should be encouraged. First floor residential uses should be considered based upon adopted standards. Child care in the downtown currently may be difficult given the lack of outdoor space. Once the proposed downtown park is developed, child care within the downtown should be permitted and encouraged.”

2.20 CAPITAL IMPROVEMENT PLANS



A capital improvements plan (CIP) is a community planning and fiscal management tool used to coordinate the location, timing, and financing of capital improvements over a multi-year period.

The CIP is a powerful tool used to implement a community’s master plan, downtown plan and other planning documents. Capital investments can have a substantial impact on development patterns. By providing funding for strategic investments at a given time and location, the CIP helps ensure that development occurs consistent with a community’s plans and vision.

The Michigan Planning Enabling Act (MPEA), which is the statute that authorizes communities to plan, states:

“To further the desirable future development of the local unit of government under the master plan, a planning commission, after adoption of a master plan, shall annually prepare a capital improvements program of public structures and improvements...”

The MPEA outlines the requirement that CIPs be created for the ensuing six years. In addition, RRC identifies CIPs as a best practice (Best Practice 1.3). Capital improvements refer to major, non-recurring physical expenditures such as land, buildings, public infrastructure, and equipment.

It is likely that the list of possible purchases and improvements will be much longer than can be spent in a single year, so choices must be made as to what is urgent and what can or must wait and that requires determining how to rank the list of projects. Certainly, projects mandated by state and/or federal law will always be high priority, as will projects essential to public health or safety. Other criteria that could be used to prioritize projects include supporting economic vitality, sustainability, reduced lifecycle costs, or inclusion in the adopted master plan.

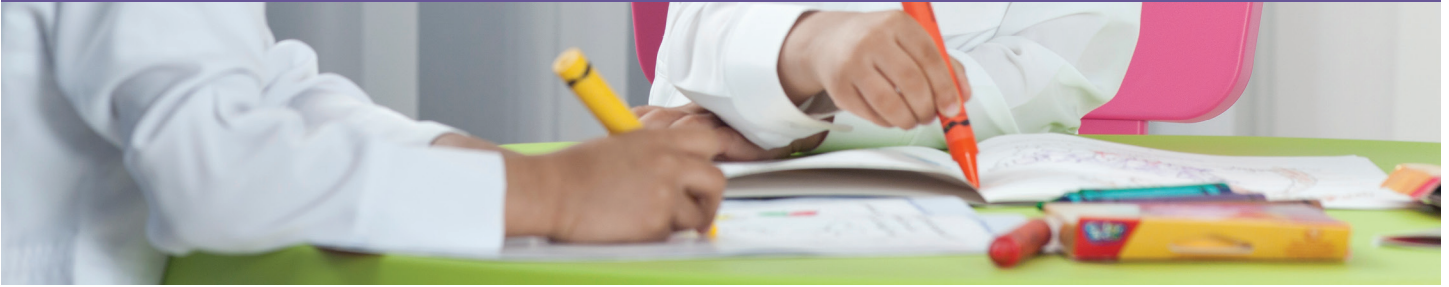
With a new child care ready master plan update adopted, an updated capital improvements plan that implements that master plan is also needed.

SUGGESTED ACTION: Develop a capital improvement plan that supports child care in your community.

- Review your master plan for recommendations on infrastructure for both public projects and private development.
- Review the implementation section at the end of the master plan. It often includes a chart with a to do list. This provides a good framework for the CIP.

Typical Categories of Capital Expenditures	Examples of Child Care-Friendly Expenditures
The purchase of major equipment	Playground equipment (in downtown park to create child friendly outdoor space)
Acquisition of land for a public purpose	Purchase land for a new park to provide outdoor play space or for a new community center (including space for a child care center)
Construction, expansion or major renovation of a public building	Library or community center (including space for a child care center)
Construction, expansion or major renovation of a facility	Widening or extension of sidewalks
Construction, expansion or major renovation of a facility	Widening or extension of sidewalks

2.30 PLAN ALIGNMENT



All plans in a community should align. Coordination between the master plan, consolidated plan, recreation plan, and downtown plan or corridor plan(s) is essential. Plans should not contradict each other and should reinforce one another.

SUGGESTED ACTION: Align Adopted Plans

- Align all adopted plans (downtown plan, consolidated plan, recreation plan) with the goals and objectives and the recommended action items of master plan.
- Review plans to ensure that goals, implementation actions, timelines and responsible parties do not contradict each other and are in alignment.
- Develop and adopt updates as needed.



