Prosperity Initiative

Reducing generational poverty and improving community wealth

Policy Recommendations Report • November 2023

A Pima County and City of Tucson collaboration with representation from Marana, Oro Valley, Sahuarita, South Tucson and the Tucson Indian Center.

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Learn more about the Prosperity Initiative at [The Prosperity Initiative, Pima County, AZ]

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Introduction

The Prosperity Initiative is an intergovernmental effort to develop wealthier communities across Pima County through policies that reduce generational poverty and improve opportunity for low-income families. This is a historic moment to create the conditions for individual and community prosperity by focusing on effective strategies that provide opportunities for low-income families to move out of poverty. Poverty is complex, persistent and a difficult cycle to break, which is why we need to rethink our approaches and commit to better outcomes.

We can all agree that Pima County is a place of great beauty, rich cultures, and resourceful people, all of which makes it the place we cherish and call home. However, poverty is not just a source of unnecessary suffering and a limitation on people's future well-being, particularly for children, it is also a significant drag on the economy. There is much we can do together as a region. Raj Chetty, one of the country's leading researchers on poverty and opportunity, writes: "The main lesson of our analysis is that intergenerational mobility is a local problem, one that could potentially be tackled using place-based policies" that strengthen economic growth rather than focusing on the individual (Chetty).

A policy level approach gives us the possibility of impacting far into the future, often achieving lasting, significant results more efficiently than other tools or interventions. Research shows that certain policies and investments not only directly assist those in need, but also reduce costs to the community as a whole and return greater long-term value. This is especially true when focused on families with children, and in particular single mothers and families of color. By creating a strategic, equity-focused framework for aligning local government resources, we create the possibility of being "architects of change for the next generation," as stated by Pima County Board Chair, Adelita Grijalva. By working regionally and tailoring policies to meet the varied needs of local governments and tribes across Pima County, we avoid a cookie cutter approach and instead create a comprehensive blueprint with the greatest possibility of success.

Forming the Prosperity Initiative

On April 19, 2022, Pima County's Ending Poverty Now Program Manager, Bonnie Bazata, was asked to present to Tucson's Mayor and Council on poverty in a post-pandemic society at the invitation of (then) Vice Mayor Lane Santa Cruz. As a result, there was a unanimous vote to start a City and County task force to address poverty. This was followed by a presentation to the Pima County Board of Supervisors on June 7, 2022, during which they requested a more detailed proposal. After consultation with City and County leadership, a proposal was brought forward and approved by the Board of Supervisors on November 1, 2022, launching the Prosperity Initiative.

The proposal detailed two key elements: First, that the focus would be regional. Since poverty affects the entire county, all the incorporated cities and towns, as well as tribal jurisdictions would be invited to participate. Second, the focus would be on developing a set of policy positions that can be adopted or adapted by any of these governing bodies. Further, the standard was set that these policies needed to be based on evidence that could guide future decisions towards programs and strategies most likely to reduce poverty. Given the strong research focus, two University of Arizona sociologists, Dr. Keith Bentele and Dr. Brian Mayer, were contracted for assistance. The County convened a multijurisdictional working group that has been meeting monthly with the University of Arizona researchers to review policy ideas and related research. The City of Tucson has been a critical partner throughout the process, meeting with County staff biweekly, engaging staff across their departments for valuable input, assisting with policy development, and supporting the process in a myriad of other ways. Representatives from the City of South Tucson and towns of Marana, Oro Valley and Sahuarita actively participated in the working group and solicited feedback from their jurisdictions on various draft policies. A representative from the Tucson Indian Center was requested to serve on the working group by the Tohono O'odham Nation, and County staff met with a Pascua Yaqui Tribal Council member, and other representatives from the Tribe.

There has been an extensive effort to connect across local government departments and with initiatives that could inform or be informed by these types of poverty reducing/wealth building policies. These include those responsible for economic development, workforce development, affordable housing, land use planning and zoning, transportation, environmental quality, climate mitigation and adaptation, justice services, digital connectivity, library services, human resources, and procurement.

A year of intensive research, policy development and review has resulted in the following thirteen policies. These policies are focused on three categories of education, critical family resources, and asset building/infrastructure priorities, as well as three cross-policy strategies: crime reduction and prevention, climate resilience and environmental justice, and a two generation or whole family approach to design and implementation. The cross-policy strategies are not written in the format of the policy briefs, rather they are written to show their impact across most of the policy areas. Policy summaries are included in the second portion of this report and the full technical policy briefs are included in the appendix. The thirteen policies are:

1. Increase the supply of housing by prioritizing practices and investments that focus on families with children and result in diverse housing types and prices in neighborhoods, ensuring affordable housing options are available throughout Pima County, especially in low poverty neighborhoods.
2. Improve housing stability among low-income renters and homeowners by preventing evictions and foreclosures, increasing homeownership, and reducing home energy and weatherization costs, especially those in high poverty areas.
3. Improve quality of life and opportunity in high poverty areas by investing in both physical and social infrastructure in ways that intentionally strive to center the priorities of local residents, improve access to resources, prevent the displacement of vulnerable residents, reduce the exposure to violence and build community wealth in these high poverty areas.
4. Provide healthcare insurance enrollment assistance to protect against medical debt.
5. Reduce unintended pregnancies by increasing access to contraception, improving use of long-acting reversible contraception, and through education.
6. Increase access to affordable high quality early childcare and education for children from low-income families.
7. Increase college and other post-secondary educational and training opportunities for children from low-income families by improving access to children's college savings accounts.

8. Identify and prioritize safe, reliable, and affordable transportation options, and encourage mixed-use and transit-oriented developments where appropriate, to better connect disadvantaged communities with jobs and other resources, and reduce travel times, traffic injuries, transportation costs, and air pollution.
9. Expand broadband services and address barriers so all Pima County residents have access, equipment, and skills for digital inclusion and to expand opportunities for economic growth for rural communities.
10. Prioritize workforce development for underserved populations with evidence-based case management practices that include apprenticeships, on the job training, and supportive services that prepare participants for jobs with self-sufficient wages and benefits.
11. Improve job quality for low-income workers and expand the employment capacity of employers already offering quality jobs, with quality jobs defined as those that provide competitive, equitable and self-sustaining wages, family friendly benefits and practices, and consistent scheduling.
12. Improve community financial capability for low-income families and small businesses to increase access to fair credit and to gain and protect income and wealth building assets.
13. Increase small/micro business ownership and expansion opportunities, prioritizing entrepreneurs of color, women-owned businesses and businesses operating in high poverty neighborhoods and rural areas.

In addition, the Prosperity Initiative is recommending three "cross-policy strategies" whose significance is so important and connected to nearly all policy areas that they should be used to inform and shape implementation of all the policies. Those three are:

1. Center family voice and participation in the development of policies, programs, and practices.
2. Build a more climate resilient community while reducing the potential harm to low-income areas from hazardous waste and contaminants, air pollution, environmental degradation, resource extraction, and other land uses.
3. Reduce and prevent crime in neighborhoods, as well as reduce and prevent youth involvement in crime and the criminal justice system.

Why reduce poverty in Pima County?

While we still have much to learn about the impact of the pandemic, it has further harmed many low-income families, negatively impacted student learning, strained our health care system, and shuttered or stressed local businesses. Initial data shows the pandemic had an unequal impact across income levels, educational attachment, race, ethnicity, and gender. The Federal Reserve recently issued a report on the effects of COVID-19 on low- to moderate-income people and communities and the entities serving them (Davis). Across almost all categories, half the respondents estimated it will take one to three years to return to pre-pandemic conditions. Almost a quarter of respondents noted that it would take four or more years for housing stability to return to pre-pandemic levels.

We also learned what worked during the pandemic that prevented the impact to vulnerable families and businesses from being even worse, including Federal funded and locally implemented eviction prevention and rental assistance programs, continued health coverage, childcare assistance, and expansion of the child income tax credit and other income assistance.

Now is the time to put long-lasting policies in place that help our most vulnerable families move out of poverty, which will have significant payback years and generations ahead for these families and for our region. Pima County has historically had high levels of poverty, measured not only by the traditional Census Bureau statistics, but also by more recent analysis by Harvard's [Opportunity Insights] that uses anonymized data on 20 million Americans and other data sources to understand the hidden forces influencing the achievement of upward mobility. "Where you grow up matters," states Harvard's Nathaniel Hendren. "There is tremendous variation across the U.S. in the extent to which kids can rise out of poverty" (Aisch).

Unfortunately, using the Opportunity Insights data, Pima County provides less economic opportunity to children who grow up here than the rest of the nation and most of the eleven other Western cities to which the University of Arizona's MAP Dashboard compares Tucson. While lack of opportunity and poverty are not the same thing, they are highly related. In his *Opportunity Report* Jim Kiser takes an in-depth look at data from Opportunity Insights and other sources. A fair summary of the report's information and findings is: The county's reduced economic opportunity impacts all kids, regardless of income, depressing their annual incomes at age 26 by more than $2,500. (The New York Times.) The opportunity that does exist is not equally available. (Jim's conclusion from analyzing the Opportunity Insights data.) And children who grow up in poverty will have a much harder time leaving poverty; 40% will not be able to break the cycle. (The Brookings Institution.) This limits the ability of many children to realize their potential to grow, prosper and contribute to their community.

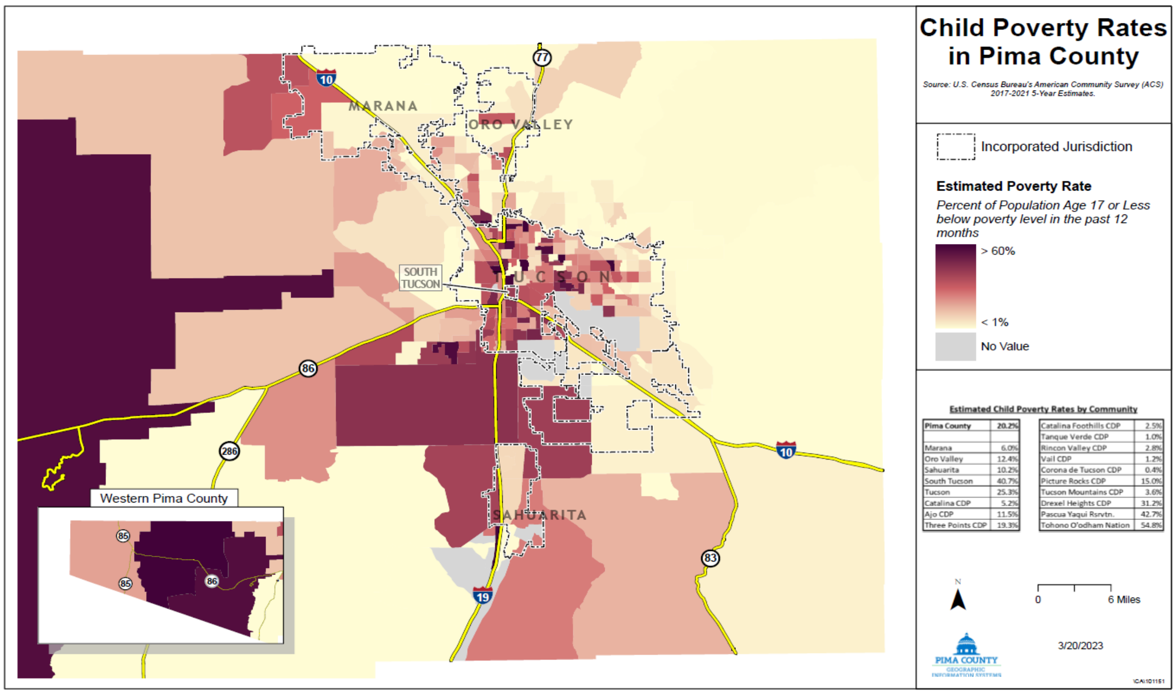
Our children matter

Our children are our future in every sense: our neighbors, our employees and employers, our leaders, and our taxpayers. Yet, children suffer the most from poverty, both in terms of numbers, but also in terms of lifetime outcomes. A recent report, *Reducing Intergenerational Poverty* by the National Academies of Sciences, Engineering, and Medicine (NASEM) stated, "[a] child growing up in a low-income family experiences worse outcomes, on average, than a child from a higher income family in virtually every area." Research has shown that "the weight of the causal evidence does indeed indicate that income poverty itself causes negative child outcomes, especially when poverty occurs in early childhood or persists throughout a large portion of childhood." Not only do our children deserve better, but our collective future prosperity also depends on reducing poverty in our community.

Child poverty at the national level decreased by 59 percent between 1993 and 2019, primarily due to lower unemployment rates, increases in single mothers' labor force participation, increases in state minimum wages, and the social safety net including Earned Income Tax Credit, housing subsidies, Social Security, and SNAP. A decline in teen births contributed to the decline in deep child poverty. During the pandemic, child poverty was temporarily cut in half due primarily to expansion of the child income tax credit, but data shows the poverty rate doubled again after the credit expansion ended.

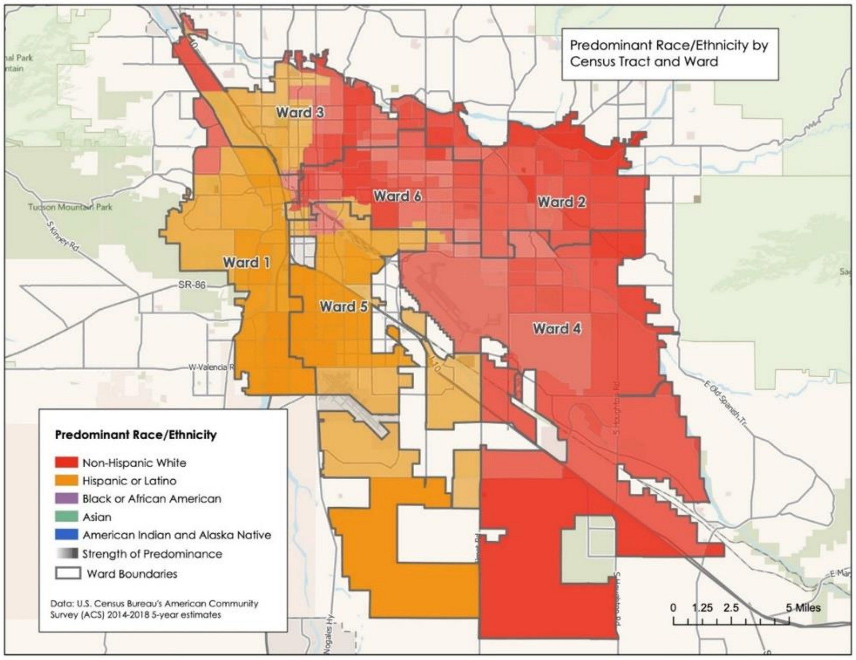
Poverty has a kind of "stickiness" due to a complex set of conditions. This means that children who grow up in poverty are far more likely to experience poverty again as adults than are children in families with higher incomes. Among U.S. children born around 1980, one-third of children living in low-income households also had low household incomes in adulthood, which is twice the 17% rate found among adults in their 30s who did not grow up in low-income households (Reducing Intergenerational Poverty, pg. 2). This is the definition of intergenerational poverty.

In Pima County, children have the odds stacked against them. The New York Times reported in 2015 that of the nation's 2,478 counties Pima County is "among the worst counties in the U.S. in helping poor children up the income ladder."[i] The Child Opportunity Index is the first population-level surveillance system of children's neighborhood environments using 19 indicators over three domains of educational, health and environmental, and social and economic opportunities. Using this data, Tucson is ranked in the bottom ten out of one hundred metro areas for both the lowest opportunity score and the highest proportion of children living in very low-opportunity neighborhoods.



This latter indicator of high numbers of children living in areas of concentrated poverty matters because neighborhoods matter for health, school attainment, income of parents, chances for economic mobility and even life expectancy. The Reducing Intergenerational Poverty report states, "Growing up in high poverty neighborhoods, and in counties with greater concentrated poverty and racial segregation, is correlated with lower intergenerational mobility" and limits children's chances of growing up and escaping poverty (Reducing Generational Poverty pg. 45). We can see this in the way poverty is distributed across our neighborhoods as well as between communities. Pima County is exceptionally segregated, economically, and racially. This map of the City of Tucson shows just racial segregation in the City of Tucson.

Part of this racial segregation is due to historic inequities in federal housing policy and local land use planning. In addition, the impact of intensive patterns of economic segregation that can be seen in Pima County and around the country are partly because of the lack of what researchers call "economic connectedness" or the number of social connections between low- and high-income people. Having less economic diversity in one's social network is a strong predictor of poverty. Research is showing that at both a broad regional level and within community boundaries, the level of economic connectedness where low-income children grow up influences whether they join the middle class or are more likely to remain in poverty.



Parents matter too and opportunity is restricted by the availability of good jobs. The Brookings Institution estimated that before the pandemic half of the jobs in Pima County were low wage and 27% make less than $18 an hour (Low Wage Workforce). Low-paying jobs limit the path forward to improved economic stability.

Poverty costs the community

The Reducing Intergenerational Poverty report makes it clear that for children who experience childhood poverty, those experiences "can compromise their health and welfare and also hinder their opportunities for economic mobility in adulthood. This intergenerational cycle of economic disadvantages weighs heavily not only on children and families experiencing poverty, but also on the nation, by reducing future national prosperity and burdening its educational, criminal justice, and health care systems.

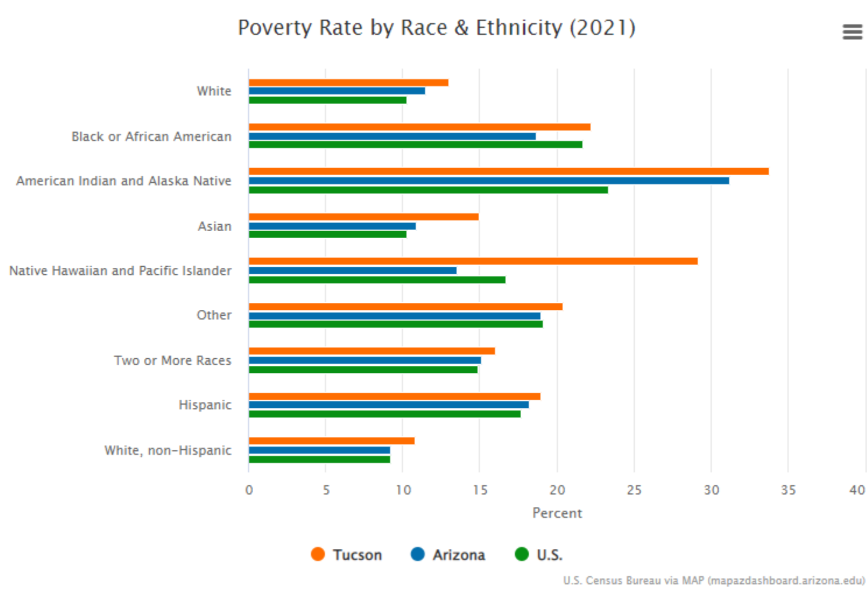
In Canada, most provinces have been measuring the cost of poverty and developing plans to reduce it. The Canadian formula measures areas like reduced productivity and economic output, increased costs of crime and increased health expenditures. With this approach it was estimated that poverty in Canada has an annual cost equivalent to 5.62% of the nation's GDP. Using this formula, Jim Kiser[ii] estimates in his Opportunity Report that poverty costs Pima County's economy $2.8 billion per year, nearly the size of the economic impact of tourism in Pima County in 2021. Other national experts such as Mark Rank at Washington University and Harry Holzer at Northwestern University have estimated calculated the cost of poverty at 5.4% and 4% of GDP respectively. Rank estimates that for every dollar spent on reducing childhood poverty, the U.S. would save at least seven. This aligns with research on the national cost of child (not overall) poverty that estimates it at $500 billion per year, or about 4% of GDP (A Roadmap to Reducing Child Poverty, pg. 90).

Addressing historic inequities

According to the *Reducing Intergenerational Poverty* report, "racial and ethnic disparities are an enduring feature of the intergenerational trajectories of children… The size and consistency of these gaps underscore the importance of understanding the causes of racial and ethnic disparities, as well as developing and implementing large-scale, effective programs and policies to ameliorate intergenerational poverty" (Reducing Intergenerational poverty, pg. 183). They report further:

> *People of color and other marginalized groups face especially steep barriers to economic advancement in the US. Consequently, poverty rates are substantially higher for people of color than for white people, and rates of upward mobility for people of color are lower. In particular, Black Americans and Native Americans experience much lower rates of upward mobility and higher rates of downward mobility than white Americans (Chetty et al. 2020; Mazumder 2014). For example, two-thirds of Black children from families in the bottom income quintile remained in the bottom quintile as adults, while only a quarter of white children raised in the bottom quintile remained there (Acs, Elliott, and Kalish 2016).*

In the chart below, we see that Tucson (specifically the Tucson MSA which has the same geographic boundaries as Pima County) ranks higher in poverty rates and racial disparities overall compared to Arizona and the nation. These disparities "manifest as inadequate access to health care and to well-funded, quality schools; greater exposure to crime, violence, and harm from the criminal justice system; housing insecurity and exposure to toxins; and lower family incomes, wealth, and neighborhood resources" (Reducing Intergenerational poverty, pg. 52). We see it in our economically segregated neighborhoods as well. According to national research, roughly 30% of Black and Native American children, compared with 4% of non-Hispanic White children, live in neighborhoods where 30% or more of the residents have incomes below the poverty line. Just as the intergenerational experience of poverty is higher among people of color, so is the intergenerational exposure to high poverty neighborhoods (Reducing Intergenerational poverty pg. 62). Black and Native American children are more than seven times as likely and Latino children more than four times as likely as White children to live in neighborhoods with poverty rates of 30% or more.



In so many categories, from income, wealth, and health, these racial disparities are present, and they place a greater burden on these families. The NASEM *Reducing Intergenerational Poverty* report identifies education, health, housing and neighborhood resources, child welfare, criminal justice, and income and employment as the systems and social drivers that perpetuate these racial disparities (Reducing Intergenerational poverty pg. 52). The Prosperity Initiative policies touch on many of these areas.

If we take just one indicator, health, we can begin to see the complexity behind these systems. Nutrition and food insecurity, lack of access to health care, lack of health insurance, exposure to negative environmental influences on health, greater exposure to violence, and differential treatment by health care providers are some of the causes of health disparities based on race. Implicit bias in health care settings can also drive disparate outcomes among individuals of different races, which then increases distrust of the system and avoidance of use. A 2003 landmark study, *Unequal Treatment: Confronting Racial and Ethnic Disparities in Health Care*, demonstrated that even after accounting for socioeconomic factors, race and ethnicity remained significant predictors in access to and the quality of health care received. Added to all of this, the actual experience or just the threat of discrimination can harm a person's health (Reducing Intergenerational poverty, pg. 57).

A Look at the Latino Family: Latino children comprise one fourth of all children in the U.S., but 45 percent of all children in Arizona, almost 722,000. Only New Mexico, California, and Texas have more Latino children (McClay). In Tucson, Latinos make up 43.6 percent of our population, a 34 percent increase over the last two decades. While all children and families matter, given the size and growth of the Latino population, we should be particularly concerned for the well-being of Latino families.[] Despite generations of discrimination and systemic barriers to full inclusion, Latinos generally are faring better compared to Black and Native Americans, as evidenced by data from Harvard's Opportunity Atlas.

Median Individual income in adulthood by gender and parental income

	Low-income households		Middle-income households		High-income households	
	Boys	Girls	Boys	Girls	Boys	Girls
White	27,000	21,000	32,000	24,000	37,000	28,000
Hispanic	25,000	21,000	30,000	24,000	35,000	28,000
Black	19,000	21,000	24,000	25,000	28,000	29,000
Native American	15,000	14,000	19,000	17,000	23,000	21,000
Asian	33,000	28,000	36,000	32,000	41,000	36,000

Table 2-1. Individual income in adulthood by gender and parent income of kids who grow up in Tucson. The income numbers are for the Tucson commuting zone. Source: Opportunityatlas.org

A slight majority of Latino children (56 percent) grow up in homes with married parents. Family structures shape children's access to economic resources and to the social and emotional support they need for healthy development. Living in a two-parent household decreases a child's possibility of living in poverty, as evidenced by Pima County data from the UA Map dashboard showing that in 2021 only 10 percent of married couples were in poverty versus 16.7 percent of families overall and 35.7 percent of single female headed households. In 2019, 8% of children living in homes with married parents had family incomes below the Supplemental Poverty Measure (SPM) poverty line, compared with more than a quarter of children living with single mothers as marriage tends to be associated with greater stability (Reducing Intergenerational Poverty, pg. 139). In her recent book, "The Two-Parent Privilege: How Americans Stopped Getting Married and Started Falling Behind" Melissa Kearney contends that a stable two-parent household, particularly one where both parents are actively involved, offers unique advantages to children that extend beyond income, including more parental time for activities, reduced stress, and more emotional bandwidth for parenting.

According to the University of Arizona's MAP Dashboard, the teen birth rate (births per 1,000 females age 15-19) has steadily declined since 2006 nationally, at a state level and significantly at local level with 63.1% decline for Tucson MSA's rate which in 2020 was at 19.9 births. However, Tucson's Latino teens have the highest birth rate at 27.0 births, followed by African American teens at 20.7 and 10.9 for White teens. Research shows that unintended pregnancies are a major driver of the growth in single-parent families. While we don't know how many of these pregnancies were unintended, we do know that preventing unintended pregnancy leads to better health, social, and economic outcomes that can have intergenerational implications.

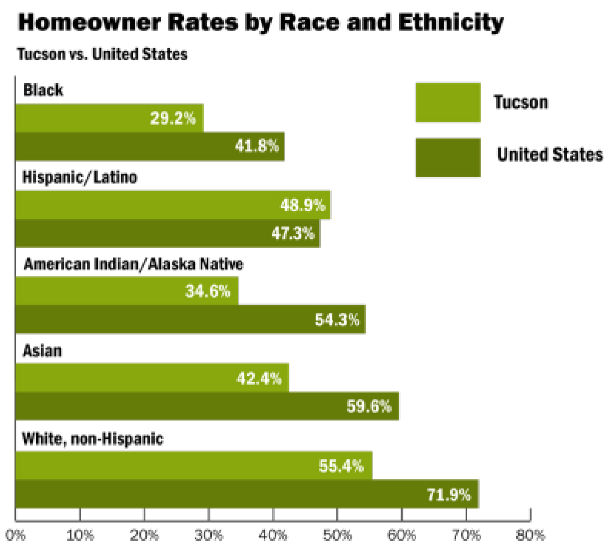
Median wages among Black and Latino workers are well below the wages of White workers, and this holds true for both men and women (Reducing Intergenerational Poverty, pg.121). This contributes to Latinos being disproportionately in poverty despite a 67.2% labor force participation rate, the highest in the country (Quiñonez, pg. 261). While Latino home ownership, described more in the section below, is almost 50 percent in Tucson, a recent report by the Asset Funders Network on wealth and health equity note that almost 25% of Latino homeowners lost their homes to foreclosure during the 2008 foreclosure crisis as a result of being targeted in the latter stage of the subprime lending boom. This compares with 19% of Black, 11% of Asian, and 9% of non-Hispanic White people who lost homes. This could contribute to why one in five Latino households are unbanked, compared with one in 19 households in general. More than one in four Latino households are "credit invisible" meaning they don't have a credit history recorded with the three major credit reporting companies (Quiñonez, pg. 262). This leaves households more likely to use riskier and higher cost "fringe providers."

The Exception of Immigrants: There is one area where the data tells a different story that is important to note, and that is the economic trajectory for the children of immigrants. Not surprisingly, the poverty rate is generally higher for immigrants than for those born in the United States, which means their children experience higher rates of poverty. For example, in 2018, the poverty rate was 14.6% for the foreign-born compared with 12.9% for the U.S.-born. Despite this, the children of immigrants tend to experience remarkable socioeconomic progress. On average, they acquire more education and have higher earnings in adulthood and have larger economic gains relative to their parents than do U.S.-born children. This is particularly true of children who grew up in poverty (Reducing Intergenerational Poverty pg. 42). In Tucson, 14.2% of the population is foreign born according to the five-year Census estimate from 2017 to 2021.

The importance of asset building

We have so far looked at income disparity, which while significant, is much less of a gap compared with asset and wealth disparity. Wealth has been described as the accumulation of past and present income, assets, debts, and disparities. Wealth can buffer families against unexpected events such as unemployment and is highly predictive of child outcomes. Assets are the building blocks of wealth that can be passed onto the next generation. Research has even shown that assets can shape a family's expectations about the future. Therefore, asset building should be seen as a form of "social investment" that brings both individual and greater social good.

Many studies show that financial assets, including homeownership, are positively associated with children's educational attainment and emotional and behavioral well-being. However, again historic patterns of racial discrimination such as redlining and racial covenants have systematically disadvantaged families of color (Jurjevich). Nationally 47.3 percent of Latinos live in a home owned by someone in the household with nearly a third of those homeowners at or below 200 percent of poverty. In Tucson, that homeownership rate is even higher at almost 49 percent. Native Americans, who are 5.31 percent of the population in Arizona and 5.9 percent in Tucson, have a home ownership at 34.6 percent, but a national rate of 54.3 percent. Black homeownership is the lowest with 29.2 percent in Tucson and 41.8 percent nationally, lower than it was a decade ago. For White families, the rate is 55.4 percent in Tucson and 72 percent nationally.



Source: ACS, 2019 5-Year Estimates[77]

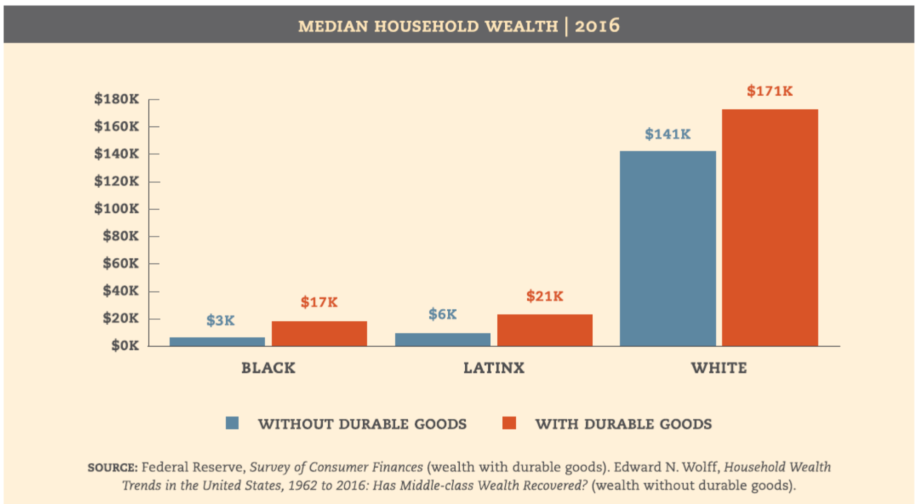
One explanation for the challenge of accumulating assets is the extreme racial wealth gap. In 2009, the median net worth of Whites was 18 times greater than the median net worth of Latinos (a net worth of $171,000 compared to just over $17,000) and 20 times greater than that of African Americans. In fact, more than 30% of Black and Latino households that year had zero or negative net worth. It is estimated that it will take 84 years to close this wealth gap for Latinos and for Blacks, a shocking 228 years (Colins). The RAND Corporation issued a recent report that said that in 200 years we could still have problems with racial wealth disparities that are equal to, or worse than, the problems we have today. The author characterized the magnitude of the disparity as "mind blowing" (Irving).

Researchers at Washington University in St. Louis see the challenges of asset accumulation as situated in a historical pattern they call a "dual" asset policy, i.e., social policy that promotes asset-building for middle- and upper-income families but not for lower-income families. They state that the U.S. spends $400 billion annually in tax expenditures for asset building for these middle- and upper-income families, which far exceeds opportunities for low-income families to build assets (Sherraden). These researchers support the use of Child Development Accounts (or Child Savings Accounts) as one of the investment strategies that can lead to greater wealth accumulation for low-income families. The Prosperity Initiative is advancing several policies that will assist with asset building for low-income families, including increasing home ownership opportunities and Children's College Savings Accounts. However, this is an area where policies need to come from the state and federal policy level to make a greater impact.

Community and expert input is key.

We consulted with a significant number of community stakeholders representing various sectors from nonprofit and business leaders to people with lived experience, as well as state and national experts. This community input guided us throughout the process and informed our selection of policy areas. Several of these community stakeholders led or significantly contributed to the policy research and writing.

We also presented to and sought input from a number of Pima County and City of Tucson advisory committees and commissions. These included the City and County Metropolitan Education Commission, the City's Equitable Housing and Development Commission and Gentrification and Displacement working group, and the County's Regional Affordable Housing Commission, Transportation Advisory Committee, Planning and Zoning Commission, Small Business Commission, and Board of Health. The Board of Health took action to recommend the two health policies. The Small Business Commission voted to submit a letter of support. Both housing commissions and the County's Planning and Zoning Commission were exceptionally receptive to the Prosperity Initiative. We will be presenting to the Workforce Investment Board in November. We also presented at Mayor and Council meetings for the City of Tucson, City of South Tucson, Town of Marana, and Town of Sahuarita. From a geographic perspective, we were able to discuss the Prosperity Initiative with community stakeholders from incorporated cities and towns as well as our unincorporated communities.



SOURCE: Federal Reserve, *Survey of Consumer Finances* (wealth with durable goods). Edward N. Wolff, *Household Wealth Trends in the United States, 1962 to 2016: Has Middle-class Wealth Recovered?* (wealth without durable goods).

Given the diversity of our community, we would have ideally liked to have reached even more people. That said, considering time and staffing constraints, the outreach was extensive with more than 180 consultations, meetings, and presentations reaching more than 800 individuals. It was particularly affirming to talk with families who could benefit most from these policies who gave strong positive feedback and expressed excitement at these potential opportunities. The chart in the appendix lists those meetings and stakeholders. We will continue community input during the second phase as well.

How we did our research

Research Guidelines: Our initial research showed the highest returns are policies and programs targeting low-income children throughout childhood, including these key areas: early care and education, access to health insurance and college attainment. Returns for policies and programs targeted at low-income adults are often lower. However, those focused on low-income adults with young children, such as providing access to affordable housing in high opportunity neighborhoods, and programs that combine workforce training with childcare assistance, appear to show high rates of return. While a wide variety of individual and societal benefits are associated with these types of investments, the most basic measure of success are increased incomes and assets, and decreased household costs.

Initial research defined the areas as having the most opportunity to break the cycle of poverty and contribute to growing the wealth and prosperity of the overall region: 1) ensure the availability of jobs that will economically support a household, 2) provide an effective social safety net, and 3) build individual and community assets. Early on, we developed these guiding principles to inform our research:

1. Policies must focus on reducing generational poverty, as opposed to only alleviating the suffering of those experiencing poverty.

2. Each policy statement must include strategic and tactical elements. Strategic elements are aimed at addressing the root causes of barriers preventing individuals from achieving generational opportunities and wealth, thereby providing long-term, sustainable solutions. Tactical elements are also needed to provide short-term solutions to address immediate needs and crisis situations until such time that the benefits from longer-term strategic solutions can be realized.

3. Policies must be evidence-based and endorsed or recommended by national level, non-partisan, well-recognized authorities on anti-poverty strategies (i.e. Federal Reserve Banks, National Academy of Sciences, nationally renowned university-based poverty research centers etc.).

4. Policies must be applicable at the local government level, as opposed to the State or Federal level, and include ideas for implementation that are achievable at the local level.

5. Policies must be informed by local service providers, experts, committees, and commissions, and those with lived experience.

6. The return on investment for such policies, or implementation measures frequently associated with such policies, must be considered, and documented where applicable.

7. Policies must target populations experiencing the highest rates of poverty in Pima County and which have the greatest potential for impact: children, single mothers, individuals and families of color, and seniors.

8. Policies should take into consideration the impact of historic and/or systemic inequities and when possible, prioritize opportunities to address and mitigate them.

9. Addressing poverty is not a one-size fits all approach and some policies may be more applicable in some communities than others or may include different implementation ideas depending on the community.

Determining the type of research: Deputy County Administrator Dr. Francisco Garcia, who has been the Principal Investigator on many local, state level and national research projects and supervised this project, reiterated throughout this process that the standard for developing these policy positions must be evidence-based to ensure that the recommended policies would have the best possible chance of reducing poverty and increasing economic stability for our community. In most cases, our task was to find research showing a causal relationship between the policy and poverty reduction, or in some instances, at a minimum, strong correlational evidence across multiple sites. We identified 32 research centers across the U.S. (see attached list), often reviewing their areas of focus, and read hundreds of research studies.

Empirical evidence of causal relationships is a high bar. Causality requires tracking study participants long enough to be able to observe outcomes that reduce poverty (or increase income or assets). This usually requires randomized control studies with large groups, replicated at multiple sites, and over long periods of time, or methods meeting similar standards. However, this approach often cannot be conducted for ethical or practical reasons, particularly in social science research. Longevity is one of the most significant challenges due to many reasons, including poor data sets particularly at the state or federal levels and particularly on race and ethnicity. Frequently there is no data for Native Americans. The lack of funding for this type of research is also a major barrier. The Urban Institute report on *Identifying Pathways for Upward Mobility* summarizes it well: "… most studies measure fairly short-term outcomes: Did reading scores improve from one year to the next? Do the benefits of preschool last until third grade? Very few studies link early life circumstances (and interventions that improve them) to the ultimate outcomes of interest, such as educational attainment, adult employment, and lifetime income. Moreover, policymakers often lack evidence to answer the question that really matters: What combination or sequence of policies and programs will ultimately help disadvantaged children achieve a higher standard of living as adults?" (Acs).

This research challenge is echoed in the National Academics of Sciences, Engineering, and Medicine report stating that the "relative paucity of direct-evidence policy and program ideas was disappointing to the committee and points to the need for policy evaluation studies with intergenerational scope as well as enhanced data infrastructure" (Reducing Intergenerational Poverty, pg. 29)

This means that there are many promising and seemingly effective programs around the country that simply haven't been studied at this level. In addition, the studies that do take a rigorous longitudinal approach are not representative of all programs or policies and their existence is a product of funding and research conditions that have little to do with the merits of the programs themselves.

This is why we looked at research and analysis generated by Harvard University's ***Opportunity Insights*** project at and the **National Academics of Sciences, Engineering, and Medicine**. These merit further explanation:

- **Opportunity Insights** uses big data to study the science of economic opportunity to identify barriers and develop scalable solutions that will empower people throughout the United States to rise out of poverty and achieve better life outcomes. To create their database, the researchers use de-identified data on 20 million children born between 1978 and 1983 – 94% of all children born during those years – and followed them into adulthood. Data was drawn from census data linked to millions of federal income tax returns and the 2005-2015 American Community Surveys. More than 25,000 of these children grew up in Tucson. The Opportunity Insights website allows cities and counties to determine the extent to which they offer economic opportunity to their children by measuring how well they have done when they have grown up. This historical outcome data has been found to be much better at predicting outcomes than more recent data on poverty or test scores. Led by Dr. Raj Chetty, a highly regarded and awarded Harvard economist, this work has been widely cited in academia and used to launch research and influence policy discussions in the United States and beyond.

- **The National Academics of Sciences, Engineering, and Medicine** (NASEM) was formed to provide independent, objective analysis and advice to solve complex problems and inform public policy decisions. We used their research as a guide to direct us towards research and policies that would have the best chance of meeting our goals and reviewed several of their studies, including *Closing the Opportunity Gap for Young Children*, *Federal Policy to Advance Racial, Ethnic, and Tribal Health Equity*, *Measuring the Opportunity Gap for Children from Birth to Age Eight and Understanding Barriers to Access*, *A Roadmap to Reducing Child Poverty*, and the most recent report, *Reducing Intergenerational Poverty,* which was developed in response to a Congressional mandate.

  The last report*, Reducing Intergenerational Poverty,* was a particularly important one as they only selected program and policy ideas supported by direct long-term evidence, which requires that evaluations track the children into adulthood who were or were not affected by the childhood policy change or intervention.

One of the challenges of using both Opportunity Insights and NASEM's policy recommendations is that they are focused on primarily federal and to some extent, state and local level policies. Because of this we also sought out policy recommendations from organizations that looked at more local level policies. Both the **Aspen Institute and the Urban Institute** stood out as sources of guidance. The Urban Institute's "Boosting Upward Mobility Project" focused on assisting local communities aspiring to boost upward mobility and narrow equity gaps. They created a report by a scholarly working group that focuses on five essential and interconnected pillars that support mobility from poverty. Under each pillar they identified key predictors selected on the basis of strong research evidence linking them to upward mobility. It should be noted that their definition of mobility from poverty includes economic success, but it also includes two other areas: power and autonomy as well as being valued in community. They state:

> "Historically, approaches to lifting people from poverty have centered on increasing their employment and income. However, as the US Partnership on Mobility from Poverty argued, real and sustainable mobility from poverty involves more than just economic success. The Partnership's normative definition of upward mobility also includes autonomy and power—the ability to exercise control over one's personal circumstances and to influence policies and practices that affect one's life. And it includes a sense of belonging and dignity—being valued for one's contributions to family, community, and work."

While there is significant merit in including power, autonomy, and being valued in community as important contributors to economic mobility, the Prosperity Initiative did not consider these. Nonetheless, the Prosperity Initiative policy recommendations cover approximately 17 of the 24 identified predictor areas.

University of Arizona researchers: It was clear from the beginning that we needed guidance and participation from researchers. We selected two researchers with expertise in poverty. Brian Mayer is a Professor of Sociology with the College of Social and Behavioral Sciences and an affiliate faculty member in the Institute of the Environment, and Keith Bentele is an Associate Research Professor with the Southwest Institute of Research on Women (SIROW) in the College of Social and Behavioral Sciences and holds a Ph.D. in Sociology. Both Brian and Keith have been very involved not only in academic research on poverty, but also in community level interventions, evaluations, and program support.

Dr. Mayer supported the Tucson Mayor's Poverty Commission from 2012-2014, authoring their final report. He also developed the experiential learning Tucson Poverty Project class that incorporates community-based research approaches and has received recognition for his innovative work in teaching and community engagement. Over the last three years, he has worked closely with Pima County's Community and Workforce Development department involving his Poverty Project class with interviewing recipients of pandemic rent assistance programs to determine both the programs' effectiveness and the status of those tenants in terms of their own stability.

Dr. Bentele has examined state-level poverty rates, inequality, and homelessness programs. He has led important policy-relevant research on programs with the potential to reduce poverty and homelessness. He authored the latest report on homelessness for the Tucson Pima Collaboration to End Homelessness (TPCH) and generates a bi-monthly report using the Census' Pulse Survey data on potential housing insecurity and homelessness that is shared widely with community leaders to anticipate community need. Keith also served on the Pima County Eviction and Homelessness Prevention Task Force, which met throughout the fall of 2020 and created 37 recommendations. His specific areas of methodological expertise are in the use of quantitative methods and statistics.

Drs. Mayer and Bentele consult regularly with the Prosperity Initiative and have assisted on developing policies. Dr. Bentele has authored three policies (two on housing and the neighborhood reinvestment policy) and presented on numerous occasions to Commissions and Committees. Dr. Mayer engaged his students in policy research and review. Their support has been invaluable.

Cost implications

A frequent question during this process has been what the cost will be to the County, cities, towns, and taxpayers if these policies are adopted. Only the Board of Supervisors and City/Town Councils can truly answer that question as they are the elected bodies responsible for adopting annual budgets for their respective local governments and do so after careful consideration of annual revenue projections, the health of the tax base, the economy, and community needs. There need not be immediate budget implications from adopting these policies. The County, for example, already funds programing in many of these areas and will be reviewing these resource allocations in the second phase of the project. In addition, costs differ based on short-term versus long-term strategies. Many of the policies, if implemented following the evidence-based practices cited, have a high return on investment and should result in long-term savings to local governments, taxpayers, and others. As this report notes, there is currently a significant economic cost to poverty for taxpayers. Not adopting or implementing these policies has related costs as well as ongoing harm to children and families which should be considered.

These policies, if adopted, could also provide direction to departments, outside agencies applying for local government funding, and advisory committees and commissions on how existing expenditures and services can be re-aligned to more effectively reduce poverty and build a wealthier community. These policies could also provide direction with respect to the types of activities for which local governments seek grant funding and should result in more grant opportunities. Some of the policies can be implemented through low-cost measures like zoning code changes, reallocating existing federally funded housing vouchers to targeted areas, prioritizing existing workforce development funding for apprenticeships and on the job training experiences over other workforce activities, communication campaigns to increase health insurance enrollment and more effective usage of contraception, and more.

Next steps and recommendations:

In several documents on reducing poverty and health inequities the National Academies of Sciences, Engineering, and Medicine (NASEM) emphasizes the importance of "local policy makers [to] assess policies, programs, initiatives, and funding allocations for their potential to create or increase health inequities in their communities" and to spur innovation (National Academies. *Communities in Action: Pathways to Health Equity,* pg. 414*).* Having policies in place that incorporate evidence-based strategies like this, informed by local input and coupled with other local government priorities, will strengthen opportunities for public and private investment across the region.

This report represents the end of Phase 1 and with that the hope that participating jurisdictions will adopt or adapt the identified policies and initiate Phase 2. There is also a need for a complimentary multi-sector initiative, that can be supported by local government, but should not be led by local government.

Phase 1 recommendations: The Pima County Board of Supervisors and our city and town councils are asked to:

1. Adopt these policies – in full or in part, or adapt them, as appropriate for each jurisdiction.
2. Direct County, City and Town Managers to initiate a second phase focused on implementation.

Note that when considering which policies to adopt or adapt, there is evidence that bundling policies will have a greater impact. The NASEM report on *Reducing Intergenerational Poverty* notes that there is an interrelationship between the seven drivers of intergenerational poverty they identified and the interventions to address them, calling it a "spillover" effect. They give three examples:

1. They state that "health interventions early in life, including access to family planning services and health insurance coverage in pregnancy and childhood, have been shown to improve children's educational attainment, employment, and earnings as well as employment outcomes for mothers." Our two health policies cover family planning and access to health insurance, as well as employment and post-secondary education.
2. Another example they give is around the importance of high-quality early care and education (ECE), particularly for their youngest children, in order for parents to enter or remain in the labor market or secure additional schooling. Children in ECE settings also can see improvements in their health, safety, and school readiness. "The lack of affordable ECE can interfere with the effectiveness of many programs designed to address intergenerational poverty." We have a policy on early childhood education as well as workforce development.
3. A third area had to do with equitable and ready access to programs and benefits. Burdensome administrative procedures discourage families from receiving benefits for which they are eligible and can also interfere with parents' ability to secure steady employment. We emphasize the importance of increasing access to services, programs, and benefits particularly using Navigators

in many of our policies including access to health insurance, neighborhood reinvestment, digital inclusion, and workforce development.

The NASEM report, *A Roadmap for Reducing Child Poverty*, defines national level policy areas for reducing child poverty. They stress that bundling policies “offers some formidable advantages over an individual program approach.” (pg. 173). They used a data analysis program that was able to show the additional value of combining policies that could make much deeper cuts in child poverty reduction (from 18.8% to 52.3% in one instance) and ultimately saving significant tax dollars. The most recent NASEM report on Reducing Intergenerational Poverty, while not recommending specific policy bundles, did note that in particular those that combining work incentives, income supplementation, and childcare support, can be more effective.

Phase 2 implementation recommendations: We recommend the following six elements for the work going forward:

1. Scan and realign local government operations and investments to best implement the policies, under the guidance of multi-departmental teams.
2. Develop metrics to measure impact.
3. Report annually and review policy areas on a bi-annual basis.
4. Continue to encourage a regional approach to implementation by regularly engaging with participating local governments.
5. Participate in a multi-sector community-based effort.
6. Increase partnerships with the Tohono O’odham Nation, Pascua Yaqui Tribe, Native American organizations, and community members.

1. Scan and align local government operations and investments to best implement the policies, under the oversight of a multi-departmental team.

Each policy brief includes a variety of implementation ideas that range from no cost to higher cost, providing local governing bodies the ability to vary their approach to implementation from year to year depending on the variety of factors that inform local government budgets. Many of these policies and implementation ideas are already being implemented to some extent by area local governments and adopting these policies provides a longer-term commitment to existing efforts. For example, the Prosperity Initiative has identified many things we are doing that are effective and should be maintained or expanded. We may find some programs are ineffective or being duplicated and eliminating those areas could reduce costs. We may find opportunities for coordination and collaboration between departments and governments that once addressed could increase effectiveness at no or low cost. We are already finding these opportunities as we coordinate through the Working Group.

Each local government will need to determine the most appropriate manner to scan or review budgets and operations with individual departments, and to make recommendations for re-alignments where necessary. Other communities have found a process called “priority-based budgeting” to be helpful in identifying existing resources to reallocate for the purposes of implementing the priorities of governing bodies. The City of Tucson recently embarked on a tool they call "equity-based budgeting." Pima County routinely forms multi-departmental teams to provide oversight and input into initiatives like this that require a whole-of-government approach.

In phase two, we should continue investigating evidence-based programs that are not presently being used and review with the relevant departments. To accomplish this, the University of Arizona's Office of Government and Community Relations will engage additional faculty with appropriate expertise in these areas to research possible programs and implementation ideas with us.

The Prosperity Initiative's policies will also help direct us to grant opportunities and make us more competitive. For example, Pima County's Grants Management and Innovation department is already working to support departments in applying for significant federal funding that available to local governments to address unmet infrastructure needs, including broadband expansion, clean energy infrastructure, energy efficiency retrofits, etc. Much of this funding is targeted at disadvantaged communities, either geographically or through incentives to increase good jobs for disadvantaged individuals as well as pathways into good jobs. Justice40 is a federal mandate that requires 40% of spending coming from large federal spending bills such as the Inflation Reduction Act (IRA), the Bipartisan Infrastructure Law, and the American Rescue Plan, to impact disadvantaged communities that are marginalized, underserved, and overburdened by pollution. It applies to many areas of investment that overlap with the Prosperity Initiative policy recommendations including climate change, clean energy and energy efficiency, clean transit, affordable and sustainable housing, training and workforce development, remediation, and reduction of legacy pollution. We expect that the target areas determined by Justice40's indicator will often correspond to high poverty/ low opportunity areas that the Prosperity Initiative is recommending for investments. One of the tools that will be used to measure where spending and impact is happening is the Climate and Economic Justice Screening Tool (CEJST), which is one of the tools the Prosperity Initiative is also recommending be used for determining areas for investment, along with the Child Opportunity Index.

2. Develop metrics to measure impact.

Measuring impact will be an important but complicated aspect of the Prosperity Initiative. It has been noted earlier the many barriers to researching poverty reduction, including scope, length of time, and funding. While we continue to explore possibilities, we have three important components that are in process. First, we applied and were accepted to participate in the Urban Institute's Mobility Action Learning Network. The Mobility Action Learning Network is an opportunity for up to 30 teams of local leaders across the United States to receive pro bono technical assistance from the Urban Institute for advancing locally driven programs, policies, and actions that boost upward mobility from poverty and achieve racial equity. The Urban Institute's assistance will be informed by the Upward Mobility Framework, the Planning Guide for Local Action, the Mobility Metrics, and local priorities and data. The County is the lead in partnership with the City of Tucson, two nonprofits, and UA's SIROW (the Southwest Institute for Research on Women).

Second, the University of Arizona will be working with us on ways we can approach developing metrics, data collection and analysis, and forms of evaluation both on individual policies and programs as well as on possible population impact. The University has faculty with expertise in a number of research areas that will inform this process in important ways. Our goal is that by the end of this second year, we will have a roadmap for measuring impact.

Third, we will be reviewing and incorporating relevant metrics that are already tracked regularly and rigorously by the United Way of Tucson and Southern Arizona's Cradle to Career Partnership, and the University of Arizona's MAP Dashboard. Both appear to be trusted sources of information for our community and relied upon widely by a variety of organizations.

3. Report annually and review existing and consider new policy areas on a bi-annual basis.

While the work of the last year was both intensive and extensive, new research is coming forward all the time as poverty reduction is increasingly a focus at the national, state, and local levels. Every two years, the existing policies will be reviewed to evaluate if they are still relevant and new policies that have been researched and considered critical for our area will be considered. Any changes will be brought forward to the Board of Supervisors and other elected bodies that will be impacted. Comprehensive reports should be produced annually.

4. Continue to encourage a regional approach to implementation by regularly engaging with participating local governments.

The working group has served effectively for phase 1 of this initiative. A regional approach to implementation should continue in some form for phase 2, and may involve different forms of engagement and different representatives depending on the preferences of each local government.

5. Form a multisectoral community coalition

Government can't solve this problem alone. While the multijurisdictional approach is already proving fruitful and showing opportunities to expand collaboration and effectiveness, government doesn't have all the tools needed to effectively reduce poverty. Therefore, we are recommending a multisector approach that would bring together representatives from business, nonprofits, education, philanthropy, and the faith community, as well as neighborhoods and unincorporated parts of Pima County. Government would have representation in this community coalition and could work in collaboration with the Prosperity Initiative in four essential ways: 1) continue to research and identify effective policies, 2) identify and support existing or new implementation ideas; 3) continue to gather community input; and 4) work on ways to measure the impact of programs and policies to ensure the greatest impact.

Reducing poverty is a marathon, not a sprint. This community roundtable would take advantage of the leadership, expertise, and ingenuity from across our community. It would allow key stakeholders to explore shared values, visions, and interventions, identify roles and collaborative activities, and braid different sources of funding to create greater impact than a single sector or organization can achieve alone. It will also allow the resources within governments to have greater impact when they are aligned with community commitment, efforts, and additional funding, providing a faster way to scale up what works.

As one article noted, "…the structure of government often works against collective solutions. Policymakers typically operate within isolated sub-committees, departments, and agencies that … lend themselves to a narrow, targeted response. Many are better addressed through simultaneous action by more than one office" (Ferber). In other words, we are better and more effective working together as a community.

This approach is also recommended by NASEM in their *Closing the Opportunity Gap for Young Children* report: "Many of the factors that drive opportunity gaps in education, physical health, and social-emotional development and well-being cut across these domains and a multisectoral approach will be required to reduce, mitigate, and eliminate them. Through public–private partnerships, the public sector, philanthropic organizations, private-sector businesses, and other stakeholders can combine and sustain efforts to address opportunity gaps more efficiently (7-29)."

One of the approaches that could be used is called "collective impact" which has more than a decade of research and practice that shows it as an effective practice widely used across the United States. The United Way of Tucson and Southern Arizona currently use this model in several of their programs including the Cradle to Career Network and the Elder Alliance. Already there are conversations from interested nonprofit organizations that have deep interests in solving poverty that would like to play a part. As noted in the report, *Communities in Action: Pathways to Health Equity*, communities are not only the locus for change, but they also possess agency and can draw on their own power and assets to help effect change (Reducing Intergenerational Poverty, pg. 372.)

6. Increase our partnership with Native American nations, organizations, and community members to better understand the impact of poverty on and the meaning of prosperity for Native Americans for improved action.

As noted in Pima County's land acknowledgement, this is the ancestral homelands of the Tohono O'odham Nation and the multi-millennial presence of the Pascua Yaqui Tribe who have served as caretakers of this land from time immemorial. Pima County commits "to diversity and inclusion and strives toward building equal-partner relationships with Arizona's tribal nations."

The intent of the Prosperity Initiative was to have Tribal representation throughout, however that was not achieved. This participation is critical, not only to live up to the intent of building equal-partner relationships, but also because the response to poverty and the building of prosperity will be crippled without that participation. First, Native Americans are disproportionately impacted in nearly every indicator related to poverty evidenced in both national and local data and detailed in many of the policies. The recent *Reducing Intergenerational Poverty* report stated it clearly: "The challenges that … Native American families face in propelling their children into socioeconomic security result from contemporary and historical disparities, discrimination, and structural racism." Second, the vision of prosperity may be very different when imagined by Native Americans. The insights, ingenuity, and experience from Native Americans living the problem and imagining the future is key to solving this entrenched problem of poverty in Pima County.

It begins with acknowledging the hundreds of years of structural racism, i.e., laws, policies, practices, and norms that create and perpetuate racial inequality. This results in the racialized distribution of resources and social processes of racial exclusion in the United States that have compounded over time (National Academies. *Reducing Intergenerational Poverty*).

Each racial group has a different dynamic and experience. For Native Americans that history includes the systematic theft of land, genocidal wars, policies, and practices, including the use of boarding schools to both eliminate individuals and extinguish cultures including language and customs, and the creation of reservations to isolate communities and then later, the Termination and Relocation Act, which called for the unilateral abolition of tribal lands and the relocation of Native Americans from reservations to urban centers (National Academies. *Federal Policy to Advance Racial, Ethnic, and Tribal Health Equity*). These many efforts to forcibly remove Native Americans from their traditional, ancestral lands "caused intergenerational physical, spiritual, mental, emotional, economic, and environmental harms, including death and population loss" (National Academies. *Federal Policy to Advance Racial, Ethnic, and Tribal Health Equity*, pg. 311). As a result, this history has shaped contemporary racial disparities in education, health, the labor market, housing, the criminal legal system, and child maltreatment.

Jacob Bernal has been the Tucson Indian Center (TIC) Director for more than 30 years and TIC serves on the Prosperity Imitative Working Group. Mr. Bernal shared his insights about key considerations for collaborating with Native American tribes and communities in Pima County and noted these five key elements:

1. One, historical distrust and trauma resulting from over 500 years of interactions with and ramifications of certain federal government policies.
2. Two, involuntary government relocation efforts to move Native Americans from reservations to urban centers.
3. Three, utilization of the education system, including boarding schools, to force assimilation of Native Americans into the majority society.
4. Four, importance and recognition of cultural differences that provide a sense of identity for Native Americans.
5. Five, seeking and finding common ground goals based on mutual respect, definition, understanding and invitation.

Mr. Bernal's recommendations are echoed in the National Academies of Sciences, Engineering, and Medicine (NASEM) *Intergenerational Poverty and Mobility Among Native Americans in the United States: Proceedings of a Workshop* (2023), which emphasizes that Native communities should be the designers and architects of the solutions to intergenerational poverty in their communities. It begins with truth telling and authentic conversations that lead to solutions that are rooted in a community's history and traditions, including the importance of kinship, cultural practices, and traditional foods and medicines, and land. It also requires tribal representation and input to be incorporated into program design "from the get-go" with the self determination of Tribes to decide how funds and resources are used (National Academies of Sciences. *Intergenerational Poverty and Mobility among Native Americans in the United States*). We acknowledge that these elements are not yet in place with the Prosperity Initiative and will be a priority in the second phase.

We have much to gain. Across the country and in Pima County, Native American governments and organizations are developing exciting approaches that not only address these historic and systemic challenges but also create a collective vision of prosperity that is much more holistic than just economic advancement. For example, the Thunder Valley Community Development Corporation on the Pine Ridge reservation is developing community solutions based on a sustainable triple bottom line that holds people, planet, and prosperity in equal standing. They want to bring an ecosystem of opportunity to their community to solve the systemic and historic injustices they deal with daily. They are creating their own pathway out of poverty by building local skills and leadership capacity in a way that honors their cultural heritage, is adapted for the community needs and vision, and builds momentum towards regional equity. Similarly, the Canadian Raven Indigenous Capital Partners created a Raven Impact Measurement (RIM) Framework with the goal of wealth creation measured by community benefit, economic reconciliation, and environmental stewardship. This more holistic and complex approach to reducing poverty mirrors the US Partnership's definition of upward mobility noted earlier that includes autonomy and power, and a sense of belonging and dignity—being valued for one's contributions to family, community, and work.

There are many local examples as well. Because of the long history of government sponsored education being used as a tool to dismantle families and culture, there is a general distrust of educational systems that results in lower levels of educational attainment. Additionally, "forced assimilation, an absence of culturally relevant instruction, school segregation by race and class, and disproportionate punishment create learning environments that do not foster educational achievement and attainment. The most rigorous contemporary causal evidence points to the negative long-term effects of harsh school discipline" (Reducing Intergenerational Poverty, pg. 8) Research has demonstrated real advantages to tribally controlled education that is identity-based and connected to community. The Tohono O'odham Community College is a model of a tribal higher education institution with the purpose of education for the well-being and mobility of youth as well as training for jobs for people who want to stay on the reservation and make a livable wage.

Certainly, Pima County partners with our Tribal Nations in many capacities and in ways that are mutually beneficial. Yet in this effort on poverty reduction and prosperity building, there is much to be learned and important work to be done.

The Prosperity Initiative policy summaries

In the following pages there are summaries of the 13 policies and the three cross policy strategies. References and citations for research and recommendations included in the summaries are included in the policy technical briefs found in the appendix.

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[1] Jim Kiser was the editorial page editor and columnist for the Arizona Daily Star for many years, as well as the former Vice President of and consultant to the Southern Arizona Leadership Council. He authored the Opportunity report along with his wife Shirley Kiser.

Increase Access to Quality Early Childcare and Education

Increase access to affordable high quality early childcare and education for children from low-income families.

Access to affordable early childcare and education is a significant barrier for low-income parents and caregivers who wish to work, pursue education or workforce training. High quality free or reduced cost childcare enables those with children to get and keep jobs, be more reliable and productive employees, and afford other necessities like housing. Numerous long-term studies show that high-quality early childcare and education is especially beneficial for children who are from low-income families, as well as minority and dual language learners. Children attending high quality early childcare and education programs are more likely to graduate from high school, have higher incomes, be healthier, and be less involved in the criminal justice system. Children are better prepared for Kindergarten, health concerns and developmental delays are caught and addressed earlier. These successes provide lasting benefits to parents, families, schools, employers, taxpayers, and the community.

Intensive preschool interventions targeting disadvantaged children have yielded significant gains that can last well into adulthood. According to the background report prepared by Northern Arizona University and the Arizona K-12 Center, children who attended preschool programs were more likely to stay in the regular classroom and out of special education, go through school without repeating a grade, complete high school without dropping out, be employed as adults and have higher earnings.

