

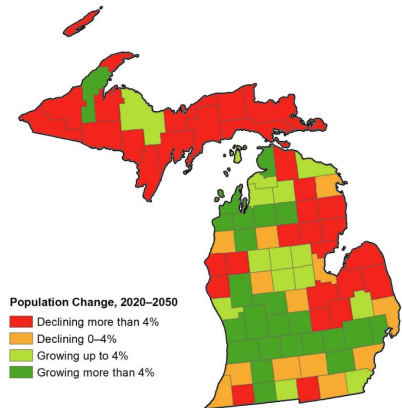
# Increasing Population

In 2020-50, Kent County's population is expected to grow 14% or 94,500, reaching a total of 753,000.

Even larger growth in population is expected in Livingston, Clinton, and Benzie counties.

Michigan is forecast to grow 4.5% – more slowly than the rest of the country and lose population in the 2040s.

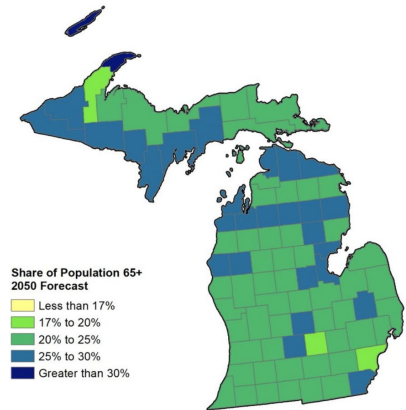
Sources: Data for KENT, MI, Woods & Poole Economics, 2023; Michigan's Path to a Prosperous Future, Citizens Research Council of Michigan, 2023; Economic & Demographic Outlook for MI through 2050, UMichigan, 2022



## Increasingly Older Population

In 2020-50, the share of Kent County residents aged 65 and older is expected to increase from 14% to 22%. This is consistent with most Michigan counties (52 or 63%), where older residents are expected to reach 20-25%.

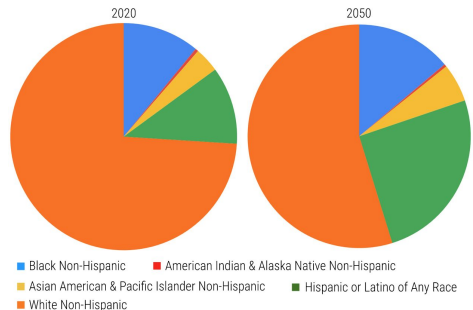
For comparison, the share of residents ages 14 and younger is forecast to remain at 20% of the county population.



Sources: Michigan's Path to a Prosperous Future, Citizens Research Council of Michigan, 2023; Economic & Demographic Outlook for MI through 2050, UMichigan, 2022; Data for KENT, MI, Woods & Poole Economics, 2023

## Growing Diversity

Kent County and Michigan's population is growing more racially and ethnically diverse. Black, Hispanic, Asian, and other groups are increasing while the non-Hispanic White population is decreasing. By 2050, people of color are expected to make up 45% of Kent County residents, up from 26% in 2020.

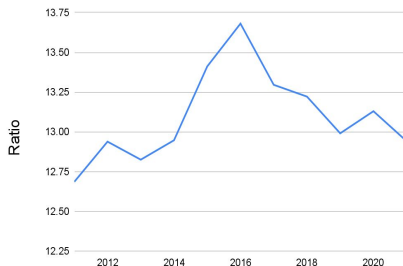


Sources: Michigan's Path to a Prosperous Future, Citizens Research Council of Michigan, 2023; Woods & Poole Economics, Data for KENT, MI, 2023

## Improving Poverty & Income Inequality

The poverty rate has dropped to 10% in 2021, down from 15% in 2011. And income inequality (see figure) has declined from a high of 13.68 in 2016 to 12.94 in 2021, reaching levels seen in 2014 and 2012. This means that in 2016, the wealthiest households earned almost 14 times what the least affluent households did, but it has dropped to earning slightly less than 13 times, which is a typical ratio across the nation.