3.0 POLICY & PROCESS

Policy and process encompass the regulatory aspects that determine the permissible locations for child care facilities, the operational requirements they must adhere to, the steps to open and operate child care facilities, and the eligibility criteria for operators. In Michigan, there are several major regulatory components including zoning ordinances, development approval processes, and state licensing through the Child Care Licensing Bureau (CCLB).

A zoning ordinance is a legal tool used by local governments to regulate land use and development within specific geographic areas. It dictates how land can be used, such as residential, commercial, or industrial, and typically includes regulations on building heights, lot sizes, and setbacks. Zoning is identified by Redevelopment Ready Communities® (RRC) as a best practice, as an effective zoning ordinance limits barriers to development and streamlines desirable development.

Development approval processes include the application, fees, and approval processes for site plans, special land uses, and business licenses. These processes are determined by local governments and can create barriers to development such as high entry cost and long review periods.

The Michigan Department of Lifelong Education, Advancement, and Potential (MiLEAP) oversees a variety of educational programming from early childhood to higher education. The Child Care Licensing Bureau (CCLB), which regulates child care licensing for all child care facilities, including family child care homes, group child care homes, and child care centers, is housed under MiLEAP.

The CCLB outlines the requirements and standards for operating child care facilities, from child care centers to child care homes, and more. These requirements are detailed and specify criteria that broader regulations, like zoning ordinances, do not cover. Even if a zoning ordinance provision does not explicitly state a provision for a child care facility, like required sleeping areas, that does not mean that the CCLB overlooks that provision. When considering zoning changes, it is important to understand what the CCLB requires so that overlapping or redundant steps are not required.

It is also important that zoning ordinances, development approval processes, and the CCLB regulations are aligned, as these policies and processes significantly influence the viability of establishing and operating child care facilities. Proactively right-sizing regulations will ensure that child care is achievable in your community.

TOP 3 PRIORITY ACTIONS TO TAKE:

- 1** Align zoning ordinance standards with the CCLB standards.
- 2** Conduct a zoning audit.
- 3** Streamline approval processes and reduce development fees.

3.10 ZONING REGULATIONS



OBJECTIVE: Update your zoning ordinance to be not only child care ready, but to incentivize child care facilities.

SUGGESTED ACTION: Review Zoning Districts

Zoning districts typically allow only certain, specified uses. By expanding the zoning districts that allow child care facilities as a permitted, by-right use (rather than by special land-use), it allows for greater opportunities for child care facility development. Additionally, it is important to ensure that family and group child care homes are aligned with Michigan Zoning Enabling Act (MZEA) requirements for districts where they must be permitted by-right or by special land use.

- Ensure family child care homes are permitted by-right in every residential district to ensure compliance with MZEA.
- Expand zoning districts that allow child care facilities by-right (Best Practice 2.3).
- Amend ordinance to include outdoor space requirements for mixed-use development in anticipation for future child care facility development (Best Practice 2.3).

CHILD CARE FACILITY TYPE	CITY/VILLAGE	COUNTY/TOWNSHIP
Family Child Care Homes	Must be permitted by-right in every residential district.	
Group Child Care Homes	May be permitted by special land use in residential districts.	Must be permitted as special land use if the following MZEA criteria are met: <ol style="list-style-type: none"> 1,500 feet away from: <ol style="list-style-type: none"> Another licensed group child care home An adult foster care small group home or large group home A facility offering substance use disorder services to seven or more people A community correction center, resident home, or halfway house Has appropriate fencing for the safety of the children in the group child care home as determined by the local unit of government. Maintains the property consistent with the visible characteristics of the neighborhood. Does not exceed 16-hours of operation during a 24-hour period. Meets regulations, if any, governing signs. Meets regulations, if any to provide off-street parking accommodations for his or her employees.

Michigan Zoning Enabling Act (2006 PA 110, MCL 325.3206)

3.10 ZONING REGULATIONS *continued*

SUGGESTED ACTION: Review Colocation Standards

Child care facilities are often not stand-alone entities on a given parcel. They are frequently located within schools, religious institutions, or large businesses. Colocating child care with workplaces or community facilities offers the advantage of making it more convenient for families to access these services, but frequently, zoning ordinances often either prohibit this arrangement or fail to address it directly, creating uncertainty about what is permitted.