In Pima County, only 34 percent of 3rd graders are proficient at reading – a key educational indicator, decreasing from 46 percent prior to the pandemic. This drops to 24 percent for Hispanics, 23 percent for Blacks, 16 percent for Native Americans, and 19 percent for those that are economically disadvantaged. For households in Pima County with incomes below the poverty line, the cost of center-based early childcare and education can cost between 43 percent to 54 percent of their incomes. While the number of preschool age children (3-4 years old, and 5-year-olds not yet eligible for Kindergarten) attending preschool in Pima County has increased to 41 percent, only 1 in 4 preschool age children are attending high-quality preschools. Pima Community College cited childcare as one of two barriers for college students that local governments are best suited to address, with the other being transportation.

The following categories of childcare and preschool providers are recognized as high quality by the State of Arizona: Quality First 3-to-5-star providers (as assessed and rated by the State's First Things First Quality Improvement and Rating System), Head Start providers, and providers that are nationally accredited from a list of approved organizations. The quality of the early childcare and education provided is critical in resulting in the expected benefits. The focus needs to be on high quality, not just any childcare experience, and continually evaluated for improvement.

In Arizona, school districts are required to provide free half-day Kindergarten for children who are five years old before September 1. Several terms are used interchangeably to describe early childcare and education for children ages three to five that occurs before Kindergarten for children ages birth to five: childcare, day care, nursery school, and preschool. Early childcare and education throughout Arizona is provided by a mix of providers including public schools, private centers, home-based providers, and religious providers. The annual cost to parents can rival college tuition. Existing public funding is insufficient to cover all the families in need and is primarily federally funded via the Arizona Department of Economic Security or Head Start and. Voter-approved tobacco revenues fund Arizona's First Things First Quality First child care scholarships, and there are a small number local child care assistance programs like Pima County's Early Education Program (PEEPs), which is funded primarily by Pima County, the City of Tucson, Town of Marana, and Town of Oro Valley. Tucson's Mayor and Council included funding in this year's budget to begin renovations to developing a childcare center for City public safety employees. The Town of Marana is considering options for addressing Town employee childcare needs.

Economists have estimated high returns on investment for high quality early care and education based on increased school and career achievement as well as reduced costs for remedial education, health, and the criminal justice system. James J. Heckman, a Nobel Memorial prizewinner in economics, and his colleagues, estimate a 13 percent per year per child per annual return on investment for comprehensive, high quality, birth-to-five early education. This equates to 530 percent return over 40 years or $6.30 for every $1 invested. This estimate considers a wide variety of life outcomes, such as health, crime, income, IQ, schooling, and the increase in a mother's income after returning to work due to childcare.

Increase Pathways to Post Secondary Education

Increase college and other post-secondary educational and training opportunities for children from low-income families by improving access to children's college savings accounts.

Post-secondary education (PSE) is one of the most powerful wealth-building activities, opening the doors to fulfilling careers, self-sustaining jobs leading to economic stability, and wider civic engagement. Investing in educational savings for children from low-to moderate income (LMI) families holds great promise to increase wealth and reduce generational poverty. However, few LMI families are familiar with 529 or other child educational savings plans, nor do they have the resources to start investing in long-term savings for future education as they struggle with daily needs. The research is clear that savings and assets are critical resources for enabling a student to embark on and complete educational opportunities that can provide financial security.

The education disparities are also clear. Research from Asset Funders Network found that in 2019, 62% of young adults from the highest family income quartile had earned a BA degree by age 24, compared to 13% of youth from the lowest family income quartile. Moreover, 40% of White and 57% of Asian American and Pacific Islander (AAPI) individuals have completed a BA degree or higher, while only 26% of Black, 17% of Indigenous, and 19% of Latino individuals have done the same.

The University of Arizona's Map Dashboard shows that Pima County has the lowest on-time high school graduation rate amongst Arizona counties, with on-time graduation defined as the percentage of public high school students graduating in four years. Arizona ranks eight out of nine on this measure compared to other western states, and substantially below the average for the U.S. For those who do graduate high school in Arizona, only approximately 25 percent of high school graduates who are eligible go to community college or a four-year university. Only one in 10 earn advanced degrees.

While opportunities, such as children's savings accounts (CSA), exist to support families with the cost of bachelor's, associate's, trade, and technical programs, those who most stand to benefit – specifically, LMI families and families of color – are least likely to participate. Low-income students face challenges with awareness, accessibility, and timing of these resources. Nationally, less than 1% of families with incomes under $75K currently save in 529s or similar savings vehicles. Studies have shown that a low to moderate income child with school savings of $1 to $499 before college age is 2.5 to more than three times more likely to enroll in college and more than 4.5 times more likely to graduate. In addition, a LMI child with school savings of $500 or more is about five times more likely to graduate from college than a child with no savings account.

AZ529 is Arizona's Education Savings Plan is a state-sponsored, tax-advantage plan designed to encourage individuals to save for future education expenses. AZ529 is administered by the Office of the Arizona State Treasurer, there is no minimum requirement to start saving in an account and Arizona residents can withdraw funds tax-free for college, vocational and workforce training, apprenticeships, and associated costs such as tuition, books, computers, and room & board. Arizona also offers a state income tax deduction for investing in the AZ 529 plan.

As of August 2023, there were 10,202 AZ529 accounts held by those with addresses in Pima County. Based on an analysis of the number of accounts by zip code in comparison to the average poverty level of households in those zip codes, we find that 40 percent of the accounts are in low-poverty rate zip codes, 47 percent are in average poverty rate zip codes, and 13 percent are in high poverty rate zip codes. Interestingly, the average value of the accounts was similar across the three types of zip codes, ranging from $13,329 saved on average in high poverty zip code accounts, versus $14,219 and $14,050 saved on average in average poverty rate and low poverty rate zip codes. Averages can be strongly influenced by outliers (very high or very low value accounts) and therefore should be interpreted cautiously.

Existing federal funding resources like Pell grants for college and other post-secondary opportunities are often insufficient to cover the full cost of post-secondary opportunities for low-income families, falling short of covering the actual expenses of attending a post-secondary institution. As a result, many low-income students must rely on other forms of aid, such as loans or work-study programs, or forego college altogether due to financial barriers. Additionally, the costs of housing, transportation, and food are expenses low-income students must find a way to cover on their own since Pell grants cannot be used for these, though 529 investments can go towards these expenses.

“Promise programs” are growing across the country but differ on the type of benefits though most provide at least a “last dollar” tuition support for LMI students. There is an Arizona Promise program that provides tuition to any of the three state universities for students who qualify for the Pell grant. In Pima County, the Sahuarita Unified School District offers the Sahuarita WINS scholarship program for students who are not Pell eligible to attend Pima Community College for two years.

While financial grants and scholarships are impactful, they are generally designed to reach young people who are in late high school and applying to college and post-secondary opportunities – and already set on their decision about whether PSE is in their future. On the other hand, mechanisms such as the AZ529 and CSAs are designed to engage children and families earlier in life, “instilling the message that college/PSE is an option for you.” There is a growing body of evidence that holding assets like a child savings account changes a person’s attitudes and behaviors in positive ways, probably at least in part because assets change expectations about the future.

Arizona is fortunate to have Earn to Learn, a post-secondary saving program, available to low- to moderate-income families. Established in 2013, Earn to Learn (ETL) operates the largest and most successful matched-savings scholarship program for low-income families in the country. Students and their families who income-qualify work towards saving $500. When the child is ready for post-secondary education, Earn to Learn will match their $500 savings eight to one, bringing their total to $4,500 per academic year. They also offer financial education and college success coaching to help students obtain a college education and graduate ready to enter the workforce with little or no student loan debt.

Earn to Learn funds can be used for tuition and fees as well as a variety of related expenses that exceed what a Pell Grant will cover, giving the student funds for expenses like housing, transportation and even childcare, items that often keep low-income students from achieving their academic goals. Also, unlike Pell Grants, ETL funds can go towards certificates, not just degrees. More than $3 million has been invested by families with a payout of more than $24 million in ETL scholarships since their start.

Earn to Learn serves 84% students of color and has impressive outcomes for increasing the number of low-income, first-generation, and underrepresented college students entering and completing education.

ETL's persistence rate, i.e., the share of students who return to any college in their second year, is 93% versus 75.7% nationally. In the last academic year, 300 ETL savers attended the University of Arizona and 68 to Pima Community College, more than half of all ETL scholars in Arizona.

"Earn to Learn can be the difference between dropping out and earning a degree that may alter the course of their lives. Earn to Learn supports its participants in graduating from college at rates well above the national average," cites a recent study. ETL, however, does not have the funding to serve every child that needs it.

Higher educational attainment has been shown to increase employment and earnings, which would in turn increase housing security, and provides more resources for individuals, households, and communities. Individuals, and communities with more resources are more likely to be more resilient in the face of climate change and have more ability to reside in neighborhoods with less pollution and other environmental harms.

It has been well established that increased educational attainment at the high school and post-secondary level reduces the likelihood of criminal involvement. Researchers have found that a 5 percent increase in male high school graduation rates nationally would produce an annual savings of almost $5 billion in crime-related expenses. Research also shows that educational attainment promotes employment and earnings, and a negative relationship between employment and criminal activity, whether due to greater economic resources, changes in routine activities, or increases in prosocial bonds. For example, jobs providing higher wages, employee satisfaction, and opportunities for advancement are more likely to reduce criminal involvement. In addition, the impact of policies related to education and public safety are concentrated among people of color, who are less likely to have access to quality educational opportunities, more likely to leave educational systems earlier, and more likely to be incarcerated.

Given these outcomes, lead researchers in this field advocate for child savings accounts beginning at birth, with greater public deposits for the poorest children. CSAs are a key asset-building strategy for low to moderate income families that could be embedded in policy and balance the Federal government's approximately $400 billion annual tax expenditures for asset building benefitting higher income families subsidizing home ownership, investments, and retirement accounts.

It is worth noting that researchers involved in the most recent NASEM report on reducing intergenerational poverty found that a lack of social capital and guidance is also an important factor in post-secondary success. Social capital or having social connections to those in a higher socio-economic level, has recently been identified by the Harvard Opportunity Insights researchers as one of the strongest predictors of intergenerational income mobility. Opportunities to combine post-secondary financial assistance with mentoring should be prioritized.

Looking over years of research, Michael Sherraden, a leading researcher in this field, states that "[t}he poor can save when they have structures and incentives to do so," including saving structures and platforms. He underscores that asset accumulation matters most for outcomes in well-being. This Pathway to Post-secondary policy creates opportunities for families in Pima County to invest early in their child's future education, which could have a lasting and positive impact on gaining the education needed to create economic stability and build lifetime assets.

Expand Broadband Services and Address Barriers to Digital Inclusion

Expand broadband services and address barriers so all Pima County residents have access, equipment, and skills for digital inclusion and to expand opportunities for economic growth for rural communities.

As early as 1996, the term "digital divide" was being used to describe the discrepancy between different socioeconomic groups' access to broadband technology resources. Almost three decades later, the persistent digital divide remains a barrier to economic competitiveness and the equitable distribution of essential public services. The coronavirus pandemic underscored the critical importance of affordable, high-speed broadband for families to connect remotely to work, learn, and receive healthcare. Over two decades since the introduction of broadband within the U.S. there has been extensive literature exploring its economic impacts – from impacts on GDP and productivity, to income and poverty, to establishment growth and entrepreneurship—and the effects on poverty have been found to be positive, with particularly large benefits occurring in rural areas.

The digital divide disproportionately affects families and communities in different ways. For lower-income families, the infrastructure may be available, but they cannot afford broadband service or the required technology. In rural areas, infrastructure may be absent or limited, regardless of income. Additionally, lack of the necessary knowledge and skills can be barriers, particularly for older residents and those with limited English. A significant portion of the workforce has no or low digital skills, making this a workforce development issue as well. This keeps workers locked in lower wage jobs with less opportunity for career advancement and at greater risk for displacement by automation. One study showed that 58% of workers with no and 47% of workers with limited digital skills were in the bottom two quintiles of lowest earnings. The majority of workers with no digital skills are employed at small and medium sized enterprises (SMEs), placing a brake on the productivity and growth of these businesses. While many of these workers are interested in upskilling, their incomes make it difficult to pay for tuition for many training programs.

In all these categories, race is a factor. Black (9%), Latino (15%), and Native American adults who are tribal residents (18%) remain less likely than White adults to say they have high-speed internet at home. Black workers are 36% of workers with no or limited skills, but Latinos represent 55% with the majority (35%) with no digital skills. (Unfortunately, there is no data on Native American workers.) Looking from another viewpoint, 41% of white workers have advanced digital skills, while approximately 13% of all Black workers, 15 % of immigrant workers. 17% of all Latino workers, and 28 % of Asian American and Pacific Islander workers have these advanced digital skills.

Pima County recently received a $30.3 million grant for the expansion of broadband infrastructure. Expanded broadband access coupled with strategies that increase broadband adoption have been shown to decrease poverty and increase employment, especially in rural areas. These include internet subscription subsidies, digital literacy training, and preparing businesses to accommodate remote work and e-commerce, providing distance learning opportunities and access to telemedicine. Therefore, additional emphasis should be placed on ensuring access to affordable internet subscriptions, availability of internet-enabled devices, high-quality technical support, and the development of digital skills to improve the economic, social, and civic participation of residents. The commitment of resources should be prioritized for populations who have been historically and negatively impacted by the digital divide and for rural areas. To ensure all Pima County residents can fully participate, these three elements must be addressed: broadband availability, affordability, and digital literacy.

These barriers impact our economy as well, with 48 million US workers lacking foundational digital literacy skills. Statistics show that workers of color are disproportionately represented. A recent report documented the increasing need for these skills across 545 occupations, including entry level positions previously thought as immune from this skill set. Without these foundational skills many workers will struggle to get jobs, hold onto existing jobs, or to advance in their career field. It is estimated that 23% of US workers face automation-related displacement, which can be addressed to some extent with digital upskilling. The digital divide is an economic development issue since companies will choose communities with higher levels of workers with the required digital skills, and therefore policy solutions must be multi-sectoral and incorporate employer input in their design.

Rural Americans are twice as likely to not use the internet than their urban and suburban counterparts, are less likely to have home broadband and own a smartphone, tablet computer or traditional computer. In a 2018 Pew Research Center survey, adults who lived in rural areas were more likely to say access to high-speed internet was a major problem in their local community. When broadband becomes available (or more stable/higher speeds) in rural areas, opportunities increase for participation in remote work, e-commerce, and entrepreneurship, particularly for low-income people and people living in rural areas. Businesses can increase their online presence and potentially their reach and customer base with better connectivity.

More than 40 million people in the United States have a disability, yet Americans with disabilities are less likely than those without to own some digital devices. Some 62% of adults with a disability say they own a desktop or laptop computer, compared with 81% of those without a disability. Internet access for someone with a disability reduces isolation and barriers to employment.

Telemedicine (TM) is a promising public health tool because of its 1) potentially significant impact on medically underserved populations through increased access, 2) increasing prevalence as a recognized standard of care, 3) influence on the provider-patient relationship, and 4) potential to save billions of dollars in healthcare expenditures. Arizona has unique populations with distinct cultural and language differences resulting in significant barriers to getting effective and efficient healthcare. Arizona is seventh for the number of Native American residents and fifth for Hispanics. Many Native Americans live in rural areas or on tribal reservations, which can place them at further distances to health care. Telemedicine has become a critical tool to quickly address health issues.

Telemedicine has also been shown to address health disparities in low-income inner-city locations increasing the number of acute illness visits for children via telemedicine. The National Academy of Sciences, Engineering and Medicine noted in their recent report on population health that telehealth medicine holds promise for accessing healthcare, but that Internet connectivity or technology to link with providers are critical barriers. They recommend the creation of community hubs, such as those situated in libraries, as sites for community residents to access telehealth services as one solution.

Two studies from Purdue University's Center for Regional Development estimated the economic impacts of expanding broadband in the areas served by seven rural electrical cooperatives in Indiana and compared it to the cost of expansion. Benefit-cost ratios for expansion in each electrical cooperative's footprint ranged from three to four, meaning every dollar spent on expansion would result in about three to four dollars in economic benefits to Indiana.

The Pima County Public Library supports digital literacy by offering drop-in Job and Tech help sessions at 14 of its 27 branches. Staff at all library branches help people gain the digital literacy skills they need by working with them individually and connecting them to the library's online Learning Express Library, Digital Learn, and GCFLearnFree platforms. The Library led the ConnectPima efforts, the County's digital infrastructure and inclusion action plan, which has already made significant progress and obtained grants for continued efforts. A new Pima County Office of Digital Inclusion launched in 2023 to sustain the work.

ConnectPima uses this three-pronged approach of broadband availability, affordability, and digital literacy as a roadmap to accelerate the region's global, digital competitiveness and mitigate digital disparities where "no resident is left offline." The Digital Inclusion Sub-committee of Connect Pima has recorded all of the public computer access locations and Digital Literacy and Skills Training programs available in Pima County in an Asset List. These can now be mapped to see what communities in the county have and don't have these resources. ConnectPima works at the state level as well as with a broad network of regional and local partners to achieve the goal of increasing access to reliable home and public internet as well as devices and tools for 20 percent more households by the end of 2026.

Increase Housing Mobility and Opportunity

Increase the supply of housing by prioritizing practices and investments that focus on families with children and result in diverse housing types and prices in neighborhoods, ensuring affordable housing options are available throughout Pima County, especially in low poverty areas.

Neighborhoods are a driver of intergenerational poverty. Children who grow up in high poverty neighborhoods have worse outcomes as adults than children who grow up in low poverty neighborhoods. A Brookings report stated that, "[b]eing poor in a very poor neighborhood subjects residents to costs and limitations above and beyond the burdens of individual poverty." Policies and practices intended to address the affordable housing shortage can contribute to reducing the geographic concentration of poverty and reduce the intensity of intergenerational cycles of poverty by creating access to affordable housing in lower poverty areas.

The research has shown that children of families that moved from high poverty to low poverty neighborhoods were found to have substantially higher lifetime earnings and college attendance rates and were less likely to drop out of high school and become single parents. Adults experienced improvements in both physical and mental health. Families and individuals currently residing in high poverty areas who take advantage of affordable housing opportunities in low poverty areas may experience an immediate improvement in their quality of life, mental health, educational and employment opportunities, and their degree of safety.

These moves are more effective when coupled with pre and post move counseling and supportive services for navigating private rental markets. Given that the largest positive impacts of this program were long-term effects on socioeconomic outcomes for young children, it is recommended that housing mobility opportunities be prioritized for households with young children living in high poverty areas. Understanding the transportation needs of these families is also important. Those with access to cars or high-quality transit were found to have better employment outcomes and wages.

The majority of evidence cited in support of housing mobility programs comes from HUD's Moving to Opportunity (MTO) rental housing voucher program, which was intentionally structured with a rigorous experimental design, a 10-year randomized control trial involving 4,600 families with children. This experiment has since been revisited by numerous researchers using additional data to measure participants' long-run outcomes along a range of dimensions. These results have also been replicated in many quasi-experimental and observational studies of children who move across areas at different ages using larger samples, including a Harvard study using de-identified tax records covering more than five million children whose families moved across counties between 1996 and 2012. One of the most noteworthy findings from evaluation of the MTO program is that younger children (those who were under 13 when their household relocated), experienced substantial improvements in college attendance and lifetime earnings relative to children who remained in high poverty areas.

This policy is consistent with the Housing Affordability Strategy for Tucson adopted by Mayor and Council in 2021 to "Prioritize and facilitate affordable housing in areas of opportunity." This policy is also consistent with Pima County's 2022 Affordable Housing Task Force, which recommended two strategies for increasing housing affordability across the region:

1. Build more housing across the housing continuum: Increase housing supply while promoting deconcentrating of affordable housing. Deconcentration was defined as ensuring diverse levels of housing prices in the same geographical area with affordable housing located in all areas of Tucson and Pima County, not just in areas with low socio-economic status.
2. Improve access to affordable housing: Help individuals across the housing continuum attain and retain safe, affordable housing that allows them to live and thrive.

These strategies have been imbedded into the by-laws of Pima County's new Regional Affordable Housing Commission, and along with a related action plan, guide staff's implementation efforts. This policy also reflects HUD's Affirmatively Furthering Fair Housing (AFFH) mandate, which dates back to 1968. The AFFH mandate, "directs HUD to ensure that the agency and its program participants (i.e. City and County) proactively take meaningful actions to overcome patterns of segregation, promote fair housing choice, eliminate disparities in opportunities, and foster inclusive communities free from discrimination."

Pima County includes areas with strong concentrations of poverty and the spatial distribution of poverty is similar to the patterns of racial segregation. Higher poverty areas in Pima County have been found to score high on neighborhood vulnerability metrics and low on metrics attempting to measure "high opportunities" such as good schools, good jobs, access to healthcare, and adequate housing. Housing in low poverty/high opportunity neighborhoods across Pima County is more likely to be limited to single family housing at prices that are unaffordable to mid- to low-income families. Neighborhood opposition to increased housing density is often focused on traffic congestion, resulting in requests to limit increased housing density to areas served by transit. However, car ownership rates in Pima County are high, even among low-income families. Only 7 percent of households report not owning a car.

There are only a few studies that attempt to estimate a return on investment for housing mobility programs. In their study of the MTO program (cited above) Harvard economist Rah Chetty estimated that based on the improved earnings of young children over the entire life course the MTO program generated an additional $99,000 in income per child moved. Extrapolating the increased tax revenue that would be generated by taxes on these additional earnings, Chetty argues that over time this program generates returns that more than cover the expense of the program.

Dan Rinzler, an economist with the Federal Reserve of San Francisco, and others developed a specific estimation of the returns to investment of a housing mobility program based in Baltimore over a ten-year window. *Based only on the project's expected reductions in the prevalence of diabetes and extreme obesity*, they estimate the return to investment on this housing mobility program to range from 6% - 47% depending on different assumptions. He said:

> *"Housing mobility is also worthy of support because of high quality evidence demonstrating its effectiveness in breaking multigenerational cycles of poverty that persist in high-poverty neighborhoods, and for improving the lives of both children and their parents."*

***Note**: Affordable housing options are being defined as housing that a household can pay for, while still having money left over for other necessities like food, transportation, and health care. An affordability metric often used is 'Housing Cost Burden' or housing in which the occupant(s) is/are paying more than 30% of their income on housing.*

Improve Housing Stability

Improve housing stability among low-income renters and homeowners by preventing evictions and foreclosures, increasing homeownership, developing more affordable housing, and reducing home energy and weatherization costs, especially for those in high poverty areas.

Housing instability, and particularly the experience of an eviction or foreclosure, has been found to have a wide range of negative impacts on both the adults and children in these households, as well as a wider negative community impact. These negative impacts include:

- Post-eviction earnings and employment decline significantly for adults. Job loss increases 11-22 percent following a forced move (usually an eviction).
- Children in households experiencing housing instability are at substantially greater risk of food insecurity, negative cognitive and education outcomes, and maltreatment.
- There can be cascading negative mental health impacts and adverse health behaviors. Some evidence suggests that at least two years after their eviction, mothers still experienced significantly higher rates of material hardship and depression than peers.
- Employers are impacted by an unstable workforce.
- Schools experience more turnover in children.
- Hospitals see more emergency visits. One study captured a 130 percent increase in visits for mental health-related conditions following evictions.
- Businesses and neighborhoods experience more transiency and other negative impacts associated with homelessness.

The cost to all impacted organizations and agencies in Pima County in 2018 of providing shelter to evicted persons, as well as the costs for related medical care, child welfare, and juvenile delinquency, was estimated in another study to cost $64.7 million.

Reducing or preventing these experiences for both children and their parents/caregivers can mitigate these significant and long-term harms. In the short term, families and individuals remain housed, jobs and schooling are not disrupted, and more income is available for other household needs. Homelessness, which has even more destructive outcomes, particularly for the most vulnerable households, is reduced.

Tucson and Pima County have substantial levels of housing insecurity that is highly concentrated geographically in lower-income communities, and especially among historically marginalized groups. This policy is particularly relevant currently as we are experiencing the consequences of increased rental and home prices, as well as high mortgage rates and inflation, which result in increased evictions and homelessness. As local incomes have not kept pace, the strain of these increases will sustain elevated housing insecurity for years as households relocate or renew leases. The best available empirical research on homelessness indicates that housing-related factors are the central factors associated with regional variation in rates of homelessness. Only two factors are consistently significantly associated with regional rates of homelessness: absolute rent levels and rental vacancy rates. The implications of this research are clear. Increasing the stock of accessible and affordable units will reduce homelessness, and the attendant costs of mitigating homelessness in communities. This policy is also protective against other potential threats to housing stability, such as the next recession, or once in a generation event that undermines housing stability (e.g., a pandemic or housing market crash).

This policy is also relevant currently because of the vast amounts of federal funding being made available to local government for home and business energy efficiency and weatherization improvements to build climate resilience. Tucson is one of the fastest warming cities in the country. The entire Tucson area is at elevated risk from increasingly dry summers and higher average temperatures, more extreme storm events, intense wildfires, and an underlying prolonged drought. This year in Pima County there were a total of 119 heat related deaths (excluding undocumented border crossers) in 2023. More than half (57 percent) of the total deaths occurred in the month of July alone with 61 percent of the deaths occurring outdoors and 39 percent occurring indoors.

Rising temperatures also amplify air quality threats including increasing ozone and particulate levels from wildfires and more-intense storms. Certain populations, such as those living in poverty, children, older adults, people of color and the disabled, are more susceptible to these events and trends. Lower-income households also carry a larger energy cost burden than other households. One way to help alleviate these "excess" costs is to weatherize homes and repair or update older or inefficient mechanical systems. These types of improvements also improve the health of residents and create well-paying jobs. In Pima County, low-income homeowners can reach out to several different programs that address these issues. The City of Tucson runs a program for qualifying City residents, as does the Town of Marana. For those in unincorporated Pima County and the Town of Oro Valley, the Town of Sahuarita, and the City of South Tucson, the Pima County Home Repair Program provides home repair services. Tribal entities have their own programs. Expanding these programs and associated contractor capacity will be essential to take advantage of the increase in federal funding.

This policy is consistent with and furthers multiple strategies recommended by the 2022 Pima County Affordable Housing Task Force to increase housing affordability, the Pima County Regional Affordable Housing Commission by-laws, and the City of Tucson's Housing Affordability Strategy for Tucson.

Programs proven to improve housing stability include rental assistance programs, legal representation for tenants facing eviction, homeownership (assistance programs, shared equity, and community land trust models), increasing the stock of affordable housing overall, and energy efficiency and weatherization programs. There is a robust body of evidence indicating that federal rental assistance programs substantially reduce housing insecurity, food insecurity, homelessness, and poverty; and that rental assistance is supportive of the mental and physical health of children and adults and educational outcomes for children. There is high quality evaluation research on right to council programs across the U.S. giving tenants legal representation which can significantly reduce the chances of an eviction judgment and reduces other related negative consequences of eviction records.

Homeownership can have lasting positive effects for families. Adults whose mothers owned their homes are more likely to go to college, less likely to receive public assistance, and were 1.5 times more likely to own their own home. Children of parents who owned their homes are 7 to 8 percentage points more likely to be homeowners themselves, even when controlling for other factors such as parental wealth.

Several studies show a positive return on investment for these interventions. Federally funded rental assistance during the pandemic was estimated by one study to provide a 208 to 466 percent return on investment ($2.08-$4.66 per $1 spent). A national evaluation of the US Department of Energy's Weatherization Assistance program found that program households save an average of $372 every year. For every $1.00 invested in the program, $1.72 is generated in energy benefits and $2.78 in non-energy benefits. After weatherization, families have homes that are more livable, resulting in fewer missed days of work (e.g., sick days, doctor visits), and decreased out-of-pocket medical expenses by an average of $514. The total health and household-related benefits for each unit averages $14,148.

Increase Health Coverage & Reduce Medical Debt

Provide healthcare insurance enrollment assistance to protect against medical debt.

The provision of health insurance enrollment assistance is an evidence-based strategy for helping individuals and families gain and retain health and protect against medical debt. It results in greater uptake of preventive care and reduced delays in medical care as a result of coverage. While low-income individuals often qualify for publicly funded or subsidized health coverage options, barriers exist that make enrollment and renewal in such coverage programs challenging.

Health insurance also protects against damaging medical debt. In 2017, 19 percent of American households carried medical debt with a median cost of $2000. Additionally, 58 percent of Americans identified unexpected medical bills as being a concern versus 43 percent being concerned about housing affordability, demonstrating the significant stress medical debt creates for many families. Medical debt is the leading cause for bankruptcy filings in the United States. The principal predictor of consumer bankruptcy is a lapse in medical insurance coverage. Individuals who experienced a 2-year gap were roughly twice as likely to file for bankruptcy as those who retained continuous coverage.

The national implementation of the Affordable Care Act (ACA) significantly improved the "financial strain and vulnerability" for lower income Americans, as measured by the ability to afford prescription medications, medical care, and medical bills not otherwise covered by insurance. Obtaining Medicaid insurance reduced the probability of unpaid medical bills sent to collections, and needing to borrow money or skip paying other bills. Individuals who benefited from the ACA Medicaid expansions had improved credit scores, reduced balances of past debt, and a reduction in the probability of having a medical bill sent to collections. Access to affordable health insurance has a positive effect on people's ability to obtain and maintain employment.

Medicaid helps to support healthier families with longer and healthier lives, and as a result, provides significant savings to those families and the health care system as a whole. Women who experience in utero exposure to Medicaid are more likely to have healthier babies with respect to birthweight and gestational age. Medicaid reduces the opportunity gap for vulnerable families by race and income in health, educational attainment, and earnings by improving outcomes in adulthood of exposed children. It is estimated that $1 in Medicaid spending recoups 0.9 cents by age 28, meaning that 56 percent of the expenditure for the 1980s expansion of Medicaid would be paid after 60 years. It is also estimated that the introduction of the Medicaid program resulted in recipients gaining 10 million additional years of life in perfect health compared with what would have occurred without Medicaid. A 2-to-1 return on investment has been shown for investing in outreach assistance for hard-to-reach individuals.

Expansions of public health insurance for pregnant women, infants, and children have generated large improvements in child and adult health and in educational attainment, employment, and earnings. Several studies showed that children who had Medicaid coverage in early childhood are more likely to work, to have higher earnings, to have more education, and to be in better health in adulthood (using self-reported health, mortality, and hospitalization rates as outcomes) than cohorts who were not covered by the Medicaid/CHIP expansions. Studies also showed outcomes of lower rates of obesity and fewer preventable hospitalizations in adulthood, as well as higher rates of educational attainment. This health coverage at an early age can have a generational impact. One study showed that women who were covered by Medicaid as infants because of the expansions in the late 1980s and early 1990s have grown into mothers who give birth to healthier children today.

Reduce Unintended Pregnancies

Reduce unintended pregnancies by increasing access to contraception and improving use of long-acting reversible contraception, and through education.

Preventing unintended pregnancy leads to better health, social, and economic outcomes for women, men and children that can have intergenerational implications. An unintended pregnancy is a pregnancy that occurred when no children or no more children were desired, or the pregnancy occurred earlier than desired (CDC definition). Most unintended pregnancies result from not using contraception or from not using it consistently or correctly. Improved access to highly effective birth control and increased awareness, provider training, and education of individuals on effective birth control use, are proven methods for preventing unintended pregnancy.

Delaying childbearing reduces the immediate and expected costs and frees up resources for investment in the parents' human capital. Parents can get more education, work experience, and job training, and thus increase their lifetime earnings. Empirical studies showed that earlier access to contraception increased women's investment in their careers and wages, and increased men's educational attainment as well. Researchers found that a large proportion of children born from one to three years after their mothers' marriage had remarkably higher educational attainment and were more likely to be engaged in a high-skilled professional than children born just before their mothers' marriage. This negative effect is consistently found in ten countries studied. Delaying pregnancy also positively impacts the child's future earnings potential.

The negative consequences of unintended pregnancies for mothers include higher incidence of mental-health problems, less stable romantic relationships, experience higher rates of physical abuse, more likely to have abortions or to delay the initiation of prenatal care. Children who were the result of an unintended pregnancy have a greater risk of experiencing negative physical- and mental-health outcomes and are more likely to drop out of high school and engage in delinquent behavior during their teenage years.

Unplanned pregnancies are a major driver of the growth of single-parent families, the growth of which was responsible for an estimated 25 percent increase in the child poverty rate between 1970 and 2012.

The first U.S. federally funded family planning programs were rolled out between 1964 to 1973. Research comparing the poverty rates of individuals born in the years leading up to and just after federally funded family planning programs began shows significant reductions in child poverty rates and, later, poverty rates in adulthood. White children born after these family planning programs began were 4.2 percent less likely to experience poverty as children, and 4.1 percent less likely to live in poverty in adulthood. Children of color born after these family planning programs began were 8.2 percent less likely to experience poverty as children, and 2 percent less likely to live in poverty in adulthood. Differences in family planning access alone could account for 20 percent of the racial gap in upward mobility.

Arizona has made significant strides in reducing unintended pregnancies. However, in 2020, the percentage of women with a recent live birth who did not want to become pregnant or wanted to become pregnant later was still 29.1%. Nationally, it was 28.5%. Other states have been able to achieve rates as low at 19.4%. Western states such as Colorado, Idaho, and Washington have been able to achieve lower rates than Arizona, 25.5%, 28.6% and 20.5%, respectively.

One area of opportunity may be to increase use of highly effective birth control in Pima County. Currently, there are two Title X providers in Pima County, namely the Pima County Health Department and El Rio. Of their female clients, 30% and 14% respectively were using the most effective form of birth control (hormonal or non-hormonal IUDs or implants). This compares favorably to other HHS Region IX Title X delegates. However, in a few regions of the country, the percentage of users relying on the most effective method are somewhat higher, suggesting room for improvement.

One study estimated taxpayers would save $6 billion per year if all unintended pregnancies were prevented. The increased use of effective birth control could reduce unintended pregnancies, unintended births, and abortions by approximately two thirds; decrease the number of newborns and mothers experiencing negative outcomes such as low birth weight and gestational diabetes; and save an estimated $12 billion dollars in public health care costs annually.

Prioritize Workforce Development for Underserved Populations

Prioritize workforce development for low-income job seekers with evidence-based case management practices that include apprenticeships, on the job training, and supportive services that prepares participants for jobs with self-sufficient wages and benefits.

"Near-term stability isn't enough. Workers need pathways that lead to long-term prosperity." This quote from Jobs for the Future sets our challenge for workforce approaches that can break the cycle of poverty. Research is consistent that much of the traditional approaches to job training don't work well for low-income job seekers. Low wage workers and job applicants are faced with competing needs on their time and money that cause additional barriers such as limits to working full time, low digital and literacy rates, childcare responsibilities, and no financial safety net.

Prior to the 1970s, there were well-paying jobs that only required a high school education, and now, most "middle class" jobs require some training (though not necessarily a degree), and 92% of jobs require digital skills. The Brookings Institution estimates that 50% of all jobs in Pima County are low wage, most with few benefits. The American Institutes for Research names 5 key elements for successful workforce programs targeting low-income jobseekers and/or those with limited skills or other barriers:

1. Coordination and collaboration across the workforce, education, industry, and economic development sectors;
2. Career development/planning and goal/mobility coaching;
3. Dual focus on skill building for in-demand, high-growth occupations, and sectors (i.e., job specific skills) and 21st century skills (i.e., communication, teamwork, critical thinking, and problem-solving skills, also known as general skills);
4. Authentic work experiences and earn-and-learn opportunities;
5. Wraparound supports.

There are several randomized control studies showing that four programs stand out for helping low-income job seekers get the training and support they need to connect with career pathways and self-sustaining jobs: Project Quest, Per Schola, Year Up and CareerAdvance. All four programs have similarities in that they target low income and mostly participants of color with Year Up targeting "Opportunity Youth," i.e. disconnected youth (not working or in school) between 17 and 24.

All four programs integrate some combination of these additional supports of advising/case management, mentorship, learning communities, supportive services including financial stipends, curriculum with remedial classes if needed, work-based learning, and strong engagement with employers, many who then hire graduates.

Probably the best researched program is Year Up, which shows an impressive return on investment (ROI) of $2.46 and steady earnings over seven years (28% increase). Similarly, a study of Project Quest showed income gains even eleven years later and that participants were more consistently employed and earned higher hourly wages than control group members. CareerAdvance takes a two-generation approach, offering the parents of children in Tulsa's Head Start program access to training for high demand healthcare sector jobs.

Locally, JobPath is modeled off of Project Quest and incorporates many of those key elements, including 1) a strengths-based high quality support for each student that includes an individualized financial plan and efforts to identify potential future challenges; 2) funds to help overcome barriers or address immediate needs like rent or car repair; 3) a Workforce Readiness program that provides job search skills, opportunities to improve their soft skills, such as communication, critical thinking, negotiation, and self-management; and 4) strong employer connections. JobPath frequently partners with the Pima County One Stop and Pima Community College to combine resources like apprenticeships and ensure the jobseeker can stay the course. About 20% of participants are co-enrolled with Pima County One Stop. JobPath has significant outcomes, including a 90% completion rate, an 85% job attainment rate within six months of graduation, and a $3 return on each $1 of investment. Pima County is a significant supporter of JobPath, funding $1.75 million annually with the City of Tucson contributing another $200,000. This funding will assist JobPath in supporting 670 students.

Pima County One Stop is the largest provider of workforce training and services in the region and largely funded through the federal Workforce Innovation and Opportunity Act (WIOA). It provides three tiers of employment services: employment resources, training, and intensive career services. In fiscal year 2022/2023, more than 22,400 people visited One Stop for services and more than 26,500 received some kind of service such as attending job fairs, use of the computer lab, job leads and referrals, and employability skills training workshops, which alone assisted more than 1,100 participants. The majority of participants are ages 25 to 44, equally split between men and women, and 53 percent of those seeking services identify themselves as non-White. Currently, there are 2,458 enrolled adult and 831 youth clients receiving case management from 27 workforce development specialists who work with participants to identify career paths and training opportunities.

The Pima County One Stop is unique in that it has developed education and employment programs aimed at specific groups, like the full-service Veteran's Center, the Youth One Stop, and two education programs, a charter school, and a GED program, aimed at Opportunity Youth. It also offers a wide array of other services from homeless services, rent assistance, home repair, and manages two large grant making programs. By braiding funding sources, resources, and services together, the One Stop system offers job seekers a wide array of options. Pima County often meets or exceeds grant performance measures. In the 2022/23 fiscal year, for the 3,179 WIOA adult and youth enrolled participants, an average of 67.5 percent completed their credentials and 71 percent gained measurable skills. In addition, 78 percent of the participants exiting the program were employed six months after they completed, and 75 percent maintained employment for the year after they completed.

Apprenticeships and on the job training experiences are proven approaches to increasing employment and wages for low-income job seekers and those with other barriers to employment. Through apprenticeships and on the job training, workforce development agencies can also influence participating employer wages and benefits. Pima County One-Stop adult clients participating in these types of experiences in FY2022 account for 1.3 percent of the total number of enrolled clients. Pima County is in the process of increasing the number of opportunities for apprenticeships and on the job training, however, grant regulations limit the client from participating in both training and work-based learning opportunities.

Supportive services, including transportation assistance and childcare, are also proven to increase the success of job training programs. Case managers promote critical programs like PEEPs (Preschool Early Education Program Scholarships), which provide full scholarships to parents earning under 300% of the poverty threshold. Pima County's current policy allows for case managers and participants to utilize all allowable services under the grant, with a limit of $500 per participant per year. Depending on the needs as identified by the participant, the case manager can request additional supportive service dollars.

As noted earlier, the One Stop works closely with several other community partners, including Job Path and Pima Community College, as well as Goodwill, Catholic Community Services, and Tucson Indian Center, so co-enrolled participants can benefit from their resources and services. The Business Services Team also works closely with area employers to identify current and future employment needs, link participants to jobs, and address lay-offs.

The One Stop also provides comprehensive education and employment support to 831 youth, particularly focused on "Opportunity Youth" ages 16 to 24 who are disconnected from both education and employment. They collaborate with the Pima County Joint Technical Education District (JTED) and area high schools to fund career pathways such as internships and provide guidance to help students transition to post-secondary education once they leave high school. More than 59 percent earned an industry recognized credential and measurable skill gain while in training. Of the youth completing the program, 82 percent maintained employment six months after they exited the program, and 80 percent retained employment over the course of the year following their program completion. Pima County's Summer Youth Employment Program, supported by County General Funds, provides students a summer opportunity to recover high school credits, advance in basic literacy and education activities, or participate in a work experience during the summer months. Last summer, 784 youth participated at 300 worksites, adding to their work experience at a critical age, while contributing to their family's income.

Among their innovative programs, a pre-apprenticeship program just launched to prepare students for an apprenticeship and, ultimately a career in one of 14 different trades. The curriculum provides students with hands-on experience and enables them to get numerous certifications, including CPR, first aid, safety and health fundamentals through the Occupational Safety and Health Administration (OSHA), creating a pathway into in-demand, high-paying jobs that pay family-sustaining, thriving wages.

Pima County libraries also play a significant role in connecting jobseekers to resources. They have robust Job and Tech Help program available at 14 branches throughout Pima County, offering computers, free printing, scanning, and faxing for job seekers. They connect people with public benefits and other supports for low-income people in the community while they are job hunting. They organize Job Fairs throughout the year, including the DREAM Job Fair and the Second Chance Job Fair. If starting a business is the focus, all libraries have a variety of resources including Business Plans Handbook, Reference Solutions (Reference USA), the Foundation Directory and Arizona Guide to Grants. They provide resume creation software and career information and help with access to online databases like Learning Express Library, Brainfuse, and GCFLearn. They also link jobseekers with the One Stop system for additional support when appropriate. They estimate that they serve approximately 25,000 Pima County jobseekers each year. Some of their services are bilingual.

Pima Community College is a leader in innovation for low-income jobseekers. Pima Community College (PCC) is nationally recognized for work in a number of workforce areas and was recently included as one of five featured community colleges in "America's Hidden Engines: How Community Colleges Can Drive Shared Prosperity." They have been recognized for opening six Centers of Excellence, a $65 million initial investment from revenue bonds created in response to the current and future workforce needs of Pima County identified in partnership with industry, government, and community leaders and other stakeholders. These Centers provide high-tech training and reskilling of both new and incumbent workers. Pima is committed to 100- percent of both its credit and noncredit learners having a work-based learning experience.

In addition, PCC has developed a number of innovative programs like iBEST (Integrated Basic Education and Skills Training), which incorporate a combination of education and job skills training that is used to transition adult learners beyond adult basic education and through a career pathway. They report that 75 percent of learners complete their certificate and 81 percent find employment within 12 months. They also offer micro pathways that are competency-based, multimodal and stackable certificates, also known as non-degree credentials (NDCs). Research shows that both men and women with an NDC earn more than their counterparts whose highest level of education is a high school diploma.

The use of prior learning assessment (PLA) that awards learners with credit for knowledge from previous personal and/or professional experiences increases Pima's ability to provide flexible pathways and stackable credentials. PLA is lower than the cost of tuition, so learners can earn their credentials faster while also saving money. Learners can also enter the college through dual enrollment (enrollment in high school and the community college simultaneously), which has a positive impact on high school academics, high school graduation rates, college enrollment, college success, and college completion rates.

PCC is also nationally recognized for its navigation services and coaching, which helps students find and access support such as financial aid resources, which they might be eligible for and coaching. PCC distinguishes two types: academic coaches who provide tutoring and inform students about opportunities for career-based learning and other educational services, and specialized coaches who provide students social and emotional support to students in their first semester, first-generation college students, students with military backgrounds, and those receiving benefits such as TANF. Lee Lambert, PCC's prior Chancellor, said: "The pandemic has brought a heightened sense of urgency to our historic mission of supporting social and economic mobility for the diverse students and working adults that community colleges serve. Addressing this crisis requires us to develop new and more flexible credentials that are more responsive to the rapidly changing needs of the labor market.''

Preparing for Historic Investments in Green Infrastructure. Landmark federal law including the Infrastructure Investment and Jobs Act and the Inflation Reduction Act is bringing significant public capital and tax credits to address climate change and build climate resilience. With it comes one of the most significant economic and physical transformations in U.S. history and a historic opportunity to prepare our local workforce to take these jobs. The Brookings Institute and others stress the importance of local governments and workforce boards to design workforce development plans to capitalize on the current window of federal funding for strategic and long-term changes to support the green transition in their communities. The ability to target new federal funding around upskilling and reskilling, community outreach and recruitment, and other activities will be crucial for preparing workers for this transition. Green jobs typically offer a more competitive salary, exceeding national mean wages up to 19%, but women and people of color are under-represented in these fields. Barriers include a lack of awareness that these careers exist, a lack of flexibility around training, and a lack of supportive services such as childcare. These jobs are an historic opportunity for low-income families to gain an economic foothold that didn't exist before. Key is a commitment to train and hire a more diverse, local pool of workers, and equipping them with the skills and experience they need on the job. As so many other research centers have emphasized, supportive services are vital to helping more diverse, lower-income job seekers navigate these careers.

Part of a green jobs workforce plan should be specific strategies, goals and benchmarks for recruiting, training and employing Pima County residents, particularly youth, women, and people of color. Many of these future employees are living in parts of our community most at risk for the worst impacts of climate change, whether from heat, flooding, or some other impact. In the study cited earlier, people of color were far more likely to report serious health problems as a result of extreme weather events. A plan that addresses the workforce needs for a climate resilient community while it creates a pathway to economic stability for families in poverty is a triple win.

The benefit's cliff is a major obstacle that can derail people for who receive training from progressing after they enter into a higher paying career path. The benefits cliff is a loss of eligibility for public safety net programs and benefits as a worker's income rises above eligibility limits. The overall impact can be a net loss of income, housing, and other benefits just when a worker is moving ahead financially, and it affects families with children the most. It causes many low-income workers to be more cautious in their career decisions, postpone investing in things like job training and higher education, and "park" their earnings below the maximum income threshold. A high priority should be placed on helping workers entering career pathways to anticipate and manage this problem. There are now new tools from the Federal Reserve and organizations like the Leap Fund to train caseworkers in identifying and planning for these situations. Employers also need to understand the benefits cliff to aid employees they want to advance.

Improve Financial Capability

Improve community financial capability for low-income families and small businesses to increase their access to fair credit and to gain and protect income and wealth building assets.

Participation in financial empowerment programs (financial education, literacy, and coaching, along with employment and income supports) is linked to promising impacts in household financial stability, economic mobility, wealth-building, health, and more.

The need is critical. According to 2023 analysis from Prosperity Now, 30 percent of Pima County households are liquid asset poor, meaning that they do not have sufficient cash to subsist even at the poverty level for three months without income, and about 12 percent Pima County households have zero net worth. Household wealth and income in Pima County is also significantly stratified among racial lines with households of color having lower incomes. The median household income for all households in Pima County is $59,215, compared to $51,057 for Hispanic/Latinx, $47,175 for Black, and $42,346 for Native American. Households of color in our county are almost twice as likely to be liquid asset poor, and 1.5 times more likely to have zero net worth.

Current statewide policies in Arizona permit certain high-risk financial services, such as car title lending at 120 to 204 percent APR. Research from the Center for Responsible Lending finds that Arizona borrowers pay more than $254 million in fees and interest on car-title loans. Low-income individuals and families who have little resources to begin with are most likely to use these loans and soon find themselves trapped in a debt cycle. The Center for Economic Integrity estimates that a two-year loan of $2,500 at 156.21 percent APR would result in a total repayment of $8,247, of which $5,747 would be interest. The same loan at even a relatively high interest rate of 18 percent would result in about $1,000 in interest paid. Efforts to educate individuals about these types of high-risk service and concurrently reduce access to them could have a significant impact on low-income households and positively contribute to the local economy as well.

Awareness of and use of benefits and financial assistance programs is low among those who most stand to benefit. For example, only 25 percent of low-income individuals surveyed in the 2021 Tucson Poverty Project believed they qualified for the Earned Income Tax Credit, and only 3 percent reporting using the VITA free tax preparation service (which screens for EITC eligibility), despite the fact that almost all respondents probably qualified for at least one of those services.

As a result, many low-income individuals continue to use the higher-risk – and easily accessible – financial options: the United Way's 2021 VITA survey found that almost one third of local respondents (31.8 percent) used a money order service to pay bills in the previous year, and 4.8 percent had used a payday loan or car title loan.) Further, a FINRA analysis by University of Arizona staff also found that only 59.8 percent of lower-income Arizona households had any type of savings account, money market account, or CD – far less than the 85.4 percent of households making $50,000 or more. It also showed that low-income Arizonans were also four times more likely to assess their financial knowledge as 'less than fair' than those making above $50,000.

More than finances are impacted. Four in ten Americans report high or moderate stress from their finances, with a disproportionate number of families struggling financially, often to meet day-to-day needs. A recent Financial Health Network report stated that that 29 percent of Americans are unable to pay all their bills on time, and 29 percent have unmanageable levels of debt. People with medical debt are three times as likely to have mental health conditions such as anxiety, depression, or stress. This is particularly true for individuals who were uninsured (41%), low income (42%) or in poor/fair health (52%) compared with people who are insured (30%), higher income (13%), healthier individuals (23%).

Financial education focusing on public benefits, low-income tax considerations, and predatory lending can be especially useful for lower-income groups. However, financial planning resources are typically designed for and used at higher rates by moderate- and high-income households, and few financial planners are well-versed in the financial needs of low-income households. In a 2023 Connecting Communities presentation, panelists from the Atlanta Federal Reserve and associated entities reiterated that financial planners, financial coaches, and employers who understand public benefits are a key component to ensuring that low-income people can navigate and improve their own financial situations. Knowledge of benefits cliffs which make it difficult for low-income households to transition into higher wage positions is also needed.

Several approaches are recommended, including Integrated Service Delivery (ISD), financial coaching, and incorporating a trauma-informed approach. Emerging research from groups such as Prosperity Now, Asset Funders Network, Casey Foundation, and the University of Arizona Domestic Violence Law Clinic suggests that bundling services (income, employment, and financial management), increasing knowledge of the public benefits system, embedding cultural awareness into multilingual concepts and materials, and using participant-centered approaches that allow individuals to set their own financial goals or select courses according to their family's needs are much more effective.

Employers have a role to play as well. They can increase access to financial education and programs like VITA's free tax assistance for their employees, either offering it on site or promoting awareness. They can also investigate the use of programs like Kashable that provide loans to employees that are not based on credit scores, which is often a barrier to traditional loan products with reasonable interest rates. Because the loan is taken directly from the employee's paycheck, the risk of default is very low. In addition to being fast and confidential, a successfully paid loan increases the borrower's credit score.

Interfaith Community Services is opening a 529 account and seeding it with $500 for graduates of their Single Mom's Scholars who also take their Bridges Financial Education. Entrepreneurs and small businesses often need financial education and access to fair credit and interest rates. The Tucson and Pima County IDA programs both offer innovative programs and this is covered in the Small Business Support policy brief.

Fortunately, Southern Arizona is home to several high-quality, evidence-based financial empowerment programs committed to addressing trauma and equity as they support people on a path to financial capability. The United Way of Tucson and Southern Arizona coordinates a Financial Empowerment Collaborative made up of 15 government, nonprofit, academic, and financial institutions. In 2023, United Way also collaborated with the Take Charge America Institute at the University of Arizona to certify 14 local staff as financial coach trainers. Those 14 staff have started training new financial coaches in our community, with more than 70 people from credit unions, nonprofits, higher education, and small business training centers already graduated and ready to offer the trauma-informed, evidence-based strategy to individuals interested in making an actionable plan for their finances. The University of Arizona boasts a Personal and Family Financial Planning department with nationally-known researchers, and our County is also home to nationally-known economic policy experts at the Center for Economic Integrity. Innovative workforce development programs such as JobPath, Earn to Learn, the Sahuarita Food Bank, and the Pima County One-Stop network also incorporate financial empowerment.

As noted in a recent memo to the Pima County Board of Supervisors on the status of the eviction assistance program, housing assistance for a sustainable future will rely heavily on programming that addresses root causes of financial crisis. A robust financial empowerment component is recommended for addressing stability and self-sufficiency, and it could be offered as an incentive to households applying for assistance to increase their likelihood of sustainability.

Notably, research suggests that financial education programs alone without concurrent policies to improve income, access affordable and safe housing, support wealth-building, and access to equitable lending will have little effect on changing individual financial behavior or outcomes. Through the Prosperity Initiative, the financial capability policy will work together with policies in these key areas, significantly increasing the potential to make a measurable difference for low-income families in Pima County.

Prioritize Transportation Options to Connect Disadvantaged Communities to Jobs and Resources

Identify and prioritize safe, reliable, and affordable transportation options, and encourage mixed-use and transit-oriented developments where appropriate, to better connect disadvantaged communities with jobs and other resources, and reduce travel times, traffic injuries, transportation costs, and air pollution.

There is a growing body of research showing that transportation insecurity is a key factor in persistent poverty. The research summarized in this memorandum is more fully described and cited in the attached Transportation policy brief. In other Prosperity Initiative policy briefs, evidence-based strategies have been provided for reducing poverty by improving educational attainment, health, housing, and household income. These strategies require connecting individuals and families to jobs, childcare, schools, colleges, training programs, medical appointments, etc., which requires physical mobility, the ability to digitally connect, or home visitation and mobile services.

The U.S. Department of Transportation has mapped areas of persistent poverty and historically disadvantaged communities, referred to here as "disadvantaged communities." This is to address the Justice40 initiative requiring 40 percent of the overall benefits from certain Federal investments, including grants to local governments, flow to disadvantaged communities that are marginalized, underserved, and overburdened by pollution. Most of these areas have also been identified in other national and local indexes as areas of high poverty, high neighborhood vulnerability, etc. Many disadvantaged communities in Pima County have low transportation access to jobs as well as low rates of internet access, making it difficult to travel and telecommute to jobs and services.

The following research has been considered by city, town and county staff, Living Streets Alliance, the Sahuarita Food Bank, Pima Community College workforce development representatives, and University of Arizona professors. Overall, we conclude that local governments should focus more on the transportation needs of disadvantaged communities and in doing so could reduce poverty by increasing employment and wages, reducing household expenses, and improving health.

Increases in Employment and Wages: Evidence shows that for those in poverty, access to cars and access to high quality transit both increase employment and wages, as well as access to other key resources like health care and education. Many studies have examined the effect of car ownership on outcomes for welfare participants—largely poor, female-headed households. These studies show similar results: a positive association between household car ownership and employment rates, reduced use of government benefits, and an increase in earned income. On earnings, both cars and high-quality transit access have a positive effect, though the effect for car ownership is considerably greater. For workers without access to cars, transit-based job accessibility significantly improves the probability of being employed and the probability of working 30 hours or more per week for those living in highly car-dependent cities.

We live in a region like many others, where some have better access to transit than others, and many are car dependent, including low-income households. This is not because the car is a superior mode of transport but is reflective of the fact that very few regions in the U.S. have high quality transit. Across

Pima County, seven percent of households report not owning a car. The available data does not disaggregate this by income, but we assume some of these households are low-income; others could include those with disabilities that prevent them from driving, including the elderly, or they could be university students without cars.

Household Transportation Costs: While car ownership is prevalent among even among low-income households, it comes at a significant cost and reduces household income available for other basic needs. Across Pima County, the cost of transportation as a share of household income equals or is very close to the cost of housing. In Tucson, average household spending on transportation and housing are equal. When the housing data is broken out by renters and homeowners, more than half of renters across Tucson and Pima County are housing cost burdened, meaning they are spending more than 30 percent of household income on housing, leaving even less to spend on transportation. Average transportation costs for households in disadvantaged communities outside of central Tucson range from 18 percent to over 30 percent of household income, or from $10,000 to over $13,000 annually. Disadvantaged communities in central Tucson tend to have lower average transportation costs, but still exceed 15 percent of household income, or over $9,000 annually.

Average Costs as a share of Household Income

	Housing	Transportation	Total
Pima County	26%	27%	53%
Tucson	23%	23%	46%

Subsidies and Assistance: Subsidies, including free bus fares for all, subsidies for students and employee-provided transportation, have been found to decrease financial barriers to transportation and provide more access to education, training and employment. Low-income transit riders and riders already using public transportation reported taking more trips when fares were free.

Transit systems operated by Tucson, Oro Valley, and the Regional Transportation Authority (RTA) have not charged fares to riders since the pandemic. Transit services include fixed and express bus route service, on demand and dial a ride van/shuttle service, and ADA service for those with disabilities. The City of Tucson owns and operates the regional transit system within the City boundaries and South Tucson, with some routes extending into unincorporated Pima County, suburban towns, and the two tribal nations. The RTA operates the rural shuttle and dial-a-ride services as a separate system in some areas of unincorporated Pima County, suburban towns and the two tribal nations, and it is branded to match the City of Tucson system. Oro Valley owns and operates its own transit system. With free fares during and post pandemic, Oro Valley's ridership doubled. RTA partially funds all three systems. In Oro Valley, for example, RTA funds 90 percent of the transit costs. Pima County, Marana, and Oro Valley each make maintenance of effort payments to RTA for transit; Sahuarita, South Tucson, and the tribal nations do not. All local governments provide input on transit services though the RTA transit working group.

Transportation assistance for those in workforce development programs, when included with other supportive services, results in more positive employment outcomes and earnings for participants than those that did not receive those services. Pima Community College cited transportation as one of two barriers for college students that local governments are best suited to address, with the second being childcare. Clients in Pima County workforce training programs are eligible for transportation assistance. Employers with over 100 employees are required by Tucson and Pima County ordinances to participate in a travel reduction program administered by Pima Association of Governments, which can reduce costs and increase job access for low-income employees while also reducing traffic congestion and air pollution.

Land Use and Transit Oriented Development: The location of housing in proximity to jobs, schools and services directly relates to how well a family or individual can meet their daily needs without a car or perhaps with only one car. The greater the distance between housing, jobs, schools, and services, even with transit, the more necessary it is to own a vehicle. This is important not only because of the costs of car ownership, but because children from low-income families are more likely to have higher incomes at adulthood if they grow up in counties/commute zones with lower average commute times. Planning for more mixed-use and transit-orientated development, and coordination between land use, transportation, housing, and employment, can result in shorter commute times, increased opportunities for walking and bike trips, and less dependence on costly auto ownership.

In locations where transit service is available, fixed-route, and high-capacity can present opportunities for transit-oriented development, mixed-uses, and higher density housing. The development of the Tucson streetcar, for example, has led to several high-density housing projects along the line where students can commute to the University without the need for a car. Less expensive bus rapid transit (BRT) systems can similarly attract people and households to live near transit stations, reducing or even eliminating the need for owning automobiles. The City of Tucson Norte-Sur project is a new transit-oriented planning effort that will guide future land use and real estate investments, infill development, and growth within communities surrounding an important regional North-South transit corridor connecting the Tucson Mall and Tohono Tadai Regional Transit Center, downtown Tucson, South 6th Avenue, and the Tucson Airport.

One concern about building fixed-route systems such as BRT or light rail transit (LRT) is the potential to displace existing lower-income households and households of color. A recent University of Arizona study found that, on the contrary, most of the increase in residents in the first 100 meters of fixed-route transit stations included people of color and surprisingly large shares of households with children.

Health and Safety: Low-income and minority communities and the elderly are more likely to face severe or fatal traffic injuries due to higher walking rates, higher volume and higher speed streets, and other factors. Tucson was ranked the 13th most dangerous metro area for pedestrians with an average fatality rate that has been increasing. In addition, low-income children are often more likely to have worse health outcomes and missed days of school due to air pollution caused in part by transportation-related emissions. Increasing transit and reducing vehicle trips as well as increasing electric vehicle use can help reduce air pollution. Mixed-use development, slower roads, pedestrian-scale lighting, and other measures can reduce traffic and pedestrian injuries and deaths. Pima County was recently awarded a $1.2 million Safe Streets For All grant that will specifically address traffic safety and seek to reduce fatalities and severe injuries throughout Pima County, including within cities and towns.

Understanding the Transportation Needs of Disadvantaged Communities:

Low-income and minority communities have historically been less represented in the transportation planning and investment decision-making process and have disproportionally been affected by transportation impacts. Rural, suburban, and urban disadvantaged communities may have different transportation needs and challenges that require different solutions. Local governments are increasingly considering the needs of disadvantaged communities, spurred by the federal government's new requirements.

The region's long-range transportation plan has historically considered race, color, and national origin in compliance with Title VI of the 1964 Civil Rights Act. The City of Tucson's newest master transportation plan, MoveTucson, evaluated and prioritized projects through an equity lens, prioritizing projects that improved transportation access and mobility for disadvantaged communities. Marana is working on a 25-year transportation master plan that will identify opportunities to improve access, safety, and connectivity to Marana's traditionally disadvantaged communities. Pima County will be developing its first ever transportation master plan that will also consider the needs of disadvantaged communities.

Improve Quality of Life and Opportunity in High Poverty Areas

Improve quality of life and opportunity in high poverty areas by investing in both physical and social infrastructure in ways that intentionally strive to center the priorities of local residents, improve access to resources, prevent the displacement of vulnerable residents, reduce the exposure to violence and build community wealth in these high poverty areas.

Where children grow up matters for intergenerational mobility. There is overwhelming evidence that the differences we see in child outcomes across neighborhoods are largely due to the causal effect of places, rather than differences in the characteristics of their residents. Neighborhood characteristics impact children's outcomes in both the short and long term, and therefore place-based policies to promote upward mobility should focus primarily on improving neighborhood characteristics.

The National Academy of Sciences and others recommend the Child Opportunity Index comprised of 29 indicators that can be used to identify the types of evidence-based investments most critical for a neighborhood. Indicators include access to safe and affordable housing, quality childcare and schools, healthy food and parks, pollution-free environments, healthcare, jobs, transportation. Violence prevention should also be an additional area of focus as exposure to violence and crime have been found to impact children's long-term outcomes including health, educational attainment, and incomes at adulthood. Children growing up in the Tucson metro area and Pima County as a whole, have low chances of upward mobility compared to elsewhere across the U.S., according to the Child Opportunity Index comparing 100 metro areas and based on a large and ongoing study by Harvard of over 20 million children born in the U.S. in the 1980s. Again, this is primarily due to the quality of neighborhoods in which children grow up, particularly impacting children from low-income and families of color.