Income Inequality in Kent County, MI (2011-21)

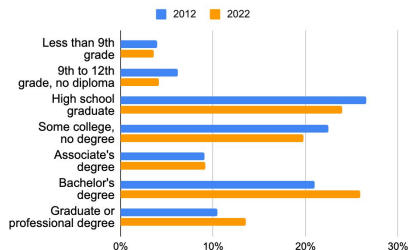


Sources: US Bureau of Economic Analysis, Estimated Percent of People of All Ages in Poverty for Kent County, MI, and Income Inequality in Kent County, MI, retrieved from Federal Reserve Economic Data (FRED) Federal Reserve Bank of St. Louis, 09/15/2023; Measuring income inequality as a ratio, FRED Blog, 2022

# Rising Educational Attainment & Requirements

By 2028, 60% of job openings in Region 4 (13 West MI counties) are expected to require education beyond high school, with key industries being Education & Health Services, Trade, Transportation, and Utilities, Professional Services, and Manufacturing. In Kent County, the share of residents aged 25+ holding associate's degrees or higher has been growing, from 41% in 2012 to 49% in 2022, especially residents with a bachelor's degree.

Share of Kent County Population Age 25+ by Educational Attainment and Year





## Increasing Immigrant Role

Between 2016 and 2021, Kent County saw an increase in its immigrant population from 50,200 to 58,400, with its share in the total population rising from 8.0% to 8.9%.

Immigrant entrepreneurs also witnessed growth, moving from 1,970 in 2016 to about 2,300 in 2019. By 2019, they constituted 7.9% of local business owners, a slight uptick from 7.8% in 2016.

Notably, by 2021, foreign-born residents contributed a significant \$4.9B to Kent County's GDP, a marked rise from \$3.3B in 2016.

Sources: New Americans in Kent County, American Immigration Council, 2018; Economic Impact Report of New Americans in Kent County, American Immigration Council, 2023. Note: "Immigrants" in this description include naturalized citizens, green card holders, temporary visa holders, refugees, asylees, and undocumented immigrants, among others.

## Growing Gap: Youth vs. Adult Mental Health & Care Access

A study of mental illness prevalence and access to care suggests that Michigan ranked 18th overall nationally in 2019, compared to 32nd in 2016. (Smaller number = lower prevalence of mental illness and higher rates of access to care.)

However, while prevalence and access improved among adults (from rank 39 to 18), it worsened among youth (from rank 25 to 27).

Sources: State of Mental Health in America 2016 and 2022, Mental Health America. Note: A 2023 study suggests even more improvement among adults (from rank 39 to 11) and worsening among youth (from rank 25 to 35), but data collection was hampered by the pandemic, making it challenging to use the 2023 results for reliable comparison.

## Increasing Grid Capacity & Demand

Consumers Energy, with a Department of Energy grant, is expected to invest \$200 million to upgrade Michigan's grid. This project will improve outage detection in underserved areas and upgrade systems for better reliability.

Meanwhile, electricity demand is expected to rise because of increasing Internet-of-Things devices and electrification of technologies like transportation and HVAC. For example, air-source heat pumps are expected to become cost-competitive with existing gas furnaces in the 2030s for most residential cases and by 2050 in cold climates.



# Rising Broadband & Connectivity

Future broadband demand estimates vary but agree it won't decrease. By 2030, a family of four may need 1,500/599 to 2,000 Mbps, up from today's 131/73 Mbps. Others estimate a max of 300 Mbps in 2030. Currently, Kent County has 3,722 residential locations without broadband, but this is expected to decrease as Charter and Point Broadband use federal funds to increase symmetrical 1 Gbps fiber and offer speeds of at least 100/100 Mbps to unserved and underserved homes, businesses, and schools in the county. Going forward, the proliferation of Internet-of-Things devices may also spur the need for 5G infrastructure and edge computing facilities to process data near its source, enhancing speed and efficiency.

# Growing Automation & AI Applications

Automation and artificial intelligence (AI) applications will increasingly shape where and how we live, learn, work, play, heal, and more.

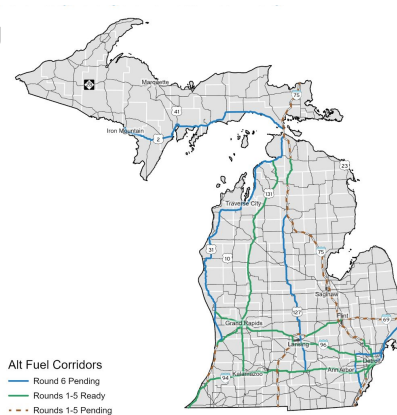
For example, one study estimates that in the Grand Rapids-Wyoming, MI metro area, 63% of jobs could be impacted by automation.