- Allow child care centers as accessory uses to commercial, industrial, office, and institutional uses.

SUGGESTED ACTION: Review Definitions

Definitions in zoning ordinances are important because they provide clarity and precision in communication, ensuring that everyone understands the same meaning for a particular term or concept. This will eliminate any confusion over what constitutes a child care facility and provide clarity on the differentiation between types of child care facilities.

- Ensure definitions for child care facilities (including child care center, child care home, group child care home, family child care home) are included in your zoning ordinance (Best Practice 2.2).
- Ensure child care facility definitions are consistent with the CCLB definitions.

CHILD CARE: RECOMMENDED DEFINITIONS

In 2022, changes to the Child Care Organization Act, PA 116, were signed by the governor into law. These changes allow for family and group child care homes to request additional capacity if they meet certain criteria.

Family child care homes may be eligible for an increase from six to seven children, and group child care homes may be eligible for an increase from 12 to 14 children. Because zoning does not impact licensing requirements, the following recommended definitions include reference to the maximum potential child capacity for in-home child care. This is to ensure that facilities that may be utilizing the increased capacity allowance are still permitted.

IS YOUR ZONING ORDINANCE CHILD CARE READY?

- Are child care facilities defined in the zoning ordinance, and do they match the CCLB's definitions?
- Which zoning districts allow child care facilities by-right? By special land-use?
- Are child care centers permitted as accessory uses to commercial, industrial, office, and institutional uses?
- Are there any separation standards for child care facilities?
- Are there hours of operation specified for child care facilities?
- What are the outdoor space requirements?
- What are the screening requirements?
- Are there any discretionary use standards?
- Does your ordinance offer any zoning incentives for child care facilities?

FAMILY CHILD CARE HOME	GROUP CHILD CARE HOME	CHILD CARE CENTER
<p>A private home in which up to seven minor children are received for care and supervision for compensation for periods of less than 24 hours a day, unattended by a parent or legal guardian, except children related to an adult member of the household. A family child care home does not include an individual providing babysitting services for another individual.</p>	<p>A private home in which up to 14 minor children are given care and supervision for periods of less than 24 hours a day unattended by a parent or legal guardian, except children related to an adult member of the household.</p> <p>Group child care home includes a home in which care is given to an unrelated minor child for more than four weeks during a calendar year.</p>	<p>A facility, other than a private residence, receiving one or more children under 13 years of age for care for periods of less than 24 hours a day, where the parents or guardians are not immediately available to the child.</p> <p>The facility is generally described as a child care center, day care center, day nursery, nursery school, parent cooperative preschool, play group, before- or after-school program, or drop-in center.</p>

3.10 ZONING REGULATIONS *continued*

SUGGESTED ACTION: Review Use Standards

Another common zoning barrier to child care facilities is use standards. These are specific regulations that apply only to child care facilities and can include standards such as extra screening, extra outdoor space, extra lighting, or buffering from certain uses or zoning districts. By removing these unnecessary requirements, it increases the economic viability of child care facilities. Relaxing or removing zoning standards will not negatively impact safety or health, as the CCLB regulations are thoroughly vetted to provide a safe and healthy environment for child care.

- Remove separation standards that limit the proximity of child care facilities to each other, and other uses or zoning districts (Best Practice 2.3).
- Ensure any outdoor space use-standards are consistent with the CCLB’s outdoor space requirements. Exceeding

the requirement of the CCLB is burdensome for child care facilities.

- Remove additional hours of operation, parking, screening, landscaping, and lighting standards.
- Eliminate discretionary standards to reduce uncertainty in the permitting process. One example is to eliminate standards that requires “*consistency with the architectural character of the residential area.*”

Understanding what the CCLB regulates, particularly as it relates to common zoning provisions, is important to understand so your zoning ordinance does not duplicate standards or require standards that are more restrictive than the CCLB.