After years of disinvestment in poorer neighborhoods nationwide, there have been many efforts at reinvestment, including large, federally funded programs. Unfortunately, research examining the impacts of reinvestment in poor neighborhoods have found extremely mixed results. In short, there are examples that suggest that if structured very intentionally such investments have the capacity to genuinely revitalize neighborhoods with minimal negative impacts for vulnerable residents. However, there are abundant examples of such investments fueling displacement of vulnerable residents as home values and rents rise, prompting understandable opposition to such investments by residents concerned about displacement and other neighborhood changes, characterized by many as concerns about gentrification. In the context of ongoing investments in high poverty/low opportunity areas in Tucson, and historically large forthcoming federal funding opportunities that prioritize investments in such areas, a critical question is how to invest in high poverty areas in ways that genuinely increase opportunity and build wealth for local residents, especially children, without displacement.

Best practices advocated by a wide-range of organizations to achieve revitalization instead of displacement and are very similar to the approaches within Tucson's ongoing development efforts (e.g. Tucson Norte-Sur transit and community reinvestment plan, Thrive in the '05 housing and services, etc.). Specifically, it is recommended that these investments should center community voice, be used to create and retain community wealth, and be implemented in manners designed to mitigate displacement. Pima County Code Chapter 10.56, Community Participation and Mitigation, applies to major roadway projects that could impact existing neighborhoods and businesses. Reviewing this section of the code may be a good starting point to determine necessary revisions and whether to expand applicability of the code to other types of major capital improvement and investments.

Build community wealth: Community wealth building is an approach to local economic development that encourages strategies that incorporate local residents in decision-making processes related to development/investments. A key goal is to intentionally structure investments so that the benefits of these investments flow to local residents, businesses, and institutions. A recent policy memorandum from the Biden administration to federal departments and agencies, entitled, Guidance for Federal Departments and Agencies on Advancing Equitable Community and Economic Development in American Cities and Urban Communities, directly acknowledges the limitations and unintended consequences of prior investment efforts This policy memorandum then outlines the principles that should guide investments and policies to better achieve "equitable development" defined as, "a positive development approach that employs processes, policies, and programs that aim to meet the needs of all communities and community members, with a particular focus on underserved communities and populations."

Center the priorities of residents: Centering the priorities of residents is a recommendation and best practice requiring substantive, proactive, and ongoing community engagement at all stages of the reinvestment process. This includes involving residents early in the planning process, providing real influence in decision-making process, allowing abundant opportunities to get involved, involving trusted community organizations, building on the assets of local residents and businesses, and presenting community residents with a menu of areas that they can prioritize for investment and improvement. Achieving robust participation of underserved community members requires intentional outreach and efforts to reduce barriers to participation. The City of Tucson's Ward One Participatory Budgeting program is exemplary of a process that achieves this.

To access to resources, benefits and services, people need to navigate often complex systems. Many low-income households who qualify for a particular benefit are often not enrolled in a wide variety of other programs for which they are eligible. Accessing benefits like food stamps or Medicaid not only brings resources to the individual or family, but to the community as well. Research shows that individuals that benefited from multiple services, the "bundlers," were three to four times more likely to achieve a major economic outcome than individuals who only took advantage of one of the services offered. Furthermore, enhancing access to existing benefits will increase the efficacy of both existing safety-net benefits, as well as other efforts to improve household stability. The use of "navigators" and co-located service hubs within high poverty areas can improve access to existing benefits and resources. Pima County, the City of Tucson, school districts and others have a variety of resource centers. This year Pima County's Community and Workforce Development Department hired several navigators who are located in various high need areas of the County, and whose primary job is to connect residents with resources.

Prevent the displacement of vulnerable residents: Displacement of long-term residents and businesses from their neighborhoods increases the likelihood of job loss and homelessness, disrupts the education of children, results in reduced access to healthcare, increases mortality among the elderly, and is associated with higher rates of physical and mental health problems. In addition, displacement breaks community ties and can lead to the loss of the residents and institutions that preserve a community's history and culture. Based on considerable research, it is recommended that local governments implement protective policies for residents and businesses prior to physical investments taking place and the corresponding pressures that drive displacement. Such protective policies for residents include improving housing stability through rental assistance programs, legal representation for tenants facing eviction, homeownership assistance programs, shared equity homeownership models, energy efficiency and weatherization programs, and increasing the stock of affordable housing though investment and zoning changes.

In addition, the preservation of existing affordable housing can reduce displacement pressures. Right-of-first-refusal policies allow community-based organizations to purchase an apartment building before it hits the market, as long as the organization plans to prevent displacement of current tenants. Existing subsidized affordable housing may be rehabilitated, and current residents should retain a right-to-return if displaced in the process. The preservation of naturally occurring affordable housing can be achieved through the provision of grants and low-interest loans to support repairs needed to preserve current ownership and safe housing conditions. In addition, such financial assistance may be paired with affordability covenants that then restrict rent prices (for some period of time) to maintain affordability. Small business assistance could include loans, access to capital, marketing support, and supplemental funding to cover short-term revenue losses resulting from reduced access during the construction of reinvestment projects.

Prevent and reduce crime: Crime prevention and reduction are key elements to reducing poverty and have disproportionate effects on children, particularly those living in areas of high poverty and racial segregation. Poverty and racial segregation are factors that can independently worsen children's trajectories as well as contribute to higher rates of violent crime. Exposure to violence, both in and outside the home, is disturbingly prevalent among U.S. children with more than half having experienced physical assault in their lifetime and more than a third in the last year, according to data from the National Survey of Children's Exposure to Violence (2013–2014).

Gun violence is now the leading cause of death among children in the United States, making this rate the highest across all high-income countries. Gun violence is highest in Black, Latino, and Native American communities and low-income communities. Children of color are also disproportionately affected in part because they are also disproportionately represented in high poverty neighborhoods, but also because they are more likely to be negatively affected by policing and "significantly more likely than their White counterparts to be arrested, referred to court, and placed in out-of-home facilities after adjudication." Because of these patterns, they are also more likely to have a parent or caregiver who is or was incarcerated. In addition, the associated court fines and fees reduce household resources available for investment in children. (NASEM)

Child poverty, exposure to violence, and having an incarcerated family member have been linked to the Adverse Childhood Experiences (ACEs). Experiencing ACEs early in life has been shown to be predictive of long-lasting negative outcomes in adulthood, such as increased risk for cardiovascular disease, obesity, smoking, drug and alcohol abuse, risky sexual behavior, and early mortality. Poor and near-poor children are more than twice as likely to have three or more ACEs than their more affluent peers. The most recent NASEM report on reducing intergenerational poverty recommends increasing resources for targeted policing (like City of Tucson's/Tucson Policy Department's new Place Network Investigations program that has shown an 80% reduction in gun violence in targeted neighborhoods), increasing resources for community policing models that have also been proven effective (and are also being implemented by the City of Tucson), and improving gun safety.

Improve Job Quality for Low-Income Workers

Improve job quality for low-income workers and expand the employment capacity of employers already offering quality jobs, with quality jobs defined as those that provide competitive, equitable and self-sustaining wages, family friendly benefits and practices, and consistent scheduling.

A growing evidence base shows that parental job quality impacts opportunities for children. The characteristics of job quality can include wages, benefits, hours and scheduling, culture, and opportunities for skill development and advancement. Poor parental job quality is associated with children’s grade repetition and behavior issues. High parental job quality is associated with children’s improved reading and math scores and behavioral outcomes. Children's reading and math skills, as well as behavioral issues, are important predictors of their educational outcomes, as well as their socioeconomic status in adulthood.

Increasing household income reduces poverty. Raising the minimum wage is a frequently recommended strategy for improving wages, as well as jobs that pay a livable or sustainable wage. Arizona now has one of the highest minimum wages (6th), which will continue to increase with the cost of living as indexed to the consumer price index. Inequality between low-wage and high wage earners for the Tucson MSA (which is Pima County) and for Arizona and the U.S. increased or remained consistent between 2001 and 2016. However, in 2017 wage inequality as reported on the UA Map Dashboard declined significantly for Arizona and Tucson. This decrease may reflect, in part, the increase in the minimum wage in Arizona during 2017.

Pima County’s Economic Development Strategic Plan targets business attraction, expansion and retention on sectors that pay higher wages. Pima County and the City of Tucson also have successful Living Wage Ordinances requiring contactors providing services that are statistically low paying, entry level positions, to pay employees higher wages than would have been typically paid for these types of jobs. The last annual report showed that the County’s Living Wage ordinance resulted in increased wages for 328 employees. For Calendar Year 2023, the County’s living wage was $15.20 per hour for employees not receiving benefits, and $13.85 per hour for those receiving benefits (which is equivalent to the State’s minimum wage for 2023). The City recently reviewed and amended their living wage ordinance, increasing wage requirements: $17.85 per hour if health insurance benefits are not offered OR if the contractor pays less than 50% of the employee’s health benefits premium;$16.25 per hour if health insurance benefits are offered AND the contractor pays no less than 50% of the employee’s health benefits premium Pre-pandemic data showed that half of all workers age 18 to 64 in the Tucson Metropolitan Area (which is Pima County) were low-wage workers. While a majority of workers who moved to a new employer during and post-pandemic earned a real wage increase at their new employer, wages for some demographic groups remain far lower than the median rate.

To address continuing wage disparities, it is important for the workforce system to not only prioritize good jobs with living wages, but to also prioritize such outcomes for every segment of its population. For state and local government employees in Arizona there are more males than females overall, there are significantly more males than females earning salaries of $70,000 or more (71% to 29%), there are disproportionately more employees who are White non–Hispanic than employees of other races and ethnicities (74% White non-Hispanic), and the number of White non-Hispanic employees earning $70,000 or more is rising faster than employees of other races and ethnicities.

The City of Tucson and Pima County established minimum wages for City and County employees, and both are in various stages of implementing organization-wide classification and compensation changes to realign job classifications and salaries with the market for comparable organizations, and improve the ability to recruit, hire and retain employees. These market studies were not gender or race/ethnicity equity pay equity studies. The City is currently collecting data to conduct an analysis to determine if there are any pay equity concerns. Through the County's Diversity, Equity and Inclusion program, pathways to expand recruitment for underrepresented communities have been established with the Tucson Indian Center, YWCA, United Way, and Goodwill. Consistent with Board Policy D21.1, the County continues to review employment demographics every two years to identify positions in which certain underrepresented communities continue to be lack representation and to develop strategies for recruitment and retention of such groups. The Town of Marana also undertook a compensation study in FY22, which was implemented in FY23. Most Town employees received a minimum of a 6 percent pay increase, and many received more, up to an individual cap of $15,000. The Town continues to do internal market analysis and adjust salary ranges to stay competitive.

Pima County's Community and Workforce Department and other workforce development agencies provide trainees with apprenticeships and other on the job training programs, as well as coaching and supportive services (transportation, childcare, etc.). These proven strategies to improve job retention rates can be expanded, including to both during and after hire. Efforts like these should help to increase wages and benefit options, and drive pay scale adjustments to create competitive workplace practices.

Paid family and medical leave is a benefit that positively impacts children's health outcomes and improves women's employment outcomes, with no negative effects on employers. Access to paid and unpaid leave is disproportionately lower for low-income, and particularly workers of color, resulting in less economic opportunity for their children. In 2016, only 6 percent of low-wage workers had access to employer-provided paid family leave, compared with 25 percent of higher-wage workers. Paid family leave policies increase leave-taking and leave duration among both mothers and fathers, with effects larger for the least advantaged populations.

Arizona does not require paid family leave, nor does it require participation in paid family leave programs. Proposition 206, the Fair Wages and Healthy Families Act, was approved in November 2016. In addition to increasing the State's minimum wage, this law requires all Arizona employers to provide 40 hours paid sick leave, and 24 hours for small businesses under a certain size. Over the last two years, Pima County expanded a variety of benefits for County employees, including more vacation and sick time, expanded parental leave, and flexible and alternative work schedules. Pima County offers a very successful low-cost loan program for County employees for loans up to $10,000. The City of Tucson and Town of Marana have also expanded their employee compensation and benefit packages.

Childcare subsidies are a benefit associated with higher-paid workers, however there is strong evidence that such subsidies can reduce child poverty and has positive impacts both on continued parental employment and on children's health, which makes it an important benefit for low-wage workers. Because of the wealth of evidence showing the benefits of high-quality early childhood care and education to children and parents, research also highlights the need to improve job quality, including wages and benefits, in particular for childcare professionals. Employees using employer-provided childcare, especially when it is on-site, are more productive, focused, and engaged, and may have greater peace of mind and reduced stress with their children in close proximity during the workday. The City of Tucson, Pima County and the Town of Marana are considering childcare options for their employees.

Continuous, quality health coverage helps protect individuals from costly medical debt and results in individuals being more likely to seek preventive care and health care. (See the health insurance policy for more detail.) Those who live in poverty more often have low-wage jobs that are less likely to include employer-sponsored health coverage. While low-income individuals often qualify for publicly funded or subsidized health coverage options, barriers exist that make eligibility, enrollment and renewal in such coverage programs challenging, leaving many eligible people without insurance.

A variety of research shows the benefits of employee-owned business models on employee wages, retirement savings, furthering educational attainment and job quality, as well as benefits to businesses and employers including increased productivity and lower turnover. Different models of broad employee ownership include Employee Stock Ownership Plans (ESOPs), Worker Cooperatives, or Employee Ownership Trusts (EOTs). Tucson and Pima County have good examples of employee-owned businesses, and Tucson’s Small Business Assistance Program provides support to companies that want to explore and execute employee ownership.

Stable work schedules are a key component of job quality and of supporting a thriving labor force. Stable scheduling practices are associated with reduced absenteeism, lower turnover, improved job satisfaction, improved health and wellbeing, increased productivity, and higher revenues. On the other hand, unstable scheduling practices have been shown to destabilize workers’ finances, sleep, caregiving, education, other employment, and community and leisure activities, and are associated with negative health outcomes, reduced worker satisfaction, and increased turnover. Hourly and part-time workers and workers in low-wage occupations are especially affected, and workers of color are disproportionately impacted.

Unstable scheduling practices exacerbate the increasingly steep tradeoffs that low-income households face in navigating the costs of low-wage work, including the costs of transportation, housing within a reasonable distance of work, and caregiving. Negative childhood outcomes, associated with unstable parental work schedules, including negative behaviors, hold implications for intergenerational cumulative disadvantage. Unstable scheduling can also be a barrier to upward mobility by interfering with the pursuit of education and training. This instability in work hours and income makes it particularly difficult to qualify for employer and state benefits, access reliable care, and consistently cover rising basic costs of living. In 2021, voters in Tucson approved Proposition 206, also known as the Fight for $15, which established a minimum wage in the City. Prop 206 also requires workers scheduled for at least three hours who have their shift canceled with less than 24 hours' notice to be compensated for three hours’ worth of pay.

Research suggests that job quality may have a stronger influence on individuals' involvement in criminal behavior than does income, job stability, educational achievement, and a variety of background factors, and that job quality is more strongly associated with criminal behavior than the presence or absence of being employed.

Support Small Business

Increase small/micro business ownership and expansion opportunities, prioritizing entrepreneurs of color, women-owned businesses and businesses operating in high poverty neighborhoods and rural areas.

Small businesses are a powerful economic force and can be a critical path to economic opportunity and financial inclusion. Ten percent of the workforce in the U.S., or 12 million people, own a business rather than holding a wage or salaried job. Most of those are small businesses with approximately 80 percent of businesses in any metro area having fewer than 10 employees. In Arizona, on average, each new startup creates four jobs. Further, small businesses are often located in underserved communities where they provide jobs and wealth creation.

People who start businesses earn higher lifetime incomes, including 10 percent higher salaries than other workers. This increases a family's capacity to cover other critical expenses like housing. On average, a small business with no employees has an average annual revenue of $46,978. The average small business owner makes $71,813. While small businesses often do not provide benefits historically offered by large firms, the non- quantifiable benefits, such as flexible hours, convenient locations, and alternative work options for caregivers may be seen as advantageous to small or microbusiness owners and employees.

Small businesses can offer women and people of color a tool to achieve upward mobility. Business ownership can provide themselves and their employees with greater flexibility in their work schedules to accommodate child and elder care, particularly relevant for many women. They also can provide a low barrier to entry for people with less formal education, and those that have felonies. One study found that in 2010, female-headed family households in which at least one person owned a microbusiness generated $8,000 to $13,000 more in annual household income than similar households without a business owner. The median net worth of business owners is over two times greater than non-business owners, and five times higher for Latinx men and ten times higher for African American women.

Studies indicate that every new business per 100 people adds $485 to the average household income in a community by keeping dollars circulating in the local community. More new businesses in an area correlates with lower income inequality. Additionally, a very modest 1 percent increase in entrepreneurial activity in a state correlates with a 2 percent decline in poverty. It can also build generational wealth allowing parents to pass on the business and its assets to the next generation.

Based on the 2020 Small Business Profile, there are approximately 641,025 small businesses operating within the State of Arizona, which represents 99.5 percent of all Arizona businesses. In terms of employees, small business firms employ an estimated 1.1 million workers within the state, equating to 42.5 percent of the statewide workforce. As it relates to small business workforce and ownership demographics, women comprised 46.6 percent of workers and 45.4 percent of business owners. Veterans made up 6.4 percent of workers and 7.9 percent of small business owners. Latinos comprised 31.0 percent of workers and 19.6 percent of business owners. Finally, racial minorities made up 19.1 percent of workers and 11.1 percent of small business owners. While these breakdowns are provided at the state level, we can estimate the small business demographics listed for the statewide analysis above. We do know that Pima County contains 20,230 firms with 100 employees or less. Definitions for a small business varies: the Federal Small Business Administration and the State identifies “small businesses” as those with less than 500 employees. The Pima County Small Business Commission uses 125 employees or less and the City of Tucson’s small business programs are focused mostly on businesses of 10 employees or less.

Different studies have calculated the local impact of small businesses. They show between $40 to $68 for every $100 spent at a local business circulates in the local economy compared to $10 to $43 for a non-local business. All of these elements mean that entrepreneurship contributes to job growth, real economic activity, innovation, and economic dynamism.

An equitable business policy needs to recognize the historic and systemic barriers entrepreneurs who are women and people of color. The Aspen Institute notes these barriers: low levels of wealth, thin or nonexistent credit files, differences in languages, experiences of discrimination, and the amount of credit they are seeking. Many small business owners share the same concerns, which include: 1)accessing, obtaining and retaining affordable property; 2) access to flexible and affordable leases; 3) knowledge of, access to, affordability, compliance issues, and speed for obtaining the necessary certifications and licenses; 4) the need for technical and legal assistance and the availability of this assistance in languages other than English; 5) access to fair credit to sustain or expand their business.

The cost of these barriers is not just to the entrepreneurs, but also to the wider community. Robert Fairlie, professor of economics at the University of California, Santa Cruz, and a research associate with the National Bureau of Economic Research (NBER) affiliated with the Economics of Education and Productivity, Innovation, and Entrepreneurship Programs noted: “Racial disparities in business formation raise concerns about lost economic efficiency. If minority entrepreneurs face liquidity constraints, discrimination, or other barriers to creating new businesses or expanding current ones, there will be efficiency losses in the economy. Barriers to entry and expansion are potentially costly to productivity and local job creation, especially as minorities represent a growing share of the population.”

In addition, the pandemic hit small businesses hard. Most were not able to receive the significant funds provided by the federal government because of barriers to applying. A recent survey of 1200 small businesses, which included 67 percent owners of color, showed that 57 percent reported a decrease in profitability since the pandemic for a variety of reasons, from staffing to supply chain to fewer customers. Business owners of color were less likely to apply for federal funding often because of lack of knowledge, complex rules, or other significant challenges for applying. Yet for all owners who were approved only one third received the full amount requested with entrepreneurs of color receiving far less. Together, this means many small businesses need support to recover from the pandemic.

Access to capital is critical to any small business owner to grow their business. One in five small business owners have obtained less financing than they sought. Blacks are still about twice as likely to be denied credit “even after controlling for the differences in creditworthiness and other factors that exist between black- and white-owned firms.” When approved, black owners paid higher interest rates. These disparities also held back Black owners from applying for credit through traditional channels because of the expectation of denial. Black-owned startups start smaller in terms of overall financial capital and invest less on average as they mature. This data reflected the experience of Black business owners but likely represents the experience that could impact any owner of color.

This can push these business owners to seek funding with higher rates of interest or less favorable terms. Black small business owners were three times as likely as small business owners overall to have obtained a high interest loan that they could not pay back (12 percent vs. 4 percent). Latino, Asian Americans and Pacific Islanders (AAPI), and larger small businesses (7 percent each) were two times as likely. It is difficult to know which is cause and which is effect, but 21 percent of all small business owners do not have a business banking relationship with a bank or credit union. This increases to 40% for self-employed individuals, 31% for Black owners, 26% for Latinx. As a result, these business owners are more likely to ask family or friends for financial help, or use credit cards. Equitable policy must have methods to address small business owners with low to no capital that do not rely on typical credit systems.

In response to the need for equitable small business services within the region, the City of Tucson has established a roadmap for service provision through the Comprehensive Economic Development Strategy (CEDS). This program, adopted by Mayor and Council in May 2022, places small business development as the first goal with specific priorities aimed at improving small business to includes implement a formal business retention and expansion program, providing resources to Tucson's small, multicultural, retail, and tourism-driven businesses, executing a Visual Improvement Program, and the Build the Tucson Legacy Business Program recognizing local businesses with more than 25 years of continuous operation. Associated with each priority are a series of action drivers intended to help deliver success within the program.

The City of Tucson has also allocated resources into the Small Business Navigator Program, which launched in 2022 with the hiring of three bilingual/multilingual Business navigators and a Program Manager. The Small Business Navigator Program provides services that address technical assistance, one-on-one counseling, and workshops/trainings for business planning and expansion. The target audience under these three goals are small business owners and entrepreneurs, underserved, legacy, minority groups and Spanish speaking business owners. The team currently provides multilingual business assistance, primarily in English and Spanish.

During the pandemic, the City of Tucson was able to use American Rescue Plan Act (ARPA) funds to focus on three areas: access to capital, financial health, and leadership acumen, and specifically targeting some hard-hit industries, including travel, tourism, hospitality, and restaurants. Some of the initiatives undertaken with these funds include:

- Co-location of City of Tucson staff with the Tucson Industrial Development Authority (TIDA): The main purpose is to continue working together on the AVANZA loan program, which was created to provide access to capital to women, minority, and veteran-owned small businesses.
- Collaboration with the Arizona Registrar of Contractors to assist small business owners applying for various contracting licenses.
- Academia de Marketing a series of three sessions in Spanish where business owners learned tactics to maximize their marketing efforts, strategies to find success online, and tools to create content online.
- Profit Soup: a platform for business owners that helps them understand their financials, calculate important financial information, and work on creating a solid financial plan.

> Participants completed this 10-week course, taught in collaboration with the Pima Community College. Businesses walked out of the class with their real information in hand and ready to access capital.

The Business Ownership Initiative of the Aspen Institute identified requiring proof of collateral, the use of external loan committees, and technology investments as counterproductive and harmful cycles to small business, particularly for historically excluded groups. Two other innovative programs provide equitable access to fair credit in Pima County. One is the Community Investment Corporations' (CIC) BIPOC Community Managed Loan Fund operated in partnership with the Pima County Industrial Development Authority (PCIDA) and the other is the Avanza Revolving Loan Fund for Minority & Women Business operated under the Tucson IDA. Both provide early-stage capital and support to help entrepreneurs successfully navigate the business development continuum and target businesses in Pima County with at least 50% ownership of minority or disadvantaged identities such as Veterans or Women. Both have loan sizes ranging from small ($500 to $5000 minimum) to moderate ($10,000 to $250,000) with coaching and mentoring support, which research tells us is so critical to stabilizing and growing small businesses. Avanza offers low interest rates while the BIPOC fund offers not only zero interest loans, but they do not require collateral, fees, or credit checks.

The Economic Relief Loan for Tucson Businesses is a collaboration between Chicanos por la Causa and the City of Tucson to give small business owners in the City of Tucson and South Tucson access to low interest loans with flexible timelines. The City of Tucson also provides a phone number and email for business owners to contact them for help. They have also taken advantage of other community partnerships including Pima County Library and SCORE to provide further outreach and seminars. SCORE is a nation-wide advocator for small businesses and provides local workshops, mentorship, and connects owners to resources. Throughout their 27-library network, the Pima County libraries connect entrepreneurs to a variety of resources including Business Plans Handbook, Reference Solutions (Reference USA), the Foundation Directory and Arizona Guide to Grants. They offer access to computers, free printing, scanning, and faxing. Currently, they are offering bilingual information sessions to writers and artists on marketing their work.

Title 20 of the Pima County Code and Board of Supervisors Policy D29.8 ensures a fair and equitable opportunity for participation in County contracts by local certified Small Business Enterprises (SBE). Where County Contracts are federally funded, however, the County's SBE program may be supplanted by a federal mandate for participation by Disadvantaged Business Enterprises (DBEs). DBEs are for-profit small businesses where socially and economically disadvantaged individuals own at least a 51% interest and also control management and daily business operations. African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent Asian Americans, and women are presumed to be socially and economically disadvantaged; other individuals can also qualify as socially and economically disadvantaged on a case-by-case basis. To participate in the DBE program, a small business owned and controlled by socially and economically disadvantaged individuals must receive DBE certification.

A recent policy memorandum from the Biden administration to federal departments and agencies, entitled, Guidance for Federal Departments and Agencies on Advancing Equitable Community and Economic Development in American Cities and Urban Communities, notes that federally-funded community and economic development investments have great potential to "build community wealth and strong local economies, redress racial and ethnic discrimination and inequities, and support long-time residents and businesses." They specifically recommend the use of these funds to "support entrepreneurship, small business growth, and access to capital" particularly through "investments in institutions that deliver affordable lending to underserved communities and businesses."

When local entrepreneurs purchase local buildings for their businesses, they not only stabilize their company and build their assets, but they also stabilize the surrounding neighborhood. Communities of color are often targeted by outside investors like private equity groups and hedge funds, which worsened in the wake of the Great Recession and possibly as a result of the pandemic as well. To offset this pattern and increase the opportunities for locally owned and controlled businesses, particularly in higher poverty areas, a Brookings Institution report recommended that local and state government create dedicated city funds for commercial real estate acquisition, offer more tax benefits, incentives, and direct grant assistance, expand programs to support small business with technical assistance such as navigating regulations, marketing, access to capital, to start a commercial community land trust pilot program, expand or subsidize broadband/high-speed internet services, utilize economic development tax credits to help small businesses buy property, and expand more support to train workers in fields related to the employee needs of small entrepreneurs.

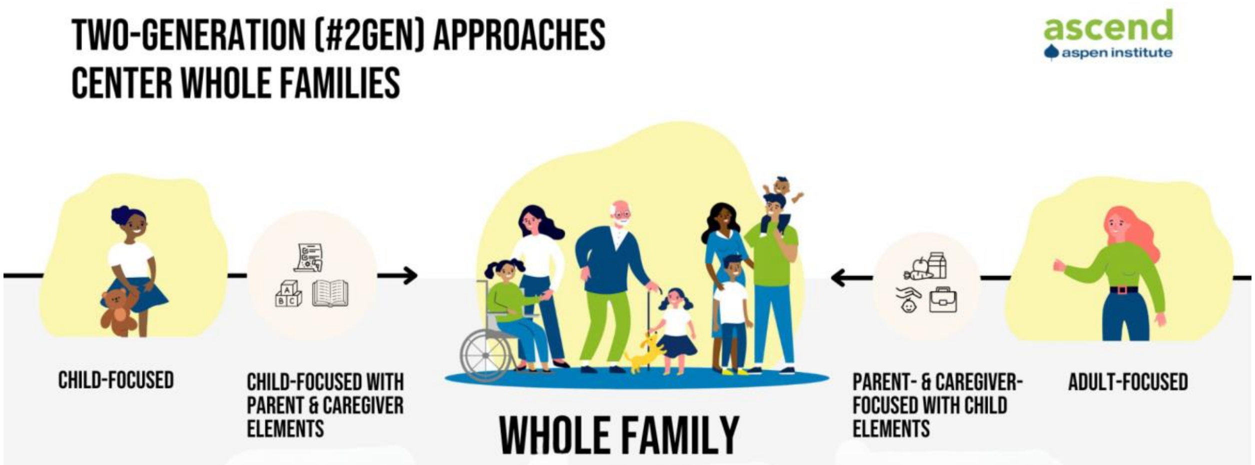
"Buy Back the Block" is a growing strategy around the country where cities are expanding or reclaiming real estate ownership for use at the local level, creating opportunities for local residents, often in communities of color, to anchor their businesses. A Brookings Institution study on the ownership of commercial real estate (CRE) found that 1 percent of households own 81 percent of nonresidential real estate. Here too, commercial real estate is plagued by racial disparities, with Black and white households having disproportionate rates of commercial property ownership (3 percent and 8 percent, respectively) as well as the value of the property, with the average white household's worth at $34,000 compared to just $3,600 for the average Black household. While these studies specifically compared Black to white disparities, we can assume those same disparities, which limit a business owners' capacity to grow their enterprises and thus their wealth, are similar for Latino and Native American entrepreneurs.

Supporting local entrepreneurs tends to have broad political support. The Goldwater Institute promotes entrepreneurship as a key to lowering the poverty rate. They cite research from the Initiative for a Competitive Inner City (ICIC), an organization that has tracked more than 600 companies in inner cities across the nation for 13 years. Among the benefits of these businesses, they note that they drive employment in economically distressed areas with 37 percent of the workforce from the local area resulting in remarkably low turnover rates of 12 percent, less than one-third the national average. As their companies grew, many of the entrepreneurs were in a position to buy the building next to the company to expand, often rehabbing buildings that were abandoned and dilapidated. They cite studies showing a statistically significant connection between high levels of entrepreneurship and a drop in property crime. Overall, they recognize these businesses as "an engine for redevelopment" and a force for stability and pride in these communities."

Center a 2GEN Approach

Center family voice and participation in the development of policies, programs, and practices.

Two-generation approaches, also referred to as 2Gen or multigenerational, build family well-being by intentionally, equally, and simultaneously working with children and the adults in their lives together, striving for desired outcomes in health and well-being, economic assets, early child development, and



other family advantages. Research underscores the potential positive effects on economic mobility through intergenerational program design and policy.

Researchers in developmental science and family studies point to breakthroughs in research on how parents and children significantly influence one another, noting there is evidence of a synergistic and bidirectional relation between parents and children's well-being. Bidirectional theories of development suggest that parents' and children's well-being are intricately connected, and mastery of developmental tasks in one generation influences the mastery of developmental tasks in the other, fostering progress and life opportunities of parents and children simultaneously. In particular, programs that provide quality childcare for young children (from birth to age 6) and parents in early adulthood (in their 20s and early 30s) are most important for low-income families.

According to the 2023 Annie E. Casey Kids Count Data Book, Arizona ranks 39th in the country for overall child well-being. Using the Census Bureau's American Community Survey (ACS) five-year estimates from 2017-2021, we know that 20% of children in Pima County live in poverty, a third more than adults. Education is one of the best predictors of upward intergenerational mobility, more strongly tied to wages, earnings, and income than ever before -- and income is consistently related to child well-being. In the U.S., half of all low-income parents of young children have attained no more than a high school degree, and in Pima County, census data shows that only 34% of residents have a bachelor's degree, effectively decreasing higher-paying employment options. Child poverty undercuts a student's capacity to learn, achieve academic outcomes, graduate high school, gain skill-building opportunities, and more. Poverty also elevates a child's risk of experiencing behavioral, social, emotional, and health challenges. Financial difficulties, including low income, high debt, or employment instability, can activate parents' stress mechanisms and adversely affect their emotions and behaviors, which in turn can negatively affect the way they interact with their children.

Southern Arizona's families need a new solution to move from poverty to opportunity. Since poverty impacts both parent and child, our approaches must also take both into account the whole family. The guiding principles of the 2Gen approach provide a roadmap for policy-related resource design and implementation. They include measuring and accounting for outcomes for both children and their caregivers, engaging and listening to the voices of families, ensuring gender and racial equity, fostering innovation and evidence together, and aligning and linking systems and funding streams. By centering a 2Gen approach for policy along with implementation strategies, the Prosperity Initiative is using human-centered design to reduce generational poverty.

Children are often the primary motivation for parents to advance their own education. However, existing evidence suggests that while single-generation programs can lead to short term gains for either children or parents, "this siloed approach to education interventions may miss the synergistic and bidirectional relation between parents and children's well-being." (Sabol, pg. 269) Successful approaches address both adult-related issues (e.g., post-secondary pathways and workforce development) along with parents' caregiving responsibilities, as well as providing child-focused resources (e.g., early childhood education and K-12 support) with consideration of the parents' needs and circumstances. Linking and aligning these resources creates a road map for family well-being and opportunity. Two successful models that demonstrate this are CareerAdvance and Work Attributes Toward Careers in Health (WATCH).

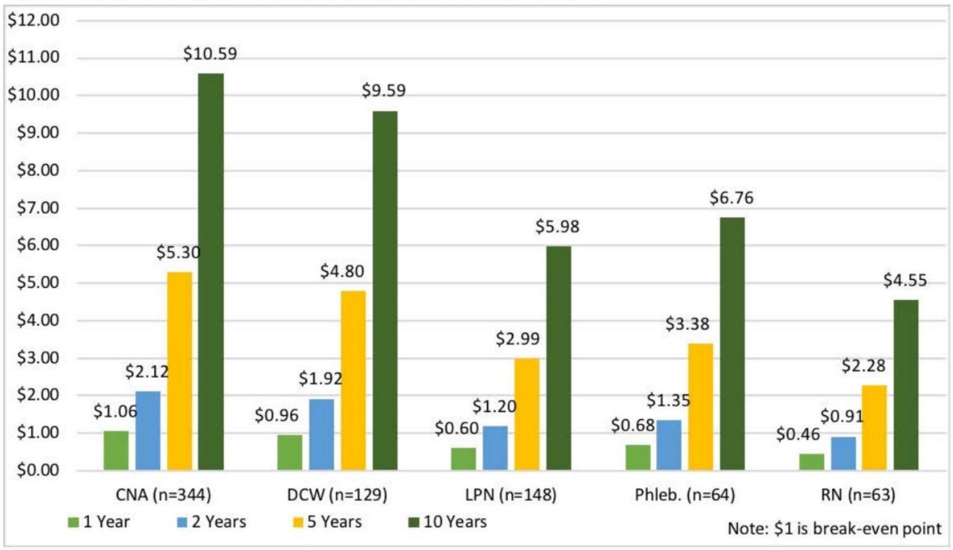
CareerAdvance recruits parents of children enrolled in Head Start into a health care workforce training program. After 1 year, compared with matched-comparison parents whose children were also in Head Start, CareerAdvance parents demonstrated higher rates of certification and employment in the health care sector, higher levels of career identity, self-efficacy, and optimism, and notably, did not report higher levels of material hardship or stress even as parents juggled the demands of school, family, and employment. More important, there was no negative effect on parents' short-term levels of income or employment across all sectors.

The WATCH Project was a national, year-long, collaboration across eleven areas operating under the Health Profession Opportunity Grant (HPOG) program and funded by the Administration for Children and Families, U.S. Department of Health & Human Services (HHS). It helps meet local healthcare industry needs and helps project participants move toward self-sufficiency by assisting participants to prepare for careers. Tailored, whole family assistance is provided including high quality career coaching, financial assistance, and other supportive services to parents striving to achieve their health education goals as direct care workers (DCW), certified nursing assistants (CNAs), licensed practical nurses (LPNs), phlebotomists, or registered nurses (RNs).

An analysis of the WATCH 2-GEN Family Needs Assessment, which included 399 participants, found that eleven (11) of 18 domains showed statistically significant growth from the first assessment average. Key positive changes included: increased access to credit, increased part-time and full-time employment, increased income, and increased access to and utilization of childcare supports. A national evaluation in 2021 funded by ACF on the economic benefit showed promising results and an impressive return on investment. WATCH had a small positive return on investment two years after completion for 734 participants who completed training programs and then began employment.

These net economic benefits accelerate over time as participants become more established in their healthcare careers and begin to advance up the healthcare career ladder, showing a substantial ROI after five and ten years (see diagram). Evaluators noted that because participants may complete one training program and enter another to advance up the area healthcare career ladder (thus delaying full- time healthcare employment), this analysis likely underestimates the long-term ROI from the WATCH project.

Figure 2. Average Return for Each Dollar Invested at 1, 2, 5, and 10 years after WATCH Enrollment



Both of these programs recognize that families are inextricably linked systems. They demonstrate that where possible, resources, programs, and opportunities should recognize and anticipate the impact on a whole family with a clear focus on reducing barriers to access, bundling resources that can support multiple generations, braiding resources to better serve whole family needs, and, most importantly, listening to the voices of caregivers with lived experience to assure viability, use, impact, and sustainability.

The Aspen Institute's ASCEND program champions 2GEN approaches for both programs and policies. They challenge us: "Policymakers can take steps now to move two-generation strategies forward and measurably improve outcomes for both children and their parents. Unless they rise to this challenge, the next generation will be at further risk — for developmental delays, academic struggles, and, ultimately, the same challenges facing their parents for economic stability. Our long-term economic prosperity will also be at risk as children and parents struggle to achieve educational and economic success. Two-generation policies offer policymakers the chance to break the intergenerational cycle of poverty and replace it with opportunity."

A substantial change in program delivery, system design, and policy development is needed to meet the critical needs of families experiencing poverty. To produce effective, sustainable systems change improvements needed by families, nonprofit and government agencies must make intentional changes so that systems and policies are implemented with a 2Gen approach, centering the whole family to create a legacy of health, educational success, and economic prosperity that passes from one generation to the next.

Address Climate Resilience & Environmental Justice

Build a more climate resilient community while reducing the potential harm to low-income areas from hazardous waste and contaminants, air pollution, environmental degradation, resource extraction, and other land uses.

In a recent National Academies of Sciences, Engineering, and Medicine report, *Reducing Intergenerational Poverty*, evidence was presented on the importance of child health as a key determinant of adult earnings. They state: *Children living in poverty are twice as likely as other children to be hospitalized, miss 22 percent more school because of sickness, are 18 percent more likely to have asthma, and are 33 percent more likely to have a mental health condition. They are also three-and-a-half times more likely to have high blood lead levels and suffer worse oral health* (Reducing Intergenerational Poverty, pg. 87-88). Poor health has many sources, but some are due to environmental factors. A strong causal link has been established between child health and exposure to pollution, as well as childhood exposure to pollution on adult outcomes and even the health of the next generation.

National research shows that children living in more racially segregated cities like Tucson are exposed to twice the amount of pollution than those children in less segregated cities. Many pollutants may affect child health, but the most studied are air pollution and lead. While much progress has been made in terms of exposure of children to pollutants over the last few decades, there is still significant disparity in race and income of children and their exposure to both potential damage from the built environment like power plants, landfills, industrial facilities, major highways, or lead emissions from aircraft that operate on leaded fuel. Low-income communities on the southside of Tucson are exposed disproportionately to these sources of air pollution and more residential units are still being constructed in these areas. The NASEM report also recommended reducing child lead exposure as an evidence-based intervention to reduce intergenerational poverty. Pima County and the City of Tucson's has a home lead removal program that is well funded, however it is underutilized.

In 2022, the Pima County Department of Environmental Quality, in collaboration with the University of Arizona College of Public Health, received a grant from the Environmental Protection Agency (EPA) to collect data that is needed to adequately address potential environmental injustices within these communities. Twenty air quality sensors will be located at schools throughout Pima County, with particular emphasis in the communities with multiple air pollution sources, to better understand the potential variability at the neighborhood level. The data will be made publicly available and students at the high schools will work to analyze the data to determine how the concentrations in different regions vary. The NASEM report specifically recommended expanding efficient methods of monitoring outdoor and indoor air quality, especially in schools, as an evidence-based intervention to reduce intergenerational poverty.

Superfund sites are another potential source of exposure and children living near these sites are disproportionately living in poverty and more likely to be Black or Latino (EPA, 2020). Tucson's Superfund site at the International Airport that was found to have unsafe levels of trichloroethylene (TCE) in the water is a good example. The contamination was found in the early 1950s, but improper waste disposal practices continued for 20 years and the groundwater treatment and clean up started in 1994. After that additional contaminants including PFAS were found in the water that required additional treatments, and Tucson Water stopped serving the water as drinking water in 2021. The residential population around the Airport is predominantly Latino and Native American. This helps explain why a national Pew Research Center survey showed that 63% of Black Americans and 57% of Hispanic Americans say safety of drinking water is at least a moderate problem in their local community, compared with only 33% of non-Hispanic White Americans. The report notes, "There are significant gaps by race and ethnicity when it comes to other environmental problems, including air pollution" (Kennedy).

Future weather disasters will continue to worsen and become more prevalent. Climate change is disproportionately impacting low income and communities of color. (EPA 2020). In a recent survey, 77% of Americans identify climate change as a crisis or major problem. Many have been personally affected. Of those adults who reported experiencing an extreme weather event in the past five years, 51% were Native Americans, 31% Latino, 30% Asian, 29% Black, 18% White (*The Impact of Extreme Weather on Views About Climate Policy in The United States*).

Area governments are taking steps to respond to this crisis. In 2022, the Pima County Board of Supervisors passed a "Resolution of to Further Pima County's Commitments to Address the Risks of Climate Change by Adopting a Climate Action Plan That Aligns with Current National And International Efforts in Support of the Paris Climate Agreement." Specifically, Pima County will 1) conduct a cost-benefit analyses for implementation of high priority strategies and identify available funding, and 2) Adopt annual targets and assign strategies to be included in annual departmental work plans to reach stated targets. In 2023, Pima County received a Climate Pollution Reduction Grant (CPRG) from the EPA to develop regional plans for reducing greenhouse gas (GHG) emissions and other harmful air pollution. The plans will be developed based on broad community input from Pima County residents and will emphasize priorities that can strengthen a clean energy economy, enhance workforce training opportunities, and effectively reduce emissions while also addressing environmental injustices in disadvantaged communities. Pima County will develop the plans in collaboration with a coalition of jurisdictional partners, including the Cities of Tucson and South Tucson, Town of Oro Valley, and the Tohono O'odham Nation. The coalition will also be applying for a grant in 2024 to support implementation of some of the measures in the Priority Climate Action Plan.

In 2023, Mayor and Council adopted the Resilient Together Climate Action and Adaptation Plan, a strategic framework for adapting to the current and future impacts of climate change across Tucson. A top priority is to achieve significant and lasting carbon emissions reductions with the goal of reducing emissions to net-zero by 2030. The CAAP strategies cover five key areas and integrates with other important City initiatives like Storm to Shade, Million Trees, and One Water 2100, Tucson Water's master plan for long-range water use. The CAAP underscores the importance of addressing past harms, acknowledging that "climate impacts are felt first and worst by communities of color and low-income communities who do not have the same access to the institutions and services that can protect them or help them be resilient."

Currently there is a multi-departmental team that is in the process of performing a comprehensive assessment of Pima County's climate vulnerabilities and economic risks associated with climate change to identify areas that require urgent attention and guide the formulation of targeted action plans. They will be prioritizing adaptation and resilience strategies along with mitigation efforts. The Health Department recently hired a Climate and Environmental Justice Manager to inform the public health and health care system response to the acute and chronic threats posed by climate change and extreme heat and how these impact vulnerable and low-income communities.

In September 2020, Tucson declared a climate emergency, one action in a series of efforts to address climate action dating back nearly 20 years. Extreme heat is among the most prominent concerns since Tucson is one of the fastest warming cities in the United States. In 2023, Pima County launched a new data dashboard that documents heat-related deaths and shows that record-breaking heat resulted in 119 people dying from heat-related causes in Pima County, with 61% of the deaths occurring outdoors and 39% occurring indoors. Low-income people often face disproportionate exposure to heat due working outdoors or the inability to pay for increased electricity usage to cool their homes when temperatures are higher and for longer periods of time.

Several of the policies developed for the Prosperity Initiative have significant potential to not only provide economic opportunities for low-income and disadvantaged communities, but also address environmental and climate justice by reducing air pollution and climate emissions and creating new high quality job opportunities and increased savings on energy costs. The passage of the Inflation Reduction Act (IRA) and the Federal government's Justice40 Initiative provide guidance and financial incentives for governments to work together to address long-standing environmental injustices while reducing harmful environmental exposures to communities who are often disproportionately exposed.

The IRA is the single largest investment in climate and energy in American history, providing opportunities to capitalize on reducing climate and air pollution emissions, saving energy, addressing environmental injustices, and creating good-paying jobs that can be targeted to increase prosperity among the community members who have been historically disproportionately impacted. The newly formed American Climate Corps will train young people in high-demand clean energy jobs, with a goal of bolstering community resilience, deploying clean energy, and implementing energy efficient technologies to address climate change.

Together, these policies can accelerate our movement towards both climate resilience and addressing historic environmental inequities. **Below are five policy areas** – transportation, digital inclusion, housing mobility, housing stability, and health insurance enrollment – that have the most impact on climate and the environment. In each section, we describe how this policy will contribute to a more climate resilient community and reduce environmental harm.

Transportation Policy: *Identify and prioritize safe, reliable, and affordable transportation options and encourage mixed-use and transit-oriented developments, to better connect disadvantaged communities with jobs and other resources, and reduce travel times, traffic injuries, transportation costs, and air pollution. Solicit meaningful input from disadvantaged communities in rural, suburban and urban areas.*

Reduced travel distances and mixed-use and transit-oriented developments will result in less air pollution and greenhouse gas emissions, a leading cause of climate change. Reduced air pollution, especially in historically disadvantaged communities, will reduce or prevent health impacts for population groups that are often disproportionally impacted by pollution. For example, disadvantaged communities on Tucson's Southside and along the I-10/I-19 corridor live in areas with higher ozone and diesel particulate matter, caused in part by vehicle emissions[iii]. Land use planning that promotes mixed uses can more effectively support infrastructure that encourages active transportation options, such as biking and walking, which will also result in more opportunity to incorporate physical activity into daily activities, ultimately improving public health. Plans that include more transit opportunities should also consider the increased impacts from climate change that disproportionally impact low-income populations, therefore heat-related considerations should be made when planning for transit improvements, such as increased shade at bus stops and reduced walking distances from neighborhood, schools, and businesses to bus stops.

In addition, the transition to a clean energy auto economy will likely offer additional job opportunities for low-income individuals. This will be especially acute in the transition to electric vehicles and other mobile devices, such as bikes and scooters. This transition will require considerable increases in workforce development opportunities involving the installation and maintenance of EV charging stations and the vehicles and devices themselves. Jobs requiring college degrees should also be considered among these opportunities as traditional transportation engineering and urban planning philosophies will need to shift in order to effectively support these outcomes.

Digital Inclusion Policy: *Expand broadband service and address barriers so all Pima County Residents have access, equipment, and skills for digital inclusion.*

Increased telecommuting for work or increased use of telemedicine appointments will reduce travel related air pollution, and greenhouse gas emissions, a leading cause of climate change. Reduced air pollution, especially in historically disadvantaged communities, will reduce or prevent health impacts for groups that are often disproportionally impacted by pollution. Improvements in internet access will also allow for low-income residents to access information more easily on current air pollution levels and forecasts, as well as excessive heat or flood warnings that will likely become more frequent as the impacts from climate change increase. In addition, the transition to a digital economy will likely result in additional job opportunities for low-income individuals in rural communities that lack job opportunities, including those living on the Tohono O'odham Nation. Jobs that will be required include fiber optic line installation and maintenance along with educators to help novice users learn how to utilize on-line resources.

Housing Stability Policy: *Improve housing stability among low-income renters and homeowners by preventing evictions and foreclosures, increasing homeownership, and improving energy efficiency and weatherization especially for those in high poverty areas.*

By weatherizing homes to increase energy efficiency, as well as improving indoor air quality, households will be less impacted by climate-related heat events, have lower utility bills, loan interest payments, medical expenses, and miss fewer days of work. As climate change continues to increase temperatures, energy costs will also rise, therefore the benefits of home energy-saving weatherization measures will also increase. Since many low-income households rent their homes, it will be important to ensure home weatherization incentives are provided to landlords to encourage participation. Improving weatherization and energy efficiency in low-income homes will also support workforce development opportunities necessary to increase the number of qualified workers skilled in-home weatherization.

Housing Mobility Policy: *Efforts to increase the supply of housing should prioritize practices and investments that focus on families with children and result in diverse housing types and prices in the same neighborhoods, ensuring affordable housing options are available throughout Pima County.*

This policy will provide opportunities for those residing in high poverty neighborhoods, which historically have been more impacted by environmental pollution, to move to low poverty neighborhoods that are less likely to be impacted by environmental pollution.

Health Insurance Enrollment Policy: *Provide healthcare insurance enrollment assistance to protect against medical debt.*

Continuous, quality health coverage not only protects individuals from medical debt, it also increases the likelihood that individuals will seek preventive health care. Those who live in poverty are less likely to be offered employer-sponsored health coverage. While low-income individuals often qualify for publicly funded or subsidized health coverage options, barriers exist that make eligibility, enrollment, and renewal challenging. Climate change is resulting in an increase in climate related events in the Southwest, including a higher number of hotter days and more intense storms. We can expect to see more heat-related injuries and deaths, as well as storm related accidents. Healthier individuals and families, as well as those with access to health insurance, will fare better against these climate-related impacts.

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[1] See the EPA EJ Screen and Mapping Toolhttps://www.epa.gov/ejscreen

Prevent and Reduce Crime

Reduce and prevent crime in neighborhoods, as well as reduce and prevent youth involvement in crime and the criminal justice system.

Crime prevention and reduction are key elements to reducing poverty and have disproportionate effects on children, particularly those living in areas of high poverty and racial segregation. Poverty and racial segregation are factors that can independently worsen children's trajectories as well as contribute to higher rates of violent crime.

Exposure to violence, both in and outside the home, is disturbingly prevalent among U.S. children with more than half having experienced physical assault in their lifetime and more than a third in the last year, according to data from the National Survey of Children's Exposure to Violence (2013–2014) (Finkelhor). Low-income and younger people are much more likely than higher-income and older people to report being victims of crime in their neighborhoods and schools (National Academies. *Closing the Opportunity Gap for Young Children).* Black children have the highest exposure to violence in their communities—9.5% among children aged 5–12, compared with 6.9% for White and 5.7% for Hispanic children. Boys are at higher risk than girls.

Gun violence is now the leading cause of death among children in the United States, making this rate the highest across all high-income countries. Gun violence is highest in Black, Latino, and Native American communities and low-income communities. Black children and teens are 4 times more likely than their White peers to die from gun violence (National Academies. *Closing the Opportunity Gap for Young Children).* For 15–24-year-olds, the male homicide rate in 2013 was 18 times higher for blacks than whites (71 versus 4 per 100,000). Black males lose more years of potential life before age 65 to homicide than to heart disease, which is America's leading overall killer (Heller).

This victimization in childhood can harm children's health, well-being, and achievement, with lasting consequences including a negative effect on their development and reducing future educational attainment and earnings. (National Academies. *Closing the Opportunity Gap for Young Children*). There are several contributing factors:

- Exposure to community violence negatively affects children's sleep patterns and stress responses, physical health (e.g., physical disability, asthma, blood pressure), mental health (e.g., posttraumatic stress disorder, sleep disorders), cognitive health (e.g., cognitive performance, attention disorders) and reduces their attention and impulse control. Moreover, children exposed to one incident of violence are more likely to be exposed again, including to other forms of violence.
- One study indicated a chain-like sequence in which victimization diminishes educational self-efficacy, which subsequently undermines educational performance and attainment. Through diminished educational attainment, adolescent victimization has substantial and wide-ranging effects on socioeconomic attainment in early adulthood (Macmillan).
- Victimization decreases school performance and standardized test scores and increases the likelihood of dropping out of school. Conversely, one study suggested that the decline in the violent crime rate reduced the prevalence of high school dropouts at the county level between 1990 and 2010 (Sharkey).

- Underinvestment in a community is strongly correlated with crime, including the decline of physical infrastructure that results in dilapidated buildings, trash, graffiti, vacant lots, and other evidence of community-level physical disorder.
- This same underinvestment results in "undermining the institutions that are central to the lives of young people, eroding their opportunities to obtain quality schooling, to take advantages of local employment opportunities, and to utilize social networks in order to facilitate entrance in the labor force" (Sharkey).
- Families and youth navigating violent neighborhoods often focus on safety and minimizing the threat of victimization, trading off opportunities to engage in public life, find recreation, connect to needed resources, etc. Concerns about violence, drugs, and gangs are consistently found to be the primary reasons why low-income families choose to take part in residential mobility programs designed to offer families the chance to move out of public housing located in areas of concentrated poverty (Sharkey).
- Unemployment rates are higher in high poverty neighborhoods. Parental unemployment has negative effects on children's educational outcomes. Several studies have documented lower math scores, poorer school attendance, and a higher risk of grade repetition or even suspension or expulsion among children whose parents have lost their jobs (Kalil). It can also have long-term consequences for children's psychological well-being later in life as adults (Nikolova). Blacks are twice as likely as whites to have had 10 or more spells of unemployment over their prime working years (Austin).
- Parental job loss may lead to changes in adolescents' attitudes toward work, as they see their parents' lack of success in the labor market (Isaacs).
- Joblessness, although by no means the only factor producing higher crime rates in African American communities, appears to play a significant role.

Child poverty, exposure to violence, and having an incarcerated family member have been linked to Adverse Childhood Experiences (ACEs). Experiencing ACEs early in life has been shown to be predictive of long-lasting negative outcomes in adulthood, such as increased risk for cardiovascular disease, obesity, smoking, drug and alcohol abuse, risky sexual behavior, and early mortality. Poor and near-poor children are more than twice as likely to have experienced three or more ACEs than their more affluent peers (National Academies. Roadmap to Reducing Child Poverty, pg. 362).

Children of color are also disproportionately affected in part because they are also disproportionately represented in high poverty neighborhoods, but also because they are more likely to be negatively affected by policing and "significantly more likely than their White counterparts to be arrested, referred to court, and placed in out-of-home facilities after adjudication." Because of these patterns, they are also more likely to have a parent or caregiver who is or was incarcerated. Caregiver incarceration is an adverse childhood experience (ACE) that is associated with increased stress and worse socioeconomic outcomes. In addition, the associated court fines and fees reduce household resources available for investment in children. (NASEM)

The Urban Institute's report, "Just Policing", states "Concentrated police presence, surveillance, and extensive enforcement of minor violations of the law are common in neighborhoods with higher levels of reported crime, and these in turn result in greater exposure to police contact and arrest for people living in those neighborhoods and a greater resultant possibility of their incarceration. These factors have also been shown to decrease engagement with surveilling institutions (e.g., schools and hospitals) and to lower civic engagement. This type of contact has immediate negative effects for youth."

While juvenile crime has fallen by two thirds over the last 30 years, youth are still incarcerated in the United States at rates far higher than in all other developed democratic countries and many developing countries, particularly youth who are Black, Latino, and Native American. They are still significantly more likely than their White counterparts to be arrested, referred to court, and placed in out-of-home facilities. Incarceration has been found to harm mental and physical health, both of which are strong predictors of adult economic outcomes and future well-being more generally. Here again, fines and fees levied against juveniles may have negative long-term consequences.

Police brutality, especially in segregated Black, Latino, and Indigenous communities, is a significant driver of health problems in these populations. Additionally, the overall general community tensions can worsen mental health problems and create downstream outcomes relevant to child health, such as prenatal outcomes among Black women (National Academies. *Closing the Opportunity Gap for Young Children*).

High incarceration rates in communities can lead to a loss of working-age adults. A 2010 report from the Pew Charitable Trusts found that, among men, having previously been incarcerated reduces hourly wages by 11 percent, annual employment by nine weeks, and annual earnings by 40 percent. As a result, formerly incarcerated men are less likely than nonincarcerated men to climb up the economic ladder (Criminal Record. Urban Institute.) Other studies found that people without a criminal record are more likely to receive callbacks for job interviews than those with a criminal record. This negative effect of a criminal record is more pronounced for Black applicants than white (Decker).

Expanded re-entry programs for employment are associated with lower rates of reoffending, and higher wages are associated with lower rates of criminal activity, according to the Urban Institute's multistate longitudinal study, *Understanding the Challenges of Prisoner Reentry*. This report underscores that finding and maintaining a job is a critical dimension of successful prisoner reentry; however, former prisoners face tremendous challenges in finding and maintaining legitimate job opportunities, including low levels of education, limited work experience, and limited vocational skills (Baer).

As a result, the criminal justice system itself perpetuates intergenerational poverty (Lake). One result of this dysfunction is the situation where economically disadvantaged youth ages 18 to 24, often with lower academic skills, don't pursue further education or training and withdraw from the labor force. These youth are often called Opportunity Youth and the economic consequences both to the individual and to the wider community are enormous. It is estimated that each year, each individual youth creates an immediate taxpayer burden of $13,900 and an immediate social burden of $37,450. After age 25, the future lifetime taxpayer burden rises to $170,740 and a social burden to $529,030 (Belfield). Interventions that reconnect these youth provide documented individual and social value.

The most recent NASEM report on reducing intergenerational poverty recommends increasing resources for targeted policing (like City of Tucson's/Tucson Policy Department's new Place Network Investigations program that has shown an 80% reduction in gun violence in targeted neighborhoods), increasing resources for community policing models that have also been proven effective (and are also being implemented by the City of Tucson), and improving gun safety.

"The key point is that when violent crime falls, a kid's chances of moving up out of poverty begin to grow pretty rapidly," Sharkey (Florida). There are a number of ways that this cross-policy strategy could reduce or prevent crime in relationship to other recommended Prosperity Initiative policies.

Early Childhood Care and Education *Policy: Increase access to affordable high quality early childhood care and education for low-income families with children age birth to five.*

Children who have participated in high quality early childhood care and education programs are less likely to be involved in criminal activity later in life.

Family Planning: *Reduce unintended pregnancies*.
Children whose conception was unintentional are at greater risk than children who were conceived intentionally of experiencing negative physical- and mental-health outcomes and are more likely to drop out of high school and to engage in delinquent behavior during their teenage years.

Housing Stability: *Improve housing stability among low-income renters and homeowners by preventing evictions and foreclosures, and increasing homeownership, especially for those in high poverty areas.*

The benefits of increased housing stability to individuals and communities includes reduced homelessness and the negative impacts and costs associated with homelessness, including crime. The benefits of housing stability also include improved incomes, health and educational attainment, etc. It is well documented that those with increased educational attainment are less likely to be involved in the criminal justice system and incarcerated. Improved housing stability also results in less housing related involvement in the court system.

Housing Mobility: *Efforts to increase the supply of housing should prioritize practices and investments that result in diverse housing types and prices in the same neighborhoods, ensuring affordable housing options are available throughout Pima County.*

Children of families that moved from high poverty neighborhoods to low poverty neighborhoods were found to have substantially higher lifetime earnings and college attendance rates, and were less likely to drop out of high school. It is well documented that those with increased educational attainment are less likely to be involved in the criminal justice system and incarcerated. Researchers have found that a 5 percent increase in male high school graduation rates would produce an annual savings of almost $5 billion in crime-related expenses. Research also shows that educational attainment promotes employment and earnings, and a negative relationship between employment and criminal activity, whether due to greater economic resources, changes in routine activities, or increases in prosocial bonds. For example, jobs providing higher wages, employee satisfaction, and opportunities for advancement are more likely to reduce crime. In addition, the impact of policies related to education and public safety are concentrated among people of color, who are less likely to have access to quality educational opportunities, more likely to leave educational systems earlier, and more likely to be incarcerated.

Pathways to Post-Secondary Education: *Increase college and other post-secondary educational and training opportunities by improving access to children's college savings accounts for young children from low-income families.*

It has been well established that increased educational attainment at the high school and post-secondary level reduces the likelihood of criminal involvement. Researchers have found that a 5 percent increase in male high school graduation rates would produce an annual savings of almost $5 billion in crime-related expenses. Research also shows that educational attainment promotes employment and earnings, and a negative relationship between employment and criminal activity, whether due to greater economic resources, changes in routine activities, or increases in prosocial bonds. For example, jobs providing higher wages, employee satisfaction, and opportunities for advancement are more likely to reduce crime. In addition, the impact of policies related to education and public safety are concentrated among people of color, who are less likely to have access to quality educational opportunities, more likely to leave educational systems earlier, and more likely to be incarcerated.

Improve Job Quality: *Prioritize workforce development for low-income job seekers with evidence-based case management practices that include apprenticeships, on the job training, and supportive services that prepares participants for jobs with self-sufficient wages and benefits.*

Research suggests that job quality may have a stronger influence on individuals' involvement in criminal behavior than does income, job stability, educational achievement, and a variety of background factors, and that job quality is more strongly associated with criminal behavior than the presence or absence of being employed. Furthermore, effective programs like Year Up targeting Opportunity Youth reduce or eliminate the immediate taxpayer burden of $13,900 and social burden of $37,450. After age25, the future lifetime taxpayer burden rises to $170,740 and a social burden to $529,030. Interventions that reconnect these youth provide documented individual and social value.

Neighborhood Reinvestment: *Improve quality of life and opportunity in high poverty areas by investing in both physical and social infrastructure in ways that intentionally strive to center the priorities of local residents, improve access to resources, prevent the displacement of vulnerable residents, reduce the exposure to violence and build community wealth in these high poverty areas.*

This policy promotes evidence-based interventions to reduce childhood exposure to violence, including but not limited to increasing resources for geographically targeted law-enforcement policing, community policing, and improving gun safety.

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Prosperity Initiative Report Appendix: Table of Contents

The full 13 technical policy briefs are below, followed by additional information.