A different example is an AI system that has recently demonstrated superior efficiency in neighborhood planning, outperforming human planners by 50% in tasks like service access, green space allocation, and traffic management. This would allow human planners to concentrate on more detailed, human-centric duties.

# Growing EV Infrastructure & Use

The first electric vehicle (EV) corridor connecting the US and Canada, spanning 860 miles from Kalamazoo to Quebec City, will install EV charging sites every 50 miles along the route. Michigan will distribute \$110 million in federal grants for EV infrastructure between fiscal years 2022 and 2026 to support the construction of these charging stations. Increasing EV infrastructure is expected to make it easier for consumers to switch to EVs.

Sources: Michigan State Plan for Electric Vehicle Infrastructure Deployment Version 2.0, MDOT, 2022; First U.S.-Canada EV corridor to run through Detroit, Axios, 2023



## Increasing Pressure to Address Housing

Housing needs in Grand Rapids and Kent County have risen by 56%, requiring 34,700 additional units by 2027, with the majority needed outside of Grand Rapids.

However, annual building permits since 2013 average only 2,119 single- and multi-family units, suggesting a deficit of 24,100 units by 2027.

A \$58 million affordable housing loan fund to combat this challenge has been approved, but it's not a swift solution. The housing shortage particularly affects renters, Black or African American and Hispanic residents, and single adult families with children in Kent County.

Sources: Housing Needs Assessment Grand Rapid/Kent County, MI, Bowen Research, 2022; New Private Housing Structures Authorized by Building Permits for Kent County, MI, FRED, 2023; Kent County launching \$58M affordable housing loan program, mlive.com, 2023; Renters Living Cost-Burdened, Housing Kent, 2023; Housing shortage triggers alarm for towns across Michigan, mlive.com, 2023

## Growing Climate & Weather Impacts

Climate change is expected to intensify in Kent County and across Michigan, leading to more frequent extreme weather events like heat waves, droughts, wildfires, floods, and heavy precipitation.

For instance, a study forecasts that the number of days with temperatures exceeding 100°F in Kent County will grow from an average of one day per year (1971-2000) to 16 days annually by midcentury (2036-65).

At the same time, Michigan is a potential destination for climate refugees and businesses seeking a safer environment as climate change worsens in other parts of the nation.

## Growing Demand for Alternative Transportation

By 2045, the growing elderly population, generational preferences, population growth, and urbanization are expected to drive demand for transport options like transit, on-demand services, and pedestrian-friendly areas.

For example, there are currently 331 proposed non-motorized construction projects for the Greater Grand Rapids area that are not yet funded and would cost over \$316 million to construct. If all projects in that list were completed, it would add over 313 miles of regional infrastructure, improving off-street shared-use paths, crossings, bike facilities, and sidewalks.

## Increasing Pressure to Increase Water Sustainability

The Great Lakes hold 20% of the globe's freshwater supply. In a warming world, Michigan's water is expected to become even more valuable and attract climate migrants. But the state lacks systems to harness it. If inland communities ever run short of water because of pollution, overuse, or deteriorating infrastructure, they are not expected to be able to count on a bailout from the Great Lakes. The Lakes supply nearly 300 of the state's public water systems, mostly in coastal areas. Pipeline projects are costly and must meet rigorous environmental standards. However, Grand Rapids and some parts of Kent County are already serviced by pipelines from Lake Michigan.

## Rising Child Care Concerns

Between 2019 and 2023, Kent County's childcare costs increased from an average of \$620 to \$780 monthly. Consequently, a minimum wage earner in 2023 spent 45% of their pay on child care, up from 38% in 2019.

In 2022, the Governor signed into law a budget putting a cumulative \$1.4 billion in childcare funding to expand facilities, give bonuses to professionals, and broaden subsidy qualifications. However, challenges in affordability and accessibility are expected to persist. Experts call for more sustainable funding and solutions.