USE STANDARDS OF A TYPICAL ZONING ORDINANCE	CCLB STANDARDS		
	Family Child Care Home	Group Child Care Home	Child Care Center
Outdoor Space	400 square feet minimum	600 square feet minimum	1,200 square feet minimum* *More than 1,200 square feet of outdoor play area may be required when the minimum amount is not adequate for the number of children for which the center is licensed.
Hours of Operation	None		
Separation Standards	None		Child care centers in multi-unit buildings may not be in close proximity of a hazardous or intensive use. (Section 118e, MCL 722.118e.)
Screening/Fencing	A licensee shall ensure that barriers exist to prevent children from gaining access to any swimming pool, drainage ditch, well, natural or constructed pond, or other body of open water located on or adjacent to the property where the child care home is located. These barriers must be a minimum of four feet in height and appropriately secured to prevent children from gaining access to such areas.		Outdoor play areas must be protected from hazards, when necessary, by a fence or natural barrier that is at least 48 inches in height.
Parking/Lighting/Design Guidelines	None		



CASE STUDY: Ann Arbor, Michigan

The city of Ann Arbor, located about 40 miles west of Detroit in southeast Michigan, had an estimated population of 122,216 in 2022, with approximately 3.9% under the age of five. The city has focused on improving child care amenities and recently collaborated with Ann

Arbor SPARK to launch the Livingston and Washtenaw counties child care coalition. In 2024, the coalition released an action plan to address child care concerns and promote growth in the region.

3.10 ZONING REGULATIONS *continued*

The city collaborates with private, nonprofit, and public sector partners to address the growing gap between child care supply and demand. Local regulations provide flexible options for providers, defining three categories of child care in the unified development ordinance (UDO): family day care homes, group day care homes, and child care centers. Home-based child care is considered an accessory use and is not regulated with specific standards, while commercial child care centers are permitted in various mixed-use, nonresidential, and residential

districts. The only specific requirement for child care facilities is a minimum lot area of 7,500 square feet.

The city's current master land use plan, adopted in 2009, is currently being updated in 2024 with a new comprehensive plan aimed at creating an affordable, sustainable, and equitable vision for the future. The existing plan includes a goal to encourage major employers seeking site plan approval to provide on-site amenities like child care centers.

CASE STUDY: Battle Creek, Michigan

The city of Battle Creek, located less than 30 miles east of Kalamazoo in southwest Michigan, had a 2022 population of 52,469, with 6.7% under age five. The city has been a leader in early childhood development and education, working with Pulse, a branch of the W.E. Upjohn Institute, since 2012 to improve child care systems and support the local economy.

The city's zoning ordinance defines each of the three classes of child care, including child care homes which care for 1–7 children and homes that care for 8–14 children, as well as child care facilities. In all zoning districts, family child care

and group child care homes are permitted by-right as an accessory use to a home, which is a state requirement for these child care facilities already. This allows for in-home child care without additional development reviews, which relieves some of the local regulatory burden when trying to open an in-home child care facility.

The “Battle Creek Vision Plan” (2015) emphasizes early childhood education and expanding child care options as key to economic development. The city is updating its master plan, continuing to address child care needs comprehensively.

SUGGESTED ACTION: Offer Zoning Incentives

Removing barriers to opening and operating child care facilities is a good first step, but communities can take a more pro-active approach by incentivizing child care development. Zoning incentives are tools used by communities to encourage specific types of development within their jurisdictions. Zoning incentives are identified as non-financial incentives and an RRC Best Practice (Best Practice 5.2). Examples include:

- Provide additional unit or square-foot bonuses in a

mixed-use development or planned unit development (PUD), or other flexible development tools available in your community when they provide space for child care facilities.

- Allow for increases to the minimum or maximum dimensional standards (such as setbacks, building heights, lot coverage percentages, etc.) for sites and facilities that accommodate child care facilities.

CASE STUDY: East Bay Township, Michigan

East Bay Township, east of Traverse City in Grand Traverse County, had a population of over 11,600 in 2022, with nearly 14% under 18 and 4.1% under five. In 2023, the township addressed a severe child care shortage by amending zoning laws after a local child care professional faced zoning barriers in opening a preschool. Previously, preschools and daycares were not allowed in the industrial district, prompting a comprehensive review of child care regulations.

The township's zoning ordinance, which already included detailed definitions for various child care homes and centers, was amended to expand where child care facilities

are allowed. The amendments passed in 2023 now allow group day care homes accommodating 7–12 children in the local business, Lakes Area, Boardman River, and natural area districts as a special-use. Day care centers are now allowed in the low density residential, moderate density residential, and industrial districts as special uses, and are now permitted by-right in the local business, East Bay Corners, regional business, and professional office districts. The existing ordinance also has use-specific standards for child care uses, including regulations that require screening around outdoor space, separation standards from other specific uses, and hours of operation constraints.