Prosperity Initiative Working Group Members

Participant	Title	Organization
1. Alison Miller	Community Services Manager. Housing and Community Development	City of Tucson
2. Ann Chanecka	Interim Director of Housing and Community Development	City of Tucson
3. Barbra Coffee	Economic Initiatives Director	City of Tucson
4. Betty Villegas	Housing and Community Development Director	South City of Tucson
5. Bonnie Bazata	Ending Poverty Now Program Manager and Prosperity Initiative Project Lead	Pima County
6. Brandi Champion	Housing First Program Director	City of Tucson
7. Brian Mayer	Researcher	University of Arizona
8. Chris Poirier	Pima County Development Services Deputy Director	Pima County
9. CJ Berryman	Justice Services	Pima County
10. Deborah Bryson	School Superintendent Chief Deputy	Pima County
11. Dedra Clark MeGee	Grants Management and Innovation	Pima County
12. Dylan Baysa	Social Services Director	Tucson Indian Center
13. Francisco Garcia	Deputy County Administrator	Pima County
14. Francisco Muñoz	Council Member	Pascua Yaqui Tribe
15. Karyn Prechtel-Altman	Library Deputy Director	Pima County
16. Kate Vesely	Justice Services Department Director	Pima County
17. Keith Bentele	Researcher	University of Arizona
18. Kelle Maslyn	Office of Economic Development Assistant Director	Pima County
19. Kendra Davey	Library Services Manager	Pima County
20. Kim VanPelt	Health Department Deputy Director	Pima County
21. Lee Hopkins	Community Safety, Health & Wellness Resource Manager	City of Tucson
22. Lisa Shafer	Community & Neighborhood Services Director	Marana

23. Laura Sharp	Equity Data Project Manager	City of Tucson
24. Liz Morales	Assistant City Manager	City of Tucson
25. Marcos Ysmael	Housing Center	Pima County
26. Margie Adler	Economic Development Specialist	Oro Valley
27. Mari Vasquez	Community Risk Reduction Manager	City of Tucson
28. Molly Hilber	Behavioral Health Program Manager	Pima County
29. Natalie Shepp	Environmental Quality Program Manager Senior	Pima County
30. Nicole Fyffe	Senior Advisor to the County Administrator	Pima County
31. Orlanthia Henderson	Planning & Zoning Manager	Sahuarita
32. Patrick Hartley	Senior Project Planner	City of Tucson
33. Ryan Stephenson	Community and Workforce Development Planner	Pima County
34. Sarah Launius	Community Safety, Health & Wellness Program Director	City of Tucson
35. Silvia Amparano	City of Tucson Water Department Deputy Director	City of Tucson
36. Vicki Lazaro	Library Services Manager	Pima Count y

Meeting Dates	
December	12.15.22
January	1.19.23
February	2.16.23
March	3.16.23
April	4.20.23
June	6.15.23
July	7.20.23
August	8.17.23
September	9.7.23
September	9.21.23
October	10.19.23
November	11.16.23
December	12.14.23

Expand Broadband Services & Address Barriers to Digital Inclusion

Primary Author(s): Bonnie Bazata **Email: bonnie.bazata@pima.gov**

Policy Title: Expand broadband services and address barriers so all Pima County residents have access, equipment, and skills for digital inclusion and to expand opportunities for economic growth for rural communities.

Policy Summary: Ensure all Pima County residents can fully participate in the digital experience and economy through the expansion of broadband infrastructure and adoption. Expanded broadband access coupled with strategies that increase broadband adoption have been shown to decrease poverty and increase employment, especially in rural areas. These include internet subscription subsidies, digital literacy training, and preparing businesses to accommodate remote work and e-commerce, providing distance learning opportunities and access to telemedicine. Therefore, additional emphasis should be placed on ensuring access to affordable internet subscriptions, availability of internet-enabled devices, high-quality technical support, and the development of digital skills to improve the economic, social, and civic participation of residents. The commitment of resources should be prioritized for populations who have been historically and negatively impacted by the digital divide and for rural areas.

Problem Statement: As early as 1996, the term "digital divide" was being used to describe the discrepancy between different socioeconomic groups' access to broadband technology resources. Almost three decades later, the persistent digital divide remains a barrier to economic competitiveness and the equitable distribution of essential public services. The coronavirus pandemic underscored the critical importance of affordable, high-speed broadband for families to connect remotely to work, learn, and receive healthcare.

The digital divide disproportionately affects families and communities in different ways. For lower-income families, the infrastructure may be available, but they cannot afford broadband service or the required technology. In rural areas, infrastructure may be absent or limited, regardless of income. Additionally, lack of the necessary knowledge and skills can be barriers, particularly for older residents and those with limited English. In all these categories, race is a factor. Black (9%), Hispanic (15%), and Native American adults who are tribal residents (18%) remain less likely than white adults to say they have high-speed internet at home, according to data from the Pew Research Center (Atske). Therefore, digital inclusion must address three elements: broadband availability, affordability, and digital literacy.

These barriers impact our economy as well, with 48 million US workers lacking foundational digital literacy skills. Statistics show that workers of color are disproportionately represented. A recent report documented the increasing need for these skills across 545 occupations, including entry level positions previously thought as immune from this skill set. Without these foundational skills many workers will struggle to get jobs, hold onto existing jobs, or to advance in their career field. It is estimated that 23% of US workers face automation-related displacement, which can be addressed to some extent with digital upskilling (Bashay).

Strategic Element:	**Tactical Element:**
Pima County residents will have the digital access and competencies to search for, obtain and succeed in jobs that will economically support their household, take advantage of educational opportunities, and support participation in civic and cultural activities. Employers have more options to create hybrid workplaces where employees can opt to work from home.	More families are aware of and gain access to broadband services, increase the number of devices in their home, and seek out opportunities to increase their skills. Children are more likely to be successful in school with virtual options and the resources necessary for homework completion. Healthcare options are expanded with telemedicine more accessible.

Telemedicine can be expanded, particularly to rural areas, to individuals with restrictions on transportation, and to address emergency situations. Rural areas see increases in property values, job growth and rates of new business formation, and reduced unemployment.	Access and options for post-secondary online education are expanded. In urban areas, higher speeds and competitive prices are economic development drivers and selling points for both businesses and workers.

How will the policy: (1) ensure the availability of jobs that will economically support a household, 2) increase housing stability, 3) provide equitable and effective resources, and/or 4) build individual and community assets?

Ensuring availability of jobs: Without digital access and skills, it becomes nearly impossible to find out about, prepare and apply for living wage jobs in today's increasingly digital economy. With it, opportunities increase for participation in remote work, e-commerce, and entrepreneurship, particularly for low-income people and people living in rural areas.
Increasing housing stability: Digital inclusion policies can support affordable housing initiatives by providing online access to resources, information about housing options, and financial assistance programs. This can also provide access to online communication tools that can help individuals and families stay connected with their landlords, housing authorities, and community organizations.
Providing equitable and effective resources: Ensuring that all members of society have access to essential resources, such as healthcare, education, and public services, and have the training to use those services, will close the gap between those who have access to these resources and those who do not, and make a stronger, healthier community.
Building individual and community assets: Individuals can access information about key resources in the community that they need to address crisis, solve problems, and build assets. Community building is strengthened through digital literacy and skills training because people develop the skills necessary to participate in civic life and engage with their communities. Providing access to online resources and tools that can help individuals and community organizations build and share knowledge empowers people to take control of their destinies.

Why policy is applicable to Pima County region?

Arizona has a significant digital literacy gap among those who are unemployed and/or live in poverty. More than 75% of Arizona's job vacancies require a successful candidate to have foundational digital skills. An estimated 33% of those unemployed currently do not have these skills (Scorse). Using the statewide statistic of 33% (unemployed, no digital skills) as a comparator, Pima County has 5,742 unemployed people (as of Feb. 2022) without the necessary digital tools and skills to compete for existing job openings (ConnectPima). This number does not consider currently employed individuals who cannot move to better paying jobs, and out of poverty, because of low digital skills attainment.

An Arizona State University brief on the tribal digital divide stated that 162,382 people living on tribal lands (95%) have either unserved or underserved telecommunication infrastructure needs. In Arizona, 33 % of tribal reservation residents rely on internet service from a smartphone at home. However, the reliability of smartphone internet connections is questionable, and 31 % stated their connection was 'spotty' or they had no connection at home (Howard). Pima County is home to two tribal nations - Tohono O'odham and Pascua Yaqui - incorporating more than 4,465 square miles and 53, 000 members. More than 22% of the households on these nations are without internet connectivity. [1] Connectivity issues are compounded by the lack of broadband infrastructure and low adoption rates due to deficits in digital literacy skills.

Pima County and the metro-Tucson areas have large swaths of land with broadband speed rates below the FCC minimum standard. Western Pima County (Board of Supervisors Districts 3 and 5) and certain metro-Tucson and South Tucson areas (85705, 85706, 85711-85714, 85716, and 85746) have the highest concentration of unserved or underserved areas. It is important to note, all Board of Supervisors districts are impacted by low percentages of households without internet connectivity.

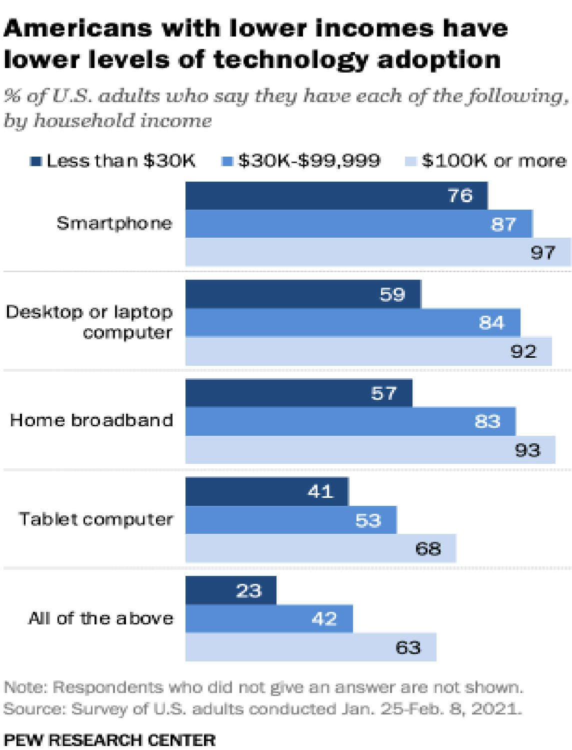
The digital divide exacerbated a "homework gap" during the pandemic due to digital inequality. Students who were from low-income households or were Black or Hispanic tended to have less access to reliable connectivity and resources to complete schoolwork remotely (Auxier). The survey shows from May 28 to June 2, 2020, 85.8% of people with children that have household income of $100,000 or more reported using online resources for distance schooling, the number is 65.8% for household income less than $50,000; consequentially, low-income household were more likely to use paper materials from school (21.1%) than high-income household (15.3%) (McElrath). A quarter of low-income teens do not have access to a home computer. The sudden switch to remote learning demonstrated the importance of universal access to reliable high-speed internet and technology for households to ensure equity and resilience for low-income households.

Pima County implemented a plan in the fall of 2021 to address issues of digital inequity in the community. Connect Pima – Pima County Digital Infrastructure & Inclusion Action Plan – details the strategic goals and objectives to address the three elements of digital inclusion - broadband availability and affordability, access to devices and resources, and digital literacy. The strategic plan is underpinned by nationwide research, data, and best practices for the provision of broadband in urban and rural areas, focusing on a comprehensive approach to removing barriers to access, encouraging infrastructure investment, and increasing user skills.

This three-pronged approach serves as a roadmap for mitigating digital disparities while simultaneously accelerating the region's global, digital competitiveness and committing to a community where no citizen is left offline. This policy builds on the critical work of the ConnectPima effort that has already made significant progress and obtained grants for continued efforts. For example, the Digital Inclusion Sub-committee of Connect Pima has recorded all of the public computer access locations and Digital Literacy and Skills Training programs available in Pima County in an Asset List. These can now be mapped to see what communities in the county have and don't have these resources.

The ConnectPima multi-year plan includes digital literacy initiatives with the goal of increasing access to reliable home and public internet as well as devices and tools for 20% more households by the end of 2026. This "hand up" rather than a "hand out" approach to mitigate digital disparities means we accelerate our region's global, digital competitiveness and commit to a community where "No Child is Left Offline."

Has policy proven to be more effective for certain populations and if so who?



This policy will have the greatest impact on low income and families of color and members of Tribal nations, as well as people with disabilities, older residents, families in rural areas, and those facing skill and language barriers.

For more than 30 years, internet use, broadband adoption and smartphone ownership have grown rapidly for all Americans – including those who are less well-off financially. However, the digital lives of Americans with lower and higher incomes remain markedly different, according to a Pew Research Center survey of U.S. adults conducted in 2021 (Vogels, June 2021). Among adults who lack home broadband internet access or a computer, 27% cited cost as the most important reason for their lack of access (Gustin).

The percentage of Americans in each income tier who have home broadband or a smartphone between 2019 to 2021 has not significantly changed. The majority of Black households directly impacted by the digital divide live in areas with available infrastructure but simply can't afford broadband service (Modi). For tribal reservation residents, 18 % of have no internet access at home, wireless or land-based (Howard). Roughly a quarter of adults with household incomes below $30,000 a year (24%) say they don't own a smartphone. About four-in-ten adults with lower incomes do not have home broadband services (43%) or a desktop or laptop computer (41%). And a majority of Americans with lower incomes are not tablet owners. By comparison, each of these technologies is nearly ubiquitous among adults in households earning $100,000 or more a year.

Americans with higher household incomes are also more likely to have multiple devices that enable them to go online. Roughly six-in-ten adults living in households earning $100,000 or more a year (63%) report having home broadband services, a smartphone, a desktop or laptop computer and a tablet, compared with 23% of those living in lower-income households.

Conversely, 13% of adults with household incomes below $30,000 a year do not have access to any of these technologies at home, while only 1% of adults from households making $100,000 or more a year report a similar lack of access (Vogels).

Cite research for evidence-based strategies that inform this policy, including references to well-recognized, non-partisan, and objective authorities that endorse or recommend these strategies:

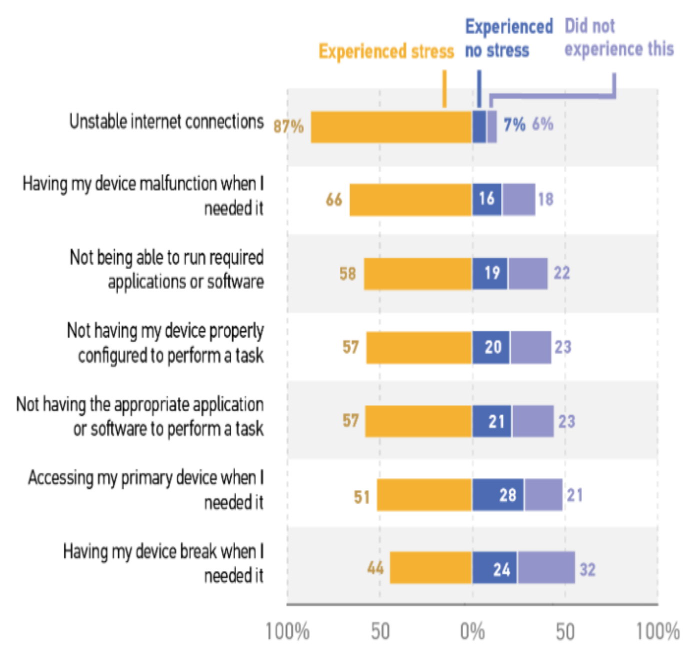
Over two decades since the introduction of broadband within the U.S. there has been extensive literature exploring its economic impacts – from impacts on GDP and productivity, to income and poverty, to establishment growth and entrepreneurship. Effects on poverty have been found to be positive, with particularly large benefits occurring in rural areas. Much of the research surrounding broadband and employment shows a positive link between the two variables. However, what is key is distinguishing broadband availability from broadband adoption. Obviously, broadband must be available, but for key populations, particularly the elderly, people living in poverty, and people living in rural areas, availability alone is not sufficient in helping communities accrue economic benefits. Availability must be coupled with adoption including subscription subsidies, digital literacy as well as access to digital tools, and more effort for rural workers and businesses to utilize the internet to take full advantage of remote work and e-commerce opportunities.

Americans who cannot access or do not use the internet are at a disadvantage when it comes to accessing jobs, federal benefits, healthcare, and educational opportunities that require high-speed internet access. Literacy and numeracy skills are no longer enough. Internet access and digital skills are a must, yet significant racial and income gaps persist. This section is divided into specific aspects of how the digital divide impacts student, workers, people of color, people with disabilities, and those in rural communities, as well as the barriers for accessing healthcare and broadband benefits (Isley).

Student Needs

In 2013, the Obama Administration launched the ConnectED Initiative with the intention of connecting more than 99% of students to the internet in their schools or libraries (Office of Educational Technology). However, when the pandemic required learning to be entirely remote, 59% of parents with lower incomes in April 2020 said their children would likely face at least one of three digital obstacles to their schooling: lack of reliable broadband internet at home, no computer at home able to accommodate assigned schoolwork, or needing to use a smartphone to complete schoolwork (Office of Educational Technology).

Figure 4. Stressors Experienced since the Beginning of the Academic Year

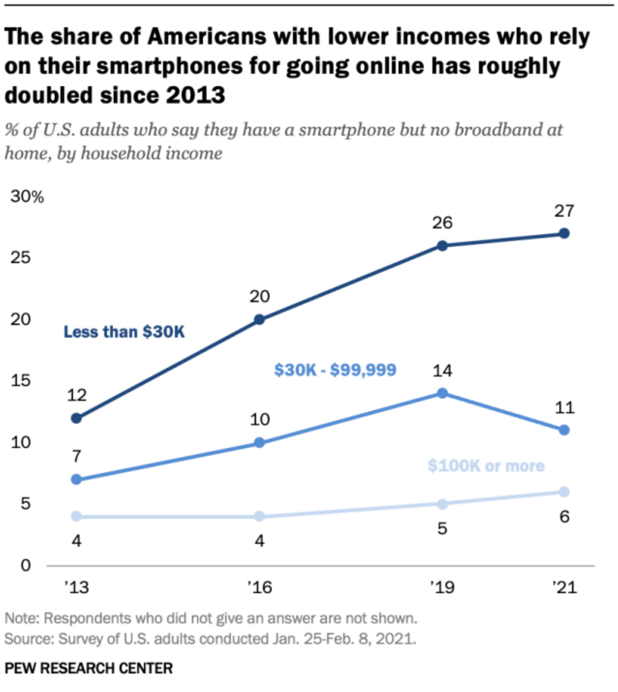


Lack of internet access at home means that "local libraries are not only the most visited when it comes to public computing, but they are the most utilized asset by individuals without home internet access" (Becker).

Unreliable technology has tangible impacts on coursework. In one survey of 1512 students, the majority of respondents (61%) experienced at least one tangible impact on their coursework since the beginning of the academic year as a result of technical issues (see chart). More than a third of respondents (38%) indicated that they lost connectivity to the internet during a class session, exam, and/or other synchronous activity. One participant described a "consistent lack of internet when needed" (Jenay).

Digital literacy can be limited by the type of technology a person has access to. Many students in low-income households and/or households with more than one child or adult needing to access the internet may rely on their smart phone for access to school, thus limiting their ability to understand teacher instruction or complete homework. Fragmented knowledge is often the result when people don't have access to a desktop or laptop computer, which the 2020 Census puts at 23% of all U.S. households (Digital Skills Series).

The disparity in online access is also apparent in what has been called the "homework gap" – the gap between school-age children who have access to high-speed internet at home and those who don't. In 2015, 35% of lower-income households with school-age children did not have a broadband internet connection at home, according to a [Pew Research Center analysis] of U.S. Census Bureau data. Additionally, 70% of teachers assign homework that requires the internet, yet the lack of internet service or a computer makes homework a much more difficult task. This reliance on smartphones also means that the less affluent are more likely to use them for tasks traditionally reserved for larger screens.



Because students with disabilities need multiple assistive technologies like screen readers, text to speech software and word prediction software, simply access to the internet and a computer is often not enough. In a 2021 survey to 1,512 students, 87% of respondents with disabilities reported needing at least one assistive technology, 77% reported needing two or more, and 29% reported needing all eight of the items we asked about. Access to assistive technology is an important challenge for IT leaders to take note of, given that anywhere from 12% to 19% of respondents with disabilities indicated that they needed but did not have access to each of the items listed (Jenay).

Workforce Needs

Ensuring that everyone has the right skills for an increasingly digital and globalized world is essential to promote inclusive labor markets and to spur innovation, productivity, and growth. However, 14% of Americans adults without a high school education and 14% of adults earning less than $30,000 a year, do not use the internet (Perrin). Skill development policies need to be overhauled to reduce the risk of increased unemployment and growing inequality.

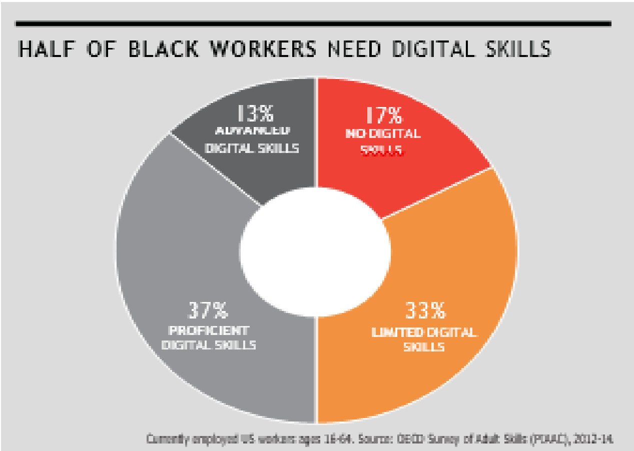
The Digital Inclusion Subcommittee of Connect Pima researched and recorded the barriers being experienced within current digital skills training programs in Pima County and found a wide array, including lack of knowledge of existing resources, fear of fraud or scams, distrust of technology, the lack of childcare, and classes not being available at times for working people.

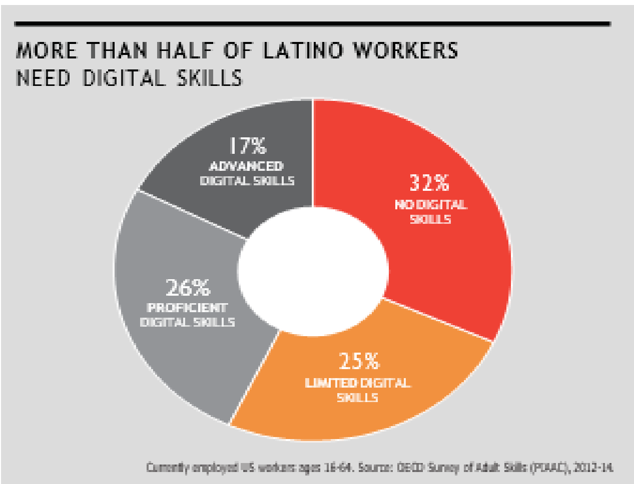
The lack of digital skills spans all ages. Older Americans are working longer and have become a larger percentage of total jobseekers, but often lag in the digital skills required to remain in the workforce and adapt to rapid technology changes. While most people think that younger workers are digitally literate, the data gives a different story. Specifically, between the ages of 16-34, fully a quarter of all US workers with no digital skills and 29 % of those with limited skills. Younger workers can also have fragmented digital knowledge, i.e. proficient at the use of a cell phone but stymied when it comes to using a spreadsheet.

Constantly evolving information and communication technologies (ICT) are profoundly changing the skill profiles of jobs. Robert McLaughlin, co-founder of the National Collaborative for Digital Equity, said, "In the global digital economy, it has become increasingly difficult to find out about living wage jobs, apply for them, and qualify for them without digital access and skills."[1] The goal should be that all workers are digitally literate—that they understand online information, media, and how to be competent digital citizens before they reach adulthood. Likewise, we must expand adult learning opportunities through libraries, community centers, and adult learning programs to improve digital literacy and workforce skills.

The Impact of Race

The Organization for Economic Cooperation and Development (OECD) Survey of Adult Skills, or PIAAC, shows that one-third of U.S. workers lack vital digital skills. However, workers of color are disproportionately affected by digital skill gaps compared to their white peers, in large part due to structural factors that are the product of longstanding inequities in American society, such as income and wealth gaps and uneven access to high-quality K-12 education. A 2020 Organization for Economic Cooperation and Development (OECD) survey found that roughly half of Black workers had the advanced or proficient digital skills needed to thrive in our increasingly tech-driven economy, compared with 77% of White workers (Darko).





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These inequities mean that workers of color are over-represented among those with limited or no digital skills. Half of Black workers and 65% of Latino workers need digital skills. Fully 17% of all Black workers, 32% of all Latino workers, and 33% of immigrant workers have no digital skills, in comparison to 9% for all white workers. Unfortunately, detailed data on other workers of color – such as Native Americans or multi-racial individuals – is not available due to low sample size (Bergson- Shilcock).

Looking from another viewpoint, 41% of white workers have advanced digital skills, while approximately 13% of all Black workers, 15 % of immigrant workers. 17% of all Latino workers, and 28 % of Asian American and Pacific Islander workers have these advanced digital skills.

Challenges for Rural Residents

Rural Americans have made large gains in adopting digital technology over the past decade and have narrowed some digital gaps. During the height of COVID-19-related disruptions, higher wireline broadband availability and higher wireline broadband adoption led to higher employment rates in rural areas of the U.S. (Isley). However, rural Americans are twice as likely to not use the internet than their urban and suburban counterparts, are less likely to have home broadband and own a smartphone, tablet computer or traditional computer.

While broadband adoption has not significantly increased for urban and suburban Americans in the last five years, rural residents have seen a 9% rise in home broadband adoption since 2016, when about six-in-ten (63%) reported having a high-speed internet connection at home. Despite the rise in rural adoption, rural residents are still less likely than those living in suburban areas to report having home broadband. Roughly seven-in-ten rural Americans (72%) say they have a broadband internet connection at home, according to a Pew Research Center survey of U.S. adults conducted from Jan. 25 to Feb. 8, 2021.

Even though rural areas are more wired today than in the past, current infrastructure does not support consistently dependable broadband access in many rural areas. This lack of reliable high-speed internet access has come to the forefront of discussions about navigating remote work and school during the coronavirus pandemic. In a 2018 Pew Research Center survey, adults who lived in rural areas were more likely to say access to high-speed internet was a major problem in their local community: 24% said this, compared with 13% of urban adults and 9% of suburban adults. Similar rates of concern about access to high-speed internet were shared by rural adults in both lower- and higher-income households, as well as by those with various levels of educational attainment. Rural residents go online less frequently than their urban counterparts and it may be in part because of the connectivity issue. Eight-in-ten adults who live in rural communities say they use the internet on at least a daily basis, compared with roughly nine-in-ten of those in urban areas (88%). In addition, three-in-ten or more urban (37%) and suburban (30%) residents say they are online almost constantly while about a quarter of rural residents (23%) say the same.

As is true for the nation as a whole, mobile technology use among rural adults has also risen rapidly, with the share of those owning smartphones and tablets increasing sharply since 2011. While smartphone ownership rose significantly (9 points) among rural residents in the past three years, their tablet ownership has remained relatively equivalent to what it was in 2019. Similarly, rural ownership of desktop or laptop computers remains largely unchanged. When looking at differences by community type in technology ownership, rural adults are less likely than urban adults to own traditional or tablet computers. In addition, rural residents are less likely than suburbanites to say they have a tablet. Rural adults are also less likely than suburban and urban adults to have multiple devices or services that enable them to go online: Three-in-ten adults who live in rural communities report owning or having a desktop or laptop computer, a smartphone, a home broadband connection, and a tablet computer, compared with 44% of urban and 43% of suburban adults.

So while broadband infrastructure expansion and improvement may be the first gap to address, internet adoption for rural communities will also require that policies simultaneously address the appropriate device access and digital literacy legs of the digital inclusion stool for rural residents.

Challenges for People with Disabilities

More than 40 million people in the United States have a disability, according to the U.S. Census Bureau, yet Americans with disabilities are less likely than those without to own some digital devices. Some 62% of adults with a disability say they own a desktop or laptop computer, compared with 81% of those without a disability, according to a Pew Research Center survey of U.S. adults conducted Jan. 25-Feb. 8, 2021. And when it comes to smartphone ownership, there is a gap of 16 percentage points between those with a disability and those without one (72% vs. 88%).

Despite these gaps, similar shares of Americans – regardless of disability status – say they have broadband at home or a tablet computer. For example, 72% of adults with a disability report having high-speed internet at home, a figure that does not differ statistically from the 78% of adults without a disability who say the same. And there is no statistically significant difference in tablet ownership between adults who report having a disability (47%) and those who do not have a disability (54%).

There is, however, variation by disability status when considering ownership of all these devices that enable people to go online. Roughly a quarter of Americans with disabilities (26%) say they have high-speed internet at home, a smartphone, a desktop or laptop computer and a tablet, compared with 44% of those who report not having a disability.

Whether or not someone goes online also varies by disability status. Americans with disabilities are three times as likely as those without a disability to say they never go online (15% vs. 5%). And while three-quarters of Americans with disabilities report using the internet on a daily basis, this share rises to 87% among those who do not have a disability (Vogels, Sept. 2021). Internet access for someone with a disability reduces isolation and barriers to employment.

The Challenges of Accessing Healthcare and the Emergence of Telemedicine

Telemedicine (TM) is a promising public health tool because of its 1) potentially significant impact on medically underserved populations through increased access, 2) increasing prevalence as a recognized standard of care, 3) influence on the provider-patient relationship, and 4) potential to save billions of dollars in healthcare expenditures (Marcoux) (Mehrotra).

The United Health Foundation's annual health rankings is the longest-running state-by-state analysis of our nation's health. In 2020, three of the five Southwest states ranked in the lower half with Arizona ranking thirtieth. (https://www.americashealthrankings.org/) For primary care physicians Arizona ranks thirty seventh. For mental health providers Arizona ranks the lowest of all Southwest states at forty seventh just at a time when there is an increasingly urgent need for mental health professionals.

These are just a few statistics illustrating the dire need for new and innovative healthcare options in the Southwest with telemedicine being a key solution. Using TM means low-income households can access health care from anywhere and address barriers like making appointments and transportation, reducing the stress of limited time and resources. In addition, Arizona has unique populations with distinct cultural and language differences resulting in significant barriers to getting effective and efficient healthcare. Arizona is seventh for the number of Native American residents and fifth for Hispanics. According to the National Congress of American Indians, Centers for Disease Control & Prevention (CDC), Indian Health Service (IHS), US Department of Health & Human Services (HHS) and US Census, compared to all other US races, American Indians and Alaska Natives (AIANs) have poor health overall. AIANs have much higher rates of chronic and life-threatening conditions, including a life expectancy 5.5 years lower than the general population, Many Native Americans live in rural areas or on tribal reservations, which can place them at further distances to health care. Telemedicine becomes a critical tool to quickly address health issues.

Similarly, Hispanics face more barriers to health care. For example, according to the CDC, HHS and US Census, only 8.8% of Hispanic adults receive mental health services compared with 18.6% non-Hispanic white adults and 6.8% receive prescription medication for mental health compared with 15.4% non-Hispanics. Hispanic women are 40% more likely to have cervical cancer and 20% more likely to die of it than non-Hispanic white women. The number of suicide attempts by adolescent Hispanic females is 40% higher their non-Hispanic counterparts.

The power of telemedicine was demonstrated by the pandemic. In response to the COVID-19 public health emergency, the Arizona Department of Health Services (ADHS) created the Telehealth Task Force with a broad array of stakeholders. Through their input, ADHS learned many residents in rural and underserved areas were not accessing health care services in person for fear of exposure to COVID-19 yet there's general lack of awareness of where to seek care via telemedicine. As part of its strategies, the Telehealth Task Force created a mapping tool to identify the nearest telemedicine site by entering their zip code. (Arizona Health Improvement Plan 2016 to 2020, Arizona Department of Health Services)

The impact of telemedicine operates in urban areas as well. One research study of over 74 inner city locations showed that when both suburban and inner-city children lacked telemedicine access, overall acute illness visits were 75% greater among suburban than inner-city children. After telemedicine became available to inner-city children, their overall acute visits approximated those of suburban children demonstrating that Telemedicine redressed socioeconomic disparities in acute care access in the Rochester area, thus contributing to a more equitable community (Ronis).

The National Academy of Sciences, Engineering and Medicine noted in their recent report on population health that telehealth medicine holds promise for accessing healthcare, but that Internet connectivity or technology to link with providers are critical barriers. They recommend the creation of community hubs, such as those situated in libraries, as sites for community residents to access telehealth services as one solution (pg. 22).

The Challenges Accessing Broadband Discounts

Some 15% of home broadband users in the United States say they have had trouble paying for their service during the coronavirus outbreak, which includes 34% of those with household incomes of less than $30,000 a year (McClain). The FCC launched the temporary Emergency Broadband Benefit, a discount program to help households struggling to work and learn from home to pay for their home service during the pandemic. Yet many families who would qualify are unaware of or have barriers to participating in the ACP, and families of color are disproportionately impacted. For example, approximately 37 % of Black Americans in the workforce make less than 200 % of the federal poverty level and are economically insecure. Many of these families would likely qualify for assistance through the ACP, but surveys show that many are unaware of this program. Among those who are aware, 32 % found it difficult to sign up for ACP support (Bergson-Shilcock).

The Impact on the Workforce

As noted, a significant portion of the workforce has no or low digital skills, making this a workforce development issue as well. This keeps workers locked in lower wage jobs with less opportunity for career advancement and at greater risk for displacement by automation. One study showed that 58% of workers with no and 47% of workers with limited digital skills were in the bottom two quintiles of lowest earnings. Most workers with no digital skills are employed at small and medium sized enterprises (SMEs), placing a brake on the productivity and growth of these businesses. While many of these workers are interested in upskilling, their incomes make it difficult to pay for tuition for many training programs.

These workers are disproportionately workers of color for the reasons noted about disparities of access to the internet, fewer devices, and less opportunity to develop digital skills. Black workers are 36% of workers with no or limited skills, but Latinos represent 55% with the majority (35%) with no digital skills. (Unfortunately, there is no data on Native American workers.)

Not surprisingly, education is highly correlated to digital skills. For example, workers with a high school degree or equivalent, represent 47% of the workforce with no digital skills and 53 % with limited skills. In contrast, those with a bachelor's degree are 7% and 9% respectively.

The problem starts in the K-12 system which has very unequal and widely varying degrees of integration of digital literacy into classrooms and curriculum. Not surprisingly, this variation is often marked by the economic status of the families being served by that school system. Of concern is data showing that parents are also more likely to have skill gaps. They represent 66% of the total workforce, but 75% of those with no skills and 78% of those with limited skills. Upskilling parents could have a secondary effect on their children, giving another example of the need for a two-generation approach.

Additionally, upskilling incumbent workers is constrained first by funding. National funding for adult education is woefully low (among the lowest of the world's advanced economies) and pressures from new technologies are putting workers with less education and training even further behind. There is strong support for additional training programs with 90% of voters and

74% of businesses supporting targeted tax incentives for businesses that invest in skills training. Blended learning of both in person and online training is an important tool.

Finally, this becomes an economic development issue since companies will choose communities with higher levels of workers with the required digital skills. Therefore, policy solutions must be multi-sectoral. To this end, policy makers should prioritize digital skill building strategies that incorporate employer input in their design (Bashay).

Have you considered any unintended consequences? If so, what are they?

We have not found any literature on unintended consequences.

Anecdotally, some rural communities in Arizona are concerned that as rural broadband expands there may be pressures on these communities as people desiring the rural lifestyle will now have the option to relocate and have access to the internet.

Cite Return on Investment (if applicable):

Two studies from Purdue University's Center for Regional Development estimated the economic impacts of expanding broadband in the areas served by seven rural electrical cooperatives in Indiana and compared it to the cost of expansion. Benefit-cost ratios for expansion in each electrical cooperative's footprint ranged from three to four, meaning every dollar spent on expansion would result in about three to four dollars in economic benefits to Indiana (Marré).

When both access and adoption are in place, research has shown that there is an economic multiplier effect with potential overall economic impact of broadband access on a local economy. A recent study by C_TEC (U.S. Chamber Technology Engagement Center) found that up to $47 billion a year could be added to the U.S. economy and more than 360,000 jobs would be created over the next three years if digital connectivity and adoption of online tools improved among rural businesses (U.S. Chamber Technology Engagement Center, 2019).

In addition, the expansion of the rural communications industry is a job multiplier as well. One study found that when evaluated as a snapshot of a single recent year, small, rural communications providers in the United States contributed to more than 77,000 jobs and supported more than $10 billion in economic activities across a wide range of industries. These rural broadband providers collectively serve nearly 35% of the nation's land mass and less than 5% of the country's telecom subscribers. They serve approximately seven subscribers per square mile; by contrast, larger telecommunications companies serve on average 130 customers per square mile in metro areas.

List of area experts and/or practitioners that reviewed or provided input into this policy:

1. **Ben Blink,** Principal, Blink Public Policy, LLC
2. **Cindy Hogan,** Digital Equity Program Manager for the Arizona Commerce Authority Broadband Office, and Co-Chair of the Digital Inclusion Committee for the Connect Pima Action Plan in Pima County.
3. **Erin Carr Jordan,** Ph.D, President and CEO Digital Equity Institute
4. **Elizabeth A. Krupinski,** PhD FSPIE, FSIIM, FATA, FAIMBE, Professor & Vice Chair for Research, Department of Radiology & Imaging Sciences, Emory University
5. **Janet Major,** Associate Director for Innovation & Digital Health, Arizona Telemedicine Program & Southwest Telehealth Resource Center.
6. **Karla Morales**, Vice President, Arizona Technology Council
7. **Michelle Simon,** Deputy Director, Pima County Library and lead for Connect Pima

Implementation ideas:

County wide Broadband Development

1. Develop a set of policies that encourage more digital infrastructure and competition to keep prices down.
2. Develop and implement strategies to build infrastructure in underserved areas, including a) issuing an RFI to understand broadband provider interest in serving these areas, and b) the development of a "broadband ready community certificate" similar to Indiana's.
3. Develop a county fiber infrastructure license template to streamline new fiber providers coming to the County.

4. Designate a Broadband Equity, Access, and Deployment (BEAD) point of contact on behalf of Pima County to liaise with the State Broadband Director.

Mapping and Tracking Data

1. Make explicit commitments to digital equity and inclusion with outcomes and timelines. Develop a public dashboard that tracks progress and demonstrates accountability.
2. Uset the FCC's broadband location fabric to develop a map of unserved and underserved locations in Pima County to inform the digital equity initiatives.
3. Map and make available all digital literacy training and support services, including homework help, job help, computer classes (in-person and virtual), electronic resources, and one-on-one assistance through digital navigators (in-person and by phone). Maps and signage for "digital parking lots" in Pima county

Outreach

1. Increase ACP adoption, particularly in identified underserved areas, and track outcomes.
2. Strengthen awareness of and access to digital skilling efforts in underserved communities.
3. Since the eligibility criteria for ACP include participation in federal programs such as Medicaid and the Supplemental Nutrition Assistance Program, government agencies and community organizations could use existing outreach channels to communicate with eligible residents.
4. Identify the City, County, Town, Tribal, and community agencies with strong presence in target communities and train them to share information about ACP and assist with enrollment. Have those staff follow up to see if individuals to signed up and understand why or why not.
5. Target residents of public housing programs, including vouchers, to have access to resources to address the digital divide, prioritizing families with children.

Access and Digital Navigators

1. Create community hubs, such as those situated in libraries, as sites for community residents to access telehealth services.
2. Incorporate the use of Digital Navigators to help residents get approved for subsidies, gain skills, and navigate to needed resources. Develop a two-tiered model with experts guiding the process of educating and supporting generalists with strong community ties.
3. Increase support and funding for organizations such as schools, nonprofits, and faith-based organizations to provide digital navigation assistance in communities they serve.

Multi-sector approaches:

1. Continue to work regionally with cities, towns and tribes, as well as area nonprofits and faith groups.
2. Use public-private partnerships to facilitate remote learning and close the homework gap.
3. Involve all stakeholders in understanding the underlying barriers to access and digital equity.
4. Partner with local stakeholders to ensure households can access subsidies for internet subscriptions and devices.
5. Facilitate greater awareness and information sharing among apartment complex property managers regarding tenant choice and competition considering broadband service agreements. Partner with Digital Navigators for ACP enrollment.

Workforce Opportunities

1. Create better assessment and data tracking systems to identify the digital literacy needs of the people entering the workforce system.
2. Provide digital training to all WIOA recipients required to reach levels of proficiency with targeted opportunities for advancement based on their skill level and career interest or field.
3. Work with local employers to identify the kinds of digital literacy skills needed. Provide multiple pathways and reduce barriers like costs and access to obtaining those skills.
4. Ensure that workers of color benefit equitably from these investments, require outcome data to be disaggregated by race and ethnicity.

Advocacy Opportunities

1. Encourage Congress to create a digital public service and engagement program (e.g., digital navigators), which could conduct trainings and outreach in non-adopting communities.
2. Campaign to encourage and assist the nation's federally insured banks to voluntarily commit 1% of their Community Reinvestment Act (CRA) funds for digital equity.

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Increase Access to Quality Early Childcare and Education

Contact Name: Nicole Fyffe **Email:** Nicole.fyffe@pima.gov 10/17/23

Policy Title: Increase Access to Quality Early Childcare and Education

Policy Full Text: Increase access to affordable high quality early childcare and education for children from low-income families.

Strategic Element:	**Tactical Element:**
Children attending high-quality early childcare and education programs are more likely to graduate from high school, have higher incomes, be healthier, and be less involved in the criminal justice system. These successes provide lasting benefits to parents, families, schools, employers, taxpayers, and the community.	Children are better prepared for Kindergarten, health concerns and developmental delays are caught and addressed earlier, parents and other caregivers have the ability to work or further their education and training, and employers can count on more reliable and productive employees.

How will the policy: (1) ensure the availability of jobs that will economically support a household, 2) increase housing stability, 3) provide equitable and effective resources, 4) build individual and community assets, 5) build climate resilience and reduce environmental harm, 6) reduce or prevent crime, and/or (7) further a 2-generation approach?

- **Jobs** - Early childcare and education is a significant barrier for low-income parents and caregivers who wish to work and pursue careers. Access to high quality free or reduced cost childcare enables parents and caregivers to get and keep jobs, and be more reliable and productive employees. Children attending these high-quality programs are the future workforce and are more likely to have higher paying jobs as a result of participating in such programs. A well-resourced early childcare and education system provides sustainable wages to childcare and education professionals. Many early childcare and education providers are small businesses.
- **Housing** – Free or reduced cost childcare provides parents and caregivers with more funding for other essential needs, including housing.
- **Resources** – High quality early childcare and education provides children with the social and academic skills they need, while providing parents and caregivers with a reliable and safe place for their children to be while they work, pursue training, or weather unexpected events. Reducing the cost of high-quality early childcare and education provides parents and caregivers provides more funding for other essential needs.
- **Assets** - Research shows that as parents' income increases their children's health, educational outcomes, and future wealth improve as well.
- **Climate resilience and reducing environmental harm** – The transition to a clean energy economy and improving energy efficiencies of homes and buildings will require re-training of thousands of workers across Pima County. Research shows that workforce training programs are more successful when support services like childcare and transportation are included. Semiconductor manufacturers receiving tax benefits under the new Federal CHIPS Act requesting over $150 million in direct funding under the CHIPS Act will need to submit plans for providing affordable, accessible, reliable and high-quality childcare for the workers who build and facilitate their plants. Childcare licensers, as well as the State's Quality First rating and improvement system, Head Start and national accreditations, consider the environmental conditions inside and outside child care facilities.

- **Reduce or prevent crime** - Children who have participated in high quality early childhood care and education programs are less likely to be involved in criminal activity later in life.
- **2 Gen approach** – Providing high quality childcare to working families is a two-generation or whole-family approach to reducing poverty since it helps both parents/caregivers and children.

Why policy is applicable to Pima County region?

In Pima County, only 34% of 3rd graders are proficient at reading – a key educational indicator, decreasing from 46% prior to the pandemic. This drops to 24% for Hispanics, 23% for Blacks, 16% for Native Americans, and 19% for those that are economically disadvantaged. Families with children and single parents with children, with household incomes below the poverty line, are paying between 43% and 54% of their incomes for center-based early childcare and education. While the number of preschool age children (3-4 years old, and 5-year-olds not yet eligible for Kindergarten) attending preschool has increased to 41 percent, only 1 in 4 preschool age children are attending high-quality preschools. The following categories of childcare and preschool providers are recognized as high quality by the State of Arizona: Quality First 3-to-5-star providers (assessed and rated according to the State's First Things First Quality Improvement and Rating System), Head Start providers, and providers that are Nationally Accredited from a list of approved organizations.

United Way of Tucson and Southern Arizona's Cradle to Career Data Dashboard accessed 12.7.2022: https://c2cpima.org/data/
https://mapazdashboard.arizona.edu/education/prek-12-enrollment

In Arizona, school districts are required to provide free half day Kindergarten for children who turn 5 before September 1. Several terms are used interchangeably to describe early childcare and education that occurs before Kindergarten for children ages birth to five: childcare, day care, nursery school, and preschool (typically age 3-4). Early childcare and education throughout Arizona is provided by a mix of providers (public schools, private centers, home-based providers, religious providers, etc.). The annual cost to parents can rival college tuition. Existing public funding for those who need it is insufficient and is primarily Federally funded (AZDES childcare subsidies and Head Start). Voter-approved tobacco revenues fund Arizona First Things First Quality First Scholarships, and there are a small number of local programs like Pima County's Early Education Program scholarships PEEPs.

In Pima County, an estimated 66,199 young children age birth to five years are living with one or two parents. Households that have two parents in the labor force with young children account for 33% while single parent headed households with young children account for 32% in Pima County.

2022 First Things First Pima North Regional Needs and Assets Report, pg. 33, U.S. Census Bureau (2019).

Both housing and early childcare and education expenses can account for a significant portion of a family's income in Pima County. Looking at the cost of housing relative to household income in Pima County, there are approximately 404,739 occupied household units with 31% of those units requiring residents to contribute at least 30% of available household income to housing expenses (meaning they are housing cost burdened). In some Pima County communities, such as Flowing Wells and Sunnyside, available household income that is designated to housing expenses is exceedingly higher at 42% and 34%, respectively. These are 2019 figures and could be substantially higher in 2023 due to the dramatic increases in rent prices since 2019. Another substantial cost to families with young children is early childcare and education. The Economic Policy Institute suggests infant care in Arizona costs approximately $10,948 annually, which equates to almost 4% higher than tuition for an in-state student at a four-year public university. Care for a preschool aged child costs approximately $8,500 annually. Given the lower median income of families in Pima County, especially single parent households, early childcare and education represents a significant financial burden. For example, when comparing median incomes of Pima County families with children with the cost of childcare programs in Pima County, childcare can account for approximately 13%-16% of a family's income.

2022 First Things First Pima North Regional Needs and Assets Report, pgs. 35, 40, U.S. Census Bureau (2019).

2022 First Things First Pima South Regional Needs and Assets Report, pg. 40, U.S. Census Bureau (2019).
Economic Policy Institute https://www.epi.org/child-care-costs-in-the-united-states/#/AZ

Has policy proven to be more effective for certain populations and if so who?

Numerous longitudinal studies show that investing in high-quality early childcare and education is <u>especially beneficial for children who are from economically disadvantaged/low income families, minority and dual language learners.</u>

Cite evidence based research from nonpartisan, objective, and well-recognized authorities:

High quality early childcare and education is one of the most frequently recommended strategies for reducing intergenerational poverty in the United States. Numerous longitudinal studies show that investing in high-quality early childcare and education, especially for children who are economically disadvantaged, minority and dual language learners, provides short-term and lasting benefits to children, families, schools, employers, taxpayers, and the community.

In 2014, the Washington State Institute for Public Policy (WSIPP) released a report drafted at the request of the Washington State Legislature, concerning the impacts of early childcare and education programs for low-income children and the return on investment for such programs. As part of the analysis, WSIPP reviewed 49 scientifically rigorous studies comparing outcomes of low-income students who attended specific preschool programs to those who did not. The childcare programs included the Federal Head Start program, state and school district pre-kindergarten programs, and smaller model programs (including two well-known and often-cited model programs implemented in the 1960s and 1970s: Perry Preschool and the Abcedarian Project. Perry Preschool provided two years of half-day preschool with weekly home visits to most participants. The Abcedarian Project provided year-round full-day early childhood education to students from birth to age five). The WSIPP analysis found that all three types of programs had statistically significantly positive impacts on test scores immediately after preschool. While longer-term outcomes have a larger degree of uncertainty, primarily due to a lessor number of studies, the WSIPP analysis still found that these programs have beneficial effects on increasing high school graduation rates, and decreasing grade retention, the need for special education services, crime and teen births. The report also included an estimate of the return on investment for the Head Start and State/school district preschool programs, which ranged from $2.63- $4.20 for each dollar invested. The monetary benefits included increases in labor market earnings, lower K-12 education and criminal justice system expenditures, and lower healthcare expenditures.

Washington State Institute for Public Policy. (2014). Early Childhood Education for Low-income Students: A Review of the Evident and Benefit-Cost Analysis. https://www.wsipp.wa.gov/ReportFile/1547/Wsipp_Early-ChildhoodEducation-for-Low-Income-Students-A-Review-of-the-Evidence-and-Benefit-Cost-Analysis_Full-Report.pdf.

A 2017 report titled The Current State of Scientific Knowledge on Pre-Kindergarten Effects was released by a task force of interdisciplinary scientists that reviewed available evidence and reached consensus on a number of conclusions. They found that children attending publicly funded pre-kindergarten programs are better prepared for kindergarten than similar children who have not attended pre-kindergarten. Economically disadvantaged children and dual-language learners showed greater improvement at the end of the pre-kindergarten year. The most successful pre-kindergarten programs included key elements of what is often referred to as high quality, including evidence-based curriculum and coaching for teachers. Longer-term academic benefits depend on the quality of learning experiences before, during and after the pre-kindergarten year. While not a consensus statement, the report did cite consistent, positive effects for Hispanic children, and cited a widely reported study showing significant gains for African American children.

The Current State of Scientific Knowledge on Pre-Kindergarten Effects. (2017.) https://www.brookings.edu/wp-content/uploads/2017/04/duke_prekstudy_final_4-4-17_hires.pdf Accessed on March 8, 2019.

According to findings discussed at Arizona's 103rd Town Hall on early childhood education, intensive preschool interventions targeting disadvantaged children have yielded significant gains that can last well into adulthood. According to the background report prepared by Northern Arizona University and the Arizona K-12 Center, children who attended preschool programs were more likely to stay in the regular classroom and out of special education, go through school without repeating a grade, complete high school without dropping out, be employed as adults and have higher earnings.

Arizona Town Hall. (2013). Highlights of the 103rd Arizona Town Hall: Early Education in Arizona. P.3. https://aztownhall.org/resources/Documents/103%20Early%20Education%20Highlights.pdf Accessed March 14, 2019.

Research shows that a lack of access to childcare negatively affects the chances of parents staying in the workforce. For non-working, low-income adults with children, 70 percent cite taking care of home/family as the reason they are not in the workforce. For students with children that dropped out of post-secondary educational programs, three-quarters of them said childcare would help someone like them in get a college degree. Furthermore, an additional $3,000 of income to a family earning less than $25,000 when their child is young, has been found to boost that future child's earnings by 17 percent.

Greenburg, M. (2007). Next Steps for federal child care policy. The Next Generation of Anti-Poverty Policies. As cited by Pima South Regional Partnership Council 2018 Needs and Assets Report.
US Chamber of Commerce Foundation. (2017.) Workforce of Today, Workforce of Tomorrow. https://www.uschamberfoundation.org/reports/workforce-today-workforce-tomorrow. Accessed April 8, 2019. .
Duncan, Greg J. and Magnuson, Katherine. (2011). The Long Reach of Early Childhood Poverty. P.26
https://inequality.stanford.edu/sites/default/files/media/_media/pdf/pathways/winter_2011/PathwaysWinter11_ Duncan.pdf Accessed April 10, 2019 10 (2018).

Since 2003, the Federal Reserve Bank of Minneapolis has been a national leader in research and analysis of the return on investment in early childhood education. **"**"Early childhood development programs are rarely portrayed as economic development initiatives, and we think that is a mistake," adding, "The return on investment from early childhood development is extraordinary, resulting in better working public schools, more educated workers, and less crime."

https://www.minneapolisfed.org/article/2019/rob-grunewalds-passion-early-childhood-learning-and-its-powerful-economic-development-outcomes

The Federal Reserve System and many of its member reserve banks have endorsed investments in high quality early childhood education as a key economic development and poverty reduction strategy. "Indeed, a growing body of economic and education literature has focused on the relative efficiency of addressing workforce development challenges through investments in early childhood development and education compared with interventions later in life."

Janet Yellen, then-Chair, Board of Governors, Federal Reserve System. Source: Yellen, Janet, March 2017, "Welcoming Remarks" at "Strong Foundations: The Economic Futures of Kids and Communities," the 10th Biennial Federal Reserve System Community Development Research Conference, Washington, D.C. https://www.federalreserve.gov/newsevents/speech/yellen20170323a.htm

The Federal Reserve System and member banks continue to invest in research into the value of early childhood education to the economy and its workforce**.** https://www.frbsf.org/community-development/blog/introducing-federal-reserve-series-on-early-care-and-education/

The State of Arizona recognizes high quality early care and education providers as those participating in the State's Quality First program with a rating of 3-5 stars, those participating in the Federal Head Start program, or nationally accredited preschools.

Quality First, a program of Arizona's First Things First, a state agency, is Arizona's Early Learning Quality Improvement and Rating System. Arizona's Quality First program was designed to include similar evidence-based interventions that are components of other quality rating and improvement systems (QRIS) across the nation.

"Quality First partners with childcare and preschool providers to improve the quality of early learning across Arizona. The system assesses providers on evidence-based indicators of quality, funds support to help providers enhance the quality of their programs, and then publicly rates providers on a five-tier scale. There are five quality improvement services that Quality First

offers to participating early care and education (ECE) programs: coaching, assessment, financial incentives, specialized assistance, and professional development." Epstein, D., Hegseth, D., Friese, S., Miranda, B., Gebhart, T., Partika, A., and Tout, K. (2017). Quality First: Arizona's Early Learning Quality Improvement and Rating System Implementation and Validation Study. Chapel Hill, NC: Child Trends https://www.firstthingsfirst.org/wp-content/uploads/2018/02/AZ_QF_Phase_1_Report.pdf

As part of the report, Quality First: Arizona's Early Learning Quality Improvement and Rating System Implementation and Validation Study, Phase 1, researchers "synthesized research evidence about Quality Rating and Improvement System features and summarized trends in state QRIS. The purpose of this synthesis was to situate Quality First within the context of other QRIS nationally. Second, building on existing literature reviews and projects that have already been conducted…a research synopsis was written for each Quality First component." The study found that "Overall, the Quality First model and its five main components are similar in structure and operations to other QRIS nationally."

The Phase 1 study also included "a validation of the Quality First Rating Scale (1 to 5 stars) to examine if the rating is working as expected and whether it distinguishes between different levels of quality."

"Overall, findings from the Quality First validation analyses are consistent with other recent validation studies including those in California, Delaware, Minnesota, Oregon, Rhode Island and Wisconsin, which all reported significant relationships between ratings and an independent measure of program quality." Ibid, p. ii. In addition, the study found that Quality First programs improve their quality over time.

Head Start has been around for over 6 decades, is almost exclusively federally funded, and is administered by the Office of Head Start, which is part of the U.S. Department of Health and Human Services.

Proven, long-term impacts of Head Start include:
Economic Stability: Head Start participants are 12% less likely to live in poverty as adults and 29% less likely to receive public assistance.
Early Support: Families in Early Head Start have stable home environments and less involvement with the child welfare system.
Advancing Parents: Head Start enhances parents' education level, employment status, and income.
Health: Head Start children have more access to health care and have improved physical health throughout their lifetime.
https://nhsa.org/resource/2022-state-fact-sheets/ Accessed 3.16.2022

Have you considered any unintended consequences? If so, what are they?

Yes. The QUALITY of the early childcare and education provided is critical in resulting in the expected benefits. A recent study of a Tennessee based public preschool program found exactly that. The focus needs to be on high quality, not just any childcare experience, and continually evaluated for improvement.

In addition, for communities that have focused entirely on expanding preschool, an unintended consequence is a potential decrease in supply of infant/toddler care, which is significantly more expensive than preschool.

Cite Return on Investment (if applicable):

Economists have estimated high returns on investment for high quality early care and education, based on increased school and career achievement as well as reduced costs in remedial education, health, and criminal justice system expenditures.

James J. Heckman is the Henry Schultz Distinguished Service Professor of Economics at the University of Chicago, a Nobel Memorial Prize winner in economics and an expert in the economics of human development. Through the university's Center for the Economics of Human Development, he has conducted groundbreaking work with a consortium of economists, developmental psychologists, sociologists, statisticians, and neuroscientists showing that quality early childhood development heavily influences health, economic and social outcomes for individuals and society at large. Heckman has shown that there are great economic gains to be had by investing in early childhood development. Professor Heckman and

colleagues find 13% per year per child per annual ROI (530% over 40 years or **$6.30 for every $1 invested)** for comprehensive, high-quality, birth-to-five early education. This research analyzes a wide variety of life outcomes, such as health, crime, income, IQ, schooling, and the increase in a mother's income after returning to work due to childcare. ABC/CARE collected data on the participants throughout childhood and well into adulthood, allowing for an in-depth analysis of long-term effects in multiple dimensions of human development. This ROI, representing high-quality, comprehensive programs from birth to five, is substantially higher than the 7-10% per year per child per annual return previously established for preschool programs serving 3- to 4-year-olds.
https://heckmanequation.org/

Insufficient care for infants and toddlers under 3 years of age is resulting in **$122 billion in lost earnings, productivity, and revenue every single year for parents, businesses and taxpayers.**
https://www.strongnation.org/articles/2038-122-billion-the-growing-annual-cost-of-the-infant-toddler-child-care-crisis

List of area experts and/or practitioners that reviewed or provided input into this policy:

1. **Dr. Eric Schindler**, President/CEO for Child and Family Resources
2. **Jessica Harrington**, First Things First, Senior Regional Director of the Southeast Area
3. **Monica Brinkerhoff**, United Way of Tucson and Southern Arizona's VP for Early Childhood Education
4. **Michelle Crow**, Children's Action Alliance
5. **Nicole Scott,** Program Manager, Pima Early Education Program (PEEPs)
6. **The Preschool Promise**

Implementation ideas:

1. Marketing campaigns to increase awareness of free/reduced cost high quality early childcare and educational opportunities.
2. Work with business chambers and employers to connect employees with high quality early childcare and education providers offering free or reduced tuition.
3. Connect low-income parents and caregivers seeking other services with childcare opportunities.
4. Increase the number of high-quality early childcare and education providers (centers, homes, etc.)
5. Increase the number of high-quality early childcare and education professionals (support apprenticeships, on the job training opportunities, and certificates/degrees; advocate for and support increased wages)
6. Fund the physical expansion of high-quality early childcare and education providers, or facility improvements.
7. Consider the need for high quality early care and education when negotiating community benefit agreements with developers.
8. Award higher points to housing developers and new businesses seeking public funding if high quality early childcare and education is available on site or in close proximity.
9. Advocate for more public school district support for early childcare and education.
10. Advocate for restoring State general funding for early childcare and education that was essentially zeroed out after the Great Recession.
11. Advocate for continuing recent increases in Federal funding for early childcare and education.
12. Continue funding the Pima Early Education Scholarship program, which provides preschool scholarships, free preschool classes, and extended day Head Start classes to children from economically disadvantaged families.
13. Consider sliding scale childcare tuition assistance for families whose incomes exceed the maximum income eligibility.

Improve Financial Capability

Primary Author(s): Lisa Floran, United Way **Email:** lfloran@unitedwaytucson.org

Policy Title: Improve Financial Capability

Policy Full Text: Improve community financial capability for low-income families and small businesses to increase access to fair credit and to gain and protect income and wealth building assets.

Problem Statement:

Participation in financial empowerment programs (financial education, literacy, and coaching; employment supports; income supports) is linked to promising effects in household financial stability, economic mobility, wealth-building, decision-making, health, and more. Four in ten Americans report high or moderate stress from their finances and this is disproportionately families struggling financially, often to meet day-to-day needs. A recent Financial health Network report stated that that 29% of Americans are unable to pay all their bills on time and 29% have unmanageable levels of debt. People with medical debt are three times as likely to have mental health conditions, like anxiety, depression, or stress. (Greene, 2023)

When coupled with policies that support low-income households to accumulate wealth, these programs have the potential to make a significant difference to people in Pima County. An analysis of 2018 FINRA data by researchers at the University of Arizona found that among Arizona households with incomes under $50,000, 55.3% found it very or somewhat difficult to cover their expenses each month, and 21.6% spent more than their income in the past year. (McDonald, 2021) A 2021 United Way survey of local Volunteer Income Tax Assistance (VITA) users, all from households making $73,000 a year or less, found that 60% of respondents reported feeling stressed some or most of the time about their financial situation. (United Way, 2022)

Finding relief from these stressful financial scenarios is not straightforward for lower income households. Wealth disparities are rooted in decades of policy that have prevented certain groups, particularly people of color, from accumulating wealth through exclusion from educational programs (GI Bill), denied mortgages and redlining, and tax policies that offer deductions for those with existing wealth. (Haroon, 2018) Financial planning resources are designed for and used at higher rates by moderate- and high-income households, and few financial planners are well-versed in the public benefits navigation that low-income households need. Benefits cliffs also make it difficult for low-income households to transition into higher wage positions without compromising their basic needs or losing money toward housing, childcare, and other supports. And as the Center for Economic Integrity notes on their website, financial products and services continue to be intentionally complicated for low- and middle-income consumers, aiming to increase bottom lines by trapping users in unending cycles of debt. (Center for Economic Integrity, 2023) The National Community Reinvestment Coalition notes that from 2017 to 2021, 9% of bank branches closed, a third of which in majority minority communities. (National Community Reinvestment Coalition, 2022) Despite its outsized importance, research has suggested that money is seldom discussed: in a multi-year study of money conversations, 83% of respondents indicated that they had not had a financial discussion with anyone in the past 12 months (White 2021a).