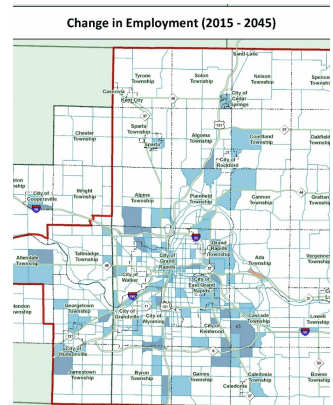
## Increasing Industry Re-/On-Shoring

Companies are increasingly bringing production back to the U.S., with a record 350,000 jobs added in 2022. Examples include GM's \$4 billion to expand EV and battery production in Michigan, Intel's \$20 billion chip plant in Ohio, and Walmart's pledge to spend \$350 billion on US-made goods over a decade. Foreign firms like Hyundai and Taiwan Semiconductor are also adding capacity in the US. Sectors engaged in reshoring include technology, renewable energy, and specialty chemicals. But challenges faced include higher labor costs and a labor shortage, prompting them to explore automation to offset expenses and labor needs.

# Growing Employment

By 2045, Kent and eastern Ottawa Counties are expected to see about 64,500 new jobs. Nearly 19,400 of these jobs will be in Grand Rapids. Noteworthy growth is also anticipated in Kentwood, Gaines, Cascade, and Caledonia Townships, as well as specific regions along major highways and streets like M-6, US-131, 4 Mile Rd, I-96, Chicago Drive, and Michigan Street. Looking across the state, the top five counties for employment growth are expected to be Livingston (+14%), Ionia (+14%), Washtenaw (+14%), Emmet (+13%), and Oakland (+12%).

Sources: 2045 Metropolitan Transportation Plan, Grand Valley Metropolitan Council, 2020; The Economic and Demographic Outlook for Michigan through 2050, UMichigan, 2022

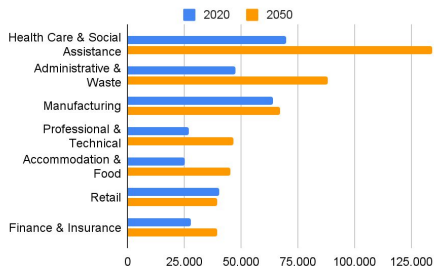


## Shifting Top Industries

Between 2020 and 2050, Kent County's top five job sectors are expected to shift partly.

- Health Care & Social Assistance, Administrative & Waste Services, and Manufacturing will remain the top three.
- But Retail Trade, and Finance & Insurance jobs are expected to be outnumbered by Professional & Technical Services and Accommodation & Food Services.

Number of Jobs in Top 5 Industries in Kent County



## Growing Per Capita Income

Between 2019 and 2050, projections suggest per capita income in Kent County will rise 52%, from about \$49,600 to \$75,200 (both in 2012 dollars, to compare without also needing to account for inflation).

That's an average annual growth rate of 1.7%, which is more than what is expected for Michigan overall (1.6%) and nationally (1.5%).



## Falling Behind on Talent

A yearly "Talent Attraction Scorecard" study assesses how well communities attract and nurture talent to meet their needs. It considers factors like education, job changes, migration, skilled employment shifts, competitive job creation, and skilled job openings.

Between 2018 and 2022, Kent County's rank fell from #105 to #403 among large counties across the nation (pop. 100,000+).

In 2022, Michigan counties that ranked better than Kent included Ottawa, Livingston, Allegan, Kalamazoo, Muskegon, St. Clair, and Eaton.

# Increasing Circular Economy

The U.S. is increasingly adopting a circular economy approach, focused on recycling, repurposing, and reusing to enhance resource efficiency and minimize waste. This shift is propelled by environmental concerns, limited resources, and growing demand for sustainable products. As a result, businesses are changing their designs and operations. Resident join and use networks like Freecycle and Buy Nothing to gift, bolster budgets, and build community. Also, significant federal grants are now backing advancements in recycling systems. In Michigan, these funds will help with updating waste laws, promoting regional sustainability collaborations, boosting material tracking, and supporting new facilities for material recovery and composting.