3.20 DEVELOPMENT APPROVAL PROCESSES



OBJECTIVE: Streamline development review processes to promote the opening and expansion of child care facilities.

SUGGESTED ACTION: Assess Development Review

The review process varies significantly from community to community. The entity holding ultimate approval authority (either the planning commission or city council/township board) can extend review timelines, imposing additional time and economic burdens on applicants. By consolidating reviewing entities and reducing the number of reviewing bodies, it promotes development of child care facilities.

- Minimize both the time and financial resources expended by child care providers by delegating final site plan approval and special land-use approval authority to the planning commission instead of the city council or township board (Best Practice 3.5).
- Ensure the application is concise and delineates the necessary steps and materials required for site plan approval (Best Practice 3.1).
- Remove requirements for special land-use (maintain child care facilities as permitted, by-right uses).

ARE YOUR DEVELOPMENT REVIEW PROCESSES ENCOURAGING CHILD CARE IN YOUR COMMUNITY?

- What is the process for site plan approval? Special land-use?
- What is the cost for site plan review? Special land-use review?
- Does your community collect a business license fee?

SUGGESTED ACTION: Reduce Fees

Similar to review processes, fees also vary widely from community to community. Fees typically include application fees, review fees, inspection fees, and licensing fees. Reducing these or waiving them for child care facilities will directly economically incentivize these developments.

- Evaluate the application and review fees for site plan and special land use review, and ensure they are not overly burdensome (Best Practice 3.6).
- Consider waiving the application fee to incentivize child care facility development (Best Practice 3.6).
- Consider removing business license fees (Best Practice 3.6).
- Consider waiving or reducing the inspection fee to incentivize child care facility development (Best Practice 3.6).



ONLINE RESOURCES

[Zoning Ordinance Self-Audit for Child Care Readiness Quick Sheet](#)
[Child Care Incentives at the Municipal Level](#)
[Michigan Zoning Enabling Act \(MZEA\)](#)
[Pulse Municipal Roadmap](#)



4.0 ECONOMY

Supporting child care access significantly benefits local economies by increasing workforce participation, particularly among parents who can then work more hours or maintain employment, boosting household incomes and economic productivity. It enhances employee productivity by reducing absenteeism and stress related to child care issues.

Businesses benefit from a larger and more reliable talent pool, aiding in recruitment, retention, and growth. Improved child care access helps reduce economic inequality by supporting low-income families and promoting social mobility. Additionally, families with adequate child care are more likely to spend on local goods and services, stimulating the local economy. In the long term, children receiving quality early childhood education enter school better prepared, leading to improved educational and economic outcomes, breaking cycles of poverty, and fostering sustained economic development.

Exploring various funding strategies and sources for the opening and operation of child care facilities will also benefit the employees of child care facilities. A huge barrier to quality child care is the retention of employees due to non-competitive, low wages. By alleviating the financial burden to families and the child care facilities, they will be able to offer more competitive wages, thus improving employee retention and quality of the child care.

TOP 3 PRIORITY ACTIONS TO TAKE:

- 1** Determine joint development opportunities between your community and public and private interests.
- 2** Explore child care funding opportunities at the local, state, and federal level.
- 3** Explore child care funding opportunities from private or non-profit organizations.

4.10 UNDERSTANDING YOUR CHILD CARE MARKET



OBJECTIVE: *Determine the current child care needs and state of child care in your community to adequately plan to meet the child care demand.*

SUGGESTED ACTION: Understand Current Child Care Conditions

Understanding the current supply and demand of child care facilities in your community is an important first step in planning to meet child care needs. Furthermore, determining if certain areas are child care deserts can also help your community prioritize those locations with the greatest need. A child care desert is any census tract with more than 50 children under age five that contains either no child care providers or so few options that there are more than three times as many children as licensed child care slots.

If not already identified and addressed in your community's master plan (see 2.10 for details), it is recommended that the following steps are taken to understand your local child care conditions today:

- Utilize existing regional child care coalition action plans to understand the regional child care market.
- Determine your community's child care needs by using Census and American Community Survey (ACS) data to calculate the population 5-years-old and under.
- Determine your community's projected child care needs by using regional population projections to calculate the anticipated population 5-years-old and under.
- Assess your community's child care capacity by identifying the number of child care facilities and determining each facility's capacity.
- Reach out to existing child care providers to understand their capacity including waitlist and operational barriers.
- Determine if any census tracts in your community are classified as child care deserts.
- Determine if any types of child care facilities are under represented by inventorying your existing child care facilities and determine if there is a need to focus on the development of any specific child care business types.