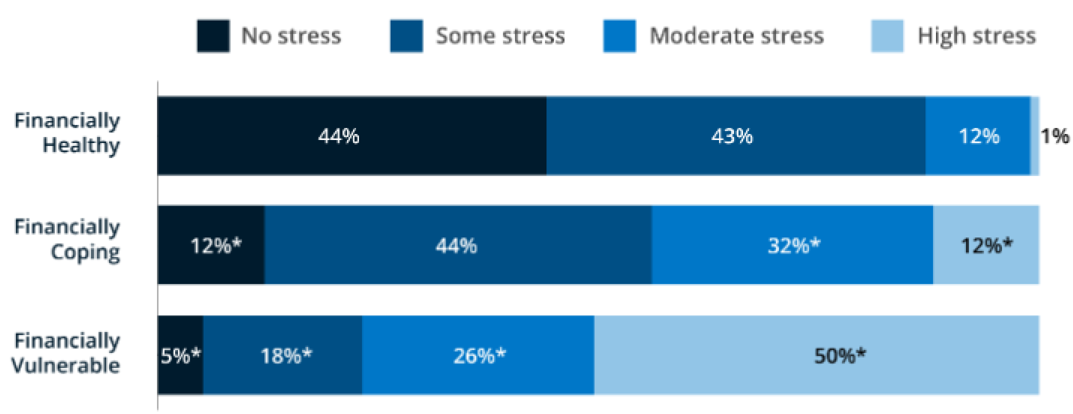
Notably, research has suggested that financial education programs alone – without concurrent policies to support wealth-building and access to income, safe housing, and equitable lending and offered separately from income and employment supports – have little effect on changing individual financial behavior. (Haroon, 2018) A report by the Domestic Violence Law Clinic at the University of Arizona also found that few mainstream financial education programs are effective for people with past experiences of trauma, which is a reality for an alarming number of low-income households in our County. (Obregon, 2023) However, in conjunction with larger policy, wealth-building, and income-increasing efforts and when adapted to the distinct needs of high-need populations, financial empowerment programs can be impactful.

Southern Arizona is home to a number of high-quality, evidence-based financial empowerment programs committed to addressing trauma and equity as they support people on a path to financial capability. Unfortunately, awareness of and use of these programs is low among those who most stand to benefit. Many low-income individuals continue to use the higher-risk – and easily accessible – financial options: the United Way's 2021 VITA survey found that almost one third of local respondents (31.8%) used a money order service to pay bills in the previous year, and 4.8% had used a payday loan or car title loan. (United Way, 2022) Further, the University of Arizona FINRA analysis also found that only 59.8% of lower-income Arizona households had any type of savings account, money market account, or CD – far less than the 85.4% of households making $50,000 or more. In that same FINRA analysis, less than 10% of low-income Arizonans reported fulfilling a financial education requirement at school or work, and they were also four times more likely to assess their financial knowledge as 'less than fair' than those making above $50,000. (McDonald 2021) Only 25% of low-income individuals surveyed in the 2021 Tucson Poverty Project believed they qualified for the Earned Income Tax Credit, and only 3% reporting using the VITA free tax preparation service – despite the fact that almost all respondents probably qualified for at least one of those services (Mayer 2022).

The United States has reached a "mental health crisis" based on high levels of stress in the country according to the American Psychological Association, which reports that 34% of adults report that stress is complete overwhelming on days. Finances are one of the leading causes of stress. Recent Financial Health Network research found that 4 in 10 Americans (40%) report high or moderate stress from their finances and this is disproportionately families struggling financially, often facing challenges to meet day-to-day needs. People with the lowest incomes are 1.5 to 3 times as likely to experience mental health issues, like depression and anxiety, as high-income people. Though causality has not been established between financial challenges and mental health concerns, there is a wealth of data that there is at least a "bi-directional" relationship, i.e., these challenges decrease mental well-being and vice-versa, but the concern is that this could contribute to a damaging negative spiral of mental, physical, and financial health. The Financial Health

Figure 2. Financially Vulnerable people report dramatically higher levels of financial stress compared with Financially Healthy people.

Level of financial stress, by financial health tier.



Network measures financial health and using their eight-point scale report that seven in ten people are classified as Financially Coping (struggling with some aspects of their financial lives) or Financially Vulnerable (struggling with almost all aspects of their financial lives) (Greene).

Medical debt especially stands out as an area of concern since people with medical debt are three times as likely to have mental health conditions, like anxiety, depression, or stress. Another report showed that 29% of Americans are unable to pay all their bills on time and 29% have unmanageable levels of debt. Medical debt especially stands out as an area of concern since people with medical debt are three times as likely to have mental health conditions, like anxiety, depression, or stress. This is particularly true for individuals who were uninsured (41%), low income (42%) or in poor/fair health (52%) compared with people who are insured (30%), higher income (13%), healthier individuals (23%) (Wiltshire).

Strategic Element:	Tactical Element:
Managing finances could have a significant reduction of household/family stress and associated mental and physical health impacts associated with financial stress. Because financial stress can impact the ability to get and keep a job, there could be increased employment placement and retention. Over the long run, there could be increased household income and overall net worth, which would increase an individual or family's ability to consider home ownership. As a community, with greater awareness, there would be more support for maintaining Arizona's position of prohibiting pay day lenders and eliminating or better regulating other financial predators.	We should see an increased participation in existing financial education programs, and with that an increased confidence by individuals in managing finances and assets. More people would increase their savings habits and reduce their household debt. Through these networks, new knowledge could result in increased participation by individuals in public benefits programs for which they qualify, such as EITC (Earned Income Tax Credit) widely considered an effective poverty reduction program. There would be less use of high-risk fand predatory financial services and with that, fewer individuals facing wage garnishment, loss of vehicles, etc.

How will the policy: (1) ensure the availability of jobs that will economically support a household, 2) increase housing stability, 3) provide equitable and effective resources, and/or 4) build individual and community assets?

Because many low-income families have not had access to financial education, this policy would increase access that would help families to stabilize financially and build assets. It can also help individuals connect with more resources that can result in greater stability and more choice and options.

Why policy is applicable to Pima County region?

According to 2023 analysis from Prosperity Now, 30% of Pima County households are liquid asset poor, meaning that they do not have sufficient cash to subsist even at the poverty level for three months without income, and about 12% Pima County households have zero net worth (Prosperity Now, 2023). Household wealth and income in Pima County is also significantly stratified among racial lines. Households of color have lower incomes, with the median household income for all households in Pima County is $59,215, compared to $51,057 for Hispanic/Latinx, $47,175 for Black, and $42,346 for Native American. Households of color in our county are almost twice as likely to be liquid asset poor, and 1.5 times more likely to have zero net worth (Prosperity Now, 2023).

Current statewide policies in Arizona permit certain high-risk financial services, such as car title lending at 120-204% APR. The Center for Economic Integrity notes that a two-year loan of $2,500 at 156.21% APR with 24 monthly payments of $343.65 can lead to a $8,247 total repayment – or $5,747 in interest (Center for Economic Integrity, 2022). Research from the Center for Responsible Lending finds that Arizona borrowers pay more than $254 million in fees and interest on car-title loans (Center for Responsible Lending, 2019). Those most likely to use these loans are low-income individuals and families who have little resources to begin with and soon find themselves trapped in a debt cycle.

Pima County has a strong network of existing financial capability programs and initiatives that can be activated to support policies in this area. United Way of Tucson and Southern Arizona coordinates a Financial Empowerment Collaborative made up of government, nonprofit, academic, and financial institution representatives from 15 local groups operating financial education, literacy, and coaching programs. In 2023, United Way also collaborated with the Take Charge America Institute at the University of Arizona to certify 14 local staff as financial coach trainers. Those 14 staff have started training new financial coaches in our community, with more than 70 people from credit unions, nonprofits, higher education, and small business training centers already graduated and ready to offer the trauma-informed, evidence-based strategy to individuals interested in making an actionable plan for their finances. The University of Arizona boasts a Personal and Family Financial Planning department with nationally known researchers, and our County is also home to nationally-known economic policy experts at the Center for Economic Integrity and innovative workforce development programs that incorporate financial empowerment such as JobPath, Earn to Learn, and the Pima County One-Stop network.

Has policy proven to be more effective for certain populations and if so who?

Historically, financial education programs were designed to be most effective for white individuals and families with 40 hour/week jobs, aspirations of homeownership, and straightforward access to banking, credit, and lending services. As a result, research has likewise suggested that traditional financial literacy programs can be effective for higher income, employed individuals than more financially vulnerable groups (Muller 2002; Garman 1999). But as researchers studied different groups, evidence has prompted many of them to argue that lower-income populations would benefit from specific program adaptations. For example, Anderson, Zhan, and Scott note that financial education focusing on public benefits, low-income tax considerations, and predatory lending can be especially useful for lower-income groups. (2004) Emerging research from groups such as Prosperity Now, Asset Funders Network, Casey Foundation, and the University of Arizona Domestic Violence Law Clinic suggests that bundling services (income, employment, and financial management), embedding cultural awareness, multilingual concepts and materials, and participant-centered approaches that allow individuals to set their own financial goals or select courses according to their family's needs are much more effective for other populations. In their 2023 Connecting Communities, panelists from the Atlanta Federal Reserve and associated entities reiterated that financial planners, financial coaches, and employers who understand public benefits are a key component to ensuring that low-income people can navigate and improve their own financial situations.

Cite research for evidence-based strategies that inform this policy, including references to well-recognized, non-partisan, and objective authorities that endorse or recommend these strategies:

As noted by Prosperity Now, financial empowerment programs coupled with supports and policies that support low-income households to accumulate wealth can improve financial well-being at a household level. (Haroon, 2018) Below is an overview of evidence supporting integrated service delivery models, financial coaching programs, and specific program adaptations shown to be especially effective for low-income households.

<u>Integrated Service Delivery (ISD) models for financial empowerment</u>

Bundling services related to employment, income supports, and financial management skills is most effective: A 34-month study of 40,000 people who typically made $800 per month and nearly two-thirds did not earn enough to cover their monthly expenses found that those who spent the most time on all three bundled services had the highest job placement rates (74% placement) and retention rates (78% retention after 6 months). (Rankin 2015) In a literature of multiple studies of ISD programs, research suggests that participants who received bundled services from at least two of the three core strands were more likely to achieve greater financial outcomes, including better job-placement and job retention rates and higher average earnings, than those who did not. (Annie E. Casey Foundation, 2020)

Employment and financial management support produces stronger outcomes than financial support alone: Clients who received both financial counseling and employment services had net income increases that were 89 percent higher than those receiving only financial or income support counseling. (Rankin 2015) Similar effects were seen among 6,061 SparkPoint Bundled Service participants in a United Way Bay Area program. (Annie E. Casey Foundation, 2020)

Participants saw increases in net income, net worth, and credit scores: 76% increased net income, more than half increased net worth, and 60% either increased or acquired a credit score. (Rankin 2015)

<u>Financial Coaching</u>

Financial coaching is a client-directed approach - the client defines goals and solutions with the support of a coach. Coaching has been found to create measurable gains for low- and moderate-income clients in the areas of money management, savings, debt levels, credit scores, financial confidence, and financial well-being. (Asset Funders Network, 2020)

Financial coaching has been similarly associated with increased savings, reduced debt, and improved credit scores: Change Machine (formerly known as The Financial Clinic) was one of the first organizations to adopt a coaching approach to financial development. In a randomized control trial led by the Urban Institute, trial participants who received their financial coaching intervention – whose annual income was on average $22,110 – increased their savings by $1,721, reduced their debt by $1,009, and improved their credit scores by more than 33 points. (Theodos, 2018). In a program provided by the Office of Financial Empowerment in New York City, as many as two thirds of clients report taking steps to manage their credit, and one-quarter report paying down debt. (Asset Funders Network, 2020). In a study of clients in the Financial Capability Demonstration Project, more than half of the clients who reported no savings at the start of services reported some savings after participation in coaching, resulting in median savings of $668. Similarly, clients raised their credit scores, with an average increase of 59 points (using the FICO score scale). (NeighborWorks America, 2013)

Financial coaching has shown impacts related to reducing financial stress: Almost two-thirds of clients who reported feeling stressed about their financial situation when they began coaching no longer felt that way after participating in coaching and related programs in the Demonstration project. (NeighborWorks America, 2013)

Adaptations and Service Delivery Evidence of Note

Recent research has underlined the importance of offering financial empowerment resources with adaptations shown to be especially effective for low-income populations and people of color.

Incorporating a trauma-informed approach: Based on their literature review of existing economic empowerment programs and interviews with local service provider staff, the Domestic Violence Law Clinic recommends using a trauma-informed lens when offering financial empowerment programs to individuals who have experienced past economic abuse and financial trauma. They specifically recommend including education about the concept of financial trauma, acknowledging the resilience of those who have survived it, acknowledging the difficult of discussing money, and withholding judgement, and affirming client autonomy as key components to include in any financial education program to increase its impact. (Obregon, 2023)

Targeting resources for specific audiences: Hathway notes that highly targeted programs that consider needs of a target audience and their needs are more effective than general education efforts for the wide public. For instance, programs focused on retirement savings for employer-specific groups, homeownership counseling for those interested in purchasing a house, and financial decision-making for those with lower incomes and levels of educational attainment have shown success. (Hathway, 2008) Additionally, in a survey of more than 14,000 college students on financial socialization messages, researchers found that Black students were least likely to receive saving and banking messages compared to other racial ethnic groups. Hispanic students received the investing message least of all groups. (White 2021b) These findings suggest the importance of tailoring content to different populations.

Ensuring inclusion of investing messages: In a survey of more than 14,000 college students on financial socialization messages, students who received the message to invest were more likely to demonstrate higher financial management, lower financial stress, and higher financial optimism. (White 2021b)

Have you considered any unintended consequences? If so, what are they?

As Prosperity Now points out in their Financial Coaching Program Design Guide, “For decades, financial health and education conversations have been based around the myth that individual behavior causes poverty and knowledge alone can change behavior.” (Haroon, 2018) Ignoring the systemic nature of poverty and its roots in intentional policies that excluded certain people from wealth and addressing financial education alone will likely do little to alleviate poverty; in fact, such an approach has the potential to exacerbate poverty. Along similar lines, focusing only on steps that individuals and families can take on their own may create false hope in addition to doing little to change economic situation. In that same document, the Prosperity Now authors write that “What is not talked about enough, though, is that even if someone attends all the money management courses in town - if they are living below the minimum wage, if they are unable to afford safe housing, if they are unseen by financial institutions, and if larger structural barriers such as policies that deter saving, lack of affordable housing stock, discriminatory practices in lending and neighborhood segregation – continue to be at play… they will not be able to overcome barriers that impede their ability to thrive financially and accumulate wealth.” (Haroon, 2018)

Cite Return on Investment (if applicable):

One way to calculate potential return on investment for financial empowerment strategies is to look at financial benefits from past evaluations of different program elements. In 2023, the average refund for a household using the Southern Arizona VITA program was $1,352, and the Financial Clinic study found that low-income households increased their savings by $1,721. (Theodos 2018) These findings suggest that engaging 1,000 households in these types of services could offer a return of more than $3 million in liquid cash and savings to high-need households. Using common APR amounts permitted by Arizona state law, the Center for Economic Integrity estimates that a two-year loan of $2,500 at 156.21% APR would result in a total repayment of $8,247 - $5,747 of which would be interest. (2022) The same loan at even a relatively high interest rate of 18% would result in about $1,000 in interest paid. Efforts to educate individuals about these types of high-risk service and concurrently reduce access to them could have a significant impact on low-income households as well, and in this case would result in an estimated savings of $4,700. These savings for individuals and families would likely contribute to economic impacts on a community level as well.

List of area experts and/or practitioners that reviewed or provided input into this policy:

1. **Daniel McDonald,** Director, Take Charge America Institute Extension Specialist Financial Literacy, UA Cooperative Extension Service
2. **Kelly Griffith,** Executive Director, Center for Economic Integrity

Implementation ideas:

1. **Offer integrated service delivery models that offer bundled supports (income, employment, financial management) in one place:** The Financial Opportunity Center model offer financial capability and coaching, employment services, and access to income supports (including emergency assistance and benefits) in one place. LISC operates more than 130 Financial Opportunity Center sites across the country, including in Phoenix, Indianapolis, and Atlanta. The Casey Foundation's Center for Working Families framework uses a similar approach and has seen promising outcomes in Chicago, and the Lumina Foundation has supported 19 community colleges to implement ISD through the Working Students Success Network. (Annie E. Casey Foundation, 2020)
2. **Educate employers about supports for low-income employees:** Understanding public benefits, benefits cliffs, high-risk financial products, and emergency cash assistance programs can help employers better support and retain lower-income employees, especially those who may be part-time or not salaried.
3. **Support flexible emergency assistance:** An unexpected expense can easily derail a low-income household, and these crisis situations are a top reason for individuals missing work, job training classes, or progressing toward financial goals. Funds to support people to cover unforeseen costs and stay committed to long-term planning, and they can be incredible prevention, persistence, and retention tools.
4. **Offer financial empowerment programs in tandem** with policies to support affordable housing, family-sustaining wages and income, and wealth-building.
5. **Increase awareness of financial empowerment resources among the general public**
6. **Build partnerships that increase awareness of financial empowerment programs at critical moments:** Research suggests that a moment of financial crisis is not necessarily a good opportunity for financial education. However, offering resources at other moments has been promising: connections to financial coaching or credit building after a loan denial, saving and investing support when starting a new job, information and referrals to a tax prep program like VITA from an employer.
7. **Support financial coach training efforts:** In particular, train trusted individuals who regularly work with community members on sensitive topics, such as promotoras, as financial coaches. Mission Economic Development Agency (MEDA) in San Francisco has used this approach as part of their effective engagement of the Latinx population in economic development work, and they are supported in part by the City and County of San Francisco. (Asset Funders Network 2020) Locally, United Way and Take Charge's financial coaching program is seeing the program start to reach people through parenting groups, church groups, and families of college students, and the City of Tucson's Equitable Economic Mobility Initiative (EEMI) is using resident ambassadors to build awareness and trust about financial wellness programs.

8. **Develop targeted opportunities for financial education:** Research has shown that targeted approaches are more effective in building financial skills and confidence. Local provider Family Housing Resources, for example, has seen greater program retention and completion in multi-week classes organized for existing groups such as care workers or co-workers than open sessions for the general public. The Stand by Me Delaware Financial Empowerment Project is another example of how employers can offer on-site financial coaching to their employees gives easy access to financial help and broadens the scope of participation in the program.
9. **Leverage a Housing Center model**: Housing Centers and organizations where people seek homebuying advice are excellent candidates for financial capability programs. The City of Portland used their local housing centers as a focal point when designing a financial capability and homebuying programs specifically for the Black community, which had seen falling homeownership rates. The City of Portland and HUD are two primary funders of the program. (Asset Funders Network 2020)
10. **Ensure that existing financial education programs to include trauma-informed approaches and culturally appropriate language and concepts**: Tucson IDA, the City of Tucson's Small Business Navigation team, and United Way's ECE provider network Spanish business class all offer examples of adapting strategies for Spanish-speaking audiences, and programs such as Jewish Children and Family Services and the Domestic Violence Law Clinic offer strong trauma-informed examples.

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Wiltshire, Jacqueline, et al. “Problems Paying Medical Bills and Mental Health Symptoms Post-Affordable Care Act.” AIMS Public Health, vol. 7, no. 2, 2020, pp. 274–286, https://doi.org/10.3934/publichealth.2020023.

Increase Health Coverage and Reduce Medical Debt

Contact Name: Kim VanPelt **Email:** Kimberly.Vanpelt@pima.gov

Policy Title: Increase Health Coverage and Reduce Medical Debt

Policy Full Text: Provide healthcare insurance enrollment assistance to protect against medical debt.

Strategic Element:	Tactical Element:
Continuous, quality health coverage helps protect individuals from medical debt. It also results in individuals being more likely to seek preventive care and health care. Those who live in poverty are less likely to be offered employer-sponsored health coverage. While low-income individuals often qualify for publicly funded or subsidized health coverage options, barriers exist that make eligibility, enrollment and renewal in such coverage programs challenging.	Health coverage can protect individuals and families from serious financial consequences, such as unpaid medical bills, medical debt and bankruptcy due to medical debt. Health coverage also results in greater uptake of preventive care and reduced delays in medical care. Provision of eligibility enrollment assistance is an evidence-based strategy for helping individuals and families gain and retain health coverage.

How will the policy: (1) ensure the availability of jobs that will economically support a household, (2) address the need for affordable housing, 3) provide an effective social safety net, and/or 4) build individual and community assets?

Jobs – Being in poor health is associated with increased risk of job loss, while access to affordable health insurance has a positive effect on people's ability to obtain and maintain employment.

Antonise, Larisa and Garfield, Rachel. The Relationship between Work and Health: Findings from a Literature Review. Kaiser Family Foundation, August 7, 2018. The Relationship Between Work and Health: Findings from a Literature Review | KFF

Housing – In a recent poll asked that Americans about their concerns related to affordability, 58% identified unexpected medical bills as being a concern versus 43% being concerned about housing affordability.

Antonise, Larisa and Garfield, Rachel. The Relationship between Work and Health: Findings from a Literature Review. Kaiser Family Foundation, August 7, 2018. The Relationship Between Work and Health: Findings from a Literature Review | KFF

In 2017, 19 percent of American households carried medical debt. The median cost of that debt was $2000, meaning half had more and half had less. Like other debt, medical debt means that households have less money to spend on other essential items like housing.

US Census Bureau. Who Has Medical Debt in the United States? April 7, 2021. Who Had Medical Debt in the United States? (census.gov)

Medical debt is the leading cause for bankruptcy filings in the United States. An analysis of privations experienced by households in the period surrounding a bankruptcy attributable to medical causes found that 17 percent moved in the 24-month period prior to filing for bankruptcy and 13.8 percent had problems paying their mortgage or rent.

Himmelstein, David U. et al. Illness and Injury as Contributors to Bankruptcy. Health Affairs, June 5, 2005. https://www.healthaffairs.org/doi/full/10.1377/hlthaff.W5.63

Social safety net – Data from a national longitudinal survey of adults from 2004 through 2014 indicate that the principal predictor of consumer bankruptcy is a lapse in medical insurance coverage, while controlling for socioeconomic variables such as race, marital status, household income, and debt-to-income ratios. Individuals who experienced a gap in coverage over a two-year period were roughly twice as likely to file for bankruptcy as those who retained continuous coverage.

Gotberg, Brooke E. and Sousa, Michael, D. Moving Beyond Medical Debt. Summer 2019. Moving beyond Medical Debt (missouri.edu)

Assets – A well-documented, deep connection exists between family finances and obtaining adequate healthcare and health insurance. Scholars in both law and the social sciences often attribute overwhelming medical debt (and the consequent inability to pay) as a decisive factor in an individual's or family's decision to file for bankruptcy.

Empirical studies since the advent of the Affordable Care Act (ACA) have generally proven positive in exploring the relationship between the expansion of available health insurance upon personal finances. Data from the annual National Health Interview Survey ("NHIS") showed that the "national implementation of the ACA was associated with significant improvements" in "financial strain and vulnerability" for lower income Americans, as measured by the ability to afford: i) prescription medications, ii) medical care, and iii) medical bills not otherwise covered by insurance. Another study examining the impact of acquiring health insurance through Medicaid on personal finances found a decline in the probability of having unpaid medical bills sent to collections and a decline in the probability of needing to borrow money or skip paying other bills to pay medical expenses. A study using national credit bureau data found that for individuals between the ages of 18-64, the ACA Medicaid expansions resulted in improved credit scores, reduced balances of past due debt, a reduction in the probability of having a medical bill sent to collections, a reduction in the probability of having a negative credit balance of $1,000 or more, and a 2.8% reduction in the probability of a new bankruptcy filing.

Penderast, Philip M. et al. Health Insurance and Bankruptcy Risk: Examining the Impact of the Affordable Care Act. University of Denver Sturm College of Law. file:///C:/Users/U153622/Downloads/SSRN-id3564657.pdf

Why policy is applicable to Pima County region?

According to the American Community Survey, 87.7% of Pima County adults had health insurance in 2021, compared to 85.3% in Arizona, and 87.8 percent nationally. Hispanic/Latino adults (82.1% insured) and American Indian/Alaska Natives (80.6%) were less likely to be insured than the overall population living in Pima County (87.7%). In 2021, 92.5% percent of children in Pima County had health insurance, compared to 91.5% in Arizona and 94.6% of children overall nationally.

Adults with Health Insurance. Pima Health Data Portal. Pima Health Data Portal :: Indicators :: Adults with Health Insurance :: County : Pima
Children with Health Insurance. Pima County Health Data Portal. Pima Health Data Portal :: Indicators :: Children with Health Insurance :: County : Pima

Recent events suggest there is a need and an opportunity to address access to health coverage for Pima County residents. While in the U.S. the Covid-related Public Health Emergency (PHE) ended 5/11/2023, states were allowed to get back to their normal routine for Medicaid renewals (also known as redetermination or unwinding) on 4/1/2023. Thus on 4/1/2023 Arizona's Medicaid program, the Arizona Health Care Cost Containment System (AHCCCS) and its Children's Health Insurance Program (CHIP) called KidsCare, began its redetermination process. In the first few months, thousands lost their Medicaid health coverage – most due to procedural or paperwork problems and not because they were not eligible due to individual or family income. Many no longer eligible for Medicaid due to income may find themselves uninsured, unaware that potentially affordable options such as Marketplace coverage exists and that enrollment assistance is available. Furthermore, other recent state policy changes have resulted in more Pima County residents being eligible for public health coverage. During its 2023 legislative session, the Arizona Legislature expanded eligibility for KidsCare, from 200 percent to 225 percent of the Federal Poverty Level, resulting in an addition 12,000 children being eligible statewide.

Children's Action Alliance Accessed May 29, 2023 State budget has small key wins for AZ children & families, BUT more needs to be done - Children's Action Alliance
Tolbert, Jennifer. Things to Know about the Unwinding Continuous Enrollment Provision. Kaiser Family Foundation, June 9, 2023. 10 Things to Know About the Unwinding of the Medicaid Continuous Enrollment Provision | KFF

Has policy proven to be more effective for certain populations and if so, who?

The uninsured and those needing to re-enroll in coverage benefit from enrollment assistance. Consumers needing help understanding what they are eligible for and enrolling in Medicaid or Marketplace coverage seek assistance at about the same rate regardless of their age or income, or whether they lived in metropolitan or non-metro areas. Hispanic consumers were more likely to receive assistance than were White consumers. Hispanic consumers may be more likely to seek help because of language barriers or immigration concerns. Consumers who also lack internet access are more likely to seek assistance.

Middle-aged adults and Black Americans are more likely to have significant medical debt, thus they may be most likely to benefit from enrollment assistance. Low-income and middle-income people and those without insurance are more likely to have significant medical debt, and thus may also benefit from enrollment assistance. Women and those with poor health status are also at risk for medical bill problems, and thus may benefit from enrollment assistance.

Politz, Karen et al. Consumer Assistance in Health Insurance: Evidence of Impact and Unmet Need. Kaiser Family Foundation, August 7, 2020. https://www.kff.org/report-section/consumer-assistance-in-health-insurance-evidence-of-impact-and-unmet-need-issue-brief/
Rae, Matthew et al. The Burden of Medical Debt in the United States. Peterson-KFF Health System Tracker. March 10, 2022. The burden of medical debt in the United States - Peterson-KFF Health System Tracker
Doty, Michelle M. et al. Seeing Red: Americans Driven into Debt by Medical Bills. The Commonwealth Fund, August 2005. https://www.commonwealthfund.org/sites/default/files/documents/___media_files_publications_issue_brief_2005_aug_seeing_red__americans_driven_into_debt_by_medical_bills_837_doty_seeing_red_medical_debt_pdf.pdf

Health care debt is a burden for many Americans. About four in ten adults (41%) report having debt due to medical or dental bills including debts owed to credit cards, collections agencies, family, friends, banks, and other lenders to pay for their health care costs, with disproportionate shares of Black and Hispanic adults, women, parents, those with low incomes, and uninsured adults saying they have health care debt.

Montero, Alex, et al. Americans' Challenges with Health Care Costs. Kaiser Family Foundation, July 14, 2022. Americans' Challenges with Health Care Costs | KFF

Cite evidence-based research from nonpartisan, objective, and well-recognized authorities:

A 2014 Kaiser Survey of Low-Income Americans and the ACA aimed to understand the impact that gaining coverage has had on the lives of the "newly insured" adult population. The survey of 10,502 non-elderly adults was fielded between September 2 and December 15, 2014, with the majority of interviews (70%) conducted prior to November 15, 2014 (the start of the second open enrollment period). Findings from the 2014 Kaiser Survey of Low-Income Americans and the ACA show, not surprisingly, that adults who gained coverage had better access to health care and better financial security from medical costs than those who remained without coverage.

Garfield, Rachel and Young, Katherine. Access, Utilization, and Financial Security among Newly Insured Adults. How Does Gaining Coverage Affect People's Lives? Kaiser Family Foundation, June 19, 2015. https://www.kff.org/health-reform/issue-brief/how-does-gaining-coverage-affect-peoples-lives-access-utilization-and-financial-security-among-newly-insured-adults/

A CDC report examined the percentage of families having problems paying medical bills between 2011 and the first half of 2016. Overall, the percentage of individuals under age 65 in families that were having problems paying medical bills decreased by about 24%, from 21.3% in 2011 to 16.2% in 2016. It appears that much of this reduction is being driven by public health insurance, primarily Medicaid. When the percent of individuals under age 65 in families having problems paying medical bills is broken out by the type of insurance, public insurance had a larger decline (24%) than private insurance (15%).

However, the largest reductions were for adults and children who were poor, living below 100% of the Federal Poverty Level (FPL), or near poor living between 100% and 200% FPL. Given the recent gains (at the time of the study) in children's coverage and the Medicaid expansion for their parents up to 138% FPL, and that many of the largest drops occurred in 2014 and 2015, it seems likely that Medicaid is at least partially responsible for the increase in financial security. The percentage of poor children under age 18 years in families having problems paying medical bills in the last 12 months decreased 28% and for near-poor children it dropped 29%. Adults followed a similar trend: the percentage of poor adults in families having problems paying medical bills fell 29% and 27% for near poor adults.

Cohen, Robin A. and Zammitti, Emily P. Problems Paying Medical Bills Among Persons Under Age 65: Early Release of Estimates from National Interview Survey 2011- June 2016. National Center for Health Statistics, Centers for Disease Control and Prevention, November, 2016. https://ccf.georgetown.edu/wp-content/uploads/pdfs/probs_paying_medical_bills_jan_2011_jun_2016.pdf

A national study evaluated how public health insurance coverage for non-elderly adults affects financial wellbeing. The study used data from a large, nationally representative sample of credit reports, the Federal Reserve Bank of New York Consumer Credit Panel/Equifax (CCP) dataset for its analysis. The CCP data contain timely information on a random sample of the credit reports of approximately 38 million U.S. adults each quarter (covering about 17% of the adult population) and provide many indicators of financial wellbeing. The study focused on a few, broad measures of financial wellbeing where the effects of the 2014 Medicaid expansion could potentially be detected during the sample period. Specifically, it examined credit scores, total debt, total debt past due, credit card debt, credit card debt past due, the number of bills sent to collections, the total balance outstanding in collections, and bankruptcy. The study's main finding was that the Medicaid expansions that began in 2014 significantly reduced the number of unpaid bills and the amount of debt sent to third-party collection agencies among people living in zip codes that are most likely affected by the expansions. The study showed a substantial improvement in six financial well-being metrics for individuals who gained coverage. The study also found some suggestive evidence that the Medicaid expansion reduced the total amount of consumer debt.

Hu, Luojia et al. The Effect of Patient Protection and the Affordable Care Act Medicaid Expansions on Financial Wellbeing. National Bureau of Economic Research, April, 2016. https://www.nber.org/system/files/working_papers/w22170/w22170.pdf

Health insurance eligibility, enrollment and renewal outreach and support programs assist individuals whose employers do not offer affordable coverage, who are self-employed, or unemployed with health insurance needs; individuals may be uninsured or need assistance renewing coverage. Such programs can be offered by a variety of organizations, including the federal and state health insurance marketplaces, government agencies, schools, community-based or non-profit organizations, health care organizations, and faith-based organizations. Outreach efforts vary greatly and can include community health worker (CHW) outreach, other person-to-person outreach, mass media and social media campaigns, school-based efforts, case management, or efforts in health care settings. Outreach can occur at local events, via hotlines, online, or at fixed locations (e.g., community centers, non-profit offices, barbershops, etc.).

There is strong evidence that health insurance eligibility, enrollment and renewal outreach and support efforts have the potential to decrease disparities in health insurance coverage among working-age adults and children. Studies in multiple cities and states indicate that such outreach and support efforts increased enrollment in Medicaid and marketplace health insurance plans among individuals who were previously uninsured. Telephone-based outreach efforts in California increased enrollment for Hispanics and for individuals with low incomes. As of 2020, individuals in the U.S. who are less likely to have health insurance include individuals living below the FPL, those working part-time or are unemployed, those who are non-U.S. citizens, Hispanic, or Black, and those that live in states that did not expand Medicaid.

Health Insurance Enrollment Outreach and Support County Health Rankings and Roadmaps. University of Wisconsin Population Health Institute, March 24, 2022. https://www.countyhealthrankings.org/take-action-to-improve-health/what-works-for-health/strategies/health-insurance-enrollment-outreach-support

Have you considered any unintended consequences? If so, what are they?

Not everyone who has health coverage is protected from medical debt. For example, those with high deductible plans (included among the plans offered as part of ACA Marketplace plans) can incur medical debt. Any effort to help people enroll in health coverage should be accompanied by efforts to educate consumers on how to choose wisely among various health plans, effectively use their health coverage, and avoid unwanted health care costs.

Those who obtain health coverage are more likely to seek preventive health care and screenings. This can result in an increase in abnormal test results and an uptick in prescription refills for high cholesterol, diabetes, and depression.

Adams, Alyce S. et al. The Impact of Financial Assistance Programs on Health Care Utilization. National Bureau of Economic Research, September 2021. The Impact of Financial Assistance Programs on Health Care Utilization | NBER

Cite Return on Investment (if applicable):

A study reported in *Health Affairs* examined the return on investment for personalized telephone outreach assistance provided to hard-to-reach individuals eligible for Marketplace coverage. The study found that while uptake was lower than expected, there was still a two-to-one return on investment.

Myerson, Rebecca, et al. Personalized Telephone Outreach Increased Health Insurance Take-Up for Hard-to-Reach Populations, But Challenges Remain. Health Affairs, January 2022. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8844881/

A body of research has found that exposure to the Medicaid program in utero and/or in early childhood had substantial positive effects on the educational attainment, adult health, and earnings in early adulthood of exposed children (Meyer and Wherry, 2012; Miller and Wherry, 2018; Brown, Kowalski, and Lurie, 2020; Goodman-Bacon, 2021). For instance, Goodman-Bacon (2021) provides specific estimates of the public savings due to the introduction and expansion of Medicaid, respectively, in the long run. He estimates that the introduction of the Medicaid program yielded a total of 10 million additional quality of life years (QALYs), meaning that the program resulted in 10 million more years of life in perfect health compared with a counterfactual world without Medicaid. East et al. (2023) showed that the program's effects are even multigenerational, as women who experience in utero exposure to Medicaid are more likely to have healthier babies with respect to birthweight and gestational age. This intergenerational transmission of positive health impacts implies even more considerable social benefits from the program. These findings strongly indicate that the Medicaid program may be particularly effective in reducing the opportunity gap by race and income in health, educational attainment, and earnings by improving outcomes in adulthood of exposed children, most of whom are likely to be from vulnerable families.

The enormous private and public benefits of Medicaid are captured by an infinite Marginal Value of Public Funds (MVPF), meaning that its fiscal externalities are large enough to fully cover its initial cost (Hendren and Sprung-Keyser, 2020). Goodman-Bacon (2021) estimated that Medicaid saved more than twice its initial cost for 1976 birth cohorts. Brown, Kowalski, and Lurie (2020) focused on the expansion of the Medicaid program during the 1980s and estimated that $1 in spending on Medicaid recoups 0.9 cents by age 28, meaning that 56% of the expenditure for the 1980s expansion would be paid after 60 years.

National Academies of Sciences, Engineering, and Medicine. Closing the Opportunity Gap for Young Children, 2023. https://doi.org/10.17226/26743

List of area experts and/or practitioners that reviewed or provided input into this policy:

1. **Dan Derksen, MD.** Associate Vice President for Health Equity, Outreach and Interprofessional Activities
2. **Matt Jewett,** Director of Health Policy, Children's Action Alliance
3. **Office of the Senior Vice President for Health Services**, The University of Arizona Senior Advisor and PI, Arizona Area Health Education Center Program
4. **Stacy Butler,** Innovation for Justice Director, Professor of Practice, James E. Rogers College of Law, University of Arizona
5. **Walter H Pearce** Endowed Chair and Director, Arizona Center for Rural Health, Professor of Public Health, Medicine and Nursing

Implementation ideas:

1. Arizona's Medicaid Agency, AHCCCS, provides an online application (Health-E-Arizona Plus) for Medicaid and CHIP enrollment. Staff from community-based organizations can be trained and certified by AHCCCS to help individuals complete the online benefits application. Currently, 41 organizations in Pima County provide such assistance. There is an opportunity for a wider array of organizations to have staff or volunteers trained to provide such enrollment assistance. This could include government agencies or programs, and a wider array of community-based organizations to include ones that serve those experiencing homelessness, community centers, faith-based organizations, and social service agencies. Community health workers, navigators, home visitors, employee benefits personnel, library staff, social workers, outreach workers, volunteers and others could also be trained to provide enrollment assistance in conjunction with their other duties.

2. The Pima County Health Department and other community organizations are building awareness on the need to update Health-E-Arizona Plus to retain Medicaid and CHIP coverage. Information on how to connect to enrollment assistance is shared through paid advertising and social media. Organizations have an opportunity to leverage these existing resources to build additional awareness or create their own public awareness efforts. New information could also be incorporated into existing communications efforts, such as incorporating messaging into utility bills or employee newsletters.

3. Enrollment assistance for the federal Marketplace requires specialized training and certification due to the complex nature of Marketplace products. CMS awarded a grant to the Arizona Alliance of

Community Health Centers to assist individual in obtaining Marketplace coverage. In Pima County, the Alliance partners with El Rio Health, the University of Arizona Center for Rural Health, and Chicanos Por La Causa (Keough Health Connection) to provide this specialized (“navigator”) eligibility, enrollment, and renewal assistance. Organizations can partner with them to embed assistance into their current programming or refer individuals to enrollment assistance when needed.

Increase Geographic Diversity of Affordable Housing and Improve Opportunity

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Policy Title: **Increase Geographic Diversity of Affordable Housing and Improve Opportunity**

Policy Full Text: Increase the supply of housing by prioritizing practices and investments that focus on families with children and result in diverse housing types and prices in neighborhoods, ensuring affordable housing options are available throughout Pima County, especially in low poverty neighborhoods.

Strategic Element:	Tactical Element:
Children of families that moved from high poverty neighborhoods to low poverty neighborhoods were found to have substantially higher lifetime earnings and college attendance rates, and were less likely to drop out of high school and become single parents. Adults experienced improvements in both physical and mental health.	More affordable housing is available. Families and individuals currently residing in high poverty areas who take advantage of affordable housing opportunities in low poverty areas may experience an immediate improvement in their quality of life, mental health, educational and employment opportunities, and their degree of safety.

How will the policy: (1) ensure the availability of jobs that will economically support a household, 2) increase housing stability, 3) provide equitable and effective resources, and/or 4) build individual and community assets?

Jobs – A primary intention of housing mobility programs is to provide easier access to the better educational and employment opportunities in low-poverty areas for families currently residing in high poverty areas. While the research on housing mobility programs does not find significant employment and earnings benefits for the adults and adolescents relocating through these programs, it does show that the greatest impact is for the younger children (< age 13) of these relocating families who as adults experience substantial improvements in their likelihood to be employed and their level of earnings.

Housing – There is a widely recognized shortage of sufficient affordable housing currently in Pima County. Any net increase in affordable housing should increase housing stability for lower-income households. In addition, households relocating to low-poverty/high opportunity areas (to rent or own) may experience less housing instability as a result of better employment prospects.

Resources – As mentioned above a central goal of housing mobility programs is to reduce the impacts of the spatial concentration of resources and opportunities within communities. The households relocating to low poverty areas will likely benefit from some of the better opportunities and amenities in a manner that increases the resources available to these households.

Assets – Relocating to a low-poverty/high opportunity area increases the likelihood that both adults and children may have a better chance of securing the employment or education that will support their ability to build their personal assets.

*Affordable Housing – Housing that a household can pay for, while still having money left over for other necessities like food, transportation, and health care. An affordability metric often used is 'Housing Cost Burdened' or housing in which the occupant(s) is/are paying more than 30% of their income on housing.

Why policy is applicable to Pima County region?

Pima County exhibits a strong geographic concentration of poverty. Poverty rates are especially high within the Tohono O'odham Nation, 48% and 51% in the two census track encompassing the Nation, as compared to average poverty rate of 19.8% in Tucson. That said, within the City of Tucson the prevalence of poverty at the level of census tracks varies dramatically from rates as low as 3% in suburban areas to 56% in one census track downtown (Census ACS, 2023). The poverty rate in the City of South Tucson was 35.6%. Speaking broadly, poverty rates are substantially higher on the west and southern sides of the City, although there are also pockets of high poverty areas in central Tucson as well as rural areas. This spatial distribution of poverty is very similar to the pattern of racial segregation in Tucson, with non-white Tucsonans constituting the majority of residents in these higher poverty regions of the City (Amodio et al., 2022). Higher poverty areas in Pima County have been found to score high on neighborhood vulnerability metrics (City of Tucson Pima County Consortium 2020-2024 HUD Consolidated Plan, 2020) and low on metrics attempting to measure "high opportunities" such as good schools, good jobs, access to healthcare, and adequate housing (Southwest Fair Housing Council 2018).

Housing in low poverty/high opportunity neighborhoods across Pima County is more likely to be limited to single family housing at prices that are unaffordable to mid-to-low-income families.

This policy is consistent with both major pillars of the City of Tucson's Housing Affordability Strategy (HAST), the policy to prioritize housing in areas of opportunity, and HUD's Affirmatively Furthering Fair Housing (AFFH) mandate, which dates back to 1968. The AFFH mandate, "directs HUD to ensure that the agency and its program participants (i.e. City and County) proactively take meaningful actions to overcome patterns of segregation, promote fair housing choice, eliminate disparities in opportunities, and foster inclusive communities free from discrimination." The Assessment of Fair Housing (AFH) approach requires analyses of patterns of segregation, and an action plan. The "meaningful actions" mentioned above are defined as "significant actions that are designed and can be reasonably expected to achieve a material positive change that affirmatively furthers fair housing choice by, for example, increasing fair housing choice or decreasing disparities in access to opportunity" (HUD, 2015:112).

This policy is consistent with two of Pima County's Regional Affordable Housing Commission's purposes: (1) Recommend actions and policies that increase the creation of more housing across the housing continuum while promoting desegregation, de-concentration of affordable housing; and (2) Prioritize recommendations that reduce long-term demand for public subsidies for affordable housing, including those that address poverty, improve opportunity and create community wealth (Commission's By-laws).

This policy is consistent with the first of two strategies recommended by the 2022 Pima County Affordable Housing Task Force to increase housing affordability:

Strategy #1: "Build more housing across the housing continuum. Establish and support actions and policies that increase the creation of more housing while promoting desegregation, deconcentration, and balancing city/county water and open space goals." The Task Force defined Deconcentration as "There are diverse levels of housing prices in same geographical area and affordable housing is located in all areas of Tucson and Pima County, not just in areas with low socio-economic status." (Overview of Strategic Recommendations: https://drive.google.com/file/d/1Ej3bhDfdbbMQINMpTwDcxu-ZMMvYB-c_/view and Key Terms and Definitions: https://drive.google.com/file/d/13YdSg0BPrVYbVPr7XfGM6R0NYpNpF0-P/view)

Focusing these opportunities on families with children is especially applicable to the Pima County region where the child poverty rate is over 20 percent (https://mapazdashboard.arizona.edu/health-social-well-being/poverty-rate).

Amodio, Dominic, Brendan Carella, John Demcko, Cole Hunger, Skitch Kitchen, Adejoke Openjin, & Mary Ayna Regorgo. "Tucson Housing Equity Study Context for Problem Report". *ASU School of Geographical and Sciences & Urban Planning*. Dec 4, 2022.

U.S. Department of Housing and Urban Development. “AFFH Rule Guidebook.” Version 1, Dec 31, 2005.

“Analysis of Opportunity in the Tucson Metropolitan Area” Draft Report. 2018. *Southwest Fair Housing Council.*

Has policy proven to be more effective for certain populations and if so who?

Multiple studies have found that housing mobility programs are the most impactful for young children relocating from high poverty areas to lower poverty areas.

Cite evidence-based research from nonpartisan, objective, and well-recognized authorities:

In the context of the current shortage of affordable housing, policies and practices intended to address this shortage may also contribute to reducing the geographic concentration of poverty and reduce the intensity of intergenerational cycles of poverty. In a Brookings report, Kneebone et al. (2011) stated that, “[b]eing poor in a very poor neighborhood subjects residents to costs and limitations above and beyond the burdens of individual poverty.” They then provide a list of potential impacts of concentrated poverty previously captured in academic research, concentrated poverty can: limit educational opportunity, lead to increased crime and poor health outcomes, hinder wealth building, reduce private-sector investment and increase prices for goods and services, and raise costs for local governments (Kneebone et al. 2011).

Kneebone, Elizabeth, Carey Nadeau, & Alan Berube. 2011. “*The Re-Emergence of Concentrated Poverty: Metropolitan Trends in the 2000s*”. Brookings. Metropolitan Policy Program.
https://www.brookings.edu/wp-content/uploads/2016/06/1103_poverty_kneebone_nadeau_berube.pdf

“Housing mobility is also worthy of support because of high quality evidence demonstrating its effectiveness in breaking multigenerational cycles of poverty that persist in high-poverty neighborhoods, and for improving the lives of both children and their parents.”
- Rinzler et al. 2015

The first U.S. housing mobility effort, the Gautreaux Assisted Housing Program started in 1966, was found to result in improved educational outcomes for the children who relocated from high poverty neighborhoods. Specifically, comparing children in households who relocated within the City of Chicago to those who relocated to the suburbs, the high school dropout rate was 20% for “city movers” versus 5% among the children who relocated to the suburbs. 54% of the children who relocated to the suburbs enrolled in college relative to 21% of children whose families moved within the city (Rubinowitz & Rosenbaum, 2000).

Rubinowitz, Leonard S. & James E. Rosenbaum. 2000. *Crossing the Class and Color Lines From Public Housing to White Suburbia.* University of Chicago Press. Chicago, IL.

Subsequent assessments of the impacts of the Gautreaux program found that the average poverty rate in the neighborhoods that the participating households originally lived in was 40%, as compared to 17% in the neighborhoods to which program participants relocated. In addition to reducing poverty for participating households at the time of relocation, the *intergenerational persistence of these improvements is impressive*. Research in the late-1990s found that all of the original Gautreaux participants had moved since their initial placements in the 1960s. At this time, up to 22 years after their initial placements, both mothers and children were living in communities with poverty rates similar to those at their original placements addresses: 16% for mothers; 18% for their adult children (Keels et al., 2005).

Keels, Micere, Greg J. Duncan, Stefanie Deluca, Ruby Mendenhall & James Rosenbaum. 2005. “Fifteen Years Later: Can Residential Mobility Programs Provide a Long-Term Escape from Neighborhood Segregation, Crime, and Poverty?” *Demography.* 42(1): 51-73.

Research examining the impacts of the Gautreaux program were critiqued for their use of a quasi-experimental design, which was necessary as there was no control group created as a part of the program. Consequently, the majority of evidence cited in support of housing mobility programs comes from Moving to Opportunity (MTO) program which was intentionally structured with a rigorous experimental design, a 10-year randomized control trial involving 4,600 families with children. In the short-term the MTO program was very successful in facilitating the movement of households to lower-poverty neighborhoods. Prior to their move, participants in the experimental group lived in census tracts with an average poverty rate of 53%. One-year later the average poverty rate for program participants who moved (with an MTO voucher) was 11%. Taking a longer-term perspective, an analysis found that averaging over the entire study period (10-15 years) families in the experimental MTO voucher group lived in neighborhoods with an average poverty rate 9 percentage points lower than the control group (who lived in areas with an average poverty rate of roughly 40%) (Sanbonmatsu et al., 2011)

Sanbonmatsu, Lisa, Jens Ludwig, Lawrence F. Katz, Lisa A. Gennetian, Greg J. Duncan, Ronald C. Kessler, Emma Adam, Thomas W. McDade, & Stacy Tessler Lindau. 2011. "Moving to Opportunity for Fair Housing Demonstration Program Final Impacts Evaluation." *U.S. Department of Housing and Urban Development*, Office of Policy Development & Research. https://www.huduser.gov/publications/pdf/mtofhd_fullreport_v2.pdf

One evaluation of the MTO program found that 10 to 15 years after enrollment adult participants who moved to a low-poverty neighborhood had a significantly lower prevalence of diabetes, extreme obesity, physical limitations, and depression (Sanbonmatsu et al., 2012). Another found that adults relocating to lower-poverty areas experienced improvements in their mental and physical health, as well as their subjective well-being (Ludwig et al., 2013). It is important to note that these studies and other did not find positive impacts on employment or earnings for either the adults or *adolescent* children (> age 13) of relocated families.

Sanbonmatsu, Lisa, Nicholas A. Potter, Emma Adam, Greg J. Duncan, Lawrence F. Katz, Ronald C. Kessler, Jens Ludwig. 2012. "The Long-Term Effects of Moving to Opportunity on Adult Health and Economic Self-Sufficiency." *Cityscape* 14(2): 109–36.

Ludwig, Jens, Greg J. Duncan, Lisa A. Gennetian, Lawrence F. Katz, Ronald C. Kessler, Jeffrey R. Kling, and Lisa Sanbonmatsu. 2013. "Long-Term Neighborhood Effects on Low-Income Families: Evidence from Moving to Opportunity." *American Economic Review*, 103 (3): 226-31.

One of the most noteworthy findings from evaluation of the MTO program is that younger children (those who were under 13 when their household relocated), experienced substantial improvements in college attendance and lifetime earnings relative to children who remained in high poverty areas. Specifically, when assessed again in their mid-twenties children who relocated to low poverty areas had incomes $1,624 higher on average relative to children in the control group. Projected over the lifetime Chetty et al. (2016:860), "estimate that moving a child out of public housing to a low-poverty area when young (at age eight on average) using an MTO-type experimental voucher will increase the child's total lifetime earnings by about $302,000. This is equivalent to a gain of $99,000 per child moved…". The rate of college attendance was 16% higher than that of the control group, and children in the experimental group were less likely to become single parents. Last, children (under 13) who relocated to low-poverty areas as children were more likely to live in lower-poverty neighborhoods as adults (Chetty et al. 2016).

Chetty, Raj, Nathaniel Hendren, and Lawrence F. Katz. 2016. "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment." *American Economic Review*, 106 (4): 855-902.

The Supporting Neighborhood Opportunity in Massachusetts (SNO Mass) helps families with children who are eligible for Housing Choice Vouchers move to neighborhoods designated "opportunity areas." These areas were identified using the Child Opportunity Index. Overall, 125 families—including 270 children—have moved to higher-opportunity neighborhoods since 2019 as a result of the program.

The program has several key elements. First, a mobility specialist meets with families to identify high-opportunity neighborhoods and find appropriate housing in those neighborhoods, and then supports families through the process of moving and getting settled in their new neighborhoods. The program also helps defray the costs of moving. Finally, the SNO Mass also works closely with landlords to encourage them to participate in the program and to support them once they begin leasing to program participants.

A recent study conducted by Mobility Works and Poverty & Race Research Action Council (PRRAC) of SNO Mass participants' experiences and early outcomes has promising findings. They state that "the positive impacts for these families and their children have been profound." Through interviews and post-move surveys of thirty-four families, the study revealed improved physical and mental health, feelings of safety, educational opportunities, and access to outdoor public activities and green space in their new neighborhoods. In contrast to some early fears by families of meeting with rejection or racist reactions, nearly all described their new neighborhood as inclusive and welcoming. The participants also expressed great satisfaction with the program, with 88% reporting that they could not identify any drawbacks for themselves or their children after relocating to their new SNO Mass neighborhood.

Weismann, Gretchen and Curley, Alexandra. "Supporting Neighborhood Opportunity in Massachusetts." June 2023. Poverty Race & Research Action Council.

Additional studies indicate that such housing mobility programs are more effective when coupled with pre- and post-move counseling and supportive services for navigating rental markets (Rinzler et al. 2015, Bergman et al. 2023). Bergman et al. (2023:1) examined the effect of information and supports for housing voucher recipients in Seattle and King County:

> "[w]e first provided a bundle of resources to facilitate moves to high-upward-mobility neighborhoods: information about high-opportunity areas, short-term financial assistance, customized assistance during the housing search process, and connections to landlords. This bundled intervention increased the fraction of families who moved to high-upward-mobility areas from 15% in the control group to 53% in the treatment group."

Given that the largest positive impacts of this program were long-term effects on socioeconomic outcomes for young children, it is recommended that housing mobility opportunities be prioritized for households with young children living in high poverty areas (Collinson & Ludwig 2019) and then also linked with counseling and supportive services.

Rinzler, Dan, Philip Tegeler, Mary Cunningham, and Craig Pollack. 2015. "Leveraging the Power of Place: Using Pay for Success to Support Housing Mobility" *Community Development Investment Center Working Paper*, Federal Reserve Bank of San Francisco.
http://www.prrac.org/pdf/LeveragingThePowerOfPlace2015.pdf

Collinson, Robert and Jens Ludwig. 2019 "Neighborhoods and Opportunity in America." Brookings Report.
https://www.brookings.edu/research/neighborhoods-matter-for-opportunity-time-for-more-place-conscious-policy/

Bergman, Peter, Raj Chetty, Stefanie DeLuca, Nathaniel Hendren, Lawrence F. Katz, Christopher Palmer. 2023. "Creating Moves to Opportunity Experimental Evidence on Barriers to Neighborhood Choice." NBER Working Paper Series.Working Paper 26164. August 2019, Revised January 2023.
http://www.nber.org/papers/w26164

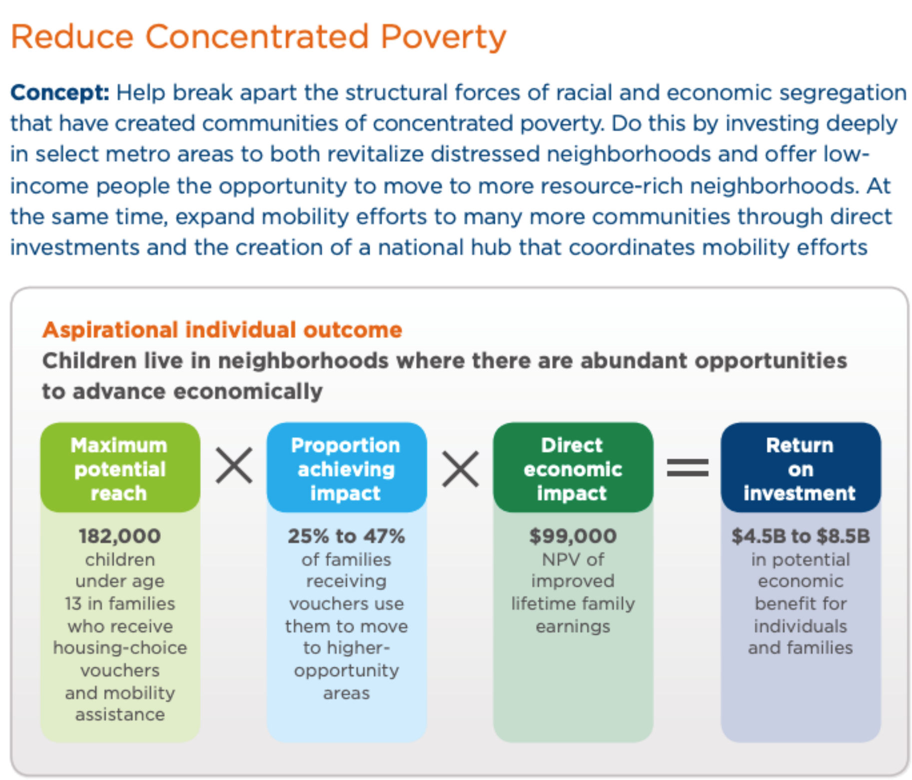
Have you considered any unintended consequences? If so, what are they?

Yes. The details and comprehensiveness of the programs seeking to reduce the concentration of poverty through increased housing mobility are critical to their ability to deliver beneficial outcomes. Housing mobility programs are more successful when they provide housing navigation and cultivate relationships with landlords in high opportunity areas. In the absence of these supports, households may be unable to successfully relocate to a high opportunity area. Similarly, post-move counselling and supportive services are critical to ensuring that relocated households are able to stay in their new locations. Many studies of housing mobility programs note that relocating households may experience discrimination and adjustment difficulties and in the absence of supports many households end up relocating back to high poverty neighborhoods.

Increasing higher density housing types, including multi-family housing, in existing higher opportunity neighborhoods may result in neighborhood opposition. This has occurred in Tucson and unincorporated Pima County with neighborhood opposition focused on anticipated traffic congestion, height of buildings impeding scenic views and impacts to natural areas. A 2014 study used data produced by the Moving to Opportunity experiment and another housing voucher study involving 7,000 households, to examine differences in residential location choice and employment outcomes between rental housing voucher recipients that had access to cars and those without access to cars. Those that had access to cars or high quality transit were found to have better employment outcomes and wages than those without. On earnings, both cars and high-quality transit access had a positive effect, though the effect for car ownership was considerably greater. Only seven percent of Pima County households report not owning a car (ACS 2021 5-year).Limiting higher density housing to locations served by transit may not impact traffic congestion and may unfairly reduce housing opportunities for low-income families with cars.

Pendall, Rolf, Dawkins, Casey, Blumenberg, Evelyn. March 2014. Driving to Opportunity: Understanding the Links Among Transportation Access, Residential Outcomes, and Economic Opportunity for Housing Voucher Recipients. Urban Institute. https://www.urban.org/research/publication/driving-opportunity-understanding-links-among-transportation-access-residential-outcomes-and-economic-opportunity-housing-voucher-recipients

There are only a few studies that attempt to estimate a return on investment for housing mobility programs. In their study of the MTO program (cited above) Chetty et al. (2015) estimate that based on the improved earnings of young children over the entire life course the MTO program generated an additional $99,000 in income per child moved. Extrapolating the increased tax revenue that would be generated by taxes on these additional earnings, Chetty et al. (2015) argue that over time this program generates returns that more than cover the expense of the program. Rinzler et al. (2015) developed a specific estimation of the returns to investment of a housing mobility program based in Baltimore over a ten-year window. *Based only on the project's expected reductions in the prevalence of diabetes and extreme obesity*, they estimate the return to investment on this housing mobility program to range from 6% - 47% depending on different assumptions. Rinzler et al. (2015:9) state, [i]n each scenario, medical cost savings from diabetes and extreme obesity improvements more than cover program costs…".



Researchers at The Bridgestone Group used the estimates from Chetty et al. (2015) to generate an estimate of the return on investment of a national version of a policy very similar to that proposed here (see below). This estimate projects an enormous return on investment for such a policy scaled at a national level.

Bielak, Debby, Devin Murphy, and Jim Shelton. "'Billion Dollar Bets' to Create Economic Opportunity for Every American." *The Bridgespan Group.* May 2016 https://www.bridgespan.org/bridgespan/Images/articles/billion-dollar-bets-to-create-economic-opportunity/bridgespan-social-mobility-2016-report.pdf

List of area experts and/or practitioners that reviewed or provided input into this policy:

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3. **Dr. Daniel Kuhlmann,** University of Arizona, Assistant Professor of Real Estate Development and Planning
4. **City of Tucson Commission on Equitable Housing and Community Development**
5. **Jay Young**, Executive Director, Southwest Fair Housing Council
6. **Jenifer Darland,** Deputy Director, Pima County's Community and Workforce Development
7. **Joanna Carr**, Interim Executive Director, Arizona Housing Coalition
8. **Pima County Affordable Housing Commission**
9. **Pima County Planning and Zoning**

Implementation ideas:

1. Identify and regularly review high poverty and low-poverty/high opportunity characteristics and geographic areas (underway)
2. Zoning code changes to facilitate the development of more housing, as well as more diverse housing types and prices, coordinated with transportation planning (Efforts underway to allow more duplexes/triplexes, increase housing options along the Loop, facilitate more guest houses (Pima County) and accessory dwelling units (Tucson), and encourage the development of multi-family housing though the redevelopment of underutilized properties along major streets).
3. Additional points on applications for funding of affordable housing development for proposals that would be built/preserved in high opportunity neighborhoods. (underway with recent County Gap Funding solicitation)
4. Prioritize and seek proposals to develop affordable housing on vacant local government property in high opportunity neighborhoods.
5. Promote the availability of affordable housing in high opportunity neighborhoods to low-income families with young children, coupled with supportive/navigation services.
6. Prioritize place-based housing vouchers for use in high opportunity neighborhoods for families with young children, coupled with supportive/navigation services. Review successful programs such as the Supporting Neighborhood Opportunity in Massachusetts (SNO Mass) to understand their program elements.
7. Inform decision makers and neighborhood groups of the need for more diverse housing types and prices throughout Pima County, and the positive impacts that housing mobility programs have had on families.
8. Advocate for changes to HUD Qualified Census Tracts to align HUD funding opportunities with the Fair Housing Act's requirement for communities that receive HUD funding to deconcentrate affordable housing.
9. Advocate for changes to annual Arizona Dept. of Housing's Qualified Allocation Plan for the Low-Income Housing Tax Credit Program to incorporate the concept of high opportunity area characteristics or target areas within the selection criteria, goals and scoring. The goal of avoiding concentration of affordable properties in distressed areas is already included.
10. Apply for grant funding aimed at reducing barriers to developing more housing choice in low-poverty neighborhoods with high housing prices. (underway for Rincon Valley/Vail with a focus on workforce housing for teachers, military personnel, healthcare professional, etc.)
11. Explore a rental registry program, yielding a database of landlords operating in the county.