Sources: Platforms could power the circular economy, MIT Sloan School of Management, 2023; Buy Nothing groups offer an antidote to waste and isolation, with a world of free stuff, Washington post, 2021; Investing in America through the Bipartisan Infrastructure Law – Solid Waste Infrastructure for Recycling State and Territory Grant Fact Sheet for Michigan, EPA, 2023; EPA announces recipients of \$105M in grants for recycling infrastructure, WasteDive, 2023

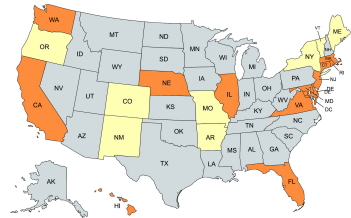
## Decreasing Property Tax Burden

Since 1994, Michigan's property tax reliance has decreased relative to national averages. By 2018, it formed 25% of local revenue, down from 33% in 1978. Despite a 49% growth from 1995-2018, revenue lagged behind the national rate. Michiganders paid less in property taxes (\$1,248 per capita) in 2018 than the national average (\$1,621).

Now, "Axe MI Tax" proposes a state amendment to completely eliminate taxation and collection on real estate and personal property. This would require local governments to fund essential services through existing state income, sales, alcohol, tobacco, and marijuana taxes.

## Rising Minimum Wage

Thirteen states and the District of Columbia are either adopting or have adopted a \$15/hour minimum wage. In Michigan, momentum is growing for a similar move. A proposed ballot initiative to gradually increase Michigan's minimum wage to \$15 an hour by 2027 has hit a temporary roadblock in its quest to go before voters in the November 2024 election. The petition also seeks to adjust the minimum wage for tipped workers over those years – currently \$3.84/hour – until it matches the minimum wage for all employees.



**Minimum wage** is or will increase to \$15/hr (2023-28)  
**Minimum wage** is \$11-14 (currently higher than MI)



## Increasing Union Power & Assertiveness

In 2023, Michigan repealed its "right-to-work" law, strengthening union bargaining power.

For example, the United Auto Workers (UAW) union is negotiating aggressively with major automakers for benefits like significant pay raises, shorter workweeks with full pay, and restored pensions. At the time of writing, UAW and Ford have struck a tentative deal benefiting workers, but negotiations with automakers GM and Stellantis are ongoing. The UAW's push for an unprecedented contract aligns with union movements in Hollywood and with the delivery titan UPS, all aiming for substantial pay hikes.

## Decreasing Republican Dominance in Gubernatorial Elections

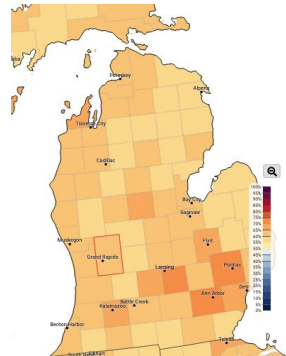
For decades, Kent County consistently voted for Republican candidates in gubernatorial elections. However, this changed when Governor Gretchen Whitmer, a Democrat, won the county in both 2018 and 2022 – signaling a political shift.

However, county voters are hesitant to call this shift permanent. They stress that candidate quality and issues will sway future outcomes, emphasizing the importance of voter turnout and individual choices in shaping the county's political trajectory.

For comparison, Republicans currently maintain their majority on the 21-member Kent County Board of Commissioners.

# Increasing Public Support for Sustainability Policies

Public support for sustainability policies is rising. For instance, national approval for a 20% renewable electricity requirement increased from 55% in 2013 to 66% in 2021. In Kent County, 62% supported this policy in 2021, in line with most counties in the state (see figure). Support for other measures also grew, including funding renewable energy research (Kent County 76%, U.S. 79%), regulating CO<sub>2</sub> as a pollutant (Kent County 72%, U.S. 74%), and enforcing strict CO<sub>2</sub> limits on coal-fired power plants (Kent County 64%, U.S. 66%).



# Growing Inclusive Civic Engagement

US municipalities are experimenting with inclusive decision-making in public finance, notably through Participatory Budgeting (PB). PB enables residents to decide collaboratively how to spend a portion of their local government's budget, addressing areas like housing and transportation.

For instance, Detroit employed PB for underfunded real estate and business projects, while Grand Rapids channeled \$2 million from the American Rescue Plan Act using PB.

From 2016 to 2020, PB usage surged from 49 to 137 processes across 24 states.

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