DO YOU KNOW THE CURRENT CHILD CARE NEEDS IN YOUR COMMUNITY?

- What is the child care demand in your community?
- What is the child care capacity in your community?
- Are there any areas in your community that are underserved by child care offerings (child care deserts)?
- Are family or group child care facilities underrepresented? Child care centers?

4.10 UNDERSTANDING YOUR CHILD CARE MARKET *continued*



CASE STUDY: Understanding Your Child Care Market: Childcare SPARK Program (Marquette County)

In 2022, a coalition of community partners in Marquette County underwent an assessment of current child care conditions and determined a shortfall of approximately 6,446 slots. Recognizing this challenge, these community partners, led by the Community Foundation of Marquette County, initiated the Childcare SPARK program to address the shortage of in-home child care providers. The program combines a business incubator model with specialized knowledge of early childhood providers to support the creation of high-quality, home-based child care businesses.

Childcare SPARK offers participants a 3-month program with live sessions, mentorship, and financial support, including stipends of up to \$1,500. The program aims to not only help individuals start their own child care

businesses but also emphasizes the importance of quality childhood education and business development. By focusing on in-home businesses, the program aims to lower barriers to entry, reduce operating costs, and provide vital services to families in need.

Through strategic marketing efforts and community outreach, the program successfully increased participation for its second cohort. The initiative has garnered support from various partners, including seed funding from Marquette County and the Statewide Equity Fund. The program's success is attributed to the power of connection, shared experiences, and a dedicated focus on both business development and quality childhood education.



ONLINE RESOURCES

[Early Childhood Investment Corporation](#)

[Michigan League for Public Policy, State of Child Care by County](#)

[Statewide Search for Licenses Child Care Centers/Homes](#)

[U.S. Child Care Deserts](#)

4.20 FUNDING RESOURCES



OBJECTIVE: *Understand financial resources available and develop a sustainable strategy for funding child care facility development and operations.*

SUGGESTED ACTION: Develop Funding and Financing Strategies

Developing innovative funding and financing strategies is key to sustaining quality child care services. This may involve exploring public/private partnerships, leveraging federal and state funding opportunities, and advocating for dedicated funding streams for child care programs.

- Identify potential funding opportunities at the local, state, and federal levels, as well as from private donors and corporate partners.
- Collaborate with businesses, non-profit organizations, and government agencies to form partnerships that can provide financial support for child care initiatives.
- Research and apply for grants and subsidies from government agencies, foundations, and other funding sources to supplement program funding.
- Advocate for tax incentives and credits at the local, state, and federal levels to support child care providers and families.
- Regularly monitor expenses, revenue streams, and funding sources to make informed decisions and adapt to changing financial circumstances.

IS YOUR COMMUNITY RECEIVING FUNDING FOR CHILD CARE OPPORTUNITIES?

- Does your community currently have a funding strategy for developing and maintaining quality child care options?
- Is your community receiving any state or federal grant assistance to further child care opportunities?

CASE STUDY: First Children's Finance and Arenac County/Bay County

Arenac County and the northern part of Bay County in Michigan partnered with First Children's Finance through the Rural Child Care Innovation Program (RCCIP) to address a significant shortage of approximately 522 child care slots. Analysis from focus groups, individual interviews, and surveys revealed several factors contributing to this shortage, including the challenges providers face with extensive rules and regulations, low pay, lack of benefits, long hours, and high operating costs.

In response, the RCCIP process outlined specific goals for Arenac and northern Bay County to address these issues.

These goals included promoting community support to license the Arenac Community Center as a child care facility, supporting the startup of a child care center in the city of Pinconning, creating a Revolving Loan Fund to assist families eligible for child care subsidies while waiting for their applications to be approved, and fostering partnerships among providers, employers, and working families. These initiatives have been instrumental in helping the communities tackle their child care supply challenges and plan for a successful future.

4.30 ECONOMIC DEVELOPMENT INCENTIVES



OBJECTIVE: Encourage the development of quality child care facilities through incentives to developers.