Improve Housing Stability

Contact Name: Keith Gunnar Bentele **Email:** keithb@arizona.edu

Policy Title: **Improve housing stability**

Policy Full Text: Improve housing stability among low-income renters and homeowners by preventing evictions and foreclosures, increasing homeownership, developing more affordable housing, and reducing home energy and weatherization costs, especially for those in high poverty areas.

Strategic Element:	Tactical Element:
The benefits of increased housing stability to individuals and communities includes reduced homelessness and the negative impacts and costs associated with homelessness, improved incomes, health and educational attainment, prevention of loss of intergenerational and local wealth, reduction in impacts to schools from child moves, and a more stable workforce.	Families and individuals remain housed; jobs and schooling are not disrupted; and more income is available for other household needs. Homelessness, particularly for the most vulnerable households, is reduced. Families and individuals are connected more quickly to key resources that build stability, reducing the need for future interventions and expenses. Lower-income homeowners are able to improve their property and maintain and retain this critical asset.

Problem:

Housing instability, and especially the experience of an eviction or foreclosure, have been found to have a wide range of negative impacts on both the adults and children in such households, as well as communities. Post-eviction earnings and employment decline significantly for adults, and levels of homelessness increase. Negative impacts to financial health and access to credit, as well as physical and mental health, persist over time. Children in households experiencing housing instability are at substantially greater risk of food insecurity, negative cognitive and education outcomes, and maltreatment.

How will the policy: (1) ensure the availability of jobs that will economically support a household, 2) increase housing stability, 3) provide equitable and effective resources, 4) build individual and community assets, 5) build climate resilience and reduce environmental harm, 6) reduce or prevent crime, and (7) further a 2-generation approach?

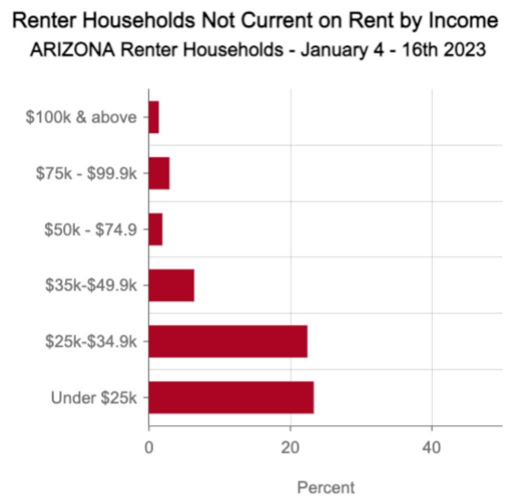
1. **Jobs** – Housing insecurity has been found to increase the likelihood of job loss and to have substantial negative impacts on both the physical and mental health of household members experiencing housing instability (up to and including increased risk of suicide, overdose, and all-cause mortality). Reduction in the intensity and strain of housing insecurity has the potential to support the health, well-being, and productivity of employees.
2. **Housing** – This policy is explicitly intended to foster increased housing stability via eviction/foreclosure prevention and increased homeownership. Prevention of episodes of housing instability would reduce churn in the affordable housing market, reduce the caseloads of caseworkers facilitating transitions to new housing arrangements, reduce the likelihood of homelessness for households experiencing housing insecurity, and could reduce demand for housing vouchers.
3. **Resources** – Reduction in the intensity and consequences of housing insecurity has the potential to dramatically reduce the intensity of negative consequences for members of vulnerable households. Through reducing the impacts of particularly damaging events, such as an eviction or foreclosure, protections against housing insecurity bolster the positive impacts of other safety-net programs. In addition, such preventative work can reduce the longer-terms costs and system burden of mitigated harms (e.g., physical health issues, SMI, SUD, homelessness) that can be provoked or exacerbated by housing insecurity.

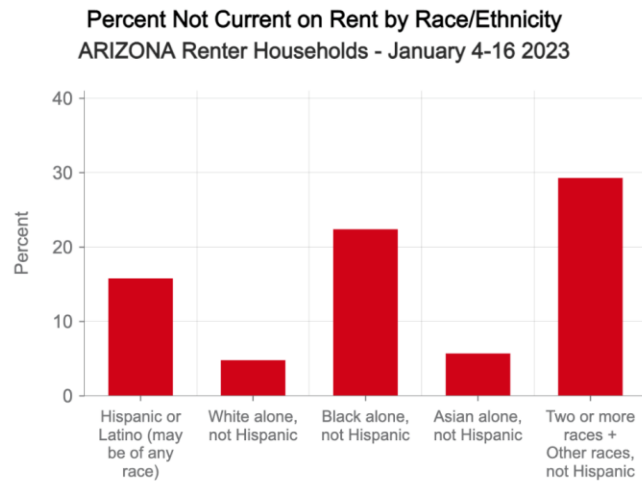
4. **Assets** – Prevention of foreclosure directly supports the preservation of a major asset, the major asset for most households. Increased access to homeownership allows households to build their assets. Reduced housing instability bolsters the collective capacity of neighborhoods to deepen their community connections and supports both growth and stability in real estate prices. At an individual level, children in households that avoided the harms of displacement will have an easier time building assets in the absence of the disruptions to their education and physical and mental health associated with eviction and foreclosure.
5. **Climate resilience and environmental harm** - By making energy efficiency and weatherization and indoor air quality improvements to homes, households will be less impacted by climate-related heat events, have lower utility bills, loan interest payments, and medical expenses, as well as fewer missed workdays. Furthermore, an energy efficient home will have fewer adverse contributions to climate change. This is particularly true in aggregate as homes across an area are brought to higher efficiency standards.
6. **Crime** - The benefits of increased housing stability to individuals and communities includes reduced homelessness and the negative impacts and costs associated with homelessness, including crime. The benefits of housing stability also include increased incomes, improved health and educational attainment, etc. Increased educational attainment is well documented to result in less involvement in the criminal justice system and incarceration. Improved housing stability also results in fewer housing related interactions with the court system.
7. **2Gen approach** – Through reducing housing instability these policies support the protection of adults and their children from the extremely harmful consequences (physical, mental, & financial) of forced moves, evictions, foreclosures, and homelessness. Prevention of these harmful impacts on children increases the likelihood that these children will be able to escape poverty as adults.

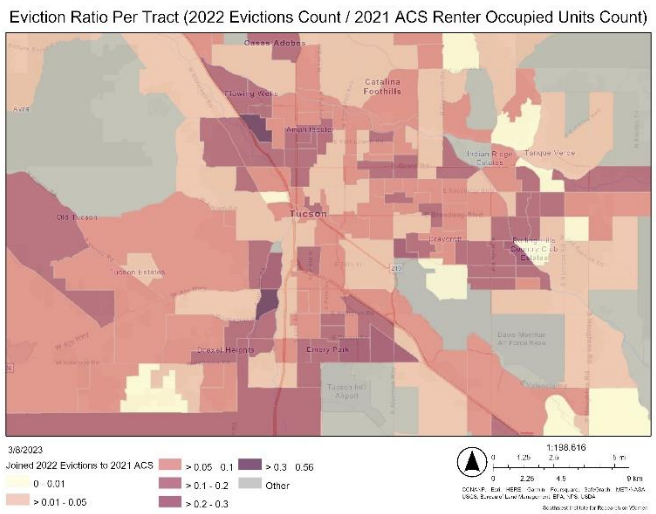
Why policy is applicable to Pima County region?

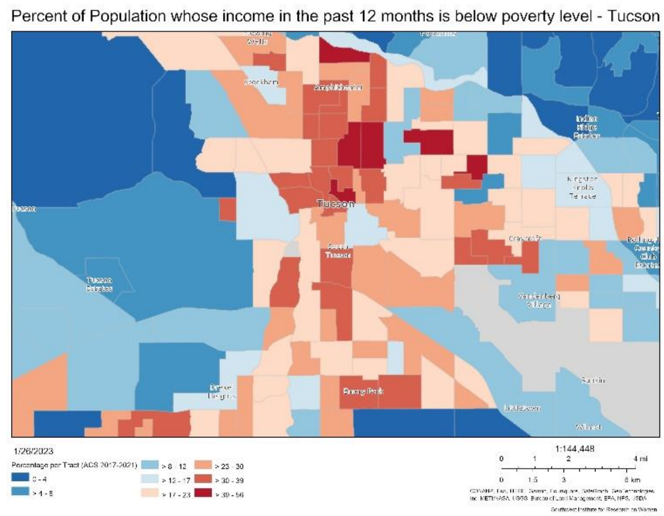
Lower-income households are disproportionately burdened with housing costs and are vulnerable to the hardships produced by housing insecurity. Over time macroeconomic fluctuations (e.g., increases in rents or inflation) and local development policies (e.g. planned investments in high poverty areas) are examples of factors that can exacerbate housing insecurity and increase the likelihood of displacement of vulnerable households. Tucson and Pima County have substantial levels of housing insecurity as captured in the number of housing cost-burdened households. A household is considered housing cost-burdened if they spend more than 30% of their income on housing costs. In the city of Tucson 37% of all households were housing cost-burdened in 2021, with 22.9% of homeowners and 53.5% of renters cost-burdened (Del Campo-Carmona 2023). This proportion of housing cost-burdened renters has grown in recent decades, in 2000 43.1% of Tucson renter households were housing-cost burdened. In Pima County (Tucson MSA), 21.3% of homeowners and 51.2% of renters were housing cost-burdened in 2021 (Census ACS via MAP Dashboard, 2023).

Housing instability is disproportionately experienced by historically marginalized groups and is highly concentrated geographically in lower-income communities. In 2021, in the City of Tucson, households making less than $20,000 a year 42.7% were housing cost-burdened. As one might expect, the prevalence of housing cost-burden decreases as household income increases: 31.6% for households making $20k-<$35k, 15.9% for those in the $35k-<$50k range, and 7.8% for households making %50k-<$75K (Del Campo-Carmona 2023). The Census Household Pulse (CHP) Survey from January of 2023 found substantially higher rates of housing insecurity, as measured by past due rent payments, among lower-income households as well as Hispanic or Latino, Black, and mixed-race Arizonans. Further, an analysis of this Census data from the Center on Budget and Policy Priorities found that renters of color with children experience an even greater prevalence of housing insecurity as measured by being behind on rent (Acosta 2022).









The maps above display the rate of evictions in 2022 by census tract in Tucson (left), and the poverty rate by census track in 2021 (right) which is the most recent data available. It is clear that there is a strong spatial relationship between areas of high poverty and frequency of evictions, as we would expect. The brunt of housing insecurity impacts are borne disproportionately by high poverty communities, communities often with the least resources to mitigate those strains.

The substantially higher prevalence of housing insecurity among members of racial/ethnic minority groups is a result of multiple factors. Overrepresentation in poverty, unemployment, and lower-pay employment are key factors, as are lower levels of homeownership and the racial wealth gap. An enormous body of social science literature (e.g. Oliver & Shapiro, 2006) has linked lower levels of homeownership and assets among people of color to generations of systemic exclusion from wealth creation opportunities, especially homeownership. These discriminatory practices include exclusionary zoning, redlining, blockbusting, unfair lending practices, and restrictive racial covenants. In Tucson, restrictive racial covenants were widely used in the 1900s to exclude members of minority groups from living in particular areas (Brocious 2019, Gentry & Cook-Davis 2021). These legacies persist in the form of substantially lower homeownership rates for people of color in Pima County. In 2021, the homeownership rate for white residents of Pima County was 68%. The rate was 58% for Hispanic/Latinx residents, 44.6% for folks identifying as Native/indigenous, and 42% for Black/African American residents (ACS 2021 via *Prosperity Now Scorecard*). The racial wealth gap undergirding these disparities both contributes to lower levels of homeownership (which increase the risk of housing insecurity) and means that households have fewer assets to mitigate financial challenges (e.g., job loss, illness, divorce, or death) which can also trigger housing insecurity.

This policy is particularly relevant in Pima County currently, as we are experiencing increased rental prices and unusually high inflation. Average and median rents have risen 37-38% in Tucson between January of 2020 and January 2023. As local incomes have not kept pace, the strain of these increases will sustain elevated housing insecurity for years as households relocate or renew leases. This policy is also protective against other potential threats to housing stability, such as the next recession, or once in a generation event that undermine housing stability (e.g. a pandemic or housing market crash).

Lower-income households carry a larger energy cost burden than other households. One way to help alleviate these "excess" costs is to weatherize homes and repair or update older or inefficient mechanical systems. In Pima County, low-income homeowners can reach out to several different programs that address these issues. The City of Tucson runs a program for qualifying City residents, as does the Town of Marana. For those in unincorporated Pima County and the Town of Oro Valley, the Town of Sahuarita, and the City of South Tucson, the Pima County Home Repair Program provides home repair services. Tribal entities have their own programs.

The Pima County Home Repair Program (which include energy efficiency and weatherization improvements) prioritizes assistance for health or safety concerns and the elderly and those with disabilities. Because of high demand, the Program runs a backlog of up to twelve months, with a typical wait time of eight to ten months to job completion; at any one time there will be 60 to 90 active applications. Eligibility is primarily income-based but applicants must also own and have lived in the home for at least one year and must agree not to sell for at least one year. Typical costs per house average between $15,000–$20,000 under HVAC, weatherization, roofing, and septic categories.

Funding for the Program comes from the US Housing and Urban Development *Community Development Block Grant* (CDBG) program, the US Department of Energy, Tucson Electric Power, Trico Electric Cooperative, and Southwest Gas. The total Program budget this year is $549,253, with an additional approximately $375,000 allocated competitively to area nonprofits to provide similar services. These grantees are more flexible and can generally complete jobs quicker than the Pima County Program can.

The City of Tucson's Residential Rehab program, which also includes weatherization and energy efficiency improvements, has the financial capacity to serve about 50 households annually, and has a wait list of 1,600. This program is funded at approximately $1.1 million a year from HUD CDBG. Tucson's Lead Abatement Program can be used to replace windows with energy efficient windows, is funded at approximately $2.5 million, and does have capacity to serve more households.

Funding and contractor capacity is a constraint to expanding City and County programs.

Tucson is one of the fastest warming cities in the country. The entire Tucson area is at elevated risk from increasingly dry summers and higher average temperatures, more extreme storm events, intense wildfires, and an underlying prolonged drought. Rising temperatures also amplify air quality threats including increasing ozone and particulate levels from wildfires and more-intense storms. Certain populations, such as those living in poverty, children, older adults, people of color and the disabled, are more susceptible to these events and trends.

Prolonged use of air conditioning during longer and more intense heat periods increases energy costs. This of course forces households to make tough compromises between cooling their homes and paying for basic needs.

These conditions, plus older, less-efficient homes, means demand for energy efficiency measures, including weatherization, will continue to grow.

https://assets.tucsonaz.gov/share/gis-docs/caap/TucsonResilientTogether_20230228.pdf

This policy is consistent with multiple strategies recommended by the 2022 Pima County Affordable Housing Task Force to increase housing affordability, the Pima County Regional Affordable Housing Commission by-laws, and the City of Tucson's Housing Affordability Strategy for Tucson:

County's 2022 Affordable Housing Task Force:
Strategy #2: "….help individuals access and retain safe and affordable housing".

Overview of Strategic Recommendations: Build More and Improve Access.pdf – Google Drive

Recommendation #4: "Keeping people housed….by understanding the barriers that prevent maximizing income…The task force recommends controlling more housing for those at risk of displacement and providing targeted housing services to keep people housed".
Pima County Affordable Housing Taskforce Recommendations.pdf

Implementation Action Plan Item 4.2: "Assess ways individuals can maximize all sources of income and reduce barriers to staying in their housing (transportation, childcare, quality jobs)"
Implementation Action Plan for Affordable Housing Outcomes.pdf (pima.gov)

Pima County Regional Affordable Housing Commission by-laws, Purpose of the Commission:

2.02 (b) "Recommend actions and policies that help individuals access and retain safe and affordable housing that allows them to live and thrive."

2.02(c) "Prioritize recommendations that reduce long-term demand for public subsidies for affordable housing, including those that address poverty, improve opportunity and create community wealth."
Regional_Affordable_Housing_Commission-Bylaws.pdf (pima.gov)

City of Tucson's Housing Affordability Strategy for Tucson:
"Enhance efforts aimed at housing Tucsonans most vulnerable to Housing Instability."
https://housingaffordability.tucsonaz.gov/

Acosta, Sonya. 2022. "Stable Housing is Foundational to Children's Well-Being." *Center on Budget and Policy Priorities.* https://www.cbpp.org/blog/stable-housing-is-foundational-to-childrens-well-being

Brocious, Ariana. 2019. "Roots of Housing Discrimination in Tucson." *AZPM The Buzz.* https://news.azpm.org/p/findinghome/2019/6/20/153570-roots-of-housing-discrimination-in-tucson/

Del Campo-Carmona. 2023. "Housing Cost Burden in Southern Arizona Communities (2021)." *Making Action Possible for Southern Arizona*. https://mapazdashboard.arizona.edu/housing-cost-burden-southern-arizona-communities-2021

Gentry, Katie & Alison Cook-Davis. 2021. "A Brief History of Housing Policy and Discrimination in Arizona." *ASU Morrison Institute for Public Policy.* https://morrisoninstitute.asu.edu/sites/default/files/a-brief-history-of-housing-policy-and-discrimination-in-arizona-nov-2021.pdf

Oliver, Melvin L, and Thomas M. Shapiro. 2006. *Black Wealth/white Wealth: A New Perspective on Racial Inequality 2nd Ed.* New York: Routledge.

Prosperity Now Scorecard. https://scorecard.prosperitynow.org/data-by-location#county/4019 *Accessed April 19, 2023.*

Has policy proven to be more effective for certain populations and if so who?

Programs and policies to reduce the strain of housing insecurity are not expected to be more effective for particular populations, but they are expected to disproportionately reduce harm for demographic groups at higher risk of housing insecurity and displacement. Housing instability is disproportionately experienced by lower-income households and members of historically marginalized groups (e.g. people of color), especially renters of color with children. Reducing the intensity and consequences of housing instability for households has the potential to substantially reduce harm in these communities disproportionately impacted by housing insecurity. The benefits of increased housing stability would then also be highly concentrated in impacted communities (e.g. prevention of loss of wealth through foreclosure; reduction in displacements via eviction prevention, etc.).

Cite evidence-based research from nonpartisan, objective, and well-recognized authorities:

The Negative Consequences of Housing Instability

Lower-income and poor households often find themselves housing cost-burdened. Individual challenges such as a loss of income or employment, death or disability of an earner or household member, medical expenses, and other common unfortunate experiences can push a family deeper into poverty, housing insecurity, or homelessness. Households are also vulnerable to increased strain or displacement as real estate and rent prices fluctuate over time. And vulnerable households in high poverty areas can experience displacement as a consequence of often well-intentioned efforts to revitalize and invest in their neighborhoods.

A wide body of research has documented a range of negative impacts for individuals and families of the experience of an eviction or foreclosure. One systematic review of the literature on the impact of evictions on health found that, "[e]vidence from these selected articles revealed a general consensus that individuals under threat of eviction present negative health outcomes, both mental (e.g. depression, anxiety, psychological distress, and suicides) and physical (poor self-reported health, high blood pressure and child maltreatment)." (Vásquez-Vera et al., 2017)

Vásquez-Vera, Hugo, Laia Palència, Ingrid Magna, Carlos Mena, Jaime Neira, & Carme Borrell. 2017. "The threat of home eviction and its effects on health through the equity lens: A systematic review." *Social Science & Medicine*. v175: 199-208.

A review of studies examining the relationships between foreclosure and health by Tsai (2015), found similarly that, "[h]ome foreclosure adversely affects health and mental health through channels operating at multiple levels: at the individual level, the stress of personally experiencing foreclosure was associated with worsened mental health and adverse health behaviors, which were in turn linked to poorer health status; at the community level, increasing degradation of the neighborhood environment had indirect, cross-level adverse effects on health and mental health."

Additionally, at the community-level higher rates of foreclosure have been found to be significantly associated with increased levels of homelessness in the following year (Faber 2019).

Tsai, Alexander C. 2015. "Home Foreclosure, Health, and Mental Health: A Systematic Review of Individual, Aggregate, and Contextual Associations." *PLOS ONE.* 10(4): e0123182.

Jacob William Faber. 2019. "On the Street During the Great Recession: Exploring the Relationship Between Foreclosures and Homelessness." *Housing Policy Debate*. 29(4): 588-606.
https://www.tandfonline.com/doi/full/10.1080/10511482.2018.1554595

A recent NBER working paper examining the impacts of evictions in New York City and Cook County, IL used a rigorous research design and administrative data to track the impacts of eviction over a two-year period. Evictions were found to result in statistically significant increases in homelessness and housing instability, with the probability of homelessness (measured by stays at emergency shelters) increasing to a rate 300% higher for evicted tenants relative to non-evicted tenants from the same neighborhoods. Post-eviction earnings and employment were found to decline significantly, and employment impacts persisted into the second year after the initial eviction filing. These negative impacts were found to be particularly pronounced for Black and female tenants, which the authors attribute to systemic discrimination experienced in rental markets. This study also linked evictions to persisting negative impacts on financial health, access to credit, and physical and mental health. They found that hospital visits frequently precede evictions and captured a 130% increase in visits for mental health-related conditions following evictions. A 2016 study examining the impacts of housing insecurity among working renters found that the likelihood of job loss increased 11-22% following a forced move (usually an eviction).

Collinson, R., Humphries, J. E., Mader, N. S., Reed, D. K., Tannenbaum, D. I., van Dijk, W. (2022, August). "Eviction and poverty in American cities". *NBER Working Paper* 30382.

Desmond, Matthew & Carl Gershenson. 2016. “Housing and Employment Insecurity among the Working Poor.” *Social Problems.* 0: 1–22

Research on Children and the Negative Impacts of Eviction, Foreclosure, and Homelessness

An examination of the prevalence of evictions in children’s lives found that roughly 1 in 7 children will experience an eviction (prior to their 15th birthday), and for children living in poverty 1 in 4 experience an eviction (Lundberg 2019).

Lundberg I, Donnelly L. 2019. “A research note on the prevalence of housing eviction among children born in U.S. cities.” *Demography*. 56(1):391–404

This level of prevalence is alarming in isolation but is especially concerning in light of the multitude of negative impacts on children and their caregivers. A 2021 article summarized the findings of research on these effects, “[e]viction can damage a caregiver’s health through stress, toxic exposures, unhealthy coping mechanisms, and lost financial resources. Evicted adults experience higher levels of depression, suicide, and all-cause mortality. Mothers of young children report higher levels of stress, depression, and poor health in the year after eviction. Children’s health is also directly impacted by evictions. Women who experienced eviction during pregnancy have a greater risk of low birth weight or preterm birth. Childhood eviction has been associated with food insecurity and worse overall health. Students may miss instructional time or change schools after a forced move. Stress, uncertainty, and material hardship have measurable biological impacts on children’s health, so it is unsurprising that eviction leaves a mark at all developmental stages. These disruptions may be even more damaging for children with special health care needs.” (Goplerud et al. 2021; Himmelstein & Desmond 2021)

Goplerud, Dana K, Kathryn M Leifheit, & Craig Evan Pollack. 2021. “The Health Impact of Evictions.” *Pediatrics Perspectives.* 148(5).

This quoted passage repeatedly cites as a reference:

Himmelstein, Gracie, and Matthew Desmond. 2021. “Eviction and health: a vicious cycle exacerbated by a pandemic.” *Health Affairs.* https://www.healthaffairs.org/do/10.1377/hpb20210315.747908/

Himmelstein & Desmond (2021) provide summaries of the findings of 21 studies examining the health impacts of evictions (attached). Findings specifically relevant to children include the demonstration of associations between eviction and poor child health, student exits from school, a larger proportion of very low birth weight births, preterm births, infant mortality rates, food insecurity at age 5, and lower third grade test scores (see attachment for related citations). This is type of research that supports Collinson et al.’s (2022) assertion that “[e]viction prevention efforts can therefore be cost-effective means of reducing childhood deprivation while safeguarding cognitive development.”

Hoyle et al. (2022) found that home foreclosures were a significant predictor of neighborhood rates of child maltreatment. Berger et al. (2015) found that households that experienced a foreclosure filing had a much higher probability of CPS involvement in the year prior to and following the filing.

Hoyle, Mary Elizabeth, Alyssa W. Chamberlain, and Danielle Wallace. 2022. “The Effect of Home Foreclosures on Child Maltreatment Rates: A Longitudinal Examination of Neighborhoods in Cleveland, Ohio.” *Journal of Interpersonal Violence*. 37(5-6): NP2768–NP2790.

Berger, Lawrence M., J. Michael Collins, Sarah A. Font, Leah Gjertson, Kristen S. Slack, & Timothy Smeeding. 2015. “Home Foreclosure and Child Protective Services Involvement.” *Pediatrics*. 136 (2): 299–307.

Reviewing research on the impacts of homelessness on children, Fischer et al. (2019) find that,

> "[a]mong children, homelessness is associated with increased likelihood of cognitive and mental health problems, physical health problems such as asthma, physical assaults, accidental injuries, and poor school performance. Studies find that children in crowded homes score lower on reading tests and complete less schooling than their peers, perhaps due to lack of space to do homework and higher stress. Also, frequent family moves are

linked to attention and behavioral problems among preschool children. And research shows that poverty may harm children in multiple ways, including by damaging their neural development." (*extensive citations for each impact in original*)

Fischer, William, Douglas Rice, & Alicia Mazzara. 2019. "Research Shows Rental Assistance Reduces Hardship and Provides Platform to Expand Opportunity for Low-Income Families." *Center on Budget and Policy Priorities*. Dec 5.

A study by Rice and Harvard Universities focused on low-income urban mothers, a population at high risk of eviction to examine the consequences of involuntary displacement from housing. Using longitudinal survey data from the Fragile Families and Child Well-being Study (FFCWS), which follows a birth cohort of new parents and their children, they found that eviction has negative effects on mothers in multiple domains. Compared to matched mothers who were not evicted, mothers who were evicted in the previous year experienced more material hardship, were more likely to suffer from depression, reported worse health for themselves and their children, and reported more parenting stress. Some evidence suggests that at least two years after their eviction, mothers still experienced significantly higher rates of material hardship and depression than peers.

Desmond, Matthew, Tolbert Kimbro, Rachel. September 2015. "Eviction's Fallout: Housing, Hardship, and Health." University of Oxford Press. Social Forces, Volume 94, Issue 1, Pages 295–324.

Programs That Reduce the Negative Impacts of Housing Insecurity

Rental Assistance Programs

There is a robust body of empirical evidence indicating that federal rental assistance programs substantially reduce housing insecurity, homelessness, and poverty (Fischer et al. 2019). A 2008 evaluation of the impacts of Housing Choice Vouchers in six cities compared similar families with and without vouchers. Families with vouchers were dramatically less likely to: experience homelessness, 3% for vouchered families vs. 13% for families without vouchers; find themselves without a home of their own (e.g. experiencing homelessness or doubling up with friends or family), 9% for vouchered families vs. 45% for families without vouchers; find themselves living in overcrowded conditions, 22% for vouchered families vs. 46% for families without vouchers, and families with vouchers had an average 5-year rate of moving 40% less than non-vouchered families (Wood et al 2008). By reducing housing costs rental assistance frees up resources for other household needs. The Census Bureau's Supplemental Poverty Measures captures such impacts and indicates that in 2018 3 million people were lifted above the poverty line by these non-cash benefits (Fox 2019). Families receiving rental assistance are much less likely to experience food insecurity and various indicators of economic stress, as captured in families' capacity to meet basic needs and afford medical care (Gubits et al. 2016). A 2020 study found that participants in a New Haven rental assistance program were less likely to report housing instability, low-quality housing, or a feeling of a lack of autonomy related to housing (Schapiro et al. 2021). Finally, there is a broad body of research that rental assistance is supportive of the mental and physical health of children and adults and educational outcomes for children (for an excellent overview and citations see Fischer et al. 2019)

Fischer, William, Douglas Rice, & Alicia Mazzara. 2019. "Research Shows Rental Assistance Reduces Hardship and Provides Platform to Expand Opportunity for Low-Income Families." *Center on Budget and Policy Priorities*. Dec 5.

Michelle Wood, Jennifer Turnham, and Gregory Mills. 2008. "Housing Affordability and Family Well-Being: Results from the Housing Voucher Evaluation." *Housing Policy Debate.* Vol. 19(2).

Fox, Liana. 2019. "The Supplemental Poverty Measure: 2018," *Current Population Reports*, Oct.

Gubits, Daniel et al. 2016. "Family Options Study: 3-Year Impacts of Housing and Services Interventions for Homeless Families," *Department of Housing and Urban Development*, October.

Schapiroa, Rebecca, Kim Blankenship, Alana Rosenberg, and Danya Keene. 2021. "The Effects of Rental Assistance on Housing Stability, Q uality, Autonomy, and Affordability." *Housing Policy Debate*. DOI: 10.1080/10511482.2020.1846067

Legal Representation for Tenants Facing Eviction

In 2021 only 3% of tenants had representation in eviction cases as compared to 80% of landlords, and (as of March 2022) 13 cities and three states have established a right to counsel for tenants facing eviction (Sterling et al. 2022). There is high quality evaluation research on right to council programs in California counties (Jarvis et al. 2020), Massachusetts (Samuelson et al. 2020), Hennepin County (Grundman & Kruger 2018), New York City (Gould Ellen et al. 2020), Cleveland (Stout 2022), Columbus, Ohio (Jones et al. 2018), and Richmond, Virginia (Howell et al. 2021). In all cases, tenants with representation were significantly less likely to receive an eviction judgment, and less likely to experience other related negative consequences of eviction records.

Sterling, Liel, Cyrus O'Brien, & Maria Roumiantseva. 2022. "No Eviction Without Representation: Evictions' Disproportionate Harms and the Promise of Right to Counsel." *ACLU Research Brief.*

Jarvis, Kelly, Lisa Lucas, David Reinitz, Charlene Zil, Timothy Ho. 2020. "Sargent Shriver Civil Counsel Act Evaluation." Report to California State Legislature. NPC Research. Jun.

Samuelson, Martha, Brian Ellman, Ngoc Pham, Emma Dong, Samuel Goldsmith, and David Robinson. 2020 "Investing in Fairness, Justice, and Housing Stability: Assessing the Benefit of Full Legal Representation in Eviction Cases." *Boston Bar Association.* Analysis Group, June.

Grundman, Luke, and Muria Kruger. 2018. "Legal Representation in Evictions – Comparative Study." *MinnPost*.

Gould Ellen, Ingrid et al. 2020. "Do Lawyers Matter? Early Evidence on Eviction Patterns After the Rollout of Universal Access to Counsel in New York City," *Housing Policy Debate*, Nov. 25: 1–22.

Stout. 2022 "Cleveland Eviction Right to Counsel Annual Independent Evaluation" *STOUT.* Jan 31.

Jones, Bruce, Becky Zwickl, Genna Auteri, Lathania Butler, Jake Cunliffe, and Marc Rostan. 2018. "Legal Aid Society of Columbus: Tenant Advocacy Project Evaluation." Thoughtwell.org. *The Legal Aid Society of Columbus*.

Howell, Kathryn, Benjamin Teresa, Caroline Hanley, Connor White, and Maria Tova Enriquez Dougherty. 2021 "Eviction, Legal Counsel and the Courthouse." VCU L. Douglas Wilder School of Public Affairs. *RVA Eviction Lab*, Nov 8.

Homeownership Assistance Programs

While both renters and homeowners experience housing instability, homeowner households are substantially less likely to move compared to renter households. One analysis found that roughly 25% of renters moved in a year, compared to 5% of homeowners (Yun & Evangelou 2016). Homeownership is not just associated with higher housing stability, but also contributes to families' capacity to build wealth and provide opportunities for their children (Rohe, Van Zandt, & McCarthy 2002). A 2019 study examined the associations between parental homeownership and outcomes for children 20 years later. Among adults in 2014, those whose mothers owned their homes in 1994 were more likely to go to college, less likely to receive public assistance, and were 1.5 times more likely to own their own home. These findings lead the authors to suggest that their findings, "highlights the potential of homeownership to break the intergenerational continuity of poverty. Programs that help families purchase affordable housing hold promise in helping ensure children reach their full potential and improving economic outcomes in future generations" (Rostad et al 2019). Similarly, Choi et al. (2018) find that children of parents who owned their homes are 7-8 percentage points more likely to be homeowners themselves, even when controlling for a range of other factors such as parental wealth.

Yun L, & Evangelou N. 2016. Social benefits of homeownership and stable housing. *National Association of Realtors*.

Rohe WM, Van Zandt S, & McCarthy G. 2002. Home ownership and access to opportunity. *Housing Studies.* 17(1): 51–61.

Rostad, Whitney L., Katie A. Ports, & Shichao Tang. 2019. “Mothers’ homeownership and children’s economic success 20 years later among a sample of US citizens.” *Child Youth Serv Rev.* Apr; 99: 355–359.

Choi, Jung Hyun, Jun Zhu, & Laurie Goodman. 2018. “Intergenerational Homeownership The Impact of Parental Homeownership and Wealth on Young Adults’ Tenure Choices” *Urban Institute.* Oct.

Shared Equity Homeownership

Traditional mortgage products are often out of reach for low-income households. Shared Equity Homeownership programs are long-term affordable ownership programs. These programs generally involve situations where lower-income families are able to purchase homes or units at below-market rates, and then in exchange for the reduced purchase price the owner's return on the home when reselling is limited by resale restrictions (Temkin at al. 2010). The goal of these programs is to create a stock of affordable units that sell for prices attainable for lower-income households and to serve more families than is possible with a more traditional homeowner assistance program (where the buyer is free to resell at market rate and keep 100% of the capital gains realized). A 2012 HUD article states that, [s]hared equity homeownership programs facilitate broader access to affordable, low-risk homeownership opportunities for low-income families” (HUD 2012). While there are many types of shared equity homeownership programs, two are the most common shared appreciation loans (second mortgages provided by a public or nonprofit agency that buyers repay in full at the time of resale along with a percentage of home value appreciation) and subsidy retention programs (most commonly community land trusts (CLTs), deed-restricted housing programs, and limited equity housing cooperatives) (HUD 2012).

A 2010 evaluation of 7 shared equity programs found that,

> “these shared equity programs are successful in creating homeownership opportunities for lower income families that allow purchasers to accumulate assets, while, at the same time, creating a stock of affordable housing that remains within the financial reach of subsequent lower income homebuyers. Moreover, homeownership among shared equity programs is sustainable: only a very small number of shared equity homeowners lose their home because of foreclosure; and a very high percentage of these low-income, first-time homeowners (over 90 percent in the three programs for which data were available) remain homeowners five years after purchasing a shared equity home. Finally, shared equity homeowners are not trapped: they resell their homes with the same frequency and for the same reasons. as other homeowners. In the three programs for which we were able to obtain information about the subsequent housing situations of these movers, we found that over two-thirds of them moved into owner-occupied, market-rate housing after reselling their shared equity homes” (Temkin at al. 2010).

Similarly, a 2019 study of 58 shared equity homeownership programs (involving 4,108 properties over 30 years) suggest that their study’s findings, “not only confirm that shared equity models provide affordable homeownership to lower income families generation after generation, but also establish that the sector provides financial security and mitigates risks for homeowners facing housing market turmoil. In effect, shared equity homeownership mitigates the risks of traditional homeownership, strengthens residential stability, and promotes equitable wealth building.” (Wang et al. 2019)

Temkin, Kenneth, Brett Theodos, & David Price. 2010. “Balancing Affordability and Opportunity: An Evaluation of Affordable Homeownership Programs with Long-term Affordability Controls: Cross-Site Report Final Report. *“The Urban Institute.* Oct.

HUD Office of Policy Development and Research. 2012. “Shared Equity Models Offer Sustainable Homeownership.” *Evidence Matters: Transforming Knowledge Into Housing and Community Development Policy* (HUD periodical) Fall.

Wang, Ruoniu, Claire Cahen, Arthur Acolin, & Rebecca J. Walter. 2019. “Tracking Growth and Evaluating Performance of Shared Equity Homeownership Programs During Housing Market Fluctuations.” *Lincoln Institute of Land Policy.* Working Paper WP19RW1.

There are multiple case studies of successful community land trust programs, highlighting their efficacy in increasing the number of affordable units and ensuring their affordability indefinitely (e.g. Kim & Eisenlohr on a CLT in Los Angeles). In addition, a recent working paper examined whether CLTs have neighborhood spillover effects. Ali & Raviola (2023) find, “that neighborhood housing values decrease in the vicinity of CLT properties and so does the probability of a household moving out of the neighborhood, especially for Black and Hispanic households. These results suggest that CLTs help current residents traditionally at higher risk of displacement to remain in their neighborhood.” Another study examining neighborhood spillover effects of CLTs in Minneapolis found that CLT properties played a role in stabilizing property values in neighborhoods during the foreclosure crisis (Nelson et al. 2020). Finally, in a 2022 article Lowe et al. examined three case studies of CLTs programs that involved a collaboration with a local land bank. Lowe et al. (2022) advocate for this collaborative model, “[g]iven that land banks hold land and property to recirculate back into use, and CLTs need land and property to expand permanent affordability under community control, the combined efforts of CLTs and land banks could provide a “property pipeline” that preserves public subsidy for affordable housing over the long-term".

Kim, Annette M. & Andrew Eisenlohr. 2022. “Community Land Trusts for Sustainably Affordable Rental Housing Redevelopment: A Case Study of Rolland Curtis Gardens in Los Angeles.” *Cityscape*, 24(1): 233-256.

Ali, Omar & Sarah Raviola. 2023. “The Effects of Community Land Trusts on Neighborhood Outcomes.” Paper presented at *North American Meeting of the Urban Economics Association*.

Nelson, Katharine, James DeFilippis, Richard Kruger, Olivia Williams, Joseph Pierce, Deborah Martin & Azadeh Hadizadeh Esfahani. 2020. “The Commodity Effects of Decommodification: Community Land Trusts and Neighborhood Property Values.” *Housing Policy Debate*, 30:5, 823-842. DOI: 10.1080/10511482.2020.1768573

Lowe, Jeffrey S., Natalie Prochaska, & W. Dennis Keating. 2022. “Bringing permanent affordable housing and community control to scale: The potential of community land trust and land bank collaboration.” *Cities*. Vol. 126.

Increasing the Stock of Affordable Housing

In the big picture, the most extreme consequence of housing instability is an experience of a bout of homelessness. The best available empirical research on homelessness indicates that housing-related factors are the central *and often the only* factors associated with regional variation in rates of homelessness. Hanratty (2017) found that an area’s median rent, % of rental households, and poverty rate have strong positive impacts on rates of homelessness. In addition, after adding additional controls to account for local variation, Hanratty (2017) found that only an area’s median rent was still positively associated with homelessness. Similarly, Colburn & Aldern (2022) examine dozens of factors hypothesized or assumed to contribute to regional variation in homelessness. They find that only 2 factors are consistently significantly associated with regional rates of homelessness: absolute rent levels and rental vacancy rates. The implications of this research are clear. Increasing the stock of accessible and affordable units will reduce homelessness, and the attendant costs of mitigating homelessness in communities.

Hanratty, Maria. 2017. “Do Local Economic Conditions Affect Homelessness? Impact of Area Housing Market Factors, Unemployment, and Poverty on Community Homeless Rates.” *Housing Policy Debate*, 27:4, 640-655. DOI: 10.1080/10511482.2017.1282885

Colburn, Gregg & Clayton Page Aldern. *Homelessness Is a Housing Problem: How Structural Factors Explain U.S. Patterns* 2022. Univ of California Press.

Energy Efficiency and Weatherization Programs

By making energy efficiency, weatherization and indoor air quality improvements to homes, households will be less impacted by climate-related heat events, have lower utility bills, loan interest payments, and medical expenses, as well as miss fewer days of work.

Low-income households carry a larger burden for energy costs, typically spending 14% of total annual income versus 3.0% for other households. Weatherization helps alleviate this heavy energy burden through cost-effective building shell improvements such as insulation and air sealing; heating, ventilation, and air conditioning systems; lighting; and appliances. A national evaluation of the US Department of Energy's Weatherization Assistance program found that the program annually supports 8,500 jobs and provides weatherization services to approximately 35,000 homes. Through weatherization improvements and upgrades, these households save an average of $372 every year. Once installed, energy-efficient weatherization measures continue to save money and energy year after year so funds can go toward other key living expenses. Weatherization not only helps households, it also helps revitalize communities by spurring economic growth and reducing environmental impact. For every $1.00 invested in the program, $1.72 is generated in energy benefits and $2.78 in non-energy benefits. Non-energy benefits represent tremendous value for families whose homes receive weatherization services. After weatherization, families have homes that are more livable, resulting in fewer missed days of work (e.g., sick days, doctor visits), and decreased out-of-pocket medical expenses by an average of $514. The total health and household-related benefits for each unit averages $14,148. Over the past 5 years, the weatherization network and the private sector have established the Guidelines for Home Energy Professionals, including Standard Work Specifications for Home Energy Upgrades, and Home Energy Professional certifications, along with accreditation of energy-efficiency training programs.

https://www.energy.gov/sites/default/files/2023-07/2023_WAP_Fact_Sheet.pdf
https://www.energy.gov/sites/default/files/2021/01/f82/WAP-fact-sheet_2021_0.pdf

Increasing energy efficiency of residential buildings has the potential to break cycles of poverty and improve the health of residents while creating well-paying jobs. These actions would particularly benefit communities of color, where high energy costs due to inefficient housing compound other long-lasting effects of continuing racial segregation and disenfranchisement. Low-income and formerly redlined communities are also likely to be hit the hardest by the effects of climate change and can benefit most from houses that can keep livable temperatures during power outages and extreme weather. Excess heat has been shown exacerbate chronic conditions, impair physiological functioning, impact mood and behavior, reduce productivity, and cause excess deaths. This thesis reviews the health benefits of deep energy retrofits across the U.S. and provides estimates of the net present value of a retrofit program at the county level for low- and moderate-income households.

Caswell, Helena. 2022. "Win-Win-Win? Evaluating the Climate, Health and Equity Benefits of Retrofitting Low Income Housing in the US." A.B., Dartmouth College. Submitted to the Institute for Data, Systems, and Society for the degree of Master of Science in Technology and Policy at the MIT. https://dspace.mit.edu/bitstream/handle/1721.1/144975/caswell-caswellh-sm-tpp-May-2022.pdf?sequence=1&isAllowed=y

Have you considered any unintended consequences? If so, what are they?

A potential positive unintended consequence of these policies, highlighted by Acosta (2022) below, is that they may boost the efficacy of other investments in children in low-income households:

> "Because housing instability has been shown to negatively impact children's health, development, and school performance, providing safe homes for kids and their families through new vouchers and other affordable housing

investments would also strengthen the positive developmental impacts of proposed investments in preschool and child care."

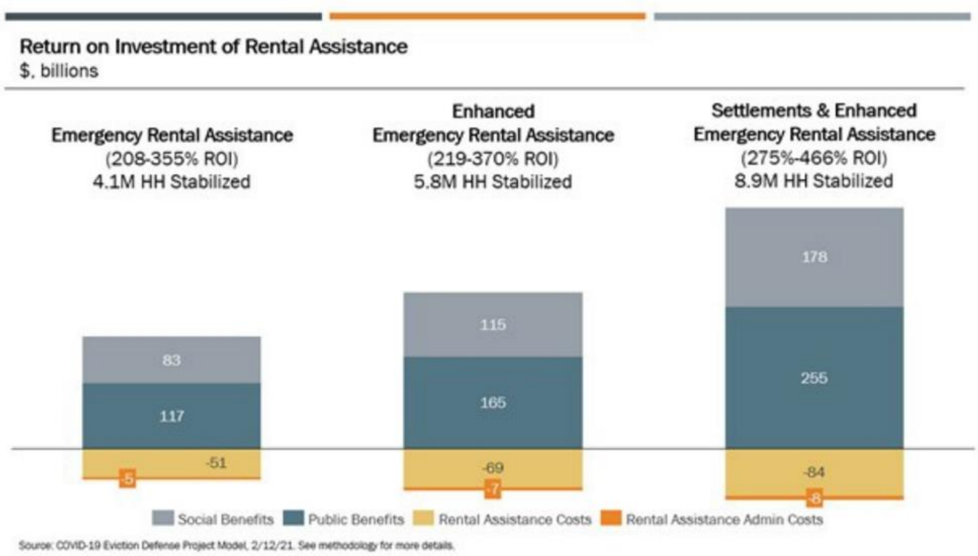
Acosta, Sonya. 2022. "Stable Housing Is Foundational to Children's Well-Being." *Center on Budget and Policy Priorities.* Feb 15. https://www.cbpp.org/blog/stable-housing-is-foundational-to-childrens-well-being

Cite Return on Investment (if applicable):

Before discussing the return on investment of rental assistance programs, it is worth emphasizing that housing instability and evictions generate significant costs for their communities. The Innovation for Justice program at UArizona's College of Law developed a tool to allow communities to calculate the cost of evictions to cities, counties, and states. In 2020, they published a policy brief which included an estimate of the initial and longer-term costs of evictions in Pima County in 2018. They estimate that $18.3 million was spent providing shelter to evicted persons in 2018, and then an additional $46.4 million spent on directly related costs in the forms of inpatient and emergency medical care, child welfare, and juvenile delinquency. This is a total one-year cost of $64.7 million in expenses in Pima County as a result of evictions in that year. Note these are estimated costs incurred by the continuum of service providers, including but not limited to Pima County as a governmental entity.

Pish, Mackenzie. 2020. "Policy Brief re: Arizona Evictions & COVID-19". Innovation for Justice Program. https://arizona.app.box.com/s/up0v6iv7yee858p5f1ojqsuljr04274v

Figure 1



Gilman (2021) provides an analysis that specifically attempts to use the federally funded distribution of rental assistance in response to the pandemic as an opportunity to estimate the ROI of rental assistance programs. Through comparing the cost of these programs and the costs of homelessness and displacement, Gilman estimates that rental assistance distributed during the pandemic had a positive of ROI between 208% and 466% (see Gilman's Figure 1 below). This is equivalent to a return of $3.08-$5.66 per $1 spent. Gilman argues that, "[t]hese ROI values point to the conclusion that failing to invest in rental assistance will cost dramatically more than making the investment now. The ROI analysis finds that rental assistance stabilizes both tenants and landlords, preserves neighborhoods, and protects government budgets over the long-term" (Gilman 2021:294). Pima County's total funding obligated toward rent and utility assistance since the pandemic began is

$73,342,764, with the far majority funded with Federal Emergency Rental Assistance Program funds. Based on a rate of return between $3.08 and $5.66, this equates to a return of $226 million-$415 million.

Gilman, Sam. 2021. "The Return on Investment of Pandemic Rental Assistance: Modeling a Rare Win-Win-Win." *Indiana Health Law Review*. 18: 293-354.
https://mckinneylaw.iu.edu/ihlr/pdf/vol18p293.pdf

Last, an evaluation of a nonprofit's (CommonBond Communities) eviction prevention services in Minessota, Wisconsin, and Iowa in 2015-2017 found a $4 social return for every dollar spent on eviction prevention. And while not expressed in the form of an ROI, an evaluation of Cleveland's Right to Counsel initiative estimated that the program produced $1.1-$1.2 million in cost savings for the city (Stout 2022).

Ernst & Young LLP. 2018. "CommonBond Communities Social impact measurement of CommonBond's eviction prevention activities."
https://commonbond.b-cdn.net/wp-content/uploads/2018/08/CommonBond-Social-impact-report-Final.pdf

A national evaluation of the US Department of Energy's Weatherization Assistance program found that program households save an average of $372 every year. For every $1.00 invested in the program, $1.72 is generated in energy benefits and $2.78 in non-energy benefits. After weatherization, families have homes that are more livable, resulting in fewer missed days of work (e.g., sick days, doctor visits), and decreased out-of-pocket medical expenses by an average of $514. The total health and household-related benefits for each unit averages $14,148.

https://www.energy.gov/sites/default/files/2023-07/2023_WAP_Fact_Sheet.pdf

A recent random selection of Pima County weatherization clients found an average 10 percent decrease in monthly energy use. (Pima County Community & Workforce Development Staff, August 1, 2023).

List of area experts and/or practitioners that reviewed or provided input into this policy:

1. **City of Tucson Commission on Equitable Housing and Community Development**
2. **Pima County Regional Affordable Housing Commission**
3. **Dr Atticus Jaramillo**, Assistant Professor of Planning and Real Estate Development
4. **Daniel Kuhlmann**, Assistant Professor of Real Estate Development and Planning
5. **Alison Miller,** City of Tucson's Community Services Manager, Strategic Planning and Community Engagement (SPACE), Housing & Community Development

Implementation ideas:

1. Continue implementing recommendations from the 2020 Pima County Evictions and Homelessness Prevention Task Force including the primary recommendation to ensure adequate funding for rental assistance.
2. Continue the County's Emergency Evictions Legal Services program with the integration of Navigators to link tenants to legal counsel and critical resources like job and childcare assistance.
3. Support partnerships with the Justice Courts to increase nonjudicial resolution of eviction disputes that create mutually satisfactory outcomes and avoid an eviction record.

4. Develop a rental assistance program that is less generous than the Federally funded ERAP program, but still provides much needed assistance.
5. Develop a subsidy program to increase housing stability among households, especially the elderly and disabled, living on fixed incomes or benefits.
6. Continue implementing recommendations from the 2022 Pima County Affordable Housing Task force to increase the stock of affordable housing and increase access to affordable housing.
7. Develop a landlord incentive program, similar to the City of Tulsa's Gold Star Landlord Program, Housing Solutions Tulsa, that provides incentives and rewards for landlords and property managers who engage in best rental practices, including improving substandard housing conditions.
8. Increase homeownership rates through financial education and assistance, traditional homeowner assistance programs, assistance with down payment and closing costs, and through non-traditional ownership opportunities (e.g. shared-equity homeownership strategies, subsidized mortgages). Implement or support organizations implementing successful models of affordable homeownership such as the practices used by the non-profit Neighborhood Assistance Corporation of America.
9. Where possible, such as on government-owned property, consider deed restrictions and similar mechanisms to increase the supply of long-term or permanently affordable housing units.
10. Expand programs that provide energy efficiency and weatherization improvements and home repair by seeking additional funding and expanding contactor capacity. Expand contractor capacity by connecting contractors to evidence-based workforce training opportunities (like apprenticeships and on the job training) and addressing other barriers to expansion, including industry specific certifications. Encourage new business startups through the City of Tucson's Connect Tucson business assistance program. Evaluate the benefits of targeting certain neighborhoods for additional outreach when and if additional funding is available to expand number of clients served.
11. Continue and consider expanding transitional housing programs combined with rapid rehousing efforts for vulnerable households to prevent homelessness.

Improve Job Quality for Low-Income Workers

Contact Name: Nicole Fyffe **Email:** Nicole.fyffe@pima.gov

Policy Title: Improve Job Quality for Low-Income Workers

Policy Full Text: Improve job quality for low-income workers and expand the employment capacity of employers already offering quality jobs, with quality jobs defined as those that provide competitive, equitable and self-sustaining wages, family friendly benefits and practices, and consistent scheduling.

Strategic Element:	Tactical Element:
Improve parental health, job retention and wages. For children of parents with improved job quality, improved health, educational attainment, and incomes.	Improved wages, benefits, scheduling, skill development and advancement for low-income workers. High parental job quality is associated with children's improved reading and math scores and behavioral outcomes. Household income affects the ability for parents and children to meet basic needs. Paid family and medical leave is a benefit that positively impacts children's health outcomes and improves women's employment outcomes, with no negative effects on employers. Childcare subsidies are a benefit associated with increases in employment and earnings among low-income workers, as well as reduced child poverty. Continuous, quality health coverage helps protect individuals from costly medical debt and results in individuals being more likely to seek preventive care and health care. Employee-owned business models have been shown to improve employee wages and retirement savings, further educational attainment and improve job quality, while also benefiting employers via increased productivity and lower turnover. Stable scheduling practices are associated with reduced absenteeism, lower turnover, improved job satisfaction, improved health and wellbeing, increased productivity, and higher revenues.

Problem Statement:

Parental job quality impacts children's academic performance and behavior, both of which are important predictors of educational outcomes and socioeconomic status at adulthood. Characteristics of job quality include wages, benefits, hours and scheduling, culture, and opportunities for skill development and advancement. The minimum wage in Arizona is now one of the highest in the nation, and wage inequality across Arizona and Pima County has dropped in recent years after many years of increasing. Prior to the pandemic, half of all workers aged 18-64 in Pima County were low-wage workers.

Nationally a majority of workers who moved to a new employer during and post-pandemic saw real wage increases, but average wages for women and Black and Hispanic workers remain far lower than the median. Paid family and medical leave is a benefit that positively impacts children's health outcomes and improves women's employment outcomes, with no negative effects on employers. However, access to paid and unpaid leave is disproportionately lower for low-income, workers or color, resulting in their children's greater exposure to opportunity gaps. Working families with children require childcare, the costs of which annually often exceed that of a college, and there are not enough government subsidies to meet the need.

Those who live in poverty more often have low wage jobs that are less likely to include employer-sponsored health coverage. While low-income individuals often qualify for publicly funded or subsidized health coverage options, barriers exist that make eligibility, enrollment and renewal in such coverage programs challenging. Unstable scheduling practices have been shown to destabilize workers' finances, sleep, caregiving, education, other employment, and community and leisure activities, and are associated with negative health outcomes, reduced worker satisfaction, and increased turnover. Hourly and part-time workers and workers in low-wage occupations are more likely to have jobs with unstable schedules, and workers of color are also disproportionately impacted.

How will the policy: (1) ensure the availability of jobs that will economically support a household, 2) increase housing stability, 3) provide equitable and effective resources, 4) build individual and community assets, 5) build climate resilience and reduce environmental harm, 6) reduce or prevent crime, and 7) further a two-generation approach?

Improving job quality, including wages, benefits, and family friendly practices, will enable more families to economically support a household, improve housing stability because of access to more resources, and provide opportunities for long-term financial asset building. Growing high quality jobs in the clean energy industry, and intentionally connecting low-income workers to those jobs through apprenticeships and on the job training, will not only improve job quality for low-income workers, but also expand the local capacity of companies and organizations to build climate resilience. Research suggests that job quality may have a stronger influence on individuals' involvement in criminal behavior than does income, job stability, educational achievement, and a variety of factors, and that job quality is more strongly associated with criminal behavior than the presence or absence of being employed.

Why policy is applicable to Pima County region?

Arizona has one of the highest minimum wages, which will continue to increase with the cost of living as indexed to the consumer price index. Inequality between low-wage and high wage earners for the Tucson MSA (which is Pima County) and for Arizona and the U.S. increased or remained consistent between 2001 and 2016. However, in 2017 wage inequality as reported on the UA MAP dashboard declined significantly for Arizona and Tucson. This decrease may reflect, in part, the increase in the minimum wage in Arizona during 2017. Pima County's Economic Development Strategic Plan targets business attraction, expansion and retention on sectors that pay higher wages. Pima County and the City of Tucson have successful Living Wage Ordinances requiring contactors providing services that are statistically low paying, entry level positions, to pay employees higher wages than would have been typically paid for these types of jobs. The last annual report showed that the County's Living Wage ordinance resulted in increased wages for 328 employees. Pre-pandemic data showed that half of all workers aged 18-64 in the Tucson Metropolitan Area (which is Pima County) were low-wage workers. While a majority of workers who moved to a new employer during and post-pandemic earned a real wage increase at their new employer, wages for some demographic groups remain far lower than the median rate. For state and local government employees in Arizona there are more males than females overall, there are significantly more males than females earning salaries of $70,000 or more (71% to 29%), there are disproportionately more White non–Hispanic employees than employees of other races and ethnicities (74% White non-Hispanic), and the number of White non-Hispanic employees earning $70,000 or more is rising faster than employees of other races and ethnicities.

https://mapazdashboard.arizona.edu/workforce-demographics/wage-distribution

Ross, Martha, Bateman, Nicole, Friedhoff, Alec. 2020. Low Wage Workers by Metropolitan Area. Brookings Institute. https://www.brookings.edu/articles/low-wage-workforce/; https://www.brookings.edu/articles/meet-the-low-wage-workforce/
https://www.eeoc.gov/data/job-patterns-minorities-and-women-state-and-local-government-eeo-4#Explore, Job Patterns for Minorities and Women in State and Local Government (EEO-4); EEOC collects labor force data from state and local governments with 100 or more employees within 50 U.S. states and District of Columbia. The reporting agencies provide information on their employment totals, employees' job category and salary by sex and race/ethnic groups as of June 30 of the survey year. Since 1993 the EEO4 survey is conducted biennially in every odd-numbered year.

Apprenticeships and on the job training experiences are proven approaches to increasing employment and wages for low-income job seekers and those with other barriers to employment. Through apprenticeships and on the job training, workforce development agencies can also influence participating employer wages and benefits. Pima County One-Stop clients participating in these types of experiences in FY2023 appears to be low (29 apprentices; 5 on the job training) in comparison to the total number of clients eligible for these types of experiences (enrolled in individual career services 3,472). Pima County is in the process of increasing the number of opportunities for apprenticeships and on the job training.

Tucson and Pima County have good examples of employee-owned businesses, and Tucson's Small Business Assistance Program provides support to companies that want to explore and execute employee ownership.

Title 20 of the Pima County Code and Board of Supervisors Policy D29.8 ensures a fair and equitable opportunity for participation in County contracts by local certified Small Business Enterprises (SBE). Where County Contracts are federally funded, however, the County's SBE program may be supplanted by a federal mandate for participation by Disadvantaged Business Enterprises (DBEs). Policy D29.8 is intended to ensure compliance with mandates for DBE participation, where federally required, in lieu of the County SBE program which is limited in scope due to State law. DBEs are for-profit small businesses where socially and economically disadvantaged individuals own a majority interest and control management and daily business operations. African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent Asian Americans, and women are presumed to be socially and economically disadvantaged. Other individuals can also qualify as socially and economically disadvantaged on a case-by-case basis. To participate in the DBE program, a small business owned and controlled by socially and economically disadvantaged individuals must receive DBE certification. To be regarded as economically disadvantaged, an individual must have a personal net worth that does not exceed the limit. To be seen as a small business, a firm must meet SBA size criteria and must not have average annual gross receipts exceeding the limit.

The City of Tucson and Pima County also set minimum wages for City and County employees, and both are in various stages of implementing organization-wide classification and compensation changes to realign job classifications and salaries with the market for comparable organizations, and improve the ability to recruit, hire and retain employees. These market studies were not gender or race and ethnicity equity studies. The City is currently collecting data to conduct an analysis to determine if there are any pay equity concerns. Through the County's Diversity, Equity and Inclusion program, pathways to expand recruitment for underrepresented communities have been established with the Tucson Indian Center, YWCA, United Way, and Goodwill. Consistent with Board Policy D21.1, the County continues to review employment demographics every two years to identify positions in which certain underrepresented communities continue to be under-represented and to develop strategies for recruitment and retention of such groups.

The Town of Marana also undertook a compensation study in FY22, which was implemented in FY23. The majority of Town employees received a minimum of a 6 percent pay increase, and many received more, up to an individual cap of $15,000. The Town continues to do internal market analysis and adjust salary ranges to stay competitive.

Pima County, as the region's primary workforce development agency, drives wages, pay scale adjustments and benefit options though apprenticeships and other on the job training experiences.

Arizona does not require paid family leave, nor requires participation in paid family leave program. Proposition 206, the Fair Wages and Healthy Families Act, was approved in November 2016. In addition to increasing the State's minimum wage, this law requires all Arizona employers to provide paid sick leave, though the required number of hours is less for small businesses under a certain size. Over the last two years, Pima County expanded a variety of benefits for County employees, including more vacation and sick time, expanded parental leave, and flexible and alternative work schedules. Pima County offers a very successful low-cost loan program for County employees for loans up to $10,000. The City of Tucson and Town of Marana have also expanded their employee compensation and benefit packages.

According to the American Community Survey, 87.7% of Pima County adults had health insurance in 2021, compared to 85.3% in Arizona, and 87.8 percent nationally. Hispanic/Latino adults (82.1% insured) and American Indian/Alaska Natives (80.6%) were less likely to be insured than the overall population living in Pima County (87.7%). In 2021, 92.5% percent of children in Pima County had health insurance, compared to 91.5% in Arizona and 94.6% of children overall nationally. During its 2023 legislative session, the Arizona Legislature expanded eligibility for KidsCare, from 200 percent to 225 percent of the Federal Poverty Level, resulting in an addition 12,000 children being eligible statewide.

Adults with Health Insurance. Pima Health Data Portal. Pima Health Data Portal :: Indicators :: Adults with Health Insurance :: County : Pima
Children with Health Insurance. Pima County Health Data Portal. Pima Health Data Portal :: Indicators :: Children with Health Insurance :: County : Pima
Children's Action Alliance Accessed May 29, 2023 State budget has small key wins for AZ children & families, BUT more needs to be done - Children's Action Alliance

In 2021, voters in Tucson approved Prop 206, also known as the Fight for $15, which established a minimum wage in the City. Prop 206 also requires workers scheduled for at least three hours who have their shift canceled with less than 24 hours' notice to be compensated for three hours' worth of pay.

Has policy proven to be more effective for certain populations and if so who?

It is unknown if this policy would be more effective for certain populations, largely because of variations that could occur through implementation.

Cite evidence-based research from nonpartisan, objective, and well-recognized authorities:

Job Quality

A growing non-experimental evidence base shows that parental job quality impacts opportunities for children. The characteristics of job quality can include wages, benefits, hours and scheduling, culture, and opportunities for skill development and advancement. Poor parental job quality is associated with children's grade repetition and behavior issues. High parental job quality is associated with children's improved reading and math scores and behavioral outcomes. Children's reading and math skills, as well as behavioral issues, are important predictors of their educational outcomes, as well as their socioeconomic status in adulthood.

This NASEM report cites findings from a growing non-experimental evidence base that parental job quality impacts opportunities for children. The authors cite three structural factors impacting parents job quality: the macroeconomy/labor market, federal policies and standards, and employer policies and practices. State and local policies are cited when federal policies are lacking. While there is no standard definition of job quality, the report includes characteristics such as wages, benefits, hours and scheduling, culture, and opportunities for skill development and advancement. Poor parental job quality is associated with children's grade repetition and behavior issues. High parental job quality is associated with children's improved reading and math scores and behavioral outcomes. Children's reading and math skills, as well as behavioral issues, are important predictors of their educational outcomes, as well as their socioeconomic status in adulthood. These factors can contribute to a cycle of poverty, unemployment, delinquency, and poor health among adults. Black, Hispanic, immigrant, and low-income children have higher exposure to opportunity gaps associated with parents' low-quality jobs. More comprehensive data sets that include measures of parents' jobs and children's outcomes are needed to understand how differential exposure to opportunity gaps in parents' job quality affects differences in children's health and education outcomes by income, race/ethnicity, and immigrant status.

National Academies of Sciences, Engineering, and Medicine. 2023. *Closing the Opportunity Gap for Young Children*. Washington, DC: The National Academies Press. https://doi.org/10.17226/26743.

Wages

Increasing household income reduces poverty. Raising the minimum wage is a frequently recommended strategy for improving wages, as well as jobs that pay a livable or sustainable wage. No citations are included here since Arizona's minimum wage is one of the highest in the nation and will continue to increase, and Pima County and the City of Tucson have livable wage ordinances for county contracted low-wage services.

Through apprenticeships and other on the job training programs, workforce development agencies can assist employers with the expansion of their workforce by becoming an apprenticeship sponsor, and can drive wages, pay scale adjustments and benefit options though these partnerships. Workforce development agencies can also provide these trainees with coaching and supportive services (transportation, childcare, etc.) during and after hire, which are proven strategies to improve job retention rates.

Mathematica assessment of the effectiveness of apprenticeships, benefits and ROI:
https://wdr.doleta.gov/research/FullText_Documents/ETAOP_2012_10.pdf
https://www.dol.gov/sites/dolgov/files/ETA/advisories/TEGL/2022/TEGL%2007-22/TEGL%2007-22%20(Accessible%20PDF).pdf

To address continuing wage disparities it is important for the workforce system to not only prioritize good jobs with living wages, but to prioritize such outcomes for every segment of its population, particularly historically underserved communities. The Pew Research Center found that 60 percent of workers who moved to a new employer between April 2021 and March 2022 earned a real wage increase at their new employer. However, wages for some demographic groups remain far lower than the third quarter 2022 median rate of $1,070 weekly. Men earned on average $1,164 weekly, while all women earned on average $971 weekly. Further, in the third quarter of 2022, the median weekly earnings for Black workers were $881, just 83 percent of the median weekly earnings for all workers; Black women earned, on average even less, just $830 weekly. Median weekly earnings for Hispanic or Latino workers were $861 or 80 percent of the median weekly earnings for all workers, with Hispanic or Latino women earning less—just $782 per week.

The Bureau of Labor Statistics reports that women's-to-men's earnings ratio was 82.3 percent in 2020 but varies by race and ethnicity and gets worse with each level of educational attainment. As an example, Black and Latina women with a bachelor's degree earn only 65 percent of the salaries earned by white men with similar education. Nancy Folbre's extensive research for the Economic Policy Institute concluded that the disadvantages women experience in the labor market cannot be blamed on their own choices – for example, choosing to work in low-paying fields or taking time off to care for family members. The Institute for Women's Policy Research concurs that occupational segregation is a major contributor to the gender wage gap. Research from public sector job evaluation studies in the 1970s consistently showed that positions with more women were categorized into lower pay grades and fell short of men's pay by roughly 20 percent.

In 1978, the Equal Employment Opportunity Commission commissioned a study on occupational classifications. Evidence showed that only a small portion of male-female wage disparities were accounted for by differences in education, work experience, or productivity. The final report - Women, Work, and Wages - concluded that the vast discrepancies in earnings by sex were caused by job segmentation and mid-century employment practices that permitted different rates of pay for men and women.

Instead of using the market wage as a standard and thus perpetuating historical discrimination, researchers encouraged employers to conduct internal job evaluations that used a point system based on skill, education, and working conditions to remove biases and establish fair salary structures.

If women in Arizona were paid the same as comparable men, the Institute for Women's Policy Research says their poverty rate would be cut in half. Organizations that proactively engage in pay equity practices have a competitive advantage and are better positioned to attract and retain top talent, according to the Society for Human Resource Management's report, "Bridging the Pay Gap." Those who do not experience higher distrust and turnover.
https://www.dol.gov/agencies/ofccp/about/data/earnings/race-and-ethnicity
https://www.bls.gov/opub/reports/womens-earnings/2021/home.htm
https://www.pewresearch.org/short-reads/2016/07/01/racial-gender-wage-gaps-persist-in-u-s-despite-some-progress/
https://www.aauw.org/resources/research/race-and-the-pay-gap/
https://iwpr.org/event/webinar-the-gender-wage-gap-and-occupational-segregation-tackling-the-undervaluation-of-human-services-and-care-work/#:~:text=Occupational%20segregation%2C%20and%20especially%20the,still%20far%20from%20pay%20equity.
https://iwpr.org/wp-content/uploads/2020/08/C419.pdf
https://www.epi.org/unequalpower/publications/gender-and-bargaining-in-the-u-s-labor-market/

In 2022, employer compensation costs for private industry union workers across the US averaged $53.20 an hour, with wages accounting for 60.1 percent and benefits accounting for the remaining 39.9 percent of compensation. Compensation costs for nonunion workers averaged $38.37 an hour, with 71.8 percent going towards wages and 28.2 percent for benefits.
https://www.bls.gov/spotlight/2023/union-membership-activity-and-compensation-in-2022/home.htm

Paid Family and Medical Leave

Paid family and medical leave is a benefit that positively impacts children's health outcomes and improves women's employment outcomes, with no negative effects on employers. Access to paid and unpaid leave is disproportionately lower for low-income, workers or color, resulting in their children's greater exposure to opportunity gaps. Paid family leave policies increase leave-taking and leave duration among both mothers and fathers, with effects larger for the least advantaged populations.

This NASEM report also references strong evidence that paid family and medical leave positively impacts children's health outcomes and reduce child poverty, and that these programs have been found to improve women's employment outcomes, with no negative effects on employers. Across studies, however, there is evidence of limited access to both unpaid leave under the Federal FMLA, and paid leave for all workers. Access is to paid and unpaid leave is disproportionately lower for low-income, Black, Hispanic, and immigrant workers, resulting in their children's greater exposure to opportunity gaps.

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The Federal Family and Medical Leave Act (FMLA) provides for up to 12 weeks of unpaid leave, continuation of health insurance and job protection. Qualifying events include birth or adoption of a child, care for family member with serious health condition, one's own health condition. Private employers with less than 50 employees are exempt from FMLA. Nearly half of US workers are not eligible. FMLA does not work equally for all those who qualify or have access to it. FMLA disparately impacts Black respondents and those with low education levels. Black women had nearly seven times higher odds of unmet need for FMLA benefits compared to White men. FMLA leave takers with lower education had higher odds of difficulty making ends meet compared with colleague graduates. Among employees that qualify for FMLA and need it, over 60% did not take leave because they cannot afford to take leave without pay. The primary beneficiaries of FMLA are high income, high education, married individuals, and men and women who have higher incomes.
12 states have Paid Family Leave programs; Arizona does not. According to 2021 data from National Compensation Survey, 23% of civilian workers have access to Paid Family Leave from their employers, up from 14% in 2016. Access is very unequal: 40% of highest 10 percent of wage earners have access to paid family leave, in comparison to only 7% of lowest 10 percent of wage earners.

https://www.irp.wisc.edu/wp/wp-content/uploads/2023/07/W102-2023-Slide-Presentations.pdf
https://sgp.fas.org/crs/misc/R44835.pdf

A study of the first 10 years of California's statewide paid family leave policy (CA-PFL), 2005-2015, found increased maternal health, increased breastfeeding duration, improved immunization rates, reduced infant hospitalization, and improved behavioral outcomes at kindergarten entry. Appelbaum & Milkman conducted a survey of about 250 California firms in 2010: 90 percent of firms report that CA-PFL had either a positive effect or no effect on employee productivity, morale, and costs. A survey was designed and fielded for a representative sample of firms with 10–99 employees in New York and Pennsylvania from 2016 to 2019. It was used to study the effects of New York's 2018 Paid Family Leave policy, which included no evidence of adverse impacts on employers' ratings of employee performance in terms of attendance, commitment, cooperation, productivity, and teamwork. A review of these studies and others concluded that paid family leave policies increase leave-taking and leave duration among both mothers and fathers, with effects larger for the least advantaged populations, and have potential to reduce inequalities in leave access in comparison to unpaid leave policies.

Ybarra, Marci, Rosenbaum, Sandra. 2023. *Thirty years of the FMLA: What's worked, what hasn't, and recommendations for more equitable policies.* IRP Webinar. School of Social Work University of Wisconsin-Madison https://www.irp.wisc.edu/wp/wp-content/uploads/2023/07/W102-2023-Slide-Presentations.pdf

Private industry employers spent $2.86 per hour on paid family leave benefits for non-union workers, compared to $3.79 per hour for unionized workers.
https://www.bls.gov/spotlight/2023/union-membership-activity-and-compensation-in-2022/home.htm

Childcare

Childcare subsidies are a benefit associated with increases in employment and earnings among low-income workers, as well as reduced child poverty. Because of the wealth of evidence showing the benefits of high-quality early childhood care and education to children and parents, research also highlights the need to improve job quality, including wages and benefits, for childcare professionals in particular. Employees using employer-provided childcare, especially when it is on-site, are more productive, focused, and engaged, and may have greater peace of mind and reduced stress with their children in close proximity during the workday.

This report also finds that childcare subsidies are associated with increases in employment and earnings among low-income workers, as well as reduced child poverty. Because of the wealth of evidence showing the benefits of high-quality early childhood care and education to children and parents, this report also highlights the need to improve job quality in particular for childcare professionals. This report also cites the benefits of job training, job placement, and support services in increasing access to good quality jobs for low-income workers.

National Academies of Sciences, Engineering, and Medicine. 2023. *Closing the Opportunity Gap for Young Children*. Washington, DC: The National Academies Press. https://doi.org/10.17226/26743.

While there is a wealth of evidence regarding the benefits of childcare to parents, children, employers, etc., there does not appear to be much information on whether the benefits vary when childcare or childcare subsidies are provided by an employer versus government funded childcare. A 2022 US Government Accountability Office report focuses on the IRS childcare tax credit for employers who provide on-site childcare for employees or contract with childcare providers to provide off-site childcare for employees. The authors' review of literature and interviews found that employees using employer-provided childcare, especially when it is on-site, are more productive, focused, and engaged, and may have greater peace of mind and reduced stress with their children in close proximity during the workday.

Both employers and employees may benefit from employer-provided childcare through reduced employee absenteeism and turnover. But even when an employer provides childcare, it may not be available, accessible, or affordable for all employees. Several groups interviewed described employers who offer on-site childcare at a corporate headquarters, but not to employees located in warehouses, distribution centers, or retail outlets. Childcare may not be conveniently located depending on the employee's distance from the facility or commute. Accessing childcare can be particularly challenging for those who work shifts or non-traditional hours. Two groups also mentioned that employer-provided childcare often has limited capacity and waitlists. Even with employer subsidies, typically only high-income employees can afford employer-provided childcare. While a sliding scale may address the issue of equity to some degree, childcare, like health care, can be a significant cost for employees.
https://www.gao.gov/assets/gao-22-105264.pdf

Employers lose if capable employees cannot find **childcare**. The 2018-2019 National Survey of Children's Health reported that the parents of two million children under the age of 5 "had to quit a job, not take a job, or greatly change their job because of problems with child care." Although some employers recognize the costs of absences and turnover and provide onsite childcare, referral services, or vouchers, not all employers are large enough to justify the costs of offering child care-specific benefits or setting up and running a child care facility.

US Department of Treasury. September 2021. The Economics Of Childcare Supply in The United States. https://home.treasury.gov/system/files/136/The-Economics-of-Childcare-Supply-09-14-final.pdf

Despite the potential advantages of employer-provided childcare, a Bureau of Labor Statistics survey found that about 11% of civilian workers had access to employer-provided childcare in 2021 and that lower-wage workers were less likely to have access than higher-wage workers. These include on-site childcare located at the workplace or subsidization of off-site childcare. By comparison, 16% of unionized private sector workers and 30% of state government workers, whether unionized or not, had access to such benefits. These numbers also mask considerable heterogeneity by industry: 42% of IT sector employees, 32% of employees at colleges and universities, and 26% of employees in finance had childcare benefits available. By contrast, 2% of retail workers and 5% of food service workers did, in two industries that are predominately female and low wage (BLS 2018). Looking at salary more closely, we see that 25% of workers with an average hourly wage at or above the 90th percentile had access to childcare benefits compared to only 3% of workers below the 10th percentile.

Bureau of Labor Statistics, National Compensation Survey: Employee Benefits in the United States, March 2021, Table 41. https://crsreports.congress.gov/product/pdf/IF/IF12379
https://scholar.harvard.edu/files/audreylatura/files/latura_-_demand_for_employer-provided_childcare_benefits.pdf

Health Insurance

Continuous, quality health coverage helps protect individuals from costly medical debt and results in individuals being more likely to seek preventive care and health care. Those who live in poverty more often have low wage jobs that are less likely to include employer-sponsored health coverage. While low-income individuals often qualify for publicly funded or subsidized health coverage options, barriers exist that make eligibility, enrollment and renewal in such coverage programs challenging. This issue is covered in great detail in a Prosperity Initiative policy brief focused on increasing health coverage and reducing medical debt.

Health care benefits were available to 96 percent of private industry union workers and to 69 percent of nonunion workers.
https://www.bls.gov/spotlight/2023/union-membership-activity-and-compensation-in-2022/home.htm

Employee-owned businesses

A variety of research shows the benefits of employee-owned business models on employee wages, retirement savings, furthering educational attainment and job quality, as well as benefits to businesses and employers including increased productivity and lower turnover. Different models of broad employee ownership include Employee Stock Ownership Plans (ESOPs), Worker Cooperatives, or Employee Ownership Trusts (EOTs). Tucson and Pima County have good examples of employee-owned businesses, and Tucson's Small Business Assistance Program provides support to companies that want to explore and execute employee ownership.

A variety of research shows the benefits of employee-owned business models on employee wages, retirement savings, furthering educational attainment and job quality, as well as benefits to businesses and employers including increased productivity and lower turnover. Different models of broad employee ownership include Employee Stock Ownership Plans (ESOPs), Worker Cooperatives, or Employee Ownership Trusts (EOTs).
One such study relied upon longitudinal data from the US Dept. of Labor Statistics following over 5,000 employees from 1997 to 2013. According to this study, outcomes for parents with children under eight included: median household net worth 91% higher for employee-owners, 31% higher median wages, 44% higher job tenure, 2.4 times as likely to receive tuition benefits.

According to a report by Results for America, employee-owned companies typically provide more of a voice at work, increased job security, higher wages, and additional opportunities to build wealth. On average, employee-owners making less than $30,000 have 17% higher median household net worth and 22% higher median income from wages

than non-owner peers. Additionally, one survey of US employee-owned firms found that workers nearing retirement had on average $147,522 in retirement savings solely from their ownership stakes.
Research also shows that businesses with 30% or more employee ownership are more productive, grow faster, and are less likely to go out of business than their counterparts. Employee ownership is linked to better company performance on average. Employee ownership companies have more stability, higher survival rates, and fewer layoffs in recessions, potentially leading to lower unemployment in the overall economy.

Employee ownership models can be especially beneficial to employees of color and low-income employees with young children, as these types of employees are more likely to be asset poor (lower employee stock ownership, less annual household savings, and lower retirement savings).

https://jobquality.results4america.org/opportunities/employee-ownership
Blasi, Joseph, Kruse, Douglas. 2019. *Building the Assets of Low and Moderate Income Workers and their FamiliesThe Role of Employee Ownership.* Institute for the Study of Employee Ownership and Profit Sharing. rutgerskelloggreport_april2019.pdf
Dudley, Thomas, Rouen, Ethan. 2021. *The Big Benefits of Employee Ownership*. Harvard Business Review. https://hbr.org/2021/05/the-big-benefits-of-employee-ownership
Kruse, D. *Does employee ownership improve performance?* IZA World of Labor 2022: 311 doi: 10.15185/izawol.311.v2 https://wol.iza.org/articles/does-employee-ownership-improve-performance/long
Wiefek, Nancy. 2017. *Employee Ownership & Economic Well-Being:Household Wealth, Job Stability, and Employment Quality among Employee-Owners Age 28 to 34. National Center for Employee Ownership.* https://www.ownershipeconomy.org/research/

Stable work schedules

Stable work schedules are a key component of job quality and of supporting a thriving labor force. Stable scheduling practices are associated with reduced absenteeism, lower turnover, improved job satisfaction, improved health and wellbeing, increased productivity, and higher revenues. On the other hand, unstable scheduling practices have been shown to destabilize workers' finances, sleep, caregiving, education, other employment, and community and leisure activities, and are associated with negative health outcomes, reduced worker satisfaction, and increased turnover.

Hourly and part-time workers and workers in low-wage occupations are especially affected, and workers of color are disproportionately impacted. Unstable scheduling practices exacerbate the increasingly steep tradeoffs that low-income households face in navigating the costs of low-wage work, including the costs of transportation, housing within a reasonable distance of work, and caregiving. Negative childhood outcomes, associated with unstable parental work schedules, including negative behaviors, hold implications for intergenerational cumulative disadvantage. Unstable scheduling can also be a barrier to upward mobility by interfering with the pursuit of education and training. This instability in work hours and income makes it particularly difficult to qualify for employer and state benefits, access reliable care, and consistently cover rising basic costs of living.

A national study of 37,263 hourly retail and food-service workers found that those with unstable work schedules were more likely to experience food and housing insecurity, fluctuating finances, and medical and utility hardships than workers in those industries with stable work hours. The underlying mechanisms linking unstable scheduling and these material hardships include volatility in income and benefits, disrupted household dynamics and informal networks, and an inability to plan ahead.

Lack of advance notice of work schedules and last-minute changes after schedules are posted have significant impacts on financial security. Fifty-nine percent of workers in extremely low-income households and 35% of all workers who report receiving less than a week's notice of their work schedules also report fluctuating weekly earnings. A national study of retail workers found that unstable scheduling could result in workers' weekly earnings being halved from one week to the next.

Unstable scheduling can be a barrier to accessing employer and state benefits, such as health insurance, paid leave, and childcare subsidies. Most employers require workers to maintain a minimum number of hours per week for a specific number of weeks to qualify for health insurance benefits. When workers have little or no input in their schedules, and their hours fluctuate from week to week, they may not be eligible for employer benefits, even if they work full-time hours for several weeks.

The negative outcomes of unstable scheduling practices are particularly salient for families with caregiving responsibilities because unstable scheduling is entangled with the stability of care for children, elderly, or disabled loved ones. The negative childhood outcomes associated with unstable scheduling result from increased parental stress, strain, depression, and financial insecurity, as well as parents' reduced time with their children. The authors note that these findings hold implications for intergenerational cumulative disadvantage due to unstable work schedules. Unstable scheduling can also be a barrier to upward mobility by interfering with the pursuit of education and training.

Stable scheduling practices can benefit both workers and employers. Employer practices that grant workers autonomy over their work hours mitigate many of the negative health impacts that workers with unstable schedules experience. This leads to higher rates of worker well-being and job satisfaction, reduced absenteeism, and lower rates of turnover. For example, studies of a large retail firm revealed that stores where managers routinely consulted their workers about their schedules had lower turnover rates, and workers reported less work-life conflict; stable and predictable scheduling practices also led to increased productivity and higher profits. Local scheduling ordinances have been a first step in policies addressing unstable scheduling but are too recent to serve as evidence based-practices.

Stepick, Lina. 2022. "Shifting Hours: Unstable Work Scheduling Practices." Federal Reserve Bank of San Francisco Community Development Research Brief 2022-07. doi: 10.24148/cdrb2022-07. https://www.frbsf.org/community-development/publications/community-development-research-briefs/2022/december/shifting-hours-unstable-work-scheduling-practices/

National Academies of Sciences, Engineering, and Medicine. 2023. *Closing the Opportunity Gap for Young Children*. Washington, DC: The National Academies Press. https://doi.org/10.17226/26743.

Job quality and crime

Research shows that educational attainment promotes employment and earnings, and a negative relationship exists between employment and criminal activity, whether due to greater economic resources, changes in routine activities, or increases in prosocial bonds. For example, jobs providing higher wages, employee satisfaction, and opportunities for advancement are more likely to reduce crime. To the extent that upward educational pathways promote employment opportunities characterized by greater stability and quality, they are expected to be associated with lower crime. It is also well-recognized that labor market opportunities have a strong impact on criminal behavior. For instance, there are also sizable and significant effects of unemployment, wages and inequality on crime.

Swisher, Raymond R., Dennison, Christopher R. 2016. *Educational Pathways and Change in Crime Between Adolescence and Early Adulthood.* J Res Crime Delinq. 2016 Nov; 53(6): 840–871. doi: 10.1177/0022427816645380 https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5365088/

Criminologists from diverse theoretical perspectives have long asserted that the quality of employment is more strongly associated with criminal behavior than its presence or absence. By this argument, "good jobs" or "meaningful work" are necessary to induce offenders to desist from crime. This paper constructs a satisfaction-based measure of job quality using data from the National Supported Work Demonstration and the 1977 Quality of

Employment Survey and tests whether employment in high quality jobs reduces the likelihood of criminal behavior among offenders. After statistical corrections for selection into employment, job quality is found to reduce the likelihood of economic and non-economic criminal behavior among a sample of released high-risk offenders. None of the most salient alternative explanations—sample selection, human capital accumulation, personal expectations, external labor market effects, or prior criminality—appear to diminish the job quality effect.

Uggen Christopher. Ex-offenders and the Conformist Alternative: A Job Quality Model of Work and Crime. Social Problems. 1999;46:127–51 https://www.jstor.org/stable/3097165

Data from the National Longitudinal Survey of Youth (NLSY) are used to examine the influence of employment characteristics and other age-appropriate investments on young adults' participation in both violent and property crime. The findings suggest that quality of employment has a stronger influence on individuals' involvement in both economic and noneconomic criminal behavior than do income, job stability, educational achievement, and a variety of background factors.

Wadsworth Tim. The Meaning of Work: Conceptualizing the Deterrent Effect of Employment on Crime among Young Adults. *Sociological Perspectives.* 2006;49:343–68. https://journals.sagepub.com/doi/10.1525/sop.2006.49.3.343

Have you considered any unintended consequences? If so, what are they?

Yes, but none are noted.

Cite Return on Investment (if applicable):

List of area experts and/or practitioners that reviewed or provided input into this policy:

1. **Barbra Coffee,** City of Tucson Economic Initiatives Director
2. **Betsy Langley,** Managing Librarian, Sahuarita Library
3. **Cathy Bohland**, Pima County human Resources Director
4. **City of Tucson Procurement and Human Resources staff**
5. **Patrick Cavanaugh**, Deputy Director Pima County Economic Development Department
6. **Terri Spencer**, Pima County Procurement Director
7. **Town of Marana Human Resources staff**

Implementation ideas:

1. Expand the job capacity of local government contractors that already offer good quality jobs by connecting them to evidence-based workforce training opportunities (i.e. apprenticeships and on the job training) and addressing other barriers, including industry specific certifications, that are preventing them from expanding.

2. Pursue grant-funding opportunities that improve job quality and expand the workforce of employers already offering good quality jobs, including federal grants that increase training and placement opportunities for good quality jobs (i.e. Pima County, City of Tucson, TEP and TRICO recent Electric Vehicle infrastructure grant application and partnership with TRICO that will provide TRICOs workforce with opportunity to train on and better understand EV charging infrastructure; EDA Recomplete Grant).

3. Increase the number of workforce development clients participating in evidence-based workforce development opportunities such as apprenticeships, on the job training experiences, and career pathways

with sectoral focus. As part of these experiences, negotiate wages and benefits that drive employers to increase high quality job offerings. Also provide clients with coaching and supportive services (transportation, childcare, etc.) during training and after hire, which are proven to make training more effective and improve job retention rates.

4. Improve job quality through Procurement and Business Attraction, Expansion and Retention by encouraging businesses that receive local government incentives or resources, including government contracts, to provide competitive and self-sustaining wages, benefits, family friendly practices and predictable scheduling. This could include agreements for new business attractions, as well as local government contracts with existing businesses. Review Pima County's Living Wage ordinance in light of Arizona's minimum wage continuing to increase and consider adding childcare provider contracts to the list of low-wage contractors subject to the Pima County's Living Wage ordinance. The City already reviewed and increased wage rates pursuant to their Living Wage ordinance and in light of Arizona's increasing minimum wage. The City may consider a new ordinance requiring City contractors to offer certain benefits to their employees, effective with new contracts.

5. Support entrepreneurship, small business development, and employee-owned business models, especially among minorities who face barriers to accessing capital, markets, and networks. Explore small business Employer Resource Navigators to reduce employee turnover and increase productivity.

6. Lead by example, by continuing to ensure local governments provide salaries, benefits, and family friendly practices that are competitive with the market, and that recruitment efforts create pathways for underrepresented communities to gain access to local government employment. The City of Tucson, Pima County and the Town of Marana are considering childcare options for their employees. The City is currently collecting data to conduct an analysis to determine if there are any pay equity concerns. The County and other local governments could conduct similar pay equity analysis. Through the County's Diversity, Equity and Inclusion program, pathways to expand recruitment for underrepresented communities have been established with the Tucson Indian Center, YWCA, United Way, and Goodwill. Consistent with Board Policy D21.1, the County continues to review employment demographics every two years to identify positions in which certain underrepresented communities continue to be underrepresented and to develop strategies for recruitment and retention of such groups.

Improve Quality of Life and Opportunity in High Poverty Areas

Contact Name: Keith Gunnar Bentele **Email:** keithb@arizona.edu

Policy Title: Improve Quality of Life and Opportunity in High Poverty Areas

Policy Full Text: Improve quality of life and opportunity in high poverty areas by investing in both physical and social infrastructure in ways that intentionally strive to center the priorities of local residents, improve access to resources, prevent the displacement of vulnerable residents, reduce the exposure to violence and build community wealth in these high poverty areas.

Strategic Element:	**Tactical Element:**
The benefits of a carefully structured reinvestment policy include improvement in quality of life and long-term education, employment, and health outcomes for children in high poverty neighborhoods experiencing investment. Empowerment of community residents in the revitalization process may increase the likelihood of success of such efforts and rebuild trust with local institutions. Implementation of investments in a manner that facilitates income and wealth building among residents, further bolsters the capacity of households and communities to weather challenges (e.g. increased housing stability) through increased access to resources, and enhances the opportunities available to children in these neighborhoods.	Displacement and gentrification impacts associated with investments in high poverty areas may be avoided or mitigated. Low-income residents and businesses are less likely to leave the neighborhood due to escalating housing and rent prices. Investing in a manner that substantively facilitates community wealth building is an opportunity to reduce the concentration of poverty and to reduce racial inequities (especially disparities in homeownership and wealth) produced by generations of discrimination. Such investments may also facilitate the growth of the local economy, supporting local businesses, creating job opportunities, and improving the tax base for local schools and local governments.

Problem Statement:

After decades of underinvestment in lower-income communities, particularly communities of color, advocates have pushed for reinvestment in poor communities to reduce poverty and improve quality of life in these historically marginalized areas. Unfortunately, research examining the impacts of such investments have found extremely mixed results. In short, there are some examples that suggest that *if structured very intentionally* such investments have the capacity to genuinely revitalize neighborhoods with positive impacts for vulnerable residents. However, there are abundant examples of such investments fueling displacement of vulnerable residents and small businesses as home values and rents rise, prompting understandable opposition to such investments by residents concerned about displacement and other neighborhood changes (characterized by many as concerns about gentrification). In the context of ongoing investments in high poverty/low opportunity neighborhoods in Tucson, and historically large forthcoming federal funding opportunities that will explicitly direct investments to such neighborhoods, a critical question is how to invest in high poverty neighborhoods in manners that genuinely increase opportunity (as opposed to reducing the share of poor households by pushing them out of the neighborhood) and build wealth for residents. This brief is focused on identifying evidence-based strategies seeking to facilitate reinvestment without displacement, and community wealth building as opposed to gentrification. Community wealth building is an approach to local economic development that encourages strategies that incorporate residents in decision-making processes related to development/investments and intentionally structures investments so that the benefits of these investments flow to neighborhood residents, businesses, and institutions.

How will the policy: (1) ensure the availability of jobs that will economically support a household, 2) increase housing stability, 3) provide equitable and effective resources, 4) build individual and community assets, 5) build climate resilience and reduce environmental harm, 6) reduce or prevent crime, and (7) further a 2 generation approach?

8. **Jobs** – This policy recommends that inclusive development strategies such as high-quality workforce training programs and community workforce agreements be implemented to increase the job-skills, employment, and earnings of individuals from high poverty neighborhoods.
9. **Housing** – This policy recommends a wide range of strategies to preserve and expand the stock of affordable and quality housing in high poverty neighborhoods experiencing investment and argues that these strategies are crucial to preventing displacement as a consequence of investment.
10. **Resources** – Enhanced access to benefits, services and opportunities is a strategy to reduce displacement, one that often does not require additional funding. In order to increase receipt of benefits this brief recommends outreach, increased use of navigators, and location of benefit access points within high poverty neighborhoods. Additionally, those concerned about gentrification and displacement are often more concerned about these impacts from physical improvements/infrastructure as opposed to improvements in benefits and services (i.e., social infrastructure).
11. **Assets** – This brief recommends a variety of strategies to facilitate asset building by lower-income households including expanded homeownership assistance, direct investments in residents' equity via home repair or upgrades, facilitation of the development of shared equity housing models (e.g. community land trusts) to allow lower barrier-to-entry equity building options, and small business loans.
12. **Climate resilience and environmental harm** - This policy recommends that the forthcoming federal funding from the Inflation Reduction Act to support green infrastructure and climate-resiliency be distributed in high poverty neighborhoods in a manner that intentionally contributes to building the assets of residents and businesses in these areas.
13. **Crime** – Many of the improvements in the physical and social infrastructure of high poverty neighborhoods recommended in this policy would be expected to reduce crime and homelessness, as well as mental health and substance use issues. In addition, this policy recommends expanding funding for targeted policing in high crime neighborhoods, expanded use of effective strategies like community policing, and improving gun safety. **2Gen approach** – By investing in the residents and businesses within high poverty neighborhoods and advocating to do so in a manner that bolsters local wealth, this policy seeks to improve the quality of life and degree of opportunity for both parents and children in high poverty neighborhoods and the next generation of residents in these neighborhoods.

Why policy is applicable to Pima County region?

As elsewhere in the United States, generations of formal and informal discriminatory practices have created geographic patterns of racial segregation in Arizona (Gentry & Cook-Davis 2021). In Tucson, prior to 1968, the use of racist covenants, conditions, and restrictions (CCRs) were a central formal mechanism of racial segregation (see Jurjevuch et al. 2023). In the past, explicit discrimination prevented many people of color from accessing loans (for homes or businesses), insurance, and residence in majority White neighborhoods (Aaronson, Hartley, Mazumder 2017; Badger 2017). In Tucson, these racist housing covenants excluded people of color from renting or owning homes across approximately 28% of the 750 Tucson neighborhoods and subdivisions between 1912-1968. Generations of unequal access to such wealth creation opportunities is a central contributing factor to the enormous racial gaps in both wealth and homeownership, and the high levels of poverty found in many communities of color today (Oliver & Shapiro 2006, Aaronson, Hartley, & Mazumder 2017). In addition, racial segregation and the resulting disproportionate geographic concentration of poverty in communities of color resulted in decades of disinvestment in such communities. Divestment refers to withdrawal of a wide range of investments from particular communities, those viewed as less desirable or literally as poor investment opportunities. These views reduce investment in communities by housing developers and builders and reduces investments in other amenities such as hospitals and clinics, grocery stores, and green spaces. These types of disinvestments reduce growth in home prices, reduce the tax base funding local schools and governments, reduce the number of jobs and business opportunities, and reduce the health and wellness of residents in these areas. And on top of all that history, predatory lending prior to the Great Recession contributed to large and disproportionate loss of wealth and exit from homeownership among black and Latino households and Latino (Burd-Sharps & Rasch 2015).

Decades of research on such dynamics has lead to efforts to invest in very poor communities to reduce poverty, and has consistently bolstered the rationale for reinvesting in communities that have experienced underinvestment or disinvestment. A hugely important contemporary example of this is the Biden Administration's 2021 Justice40 Initiative, which identifies, "a goal that 40 percent of the overall benefits of certain Federal investments flow to disadvantaged communities that are marginalized, underserved, and overburdened by pollution" (The White House 2023). This initiative explicitly attempts to ensure that disadvantaged communities received the benefits of new large scale federal investments (e.g. the Bipartisan Infrastructure Law & Inflation Reduction Act), with the rationale that these investments, "will help confront decades of underinvestment in disadvantaged communities, and bring critical resources to communities that have been overburdened by legacy pollution and environmental hazards" (The White House 2023).

This policy is particularly relevant in Pima County currently, as we are experiencing the consequences of increased home and rental prices and unusually high inflation in recent years. Average and median rents have risen 34-43% in Tucson between June of 2020 and June 2023 (Bentele 2023). As local incomes have not kept pace with these increases, the strain of these rent prices will sustain elevated housing insecurity for years to come as households relocate or renew leases. High inflation in recent years has further tightened the finances of lower-income households, and continuing variability in the costs of core needs such as food and fuel represent a continuing threat to the financial stability of such households. Currently, eviction filings remain elevated at an average of roughly 1,000 a month, despite historically low levels of unemployment (Bentele 2023). In this context, in the absence of the protective policies outlined in this brief, a "business as usual" approach to the infusion of forthcoming federal investments into these high poverty areas will likely exacerbate housing insecurity and the displacement of our most vulnerable community members.

Aaronson, Daniel, Daniel Hartley, and Bhashkar Mazumder. 2021. "The Effects of the 1930s HOLC "Redlining" Maps." *American Economic Journal: Economic Policy*, 13 (4): 355-92.

Badger, Emily. "How Redlining's Racist Effects Lasted for Decades. *The New York Times*. Aug. 24, 2017.

Bentele, Keith. 2023. "Housing Insecurity Indicators and Homelessness Estimates for Arizona and Pima County – 46th Report". Tucson, AZ: University of Arizona, *Southwest Institute for Research on Women*.

Burd-Sharps & Rebecca Rasch. 2015. "Impact of the US Housing Crisis on the Racial Wealth Gap Across Generations." *Social Science Research Council*. https://www.aclu.org/wp-content/uploads/legal-documents/discrimlend_final.pdf

Gentry, Katie & Alison Cook-Davis. 2021. "A Brief History of Housing Policy and Discrimination in Arizona." *ASU Morrison Institute for Public Policy.* https://morrisoninstitute.asu.edu/sites/default/files/a-brief-history-of-housing-policy-and-discrimination-in-arizona-nov-2021.pdf

Jurjevuch, Jason R., Chris Kollen, Yoga Korgaonkar, Liz Wilshin, & Claire Holloway. 2023. *Mapping Racist Covenants Project*. https://mappingracistcovenants.org/

Oliver, Melvin L, and Thomas M. Shapiro. 2006. *Black Wealth/white Wealth: A New Perspective on Racial Inequality 2nd Ed.* New York: Routledge.

The White House. 2022. *Justice40 A Whole-of Government Initiative.* https://www.whitehouse.gov/environmentaljustice/justice40/

Has policy proven to be more effective for certain populations and if so who?

Research suggests that increasing income and opportunity in high poverty neighborhoods can have significant positive impacts on children of all ages. In a 2021 article, Chy & Katz summarize the current state of research on the causal impacts of neighborhoods. They indicate that across a wide range of studies, neighborhood effects are more impactful for children relative to adults and that the longer a child is in a neighborhood the more pronounced the impact. That said, improving the economic and working status of the parents also has a significant impact on a child's future earnings. Opportunity Insights research has significantly associated the employment rate in his or her childhood neighborhood predicts upward mobility meaning that it is not the proximity to jobs, but growing up around people who have jobs that matters. Therefore, intentionally targeting low income, high poverty neighborhoods with workforce training and job opportunities is an important component not just for individuals, but for the neighborhood as well.

Several policy and program interventions recommended in this policy to improve child opportunity through improving neighborhood characteristics and indicators, have been found to be especially effective for Blacks and Latinos. This includes high quality career and technical education training in high school and sectoral training programs for adults and youth (Blacks and Latinos); effective financial aid programs for low-income students (Blacks and Latinos); increased health insurance coverage (Blacks); pollution reduction (Blacks); improved uptake of nutritional services, including WIC (Latinos); and several neighborhood crime reduction strategies (Blacks). This is not to say these interventions would not be effective for race and ethnicities not listed, but evidence of their assessment was not cited in this report (NASEM p259-262).

Raj Chetty, Nathaniel Hendren in the Quarterly Journal of Economics, Volume 133, Issue 3, August 2018,

National Academies of Sciences, Engineering, and Medicine. 2023. Reducing Intergenerational Poverty. Washington, DC: The National Academies Press. https://doi.org/10.17226/27058.

Cite evidence based research from nonpartisan, objective, and well-recognized authorities:

Neighborhoods Impact Intergenerational Mobility

While it may seem like common sense to assert that neighborhoods impact children in a wide range of manners that shape their future life chances, up until relatively recently there was debate as to whether observed outcomes later in life were attributable to neighborhood effects or to other mechanisms (e.g. household income and assets, family structure or characteristics, and etc.). To be clear, there is voluminous evidence that key outcomes related to opportunity for both children and adults are strongly correlated with neighborhood poverty rates. The debate was whether these impacts were causal or not and was fueled by mixed findings in the empirical literature. In a 2021 article, Chy & Katz summarize the current state of recent experimental and quasi-experimental studies on the causal impacts of neighborhoods. They argue that for adults findings are more nuanced, but "studies of children strongly support the existence of effects in which longer exposure to "better" neighborhood environments during childhood leads to improved long-run outcomes" (Chy & Katz 2021:199). Similarly, in their work as a part of Urban Institute's US Partnership on Mobility from Poverty, Turner and Gourevitch (2017:3) summarize, "research evidence about four causal mechanisms through which conditions in distressed communities can undermine the long-term life-chances of their residents: the availability and quality of services, crime and violence, the role of peer groups and social networks, and access to employment opportunities."

One of the major studies cited in this review is the work of Chetty & Hendren (2018). The primary goal of that article was to address this question of whether or not neighborhood effects have *causal* impacts on children's long-term outcomes. They argue that their findings indicate that "the majority of observed variation in outcomes across areas is due to causal effects of place" (Chetty & Hendren 2018:1110). These findings are extremely relevant for this policy option, and it is worthwhile to cite their findings at length:

> First, place matters for intergenerational mobility: the differences we see in outcomes across neighborhoods are largely due to the causal effect of places, rather than differences in the characteristics of their residents. Second, place matters largely because of differences in childhood environment, rather than the differences in labor market conditions that have received attention in previous studies of place. Moving to a better area just before entering the labor market has little impact on individual's outcomes, suggesting that place-conscious policies to promote upward mobility should focus primarily on improving the local childhood environment rather than conditions in adulthood. Third, each year of childhood exposure matters roughly equally; there is no "critical age" after which the returns to

> living in a better neighborhood fall sharply. This result is germane to recent policy discussions regarding early childhood interventions, as it suggests that improvements in neighborhood environments can be beneficial even in adolescence. (Chetty & Hendren 2018:1114).

Chetty & Hendren (2018:1115) also argue that their findings imply that the well-documented associations between variation in neighborhood characteristics and economic outcomes found in observational and correlational studies do, "in fact reflect causal effects of place, but that such effects arise through **accumulated childhood exposure** rather than immediate impacts on adults". This is very important as the volume and range of studies capturing significant correlational relationships between neighborhood characteristics and child outcomes is enormous. In a recent NASEM report, the authors cite a long list of studies, and add the caveat that "[a]lthough most of these studies do not establish causality between neighborhood conditions and child outcomes, they strongly suggest that a wide range of neighborhood characteristics affect child well-being across a number of dimensions." (NASEM 2023: 25). All of this is to say that current state-of-the-art social science literature is strongly supportive of the commonsense notion that neighborhood characteristics impact children's outcomes in both the short term and long term.

Chyn, Eric, and Lawrence F. Katz. 2021. "Neighborhoods Matter: Assessing the Evidence for Place Effects." *Journal of Economic Perspectives*, 35 (4): 197-222.

Chetty, Raj & Nathaniel Hendren. 2018. "The Impacts of Neighborhoods on Intergenerational Mobility I: Childhood Exposure Effects", *The Quarterly Journal of Economics*, 133(3): 1107–1162.

Turner, Margery Austin and Ruth Gourevitch. 2017. "How Neighborhoods Affect the Social and Economic Mobility of their Residents." Washington, D.C.: US Partnership on Mobility from Poverty.

Displacement as a Consequence of Investment

Chetty & Hendren (2018) argue that their findings suggest, "that place-conscious policies to promote upward mobility should focus primarily on improving the local childhood environment." Such findings are strongly supportive of the neighborhood reinvestment strategy recommended here, that is, investing in both physical and social infrastructure in high poverty areas to improve quality of life and opportunity. However, we want to be mindful that some types of investments (especially physical infrastructure investments), can have unintended consequences for vulnerable residents of areas experiencing investment. Investing in high poverty areas in an effort to reduce poverty is not new. In the early 1990s an approach focused on investment in mixed-income housing development gained momentum across the country following the authorization of HUD's HOPE VI program. Consequently, there is a voluminous literature examining the various impacts of these programs for low-income communities. Proponents of mixed-income development will often cite research on housing mobility programs, which show multiple positive impacts to adults and children of relocating to lower-poverty areas. The idea here is that investments in high poverty areas can transform those areas into mixed-income communities and bring the benefits associated with the experiences of individuals participating in housing mobility programs. There are also a handful of studies that find that the creation of mixed-income developments in high poverty areas is associated with reductions in criminal activity and increases in property values (see Fraser & Nelson 2008). That said, there is an enormous debate and mixed empirical findings as to the benefits of investments in mixed-income housing (see Fraser & Nelson 2008 & Levy et al. 2010 for excellent reviews). This debate is captured well in this lengthy paragraph from Fraser & Nelson (2008:2129):

> Early studies on mixed-income housing initiatives were guided by the general hypothesis that enhanced neighborhood conditions – physical, political, and socioeconomic – translated into public goods that were broadly distributed across all households. Since then, studies demonstrate that mixed-income housing does not automatically produce these hypothesized neighborhood- and household-level outcomes both in the United States (Collins et al. 2005; Kleit 2001; Popkin et al. 2004; Salama 1999; US General Accounting Office 2003; Varady et al. 2005) and internationally (Atkinson and Kintrea 1998, 2000, 2001; Jupp 1999; Kleinhans 2003, 2004; Wood 2003). Indeed, the empirical research on mixed-income redevelopment of distressed urban neighborhoods suggests that

> the majority of benefits have been realized by private-sector developers, local government, and other stakeholders who are in the position to benefit from place-based revitalization. Low-income households, on the other hand, do not share in many of these benefits. The failure to improve outcomes for poor residents has raised questions about the mechanisms by which mixed-income housing could lead to the reduction of poverty for resident families (Brophy and Smith 1997; Kleinhans 2004; Popkin et al. 2000; Smith 2002; Wilkins 2002).

Fraser, James & Michael H. Nelson. 2008. “Can Mixed-Income Housing Ameliorate Concentrated Poverty? The Significance of a Geographically Informed Sense of Community.” *Geography Compass*. 2(6): 2127-2144.

Levy, Diane K., Zach McDade, & Kassie Dumlao. 2010. “Effects from Living in Mixed-Income Communities for Low-Income Families A Review of the Literature.” *Urban Institute*. Metropolitan Housing & Communities Center. https://www.urban.org/sites/default/files/publication/27116/412292-Effects-from-Living-in-Mixed-Income-Communities-for-Low-Income-Families.PDF

To be clear, there are solid examples of positive change in communities experiencing revitalization as a consequence of investment in mixed-income communities especially in the areas of crime, property values, physical appearance, and subjective assessments of neighborhood quality by residents. However, many researchers and advocates have questioned whether this strategy is effective at reducing poverty, especially for the most vulnerable households in these impacted areas. This debate and the mixed findings in empirical research has lead some researchers to try to identify the characteristics of successful mixed-income housing programs. These include good locations, good management, and reaching particular thresholds of income mix (see Fraser & Nelson 2008).

These critiques of the HOPE IV program informed the structure of HUD’s Choice Neighborhoods Initiative (launched in 2010), which attempted to address such concerns, “by providing one-for-one replacement housing, a guaranteed right to return for residents, and a more holistic focus on the community and schools surrounding the public housing development, with a goal ‘transform[ing] neighborhoods of poverty into functioning, sustainable mixed income neighborhoods with appropriate services, schools, public assets, transportation and access to jobs’”(Tegeler & Gevarter, 2021:1). The evaluation literature on Choice Neighborhoods is thin to date, and there are a handful of studies suggesting that individual projects have not lived up to expectations in terms of substantive collaboration or engagement with local school systems (Tegeler & Gevarter, 2021:1) or the depth and extent of community-centered planning (Auerbach et al. 2023). Auerbach et al. (2023:1035), summarize their central finding:

> “Through the Choice Neighborhoods Initiative (CNI), private investors and developers replace distressed US public housing with new mixed-income and mixed-use developments. Although these projects promote community involvement and are purported to prioritize community input and to benefit residents, private investors have disproportionate power and often modify redevelopment to favor the market-rate units while receiving tax incentives, extremely low-cost and long-term land-leases, and government funds for demolition, construction, maintenance, and management.”

Auerbach, Jeremy, Jordin Clark, Carrie Makarewicz, Solange Muñoz & Marisa Westbrook. 2023. “More private than public: the choice neighborhoods initiative as another tool for state-led gentrification in the Sun Valley neighborhood of Denver CO. *Urban Geography*. 44(5): 1035-1049.

Tegeler, Philip & Laura Gevarter. 2021. “Mixed income neighborhoods and integrated schools: Linking HUD’s Choice Neighborhoods Initiative with the Department of Education’s Magnet Schools Assistance Program.” *Poverty & Race Research Action Council Policy Brief.* 1-16.

A recent policy memorandum from the Biden administration to federal departments and agencies, entitled, *Guidance for Federal Departments and Agencies on Advancing Equitable Community and Economic Development in American Cities and Urban Communities*, directly acknowledges these limitations and unintended consequences of prior investment efforts:

"Urban community and economic development projects—such as investments in housing, small businesses, climate and disaster resilience, and transportation infrastructure—have great potential to build community wealth and strong local economies, redress racial and ethnic discrimination and inequities, and support long-time residents and businesses. But federal investments and subsidies in underserved urban communities have historically fallen short of achieving these goals. In many cases, areas of persistent poverty have lacked economic mobility and inter-generational wealth accumulation for decades, compounded by ongoing private sector disinvestment and unfair access to capital. When private sector investment does occur, it too often creates displacement pressures that price existing residents out of the neighborhoods they call home, particularly in cities and regions where affordable. housing production and preservation does not keep pace with demand. And at the local government level, communities continue to limit opportunity through exclusionary zoning and development practices. Given these enduring challenges, it is critical to ensure that the benefits of federally funded community and economic development projects in urban areas are equitably distributed—particularly now, as the Biden-Harris Administration provides unprecedented resources to communities through the American Rescue Plan, Bipartisan Infrastructure Law, Creating Helpful Incentives to Produce Semiconductors (CHIPS) and Science Act, Inflation Reduction Act, and annual appropriations". (Rice 2023:2)

This policy memorandum then outlines the principles that should guide investments and policies to better achieve "equitable development" defined as, "a positive development approach that employs processes, policies, and programs that aim to meet the needs of all communities and community members, with a particular focus on underserved communities and populations" (Rice 2023:3). The principles and recommended actions for Federal agencies identified in this memo align with the best practices advocated by a wide-range of organizations to achieve revitalization instead of displacement, the characteristics of successful examples of revitalization, and are very similar to elements of the approaches within ongoing development efforts (e.g. Tucson Norte-Sur, Thrive in the '05). Specifically, it is recommended that these investments should center community voice, be used to create and retain community wealth, and be implemented in manners designed to mitigate displacement. While the entire memo has strong applicability to the Prosperity Initiative and this purpose of this particular neighborhood investment policy, the following section is included verbatim as an example:

I. Identify and implement programs and policies that ensure benefits of investments accrue to underserved urban communities and mitigate economic displacement of people and businesses. Agencies should consider the potential negative byproducts of urban community and economic development investments, and leverage federal tools to encourage states, localities, and other federal funding recipients or designated communities to mitigate harmful impacts, which may include policies to:

- Increase housing affordability and homeownership—including through the preservation of existing affordable housing and innovative models to increase production of affordable units—so existing residents across a range of household types who choose to remain in their neighborhoods are able to transition from renters to homeowners, build wealth, and benefit from community investment.
- Expand transportation and mobility options, to increase access for underserved communities to areas where good jobs are concentrated and expand affordable, safe, and reliable transit, pedestrian, cycling, and other alternative transportation modes.
- Create local jobs, workforce development opportunities, and supportive services, including policies that increase representation of underserved communities in project development jobs, increase access to livable-wage employment and skills training, and invest in wrap-around, supportive services like childcare and housing assistance that meet worker and community needs.
- Support entrepreneurship, small business growth, and access to capital, including through enhanced participation and contracting targets for local projects and investments in institutions that deliver affordable lending to underserved communities and businesses, such as Minority Depository Institutions (MDIs) and Community Development Financial Institutions (CDFIs).

- Support community land ownership structures such as community land trusts, cooperatively-owned housing and manufactured housing communities, land banks, and neighborhood investment trusts that serve to preserve residential and commercial affordability and provide existing residents and small businesses with equity in the development of their neighborhoods.
- Encourage adoption of zoning and land use reforms to incentivize and lift exclusionary barriers to higher-density, mixed-income, and mixed-use development that results in construction of more housing units throughout a city and region, investment in civic infrastructure, and support for local businesses.
- Improve climate resilience to reduce vulnerability to natural disasters and ensure that underserved communities benefit from and participate in the clean energy economy, consistent with the administration's Justice 40 initiative.
- Improve transparency, including requiring grantees to conduct equity impact analyses as part of a grant agreement; establishing clear equitable development goals, performance metrics, and public reporting; and providing grantees with the support and technical assistance to undertake these activities.

II. Prioritize early and meaningful community engagement to empower urban communities to shape and benefit from investment in their neighborhoods.

Rice, Susan. "Guidance for Federal Departments and Agencies on Advancing Equitable Community and Economic Development in American Cities and Urban Communities." *The White House* policy memorandum. May 26, 2023.

Preventing Displacement

Displacement of long-term residents from their neighborhoods has been found to increase the likelihood of job loss and homelessness, disrupt the education of children, result in reduced access to healthcare, increase mortality among the elderly, and is associated with higher rates of physical and mental health problems (see Dorazio 2022 for corresponding citations). In addition, displacement breaks community ties and can lead to the loss of the residents and institutions that preserve a community's history and culture. A central recommendation for achieving investment without displacement is *the implementation of protective policies prior to investment and the corresponding pressures that drive displacement.* Displacement is a complex issue with multiple causes, as such, another frequent recommendation is to deploy multiple policies, ideally ones that build upon one another, to prevent displacement.

The Prosperity Initiative's "Increase Housing Stability" policy outlined multiple strategies for increasing housing stability among lower-income households including: rental assistance programs, legal representation for tenants facing eviction, homeownership assistance programs, shared equity homeownership models, energy efficiency and weatherization programs, and increasing the stock of affordable housing. In addition, home lead removal programs are a strongly recommended intervention included in the recent NASEM report on Reducing Intergenerational Poverty. Childhood lead exposure is linked with greater delinquency in adolescence and young adulthood and with lower adult IQ, higher rates of teenage pregnancy, and declines in occupational status and income relative to parents.

In addition, *the preservation of existing affordable housing* can reduce displacement pressures. Right-of-first-refusal policies allow community-based organizations to purchase an apartment building before it hits the market, as long as the organization plans to prevent displacement of current tenants. Existing subsidized affordable housing may be rehabilitated, and current residents should retain a right-to-return if displaced in the process. The preservation of naturally occurring affordable housing can be achieved through the provision of grants and low-interest loans to support repairs needed to preserve current ownership and safe housing conditions. In addition, such financial assistance may be paired with affordability covenants that then restrict rent prices (for some period of time) to maintain affordability.

Policies may also reduce displacement pressures by *increasing the production of affordable housing*. Inclusionary zoning is illegal in Arizona, but local government incentives may be used to encourage the creation of more affordable units, and incentives could be enhanced in areas experiencing displacement. Sufficiently funded housing trust funds can be a powerful anti-displacement tool when used to support the production and preservation of affordable housing. Upzoning to allow higher-density housing can increase the overall supply of housing and consequently help reduce displacement.

All of these options for interventions could potentially be structured to incorporate triggers which activate: reductions in program eligibility requirements, enhancement of incentives, or targeted outreach in areas experiencing displacement as a result of investments. And acknowledging the reality that some residents are likely to be displaced, regardless of the efficacy of any protections implemented, the provision of housing navigation services can facilitate successful relocation (especially when paired with and post-move counseling and supportive services).

Displacement may also be prevented by enhancing access to benefits and resources. The majority of the policies described above require some type of interaction with a benefits system, government agency, or a nonprofit organization. In addition, research on local benefit use has indicated that many low-income households who qualify for a particular benefit are often not enrolled in a wide variety of other programs for which they are eligible. This suggests that enhancing access to existing benefits, as well as access to any protective anti-displacement policies enacted, will increase the efficacy of both existing safety-net benefits and protective policies.

> "Annie E. Casey Foundation's Centers for Working Families program, a program designed to create neighborhood-based hubs that provide a variety of services at a single convenient location. Examples of convenient locations include sites within neighborhoods that feature high poverty rates and sites at community colleges. The centers are staffed by a wide variety of organizations providing services and advice in the following three areas: workforce development, asset building, and access to public benefits. One of the main findings was that individuals that benefited from multiple services, the "bundlers," were three to four times more likely to achieve a major economic outcome than individuals who only took advantage of one of the services offered." (Abt Associates 2009)

Such increased access may be obtained through outreach, increases in navigation services related to these benefits and policies, and possibly the location of these navigation services within high poverty areas experiencing investment.

Abt Associates. 2009. Pathways to Success: "Pathways to success: An Interim Analysis of Services and Outcomes in Three Programs".

Dorazio, Justin. 2022. "Localized Anti-Displacement Policies: Ways To Combat the Effects of Gentrification and Lack of Affordable Housing." *Center for American Progress*. Sept 26, 2022.

National Academies of Sciences, Engineering, and Medicine. 2023. Reducing Intergenerational Poverty. Washington, DC: The National Academies Press. https://doi.org/10.17226/27058.

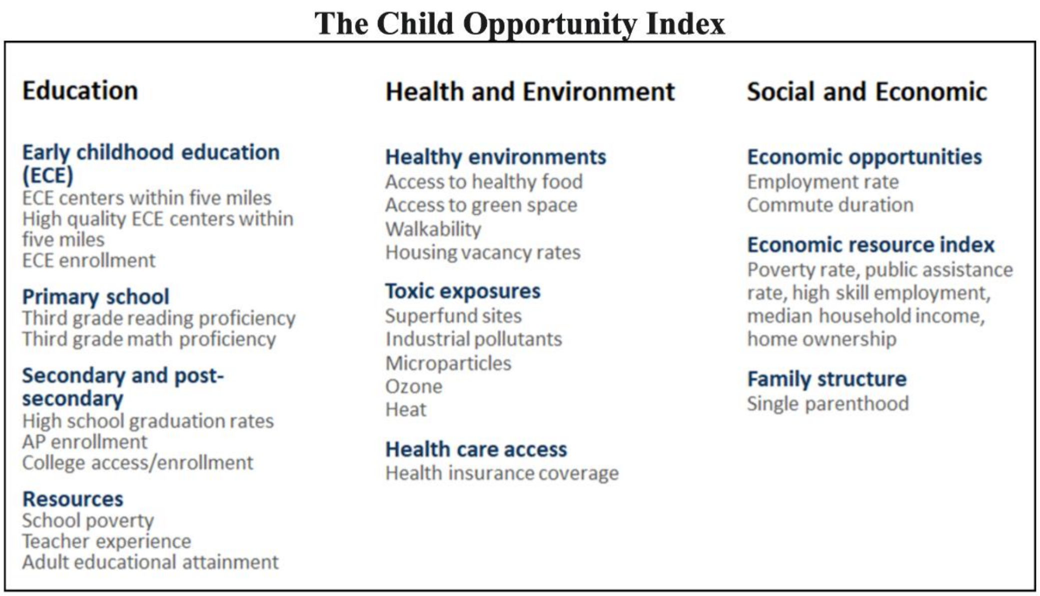
Inclusive Community Engagement

Another recommendation and best practice embedded in successful examples of development without displacement is substantive, proactive, and ongoing community engagement at all stages of the reinvestment process. Such meaningful engagement includes involving residents early in the planning process, provides them with real influence in decision-making processes, and allows abundant opportunities to get involved. Substantive engagement of this type can increase community support for projects, improve the fit of projects for specific neighborhoods, and increase trust and civic engagement. In addition, such engagement should strive to include members of the community who may not usually participate in such processes. Achieving robust participation of underserved community members (e.g. non-English speakers, immigrants, people with disabilities, people with caretaking responsibilities) requires intentional outreach and efforts to reduce barriers to participation. Ongoing community involvement can be achieved through the creation of community advisory boards and community benefit agreements. Support for community organizations that would participate in such processes can also bolster engagement and enhance broader civic engagement in high poverty areas.

In the specific contemporary context, given the City of Tucson's currently planned investments in particular high-poverty areas detailed in the Housing Affordability for Tucson (HAST) plan (e.g. Thrive in the '05, Central Business District, La Doce

S. 12th) and the direction of forthcoming federal resources to high poverty areas as a result of the Justice40 Initiative, we are past the point of debate about whether or not to pursue investments to revitalize high-poverty areas. As such, this policy option emphasizes the urgent need to implement anti-displacement policies as soon as possible (above), and (below) argues that the manner in which these investments are made should serve to build the assets of residents and businesses. These broad recommendations apply to most high poverty areas in Pima County.

In addition, this policy option recommends allowing residents to prioritize additional investments in the physical and social infrastructure of their communities. Neighborhoods have very different characteristics and issues, and empowering residents to focus on improvements that they view as most critical may increase support for projects, trust, and coordination between critical stakeholders. Presenting community residents with a menu of areas which they can prioritize for investment and improvement, the Child Opportunity Index (COI) is an excellent tool to guide these conversations (Acevedo-Garcia et al 2020). Existing successful models of community engagement, such as the participatory budgeting model used by Tucson's Ward 1 office, provide extant local approaches that can be built upon and enhanced.



The Child Opportunity Index is comprised of 29 component indicators in three areas: education, health and environment, and social and economic. This index is an extremely apt tool for this initiative as, "[e]ach of the individual indicators was vetted for relevance to child development based on empirical literature on neighborhood effects and/or conceptual frameworks of neighborhood influences on children" (NASEM 2023). In their review of research on the causal impacts of neighborhoods, Chy & Katz (2021) identify a number of factors that mediate the impacts of neighborhoods on children's long-term outcomes: school quality, pollution, exposure to violence, and criminal justice policies.

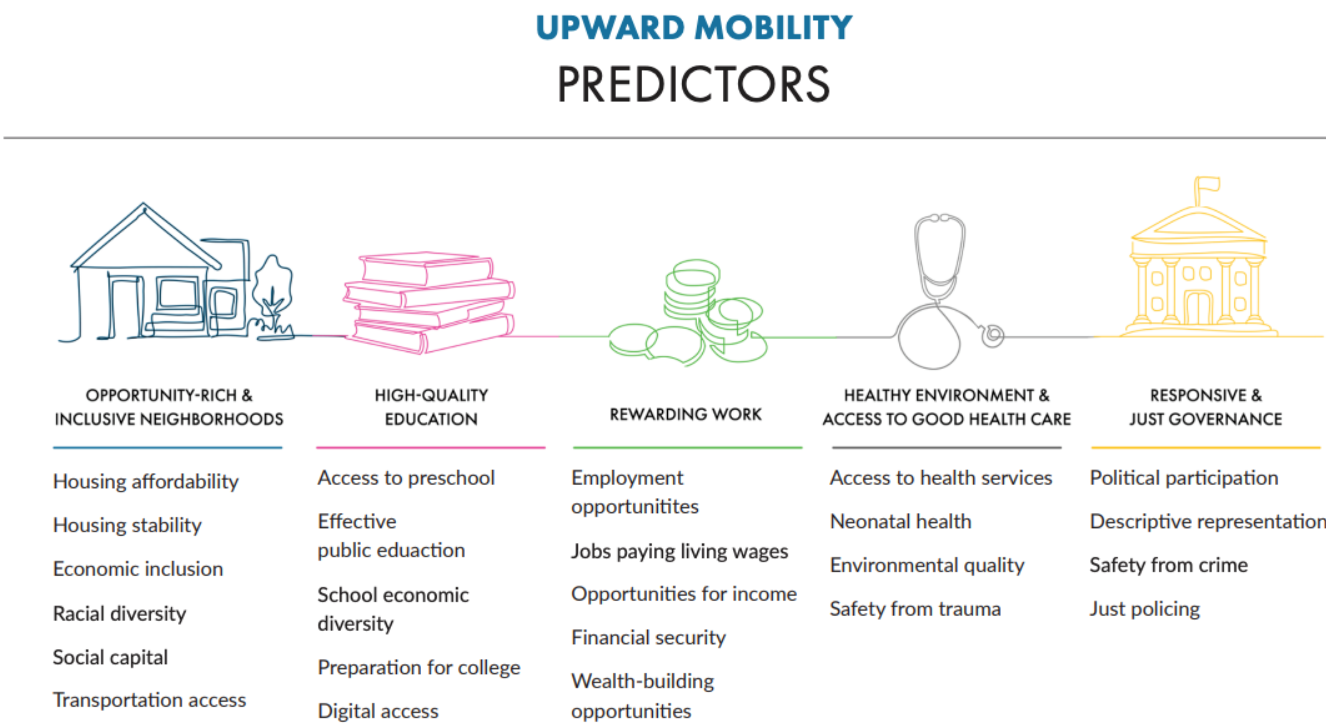
The Urban Institute has also released a similar set of metrics identified by a working group of academics charged with identifying a:

> "comprehensive set of evidence-based metrics to track progress on mobility at the local level… …[t]he Working Group systematically reviewed factors that influence mobility from poverty for families, adults, and children. They applied rigorous criteria to reach consensus on metrics that are supported by strong evidence of predictive relationships to mobility and that can be influenced by local and state policies" (Turner et al. 2022:6).