SUGGESTED ACTION: Implement Tax Incentives

Tax incentives are financial benefits provided by the government to encourage certain behaviors or activities. These incentives can take various forms, including tax credits, deductions, exemptions, and reduced tax rates.

- Determine and implement a feasible tax incentive for the development of child care facilities.
- Determine if tax incentives or zoning incentives (parking reduction, setback reduction, etc.) are feasible for mixed-use developments, transportation developments, or other developments in your community.

CASE STUDY: Texas Proposition 2

Texas passed Proposition 2 in 2023, which asked voters to decide on a constitutional amendment that would allow cities and counties to exempt center-based child care programs from most or all local property taxes if at least 20% of the program's enrolled children received subsidy. The proposition passed with over 1.6 million votes (65% support). If a local government chooses to grant an exemption, it must waive, at a minimum, half of the center's appraised property value.

While Texas doesn't have an income tax, property taxes on commercial properties are not capped, meaning annual increases can be significant as property values grow.

DOES YOUR COMMUNITY PROMOTE CHILD CARE THROUGH DEVELOPMENT INCENTIVES?

- Does your community have a Local Development Finance Authority (LFDA) or a Tax Increment Financing (TIF) District?
- Does your LFDA or TIF provide tax incentives for child care facility development?
- Are there any tax or zoning incentives to mixed-use or downtown developments for the inclusion of child care businesses or adequate open space so child care businesses could operate in the future?

ONLINE RESOURCES

[Child Care Resource and Referral Agency](#)
[Child Care Incentives at the Municipal Level](#)
[Early Childhood Investment Corporation](#)
[First Children's Finance](#)
[IFF](#)
[LISC](#)

[MEDC Small Business Support Hubs](#)
[Primary State Agency \(Child Care Development Fund\)](#)
[Shared Services Organizations and NAEYC Regional Affiliates](#)
[State of Michigan](#)
[Tri-Share](#)





CONCLUSION: NEXT STEPS FOR YOUR COMMUNITY

This RRC Best Practice guide is intended for local elected and appointed officials and the staff that serve them including planners, city managers, and community and economic development professionals. It sets forth planning and zoning practice and policy changes that can be implemented to remove barriers and increase the supply of child care facilities in a municipality to meet the local demand. The objective is to provide a variety of approaches that, when advanced in tandem with other changes, will lessen the burden on families and parents.

The approaches and solutions embedded in this publication offer a menu of options that meet local needs and conditions. We ask that community leaders evaluate the suggestions offered and implement those most appropriate for local population demographics and conditions.

An improved local child care system simultaneously benefits children, working families, employers, child care businesses, and communities.

CONCLUSION



RETHINKING MICHIGAN'S MUNICIPAL FRAMEWORK FOR CHILD CARE

By incorporating child care into community planning and zoning regulations, communities can foster environments that encourage the development and sustainability of child care facilities. This approach benefits not only children and their families but also boosts the overall health and prosperity of the community. Involving community partners, raising public awareness, and promoting collaboration are crucial steps to recognizing child care as an essential public good. As communities implement these changes, they will lay the foundation for a more inclusive, supportive, and thriving local economy.

TAKE ACTION TODAY AND START BUILDING A CHILD CARE INCLUSIVE ECOSYSTEM!

STEP 1: [Complete the self-assessment](#)

STEP 2: Connect with your regional child care coalition. Ensure municipal leaders are a part of this conversation from the start!

[Early Childhood Investment Corporation](#)

DETERMINE YOUR COMMUNITY'S ACTION PLAN

Determining priorities and creating an action plan is an important next step as it ensures that the planned strategies and solutions are effectively put into action, leading to tangible benefits and progress. As you move forward, your community action plan should include:

Goals and Objectives:

Clear and specific targets that the plan aims to achieve.

Tasks and Actions:

Detailed actions required to meet the goals, including who is responsible for each task.

Timeline:

A schedule outlining when each task or milestone should be completed.

Resources:

Identification of necessary resources such as personnel, budget, equipment, and materials.

Partners:

List of individuals or groups involved in or affected by the plan, and their roles.

Performance Indicators:

Metrics to measure progress and success.



MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION

Dedicated to shared economic success, the Michigan Economic Development Corporation promotes the state's assets and opportunities that support business investment and community vitality. MEDC's programs and services connect companies with people, resources, partners, and access to capital.