There is strong overlap between the COI indicator's and the metric identified by the Urban Institute working group (see the "Upward Mobility Predictors" listed below.

The current areas in the COI track school quality and pollution, but do not address community violence and criminal justice policies highlighted by Chy & Katz (2021) & Turner et al. (2022). The recent NASEM report on Reducing Intergenerational Poverty also recommends specific interventions to reduce crime and exposure to violence, including successful programs to remediate vacant lots and abandoned homes in high crime neighborhoods, increasing grants to community organizations, expanding funding for targeted policing in high crime neighborhoods, expanded use of effective strategies like community policing, and improving gun safety. As such this policy option recommends the inclusion of Violence Prevention as an additional area of potential focus.   An example targeted police strategies focused on reducing gun violence is Tucson's Place Network Investigations Program. Recently, with the support of the Tucson City Council, the City Attorney's Office has begun to initiate legal action when necessary against properties that have recurring criminal activity. The move comes after the success of a pilot program shows the need for new strategies to deter violent crime.

In 2021, Tucson implemented a new pilot program called Place Network Investigations meant to target violent crime hotspots with long-term crime reduction. Now with just a year and a half of on-the-ground efforts, three locations are seeing almost an 80 percent reduction in gun violence.



Acevedo-Garcia, Dolores, Clemens Noelke & Nancy McArdle. 2020. "The Geography of Child Opportunity: Why Neighborhoods Matter For Equity: First findings from the Child Opportunity Index 2.0." *Diversity Data Kids.* Jan.

National Academies of Sciences, Engineering, and Medicine. 2023. "Closing the Opportunity Gap for Young Children". Washington, DC: The National Academies Press.

National Academies of Sciences, Engineering, and Medicine. 2023. Reducing Intergenerational Poverty. Washington, DC: The National Academies Press. https://doi.org/10.17226/27058.

Build Community Wealth

As mentioned above, the Justice40 initiative will direct unusually substantial amounts of resources, "to disadvantaged communities that are marginalized, underserved, and overburdened by pollution". In addition, regarding a wide range of federal resources currently flowing to communities, the 2023 policy memorandum cited above directs federal agencies to, "[p]rioritize development that generates and retains wealth in a community by investing in the needs of both current and future residents, businesses, and institutions" (Rice 2023:4). This policy option recommends that local jurisdictions adopt similar guidance for the investment of other state and local funding sources to also be structured and targeted to build community wealth in high poverty areas. In addition, as local agencies award funding to local organizations, projects and programs that incorporate anti-displacement strategies, empower community voice, and build community wealth should be prioritized. Prioritizing development that promotes community wealth building means different things across various policy arenas. In the following, examples of community wealth building approaches are provided for different issue areas.

Housing Affordability and Homeownership

Investments in the preservation and production of affordable housing allows lower-income residents to remain in their communities and avoid foregoing earnings to rising rents. Smaller local property developers often struggle to obtain financing for their projects. Providing accessible capital to developers committed to producing and maintaining affordable housing allows the profit of such development to accrue to local businesses. The use of community land ownership structures (community land trusts, land banks, neighborhood investment trusts, co-ops, and manufactured housing communities) can provide avenues for building equity for existing residents and businesses. Homeownership assistance programs allow residents to move into homeownership, begin building equity, and become a beneficiary of any neighborhood improvements resulting from investments. Programs design to assist with rehabilitation and home repair can help financially struggling homeowners stay in their homes, maintain safe housing conditions, and provides the benefit of increasing the value of their property.

Workforce Development

High-quality training programs, made available to residents of high poverty areas, can provide workers with the credentials and experience needed to obtain higher paying jobs. Local governments may engage in project labor agreements or community workforce agreements to direct or reserve employment opportunities for local workers living in high poverty areas. Support for services like childcare also increases the capacity of caretakers to enter the labor force and benefit from opportunities that otherwise might be inaccessible.

Local Businesses

Investments can be made into local businesses through increasing the volume of accessible lending available to small businesses through Minority Depository Institutions (MDIs) and Community Development Financial Institutions (CDFIs). Local businesses can also be prioritized for contracts and funding opportunities stemming from federal investments.

Green Infrastructure & Climate-Resiliency

While the Justice40 initiative sets a goal of 40% of funding going to the benefit of “disadvantaged communities that are marginalized, underserved, and overburdened by pollution” we do not know yet how such distributions will be tracked in practice. In addition, the directive that funds should contribute to the assets of underserved residents and communities is potentially open to a wide range of interpretations. Local policymakers could enhance the impact of these historic funding opportunities by ensuring that there are mechanisms in place to track whether the 40% goal is being met, and issuing guidance to ensure the benefits of this funding are genuinely and mostly accruing to the intended residents and businesses. Where accessing a benefit requires an application process (e.g. a tax credit), this process should be accessible, and navigation services should be available to increase uptake and receipt in high poverty areas. This is truly a once-in-a-generation opportunity to redress deep legacies of disinvestment, and our local institutions can be proactive to take maximum advantage of this opportunity.

Support Local Nonprofits & Civic Infrastructure

Many local organizations do not have the infrastructure or experience to easily receive funding for community development work. In the context of a uniquely large volume of opportunities to secure federal funding and participate in revitalization efforts, support could be extended to local organizations in high poverty areas to assist them in engaging in this work. This support had the added benefit of strengthening civic infrastructure in high poverty areas.

The revitalization strategy outlined here is complex, is responding to multiple areas of need, and involves a wide variety of agencies and actors. Local policy makers should support structures and leadership that will coordinate implementation efforts across agencies and community organizations, track progress to goals, and fidelity to the principles outlined in this policy.

Reduce Neighborhood Violence

Crime prevention and reduction are key elements to reducing poverty and have disproportionate effects on children, particularly those living in areas of high poverty and racial segregation. Poverty and racial segregation are factors that can independently worsen children's trajectories as well as contribute to higher rates of violent crime. Exposure to violence, both in and outside the home, is disturbingly prevalent among U.S. children with more than half having experienced physical assault in their lifetime and more than a third in the last year, according to data from the National Survey of Children's Exposure to Violence (2013–2014). Gun violence is now the leading cause of death among children in the United States, making this rate the highest across all high-income countries. Gun violence is highest in Black, Latino, and Native American communities and low-income communities. Black children and teens are 4 times more likely than their White peers to die from gun violence. For 15–24-year-olds, the male homicide rate in 2013 was 18 times higher for blacks than whites (71 versus 4 per 100,000). (Finkelhor, et al.)

Children of color are also disproportionately affected in part because they are also disproportionately represented in high poverty neighborhoods, but also because they are more likely to be negatively affected by crime and policing and "significantly more likely than their White counterparts to be arrested, referred to court, and placed in out-of-home facilities after adjudication." Because of these patterns, they are also more likely to have a parent or caregiver who is or was incarcerated. In addition, the associated court fines and fees reduce household resources available for investment in children. (Duncan, et al.)

Child poverty, exposure to violence, and having an incarcerated family member have been linked to the Adverse Childhood Experiences (ACEs). Experiencing ACEs early in life has been shown to be predictive of long-lasting negative outcomes in adulthood, such as increased risk for cardiovascular disease, obesity, smoking, drug and alcohol abuse, risky sexual behavior, and early mortality. Poor and near-poor children are more than twice as likely to have experienced three or more ACEs than their more affluent peers.

National Academies of Sciences, Engineering, and Medicine. 2023. Reducing Intergenerational Poverty. Washington, DC: The National Academies Press. https://doi.org/10.17226/27058.
Finkelhor D, Turner HA, Shattuck A, Hamby SL. Prevalence of Childhood Exposure to Violence, Crime, and Abuse: Results From the National Survey of Children's Exposure to Violence. JAMA Pediatr. 2015 Aug;169(8):746-54. Prevalence of Childhood Exposure to Violence, Crime, and Abuse: Results From the National Survey of Children's Exposure to Violence - PubMed (nih.gov)

Have you considered any unintended consequences? If so, what are they?

If protective policies are not sufficiently implemented, and/or investments are not structured to build the assets of underserved communities and their residents, then it is very likely that ongoing and forthcoming investments in high poverty areas will result in displacement of vulnerable residents.

Cite Return on Investment (if applicable):

Given the range of policies and investments covered within this neighborhood reinvestment policy option, it is not possible to provide an ROI for such a range of diverse interventions.

List of area experts and/or practitioners that reviewed or provided input into this policy:

1. **Alison Miller,** City of Tucson's Community Services Manager, Strategic Planning and Community Engagement (SPACE), Housing & Community Development
    a. **City of Tucson's Gentrification and Displacement Working Group**
2. **Dr. Atticus Jaramillo,** University of Arizona, Assistant Professor of Planning and Real Estate Development
3. **Betty Villegas,** Former Executive Director City of South Tucson Housing Authority
4. **Dr. Brian Mayer,** University of Arizona Professor, Acting Director, School of Sociology, College of Social and Behavioral Sciences
5. **Dr. Daniel Kuhlmann,** University of Arizona, Assistant Professor of Real Estate Development and Planning
6. **Tisha Tallman,** CEO, Primavera Foundation

Implementation ideas:

12. Adopt a local version of the guidance contained in 2023 White House policy memorandum *Guidance for Federal Departments and Agencies on Advancing Equitable Community and Economic Development in American Cities and Urban Communities and use it to develop a standard procedure applicable to large infrastructure investment projects.*
13. Review the Child Opportunity Index for evidence-based interventions targeted at improving neighborhood quality.
14. Follow HUD best practices for community-led initiatives for revitalizing neighborhoods. This includes fostering the conditions, partnerships, and leadership needed to develop and sustain a shared vision and collaboration across multiple sectors, necessary components of successful, comprehensive, and long-term efforts.
15. Create a Small-Scale Developer Revolving Loan Fund administered by the City of Tucson Industrial Development Authority to support projects contributing to economic growth and community revitalization.
16. Create Community Development Corporations (CDCs) as a vehicle for community-based directed investment.
17. Create a Green Infrastructure workforce development program targeted to chronically underserved populations in high poverty neighborhoods.
18. Continue to support air quality monitoring in schools, especially those located in high poverty neighborhoods.
19. Increase the capacity of the City of Tucson's Community Safety, Health & Wellness program and programs similar to it to provide non-law enforcement responses and community-building violence prevention support within more high poverty areas.
20. Increase resources for the City of Tucson's successful Place Network Investigations Program to target violent crime hotspots with long-term crime reduction.
21. Remediate vacant lots and abandoned homes in high poverty neighborhoods.
22. Increase the number of housing and benefit system navigators providing outreach and services in high poverty areas, potentially house such services in One-stop service centers located in high poverty areas.
23. Increase WIC participation for young families in high poverty neighborhoods.
24. Increase funding for local homeownership assistance programs, and funding for home repair, lead removal and upgrades. Increase accessibility of such supports for low-income households in high poverty areas experiencing investment.
25. Remove barriers (zoning and financing) to the implementation of shared-equity models of ownership (e.g. community land trusts) and support/subsidize the development of a wide range of shared-equity models.
26. Increase capital available to support grants and loans for small businesses, especially those in high poverty areas.
27. Increase the capacity of local government agencies to apply for federal grant opportunities to (ideally) bring more funds to our communities.
28. Many of the incentives and benefits in the Inflation Reduction Act, such as a tax credit for installing a heat pump or solar panels, may not be financially within reach or accessible to some households. Navigators providing guidance about how to access such benefits, and financial support as needed, could assist low-income households in securing equity-building improvements, lower-energy costs, and more climate-resilient housing.

Increase Pathways to Post-Secondary Education

Primary Author(s): Lisa Floran from United Way of Tucson and Southern Arizona's with input from the Financial Wellness Partnership **Email:** lfloran@unitedwaytucson.org

Policy Title: Increase Pathways to Post-Secondary Education

Policy Full Text: Increase college and other post-secondary educational and training opportunities for children from low-income families by improving access to children's college savings accounts.

Problem Statement:

Post-secondary education is one of the most powerful wealth-building activities, opening the doors to fulfilling careers, self-sustaining jobs leading to economic stability, and wider civic engagement. Researchers at the Center on Education and the Workforce at Georgetown University forecast that 63 percent of all jobs will require some college coursework by 2018 and a shortfall of 300,000 college graduates per year through 2018 (Elliott). Investing in educational savings for children from low-income households holds great promise to increase wealth and reduce generational poverty. However, few low-income families are familiar with 529 or other savings plans, nor do they have the resources to start investing in long-term savings for future education and career as they struggle with daily needs. The research is clear that savings and assets are critical resources for enabling a student to embark on and complete educational opportunities that can provide financial security.

Research from Asset Funders Network found that in 2019, 62 percent of young adults from the highest family income quartile had earned a BA degree by age 24, compared to 13 percent of youth from the lowest family income quartile. Moreover, 40 percent of White (non-Latinx) and 57 percent of Asian American and Pacific Islander (AAPI) individuals have completed a BA degree or higher, while only 26 percent of Black, 17 percent of Indigenous, and 19 percent of Latinx individuals have done the same (Loya, 2022).

While opportunities, such as children's savings accounts, exist to support families with the cost of bachelor's, associate's, trade, and technical programs, those who most stand to benefit – specifically, low-income families and families of color – are least likely to participate. Low-income students face challenges with awareness, accessibility, and timing of these resources.

Nationally, less than 1 percent of families with household incomes under $75K currently save in 529s or similar savings vehicles. Research suggests that this is due in part to barriers that can make it difficult for many families to access and engage with educational savings accounts (Commonwealth, 2023). However, from a study on the relationship between children's small-dollar savings accounts and college enrollment and graduation, researchers found that even a small amount of savings designated for school (e.g., $1 to $499) can have a positive effect on LMI children's graduation rates:

- An LMI child with school savings of $1 to $499 before reaching college age is more than four times more likely to enroll in college than a child with no savings account.
- An LMI child with school savings of $500 or more is about five times more likely to graduate from college than an LMI child with no savings account.

Existing funding resources like Pell grants for college and other post-secondary opportunities are often insufficient to cover the full cost of post-secondary opportunities for low-income families. Although the federal government offers Pell Grants to help eligible students pay for college costs, these grants often fall short of covering the actual expenses of attending a post-secondary institution. According to the U.S. Department of Education, the maximum Pell Grant award is $7,395 for the 2023–24 school year, which depends on the student's financial need, enrollment status, and attendance plans (Federal Student Aid, 2023). However, this amount covers only a fraction of the average tuition and fees at public and private colleges, which were $10,560 and $37,650 respectively in 2020–21. Moreover, Pell Grants have lost much of their purchasing power since their inception in 1973, when they covered 80 percent of the costs of attending a public four-year college and over 40 percent of the costs of attending a private one. Today they cover 70 percent and 20 percent respectively. As a result, many low-income students must rely on other forms of aid, such as loans or work-study programs, or forego college altogether due to financial barriers (Heller, 2022). Additionally, the costs of housing, transportation, and food are expenses low-income students must find a way to cover on their own though 529 investments can go towards these expenses.

Additionally, resources like "promise programs" also differ significantly based on where children live. For example, many students attending high school in the Sahuarita Unified School District are eligible for funding for two years of college through the Sahuarita WINS scholarship program, whereas students attending Tucson Unified School district are not guaranteed such assistance. The Arizona Promise Program also includes some limitations, such as only being applicable for four-year degrees and limiting use to students attending one of the three state universities and not community colleges or training programs. It has also been noted that the funding for this program is insufficient.

And while financial grants and scholarships are impactful, they are generally designed to reach young people who are in late high school and applying to college and post-secondary opportunities – and, as Asset Funders Network notes, already set on their decision about whether PSE is in their future. On the other hand, mechanisms such as the AZ529 and programs such as Children's Savings Accounts (CSAs) are designed to engage children and families earlier in life, "instilling the message that college/PSE is an option for you." (Loya, 2022)

Strategic Element:	**Tactical Element:**
• There will be an increase in high-skill workers for the community. • There will be increased participation by low-income individuals in jobs and careers with family-sustaining wages. • There will be increased earnings, wealth, and health among households of color and low -income households who obtain post-secondary education. • There will be increased demonstrable support for youth by community members and entities. • There will be fewer Opportunity Youth. • There will be greater understanding of and engagement with investing and time value of money.	For low-income families, there will be these impacts: • CSAs will provide savings that local high school graduates can use for post-secondary education (trade/technical certifications, AA, BA). • There will be increased expectations around post-secondary education participation for and from children and parents families. • There will be increased enrollment and completion for post-secondary education and training. • The opportunities for matching funds to grow investment will increase. • There will be increased participation in financial education programs that provide tools for investing in and managing CSAs and avoiding PSE debt. • There will be earlier interest in career exploration for children and families.

How will the policy: (1) ensure the availability of jobs that will economically support a household, 2) increase housing stability, 3) provide equitable and effective resources, 4) build individual and community assets, reduce or prevent crime, improve climate resilience and reduce environmental harm, and consider a two generation approach to implementation?

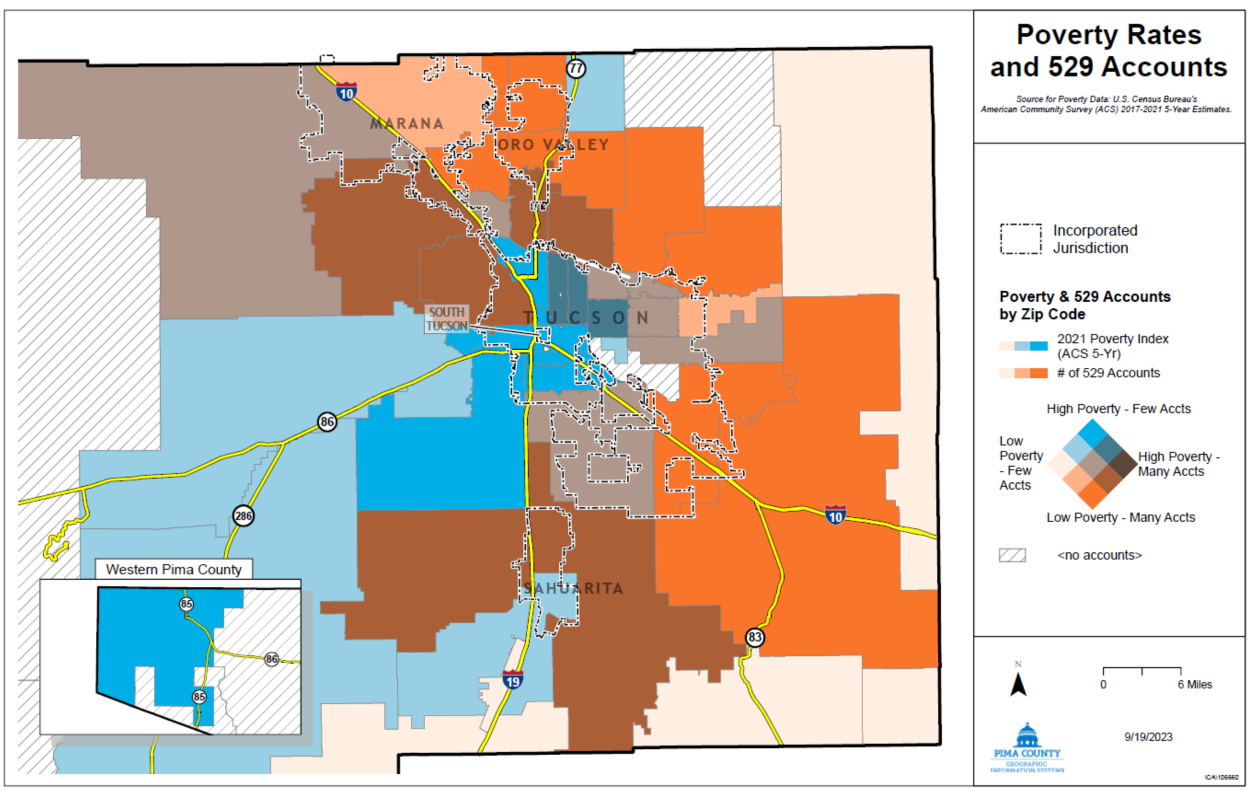
Higher educational attainment has been shown to increase employment and earnings, which would in turn increase housing security, and provides more resources for individuals, households, and communities. Individuals and communities with more resources are more likely to be more resilient in the face of climate change and have more ability to reside in neighborhoods with less pollution and other environmental harms. It has been well established that increased educational attainment at the high school and post-secondary level reduces the likelihood of criminal involvement. Researchers have found that a 5 percent increase in male high school graduation rates would produce an annual savings of almost $5 billion in crime-related expenses. Research also shows that educational attainment promotes employment and earnings, and a negative relationship between employment and criminal activity, whether due to greater economic resources, changes in routine activities, or increases in prosocial bonds. For example, jobs providing higher wages, employee satisfaction, and opportunities for advancement are more likely to reduce criminal involvement. In addition, the impact of policies related to education and public safety are concentrated among people of color, who are less likely to have access to quality educational opportunities, more likely to leave educational systems earlier, and more likely to be incarcerated.

This policy requires a two generation or whole family approach in that it is parents or guardians who open and manage child educational savings accounts for their children.

Why policy is applicable to Pima County region?

University of Arizona's Map Dashboard shows that Pima County has the lowest on-time high school graduation rate amongst Arizona counties, with on-time graduation defined as the percentage of public high school students graduating in four years. Arizona ranks eight out of nine on this measure compared to other western states, and substantially below the average for the U.S. Research from Education Forward Arizona and the Helios Education Foundation found that only approximately 25 percent of eligible Arizona high school graduates continue on to community college or a four-year university, and only one in 10 earn advanced degrees. Moreover, these postsecondary attainment patterns are stratified along all too familiar racial and socioeconomic lines (Belfield, 2023). Much is at stake. Post-secondary education completion increases and strengthens individuals' ability to find and keep higher-wage jobs. For example, the average Arizonan with an associate's degree earns $287,000 more over their lifetime than someone with only a high school degree. Arizonans with a bachelor's degree earn $852,000 more than those with a high school degree over their lifetime (Helios Education Foundation, 2023).

AZ529 is Arizona's Education Savings Plan is a state-sponsored, tax-advantage plan designed to encourage individuals to save for future education expenses. AZ529 is administered by the Office of the Arizona State Treasurer, with investments overseen by the Arizona State Board of Investment. Arizona's program was recently upgraded from a bronze to silver rating by Morningstar because of a combination of "increased confidence in Fidelity's team and state oversight that exceeds industry standards" (Kim). There is no minimum requirement to start saving in an account, and Arizona residents can withdraw funds tax-free for college, vocational and workforce training, apprenticeships, and associated costs such as tuition, books,



computers, and room & board. Arizona also offers a state income tax deduction for investing in the AZ 529 plan. As of August 2023, there were 10,202 AZ529 accounts held by those with addresses in Pima County. Based on an analysis of the number of accounts by zip code in comparison to the average poverty level of households in those zip codes, we find that 40 percent of the accounts are in low-poverty rate zip codes, 47 percent are in average poverty rate zip codes, and 13 percent are in high poverty rate zip codes. Interestingly, the average value of the accounts were similar across the three types of zip codes, ranging from $13,329 saved on average in high poverty zip code accounts, versus $14,219 and $14,050 saved on average in average poverty rate and low poverty rate zip codes. Averages can be strongly influenced by outliers (very high or very low value accounts) and therefore should be interpreted cautiously.

According to 2023 analysis from Prosperity Now, 30 percent of Pima County households are liquid asset poor, meaning that they do not have sufficient cash to subsist even at the poverty level for three months without income, and about 12 percent Pima County households have zero net worth (Prosperity Now, 2023). Household wealth and income in Pima County is also significantly stratified among racial lines. Households of color have lower incomes, with the median household income for all households in Pima County is $59,215, compared to $51,057 for Hispanic/Latinx, $47,175 for Black, and $42,346 for Native American. Households of color in our county are almost twice as likely to be liquid asset poor, and 1.5 times more likely to have zero net worth (Prosperity Now, 2023).

These differences impact the ability of local low-income families and families of color to participate in and save for post-secondary education opportunities that can change their economic situation. According to analysis of 2018 FINRA data by researchers at the University of Arizona, only 14.8 percent of low-income Arizona households with children (those making $50k or less) are currently saving money for children's post-secondary education. Moreover, only a quarter of respondents to United Way of Tucson and Southern Arizona's 2022 survey of VITA users, all of whom make $73,000 or less, reported putting money into any savings within the past year. Supporting low-income families and families of color with opportunities for children to pursue post-secondary education, and the increased income opportunities that result from it, is key to disrupting generational poverty and racial wealth gaps in Pima County.

Has policy proven to be more effective for certain populations and if so, who?

Studies suggest that savings and assets are especially impactful for children from financially vulnerable families and increase return on investment – these young people are more likely to reap the economic benefits of post-secondary education if they start with assets and reduce their need to take on debt (Elliott, 2023). In a research experiment with random assignment and random selection within a state population in Oklahoma in 2007, 529 plans were opened for about 1350 newborns with the state seeding it with $1000. Fourteen years later they compared with the control group of similar size and found that all racial groups build 529 assets when given a CDA structure and support, including an automatic initial deposit. It also showed that new 529 savers, as a group, are more racially and socioeconomically diverse than those control parents who saved in the OK 529 without the CDA (Clancy, 2022).

Consequently, populations that would especially benefit would likely be children of color, children from low-income families, children who are first generation PSE students, and children from families with limited English proficiency. And as emphatically mentioned by local practitioners and social workers, savings investments for low-income children are most effective when packaged with policies that support families to meet their daily, immediate needs for health, safety, and stability as well.

Cite research for evidence-based strategies that inform this policy, including references to well-recognized, non-partisan, and objective authorities that endorse or recommend these strategies:

As noted, post-secondary education completion is associated with lifelong benefits related to income, employment, and health, for individuals, families, and communities. The average worker with a bachelor's degree (BA) earns $26,000 more per year than a worker with a high school diploma. An associate's degree (AA) adds $7,300 to a high school graduate's annual earnings (Loya, 2022). Additionally, education is also a protective factor, strengthening individuals' ability to find and keep higher-wage jobs: research published by the San Francisco Federal Reserve found that college graduates were 40 percent less likely to be unemployed than someone with only a high school diploma (Bloom Raskin, 2015). And compared to those with more education, less-educated individuals suffer worse general health, more chronic conditions (including asthma, diabetes, heart disease, stroke, and cancer), and more disabilities. Between 1990 and 2018, the life expectancy gap between these groups more than doubled, and those with a BA degree had a life expectancy three to six years longer (Loya, 2022). On a community level, research from the Urban Institute notes that "The economic health of cities and communities depends on the financial health and stability of their residents. Economically secure families are better able to weather temporary income drops independently and are less likely to rely on local services for housing support and cash assistance. Financially healthy adults can contribute more to the local economy, thus supporting property, sales, and income taxes. And financially healthy families are more likely to provide the stable housing conditions and support that children need to thrive and succeed." (McKernan, 2016)

Further, it is well established that increased educational attainment at the high school and post-secondary level reduces the likelihood of criminal involvement. A literature review of existing research linking education, employment, and crime. found that dropping out of high school is predictive of increased delinquency and crime, and participation in vocational coursework and better teacher-student ratios reduces the likelihood of adult incarceration. At the post-secondary level, research has found years of education and college attendance is related to preventing adult offending. Research also shows that educational attainment promotes employment and earnings, and a negative relationship between employment and criminal activity, whether due to greater economic resources, changes in routine activities, or increases in prosocial bonds. At the same time, a range of factors may moderate the relationship between employment and crime. For example, the duration and timing of employment may moderate its crime reducing potential.

In addition, jobs providing higher wages, employee satisfaction, and opportunities for advancement are more likely to reduce crime. Thus, to the extent that upward educational pathways promote employment opportunities characterized by greater stability and quality, we expect them to be associated with lower crime. Conversely, to the extent that downward educational pathways are associated with economic stressors such as problems paying bills and food insecurity, they may motivate crime. Demographic research also finds higher marriage and lower divorce rates among those with college degrees (Swisher, 2016). Along similar lines, research from the Justice Policy Institute found states focusing the most on education tend to have lower violent crime rates and lower incarceration rates, with graduation rates associated with positive public safety outcomes. Researchers have found that a 5 percent increase in male high school graduation rates would produce an annual savings of almost $5 billion in crime-related expenses. The impact of policies related to education and public safety are concentrated among people of color, who are less likely to have access to quality educational opportunities, more likely to leave educational systems earlier, and more likely to be incarcerated (Page, 2007).

Savings provides a bridge to post-secondary education and those benefits, and educational savings have consequently been linked to positive outcomes in post-secondary education expectation, enrollment, and completion. For example:

- **Young people with general college/post-secondary savings are more likely to plan to attend higher education.** Two research studies showed significant impact. A 2013 study showed that a low to moderate income child with school savings of $1 to $499 before college age is more than three times more likely to enroll in college than a LMI child from a low to moderate income (LMI) family with no savings account and more than four and half times more likely to graduate. In addition, a LMI child with school savings of $500 or more is about five times more likely to graduate from college than a child with no savings account (Elliot, 2019). Another 2015 research study suggests that students with savings are 2.5 times more likely to complete college than one with no savings (Bloom Raskin, 2015).
- **Moreover, even small amounts of savings have been associated with positive impacts – particularly among families with limited resources.** A Prosperity Now scan found that low-income children with $1-499 in college savings are three times more likely to enroll in and four times more likely to complete college than children from similar economic backgrounds who do not start with savings. Additionally, among children who expect to go to college, those with an educationally dedicated savings account are six times more likely to attend than those with no account (Markoff, 2018).
- **Savings are connected with lower rates of debts for graduates.** Specifically, having family savings for post-secondary opportunities is associated with lower student loan debt, an important factor in long-term economic wellbeing (Markoff, 2018). Researchers at the Urban Institute note that contributions and endowments in a children's saving accounts could provide most families with life-changing resources that promote long-term, greater economic security (Brown, 2023).

One of the strongest policy ideas designed to increase post-secondary savings for families is Children's Savings Accounts (also called Child Development Accounts). These accounts offer savings or investment for long-term purposes, such as college education, and include initial deposits, savings matches, or benchmark deposits from public and private funds. Ideally, CSAs are universal, progressive, and lifelong (Clancy, 2015). As a strategy to strengthen savings for young people and families, CSAs have shown promising research outcomes – particularly among financially vulnerable families, with findings from a research experiment in Oklahoma revealing the following:

- **CSA participation greatly increased the likelihood that disadvantaged children have assets accumulating for their future education.** In the SEED OK study which compared participants to a control group, researchers saw a 99 percent increase in assets for low-income children, a 99 percent for children with less educated mothers, and a 98 percent among children of color (Clancy et al, 2021).
- **CSA participation combined with communication strategies increased additional savings actions by families.** Specifically, the CDA in SEED OK has motivated additional OK 529 account opening by treatment parents, additional savings by parents, and greater representation in the ownership of OK 529 accounts by parents from diverse and less advantaged backgrounds (Clancy et al, 2021).
- **Educational expectations and positive parenting scores of TANF and Head Start families participating in CSAs were higher than similar families not enrolled in the CSA.** Punitive parenting practices were less frequent among mothers in the CDA program, and maternal depressive symptoms were less intense. These effects were even more positively pronounced among TANF and Head Start Families. Additionally, children participating in the CDA had better social-emotional development scores than control children (Huang et al, 2019).

Several states and cities are experimenting with making 529 plans more accessible to either all or lower income families. Maine invests $500 for every child born there through the Alfond Scholarship Foundation, with a $300 annual match option supplied by the state 529 plan. The $500 deposit to all newborns coupled with the state matching grant has resulted in significant deposits with 35% of Alfond Grant recipients opening their own NextGen 529 account. They have a robust messaging strategy through state agencies and schools including a Parent Planning Guide and an Aspirations Toolkit. Families have saved more than $197 million—more than 2.5 times the funds contributed by the Harold Alfond Foundation (Quint). The 2011 Kindergarten to College (K2C) program in San Francisco invested $50 for every child entering the public school system. San Francisco's success contributed, along with other factors, to the state of California in 2022 to launch its CalKIDS, the nation's largest child savings account program allocating $500 to each low-income public-school student and thereby committing $1.9 billion. Homeless or students in foster care receive an additional $500. The savings can be rolled into a 529 plan. **One of the key findings in one study** appears to show that designating even very little savings for school can have a positive effect on LMI children's enrollment in college, which suggests that simply providing children with accounts could have positive effects. This study suggests that the psychological effects of having savings on engagement and children's academic achievement in early life result in their being better academically prepared for the rigors of college. (Elliot, 2013)

"This isn't about providing just a savings account," said Brandee McHale, global head of community investing and development at Citi, which helped implement the program. "This is really a tool for supporting a college-going mindset." This is echoed Michael Sherraden, a leading researcher in this field, states that "[t}he poor can save when they have structures and incentives to do so," including saving structures and platforms. He underscores that asset accumulation matters most for outcomes in well-being (Sherraden).

Elliot's other findings suggest that policies to help children develop mental accounting (the process of dividing current and future money into different categories to monitor spending [Thaler, 1985]) related to school might improve children's college outcomes more effectively than policies that create general savings accounts alone. Such education on the mental accounting categorization process (i.e., designating savings for school) helps children manifest abstract conceptions of the self (e.g., college-bound) (Elliot, 2013). Therefore, including financial education classes with 520 plans could provide additional value. There are examples of programs around the country that integrate financial education with their 529 and/or Promise programs. For example, Promise Indiana runs 25 CSA programs, each designing its own approach many incorporating the opening of 529 accounts. The Wabash County Promise provides parents with tools to financially prepare for their children's postsecondary education. In eighth grade, the program provides a college estimator tool to figure out their unmet financial need for any college they choose to help parents see how much they need to save during their child's high school years and begin to develop a savings plan. To incentivize parents to use the estimator tool, the program offers a $10 deposit into their child's account when they complete the estimator, and a $20 deposit for attending a workshop to review the results. Others incorporate a two-generation approach. Centsible Families in New Hampshire offers “Family Fun Nights,” which include financial education games designed to build parents’ confidence around talking about finances with their children. They also bring in financial education classes as early as first grade and incentivize prizes to go into savings accounts (Consumer Financial Protection Bureau, 2019).

In addition, researchers involved in the most recent NASEM report on reducing intergenerational poverty found that a lack of social capital and guidance is also an important factor in post-secondary success. Social capital or having social connections to those in a higher socio-economic level, has recently been identified by the Harvard Opportunity Insights researchers as one of the strongest predictors of intergenerational income mobility. Opportunities to combine post-secondary financial assistance with mentoring should be prioritized.

Given these outcomes, lead researchers in this field advocate for Child Development Accounts beginning at birth, with greater public deposits for the poorest children. They state that CDAs are a key asset building strategy for low to moderate income families that could be embedded in social policy and thereby balancing the Federal government’s approximately $400 billion annual tax expenditures for asset building benefitting higher income families subsidizing home ownership, investments, and retirement accounts. (Sherraden, et al. 2016)

Pima County is fortunate to have Earn to Learn, a very successful post-secondary saving program, available to low- to moderate-income families. Established in 2013, Earn to Learn (ETL) operates the largest and most successful matched-savings scholarship program in the country and makes Arizona the first state in the country to have a matched college savings program for low-income families. Students and their families who income-qualify work towards saving up to $500. When the child is ready for post-secondary education, Earn to Learn will match their $500 savings eight to one, bringing their total to $4,500 per academic year. They also offer financial education and college success coaching to help students obtain a college education and graduate ready to enter the workforce with little or no student loan debt.

It can be used not just for tuition and fees but also a variety of related expenses that exceed what a Pell Grant will cover, giving the student funds for expenses like housing and transportation – even childcare – items that often keep low-income students from achieving their academic goals. Also, unlike Pell Grants, ETL funds can go towards certificates, not just degrees. More than $3 million has been invested by families with a payout of more than $24 million in ETL scholarships since their start.

Knowing that concerns about debt often keep those same students away from post-secondary education, Earn to Learn invests heavily in financial education, helping families and the “savers” (ETL’s term for student investors) complete the FAFSA, find scholarships, and make a budget for getting to completion with little or no debt. And it works. More than half of Earn to Learn savers graduate with no student loan debt, and those who do borrow carry much less debt than other typical borrowers, on average $11,000 compared to the average of $23,000 for students graduating from one of Arizona’s three major universities.

Earn to Learn knows the importance of reaching students early with a message that post-secondary education is possible for them. With the goal of increasing the number of low-income, first-generation, and underrepresented college students entering and completing education, they have developed a “Next Steps” AmeriCorps program. “Near-peer” college students or recent graduates work as college advisors in community high schools, many themselves first-generation college students. These advisors assist in outreach, share information on how to enroll and navigate college, provide financial training, and serve as mentors and role models. Their workforce training program introduces students to new fields and employers to prepare them for their careers after graduation.

The results are impressive. Freshman retention rates, i.e., the share of students who return to the <u>same college</u> in their second year, is at 87 percent, compared to the national average of 67.2 percent. Similarly, the persistence rate, i.e., the share of students who return to <u>any</u> college in their second year, is also significant, with 93 percent versus 75.7 percent nationally. Note that these rates are not comparing first-generation and/or low-income students to the ETL savers or comparing students of color (84 percent for ETL scholars), where undoubtedly the differences would be even greater. The six-year graduation rate is 79 percent compared to the Pell-eligible student rate of 39 percent.

Earn to Learn has opened new opportunities for families to achieve post-secondary education for their children and greatly increase the possibility of upward economic mobility, thereby disrupting the cycle of poverty for hardworking families. In the last academic year, 300 ETL savers attended the University of Arizona and 68 to Pima Community College, more than half of all ETL scholars in Arizona.

As a result of the program's success in Arizona, over 25 states have expressed interest in replicating the Earn to Learn model, and a bipartisan sponsored Earn to Learn bill has been introduced in Congress, which would add $250,000 for this expansion. "Earn to Learn can be the difference between dropping out and earning a degree that may alter the course of their lives. Earn to Learn supports its participants in graduating from college at rates well above the national average," cites a recent study (Blivin).

Have you considered any unintended consequences? If so, what are they?

In interviews, local community workers note that investing in long-term savings for families who struggle with day-to-day expenses and making those savings inaccessible to them in the interim, replicates the repressive, historical pattern of controlling how low-income people can receive and use money. They suggest that any savings effort or mechanism is ultimately most effective when a young person also has immediate resources while progressing through the PreK-12 system, which means that concurrent strategies for family support and meeting basic needs are necessary.

Savings programs or mechanisms that do not center or acknowledge the experiences of financially vulnerable families may cause unintended consequences as well. For example, with straightforward matching, families who come in with more resources and the ability to save will likely have greater access to matching funds and be in a position to accumulate more assets. For that reason, experts in CSAs and other savings strategies recommend progressive matching, which allows lower-income families to make deposits that align with their financial situation while receiving equal or greater matching dollars. Administrators in other states also report that programs requiring families to open accounts themselves or complete complicated paperwork have also seen lower utilization among low-income families. Making savings participation automatic and universal through CSA or program design can reduce those unintended consequences (Commonwealth, 2023). Staff from National League of Cities have also shared that some cities, such as San Francisco, start families with traditional bank accounts and then transfer saving to a 529 after an initial deposit is reached.

Additionally, any educational savings effort should be examined to fully understand the impact on public benefits (based on state law) and impact on student financial aid eligibility.

Cite Return on Investment (if applicable):

The primary goal of increasing access to savings is to support more young people to complete post-secondary degrees. In 2013, someone with a 4-year degree would earn $275,000 more after netting out the cost of college and foregone wages than someone with a high school diploma alone (Bloom Raskin, 2015). According to Education Forward Arizona and the Helios Education Foundation, increasing higher education enrollment by even 20 percent could lead to more than $5 billion in economic gains for Arizona (Belfield, 2023).

Children from low-income families and families of color are currently less likely to attend and complete the post-secondary education opportunities such as college, trade school, or apprenticeships necessary for economic mobility and careers with family-sustaining wages. Increasing post-secondary education rates for these families could lift the next generation out of poverty and into greater economic stability with cost benefits for the wider community.

Specific savings mechanisms already exist and show strong ROI for those who utilize them. While individual performance of investments may vary, research suggests that 529 accounts have an average annual return of 5.2 percent. Over time, a seed investment could see a return of 2.5: 1. Additional investments or matches, either by family, friends, community members, or other entities, could result in an even higher return. One current example of a variation of children's savings accounts, the Earn to Learn program, allows students to receive an 8:1 match on their investments (Earn to Learn, 2023).

List of area experts and/or practitioners that reviewed or provided input into this policy:

- **Chelsea Forer –** Metropolitan Education Commission Program Coordinator for the Regional College Access Center
- **Jeffrey Ong** – State Administrator, AZ State Treasurer's Office
- **Kate Hoffman** – CEO and Founder, Earn to Learn
- **Margaret Clancy,** Center for Social Development Policy Director, Brown School at Washington University in St. Louis. Also, Director of College Savings Initiative and SEED for Oklahoma Kids.
- **Patrick Hain** – Program Manager with the Economic Opportunity and Financial Empowerment, National League of Cities
- **United Way Financial Wellness Partnership members**

Implementation ideas:

CSAs are the leading implementation idea to increase savings among financially vulnerable families, with a growing number of cities, towns, and other municipalities implementing initiatives in recent years. In 2010, San Francisco launched a Kindergarten-to-College program which opens CSAs—with a $50 initial deposit—for every kindergartner in the public school system. The program also provides an extra $50 deposit for low-income families and matches family contributions up to $100. Other cities with CSA programs in operation or in pilot include St. Paul, St. Louis, Boston, New York City, Miami, Atlanta, Milwaukee, Oakland, and Tacoma. According to the National League of Cities, the average seed deposit is $25, but additional funds can make even more of an impact.

Research reviews, conversations, and stakeholder interviews also revealed other ideas that could improve savings access in Southern Arizona, either alone or in conjunction with a CSA initiative. These ideas include:

- Using seed deposits and matching opportunities to encourage families, community members, and other community partners to participate in accounts.
- Ensuring any match or deposit mechanisms are automatic and progressive, meaning that additional deposits are made for lower income families.
- Leveraging existing savings infrastructure, such as state 529 accounts or our local Earn to Learn program.
- Reduce fees and eliminate minimum deposit and balance requirements, which disproportionately impact low-income families.
- Collaborate with community partners on language accessibility, messaging, outreach, and promotion.
- Coupling CSAs with opportunities for financial capability supports (education, coaching, literacy) and parental income support for the child's years before PSE start.
- Coordinate with other program serving young children already underway in local municipalities.
- Promote the existing AZ529 program to low-income families and potential donors.
- Encourage businesses, civic and faith groups and others to adopt classes, schools, and clubs to contribute to the 529 accounts for those participating children.
- Connect with youth workforce programs to offer 529 deposits alongside wages for summer employment.
- Explore opportunities to allow families to save for emergencies and education in one place in order to reduce the stress of competing financial priorities for low-income families (the Pennsylvania Treasury Department is currently piloting this idea.

Increased investment in AZ529 accounts would ideally be combined with mentorship or guidance that improves family and child social connectedness to those who have already achieved post-secondary education success.

Pima County, as well as cities and towns, could consider a variety of the implementation ideas listed above. Additionally, the options below could be of interest.

Lower cost options

1) Promoting the existing AZ529 program to low-income families and donors. Review the materials developed by the Maine program and the Alfond Scholarship Foundation.
2) Partnering with the State Treasury to open AZ529 accounts for families with young children

Higher cost options
1) Opening AZ529 accounts and seeding the accounts with an initial deposit. Funds could be sought from a combination of public and private donors. One option may be a pilot with the Pima Early Education Program (PEEPs) that funds preschool for approximately 1,500 low-income children a year.

- The cost to open AZ529 accounts for 1,500 PEEPs children, and seed with a one-time amount of $50, would be $75,000 plus administrative costs.
- The cost to open AZ529 accounts for every child born in Pima County to a family at 200 percent of the poverty rate, which is estimated at 4,000 children a year, and seed each with $50 would cost approximately $200,000 plus administrative costs.

2) Another option is for the County, cities, towns, and other private employers to promote AZ529 accounts as part of government employee benefits enrollment.

- Additionally, all implementation steps will need to include further investigation into the specific limitations, requirements, and challenges facing the Arizona 529 plan in order to best align with existing resources related to children's savings accounts.

Advocacy Options

- Support the proposed ASPIRE (American Savings for Personal Investment, Retirement, and Education) Act that would seed CDAs with initial contributions of $500 or more for the most disadvantaged people and provide opportunities for financial education and incentives. Accountholders would be permitted at age 18 to make tax-free withdrawals for costs associated with post-secondary education, first-time home purchase, and retirement security. Or the USAccounts: Investing in America's Future Act (H.R. 4045 2015; Harvin, 2016).
- Support the Pell grant being made available for tuition payment for non-degreed certificate programs.

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Reduce Unintended Pregnancies

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Policy Title: Family Planning

Policy Full Text: Reduce unintended pregnancies.

Problem Statement: Reduce unintended pregnancies by increasing access to contraception, improving use of long-acting reversible contraception, and through education.

Strategic Element:	Tactical Element:
Preventing unintended pregnancy leads to better health, social, and economic outcomes for women and children that can have intergenerational implications. An unintended pregnancy is a pregnancy that is either unwanted, such as the pregnancy occurred when no children or no more children were desired. Or the pregnancy is mistimed, such as the pregnancy occurred earlier than desired. (CDC Definition)	Most unintended pregnancies result from not using contraception or from not using it consistently or correctly. Improved access to highly effective birth control and increased awareness, provider training, and education of individuals on effective birth control use could lead to more favorable health, social, and economic outcomes for women and their children.

How will the policy: (1) ensure the availability of jobs that will economically support a household, 2) increase housing stability, 3) provide equitable and effective resources, and/or 4) build individual and community assets?

This policy will not directly lead to job creation. However, this policy would result in women and men achieving greater educational attainment. This policy would also lead to greater labor force participation among women. Reductions or delays in fertility associated with the rise of the birth control pill in the mid-to late-20th century increased educational investments among women and men, increased women's labor force participation rates and annual hours of work and narrowed the gender wage gap.

Sawhill, Isabel and Guyot, Katherine. Preventing Unplanned Pregnancy: Lessons from the States. Economic Studies at Brookings, June 2019. Preventing-Unplanned-Pregnancy-2.pdf (brookings.edu)

The availability of family planning may directly increase household income for several reasons. First, cheaper and more reliable contraception reduces the immediate and expected costs of delaying childbearing, freeing up resources for investment in the parents' human capital. Delaying parenthood for a year or two could allow soon-to-be parents to get more education, work experience, and job training, and thus increase their lifetime earnings. The results of empirical studies of the effects of teen motherhood and teen access to the Pill are consistent with the claim that delaying childbearing has value. Bailey, Brad Hershbein, and Amalia Miller (2012) show that earlier access to the Pill increased women's investment in their careers and, ultimately, their wages. Heinrich Hock (2008) shows that early access to the Pill increased men's educational attainment as well.

Bailey, Martha. Fifty Year of Family Planning: New Evidence on the Long-Run Effects of Increasing Access to Contraception. Brookings Papers on Economic Activity. Spring 2013. https://www.brookings.edu/wp-content/uploads/2016/07/2013a_bailey.pdf

There also appears to be an impact on the child's future earnings potential. In a study that examined the long-term effects of mistimed pregnancy on one's future educational attainment and employment, researchers looked at the time gap between the child's birth year and their mothers' marriage year as a proxy indicator of mistimed pregnancy. They found that a large proportion of children were born from 1 to 3 years after their mothers' marriage, and these children had remarkably higher educational attainment and were more likely to be engaged in a high-skilled professional than children born just before their mothers' marriage. This negative effect is consistently found in 10 countries studied.

Nguyen, Couong Viet. The Lont-term Effects of Mistimed Pregnancy of children's Education and employment. Journal of Population Economics, 2018. https://link.springer.com/article/10.1007/s00148-018-0697-9

Federally funded family planning programs are associated with significant reductions in child poverty rates and, later, poverty rates in adulthood. Individuals born one to six years after program funding were 4.2 percent less likely to live in poverty in childhood and 2.4 percent less likely to live in poverty in adulthood. Although both white and non-white children born after family planning programs began experienced large reductions in childhood poverty, white children experienced greater relative reductions in poverty rates in adulthood. Whites born after family planning programs began were 4.1 percent less likely to live in poverty in childhood and 6.1 percent less likely to live in poverty in adulthood. Non-whites born after family planning programs began were 8.2 percent less likely to live in poverty in childhood, but 2 percent less likely to live in poverty in adulthood.

In short, family planning programs may help break the cycle of poverty. Our results suggest that family planning programs reduce poverty among children and, ultimately, in adulthood. These findings complement a growing body of research that suggests that investments in children can have sizable effects on children's longer-term educational attainment, health, and labor market productivity.

Bailey, Martha J et al. Do Family Planning Programs Decrease Poverty? Evidence from the Census Data. CESIfo Economic Studies, October 2014. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4206087/#:~:text=Our%20results%20show%20that%20federally,later%2C%20poverty%20rates%20in%20adulthood

How the policy will address the need for affordable housing.

Addressing unintended pregnancy is not known to be linked to demand or supply of affordable housing. That said, there is some evidence that larger families demand larger houses. (See Espenshade, TJ et al. below.) In addition, at least one study established an association between perception of neighborhood-level violence and unintended pregnancy.

Uscher-Pines, Lori and Nelson, Deborah. Neighborhood and Individual-Level Violence and Unintended Pregnancy. Journal of Urban Health, 2010. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2900564/

How the policy will build individual and community assets.

Increased access to family planning services in the 1960s and 1970s reduced the likelihood of a child being born into poverty by as much as 7 percent, and increased college completion rates among children whose mothers had access to these services by 2 to 7 percent.

Using the Social Genome Model, a microsimulation model, Sawhill, Karpilow, and Venator (2014) estimate that preventing all unwanted births and delaying all mistimed births to align with mothers' intentions could increase their children's eventual high school and college graduation rates by 7 and 8 percentage points, respectively. Another simulation model, Familyscape, suggests that if one in four non-contracepting unmarried women under age 30 were to begin using contraception, child poverty rates would fall by at least half a percentage point in one year. Finally, as Sawhill (2014) documents, unplanned pregnancies are a major driver of the growth of single-parent families, the growth of which was responsible for an estimated 25% increase in the child poverty rate between 1970 and 2012.

Sawhill, Isabel and Guyot, Katherine. Preventing Unplanned Pregnancy: Lessons from the States. Economic Studies at Brookings, June, 2019. Preventing-Unplanned-Pregnancy-2.pdf (brookings.edu)

Why policy is applicable to Pima County region?

Arizona has made significant strides in reducing unintended pregnancy. However, in 2020, the percentage of women with a recent live birth who did not want to become pregnant or wanted to become pregnant later was still 29.1%. (CDC, Pregnancy Risk Assessment Monitoring System or state equivalent, 2020). Nationally, it was 28.5%. Other states have been able to achieve rates as low at 19.4%. Western states such as Colorado, Idaho, and Washington have been able to achieve lower rates than Arizona (25.5%, 28.6% and 20.5%, respectively).

One area of opportunity may be to increase use of highly effective birth control in Pima County. Currently, there are two Title X providers in Pima County, namely PCHD and El Rio. Of their female clients, 30% and 14% respectively were using the most effective form of birth control (hormonal or non-hormonal IUDs or implants). (AFHP Delegate Overview, April 2022 - March 2023). This compares favorably to other HHS Region IX Title X delegates. (According to the 2021 Title X Family Planning Annual Report, 23 percent of female family users used the most effective methods in Region IX). However, in a few regions of the country, the percent of users relying on the most effective method are somewhat higher (31% in Region IX), suggesting room for improvement.

Has policy proven to be more effective for certain populations and if so who?

In the United States, Black women disproportionately experience unintended pregnancy and are more than twice as likely as White women to report experiencing an unintended pregnancy. Health disparities persist as young, and lower income women also disproportionately experience mistimed and unwanted pregnancies compared with older and more affluent counterparts.

Finer, Lawrence and Zolna, Mia R. Declines in Unintended Pregnancy in the United States, 2008-2011. New England Journal of Medicine, September 3, 2016. https://www.nejm.org/doi/full/10.1056/nejmsa1506575

Race-related disparities exist in the choice of birth control methods, with women of color generally using less effective methods. Black women are more likely than white women to report using a contraceptive method associated with lower efficacy (e.g., withdrawal, condoms) or no contraception at all. They are, therefore, three times as likely as white women to experience an unintended pregnancy. Hispanic women, too, are less likely to use highly effective forms of contraception (LARCs and hormonal methods) and twice as likely to experience unintended pregnancy as are white women.

Payne, Carolyn and Fanarjian, Nicole. Seeking Causes for Race-Related Disparities in Contraceptive Use. AMA Journal of Ethics, October 2017. https://journalofethics.ama-assn.org/article/seeking-causes-race-related-disparities-contraceptive-use/2014-10

Cite research for evidence-based strategies that inform this policy, including references to well-recognized, non-partisan, and objective authorities that endorse or recommend these strategies:

Unintended pregnancy is associated with an array of negative outcomes for the women and children involved. For example, relative to women who become pregnant intentionally, women who experience unintended pregnancies have a higher incidence of mental-health problems, have less stable romantic relationships, experience higher rates of physical abuse, and are more likely to have abortions or to delay the initiation of prenatal care. Children whose conception was unintentional are also at greater risk than children who were conceived intentionally of experiencing negative physical- and mental-health outcomes and are more likely to drop out of high school and to engage in delinquent behavior during their teenage years.

Though most of the evidence on these relationships is correlational, some researchers have used sophisticated research techniques in order to pin down causal relationships between pregnancy and childbearing intentions and maternal and child outcomes. The results of these studies suggest that, over the long run, reductions in unintended pregnancy and childbearing lead to increased educational attainment and higher labor-force participation rates among women and to lower crime rates and better academic, economic, and health outcomes among the affected birth cohorts.

Thomas, Adam and Monea, Emily. The High Cost of Unintended Pregnancy. The Center on Children and Families. Brookings Institute, July 2011. https://www.brookings.edu/wp-content/uploads/2016/06/07_unintended_pregnancy_thomas_monea.pdf

. . . it is important to note the strong association of teenage childbearing with various problems. The link to diminished socioeconomic well-being, for example, for both children and their mothers has been recognized for several decades (Bacon, 1974). Adolescents who have children are substantially less likely to complete high school than those who delay childbearing. In recent years, the proportion of teenage mothers with high school degrees has increased, in large part because many are able to complete requirements for the general equivalency diploma (Moore, 1992; Mott and Maxwell, 1981). However, few teenage mothers attend college, and less than 1 percent have been found to complete college by age 27 (Moore, 1992).

Moreover, teenage mothers are more likely to be single parents or, if they are married, to experience marital dissolution (Hayes, 1987). Indeed, the proportion of teenagers who are single parents has increased substantially over the years. For example, in 1970, 30 percent of all births to teenage girls occurred outside of marriage, whereas 67 percent of births occurred outside of marriage in 1991 (National Center for Health Statistics, 1994).

Larger families place greater demands on a family's economic assets. Although family sizes among younger as well as older mothers have declined over time, younger mothers continue to have more children than delayed child bearers (Moore, 1992). Because of their fewer years of schooling, larger families, and lower likelihood of being married, teenage mothers acquire less work experience, have lower wages and earnings, and are substantially more likely to live in poverty. . . Although minority women generally face a higher probability of poverty regardless of their age at first birth, age at first birth is linked to lower economic well-being within each race/ethnicity group.

Brown, SS and Eisenberg, L., editors. The Best of Intentions: Unintended Pregnancy and the Well-Being of Children and Families. Institute of Medicine,, Committee on Unintended Pregnancy, 1995. https://www.ncbi.nlm.nih.gov/books/NBK232137/

There is, however, clear evidence that many Americans are misinformed about the risks and benefits of particular contraceptive methods—exaggerating the former and underestimating the latter, especially in the case of oral contraceptives. For example, a 1993 Gallup poll found that more than half of American women believe there are ''substantial risks" (mainly cancer) involved in using the birth control pill, and four in ten erroneously believe that the health risks of taking oral contraceptives are greater than those of childbearing (Gallup Organization, 1994). The widespread lack of knowledge among both providers and potential users regarding emergency contraception is another indication that many Americans lack basic information about all available means of contraception (Grossman and Grossman, 1994; Trussell and Stewart, 1992).

Brown, SS and Eisenberg, L., editors. The Best of Intentions: Unintended Pregnancy and the Well-Being of Children and Families. Institute of Medicine, Committee on Unintended Pregnancy, 1995. https://www.ncbi.nlm.nih.gov/books/NBK232137/

Using data from the 1972-1973 Consumer Expenditure Survey, researchers examined the effect of variations in family size on such measures of family economic well-being as levels and patterns of spending, earnings and employment, public assistance and the quantity and quality of housing. In general, although overall income rises somewhat with family size, an increase in the number of children appears to reduce the family's standard of living, especially in young families with small children. Current consumption increases as the number of children increases. Families with four or more children in which the household head is under the age of 35 and has had more than 12 years of education tend to spend 40% more than childless couples of similar age and educational level. Despite the increased spending, per capita consumption falls for all age and education categories. Larger families devote more of their income to necessities and less to luxuries. Among young couples in which the household head has had nine to 12 years of education, the proportion of income used to buy food rises from 15% if there are no children present to 25% if there are 4 or more. The proportion of food expenditures devoted to meals eaten out also falls steadily as the number of children rises. Although husband's earnings rise with increase in family size, there is a pronounced decline in wife's earnings, particularly in young families that have children under the age of four. Overall, as the number of children grows, families spend a larger share of their income on current consumption, and per capita income declines. The % of families receiving welfare or food stamps tends to go up as the number of children increases, particularly among younger couples with less education. When the quantity and quality of housing are examined, the average number of rooms in the family dwelling is found to increase with family size.

Espenshade, TJ et al. Family Size and Economic Welfare. Family Planning Perspectives, November-December 1983. https://www.jstor.org/stable/2135299

In the United States, Black women disproportionately experience unintended pregnancy and are more than twice as likely as White women to report experiencing an unintended pregnancy. Health disparities persist as young, and lower income women also disproportionately experience mistimed and unwanted pregnancies compared with older and more affluent counterparts.

Finer, Lawrence and Zolna, Mia R. Declines in Unintended Pregnancy in the United States, 2008-2011. New England Journal of Medicine, September 3, 2016. https://www.nejm.org/doi/full/10.1056/nejmsa1506575

Researchers examined the relationship between parents' access to family planning and the economic resources of their children. Using the county-level introduction of U.S. family planning programs between 1964 and 1973, they that children born after programs began had 2.8% higher household incomes. They were also 7% less likely to live in poverty and 12% less likely to live in households receiving public assistance. A bounding exercise suggests that the direct effects of family planning programs on parents' resources account for roughly two-thirds of these gains.

Baily, Martha J. et al. Does Access to Family Planning Increase Children's Opportunities? The Journal of Human Resources. October 2, 2019. https://jhr.uwpress.org/content/54/4/825

Given that being born to unprepared parents significantly affects a child's human capital development, the researchers examined family planning access's effect on intergenerational persistence of economic status and income inequality. They extend the standard Becker-Tomes model with an endogenous choice of family planning. When the model was calibrated to match observed patterns of unintended fertility, they find that intergenerational mobility was significantly lower than that in the standard model. In a policy counterfactual where states improve access to family planning services for the poor, intergenerational mobility improved by 0.3 standard deviations on average. When they calibrated the model to match unintended birth rates by race, they found that differences in family planning access alone could account for 20% of the racial gap in upward mobility.

Seshadri, Ananth and Zhous, Anson. Intergenerational Mobility Begins Before Birth. Journal of Monetary Economics, March 2022.

An examination of contraception status of women aged 15-49 in the United States from 2017-2019 found that current use of female sterilization, the pill, and LARCs varied by educational attainment while male condom use did not.

- Among women aged 22–49, female sterilization declined with higher education, from 39.9% among women without a high school diploma or GED to 12.1% of women with a bachelor's degree or higher (Figure 5).
- Current pill use increased with higher education: 18.1% of women with a bachelor's degree or higher were using the pill compared with 5.7% of women without a high school diploma or GED.
- Current male condom use was similar across education, around 9%.
- Current use of LARCs was higher for women with some college but no bachelor's degree (12.5%) and women with a bachelor's degree or higher (13.1%) compared with women with a high school diploma or GED (7.9%) but was not significantly different from use among women without a high school diploma or GED (9.3%).

Daniels, Kimberly and Abma, Joyce C. Current Contraceptive Status Among Women Aged 15-49: United States, 2017-2019. National Center for Health Statistics, October 2020. https://www.cdc.gov/nchs/products/databriefs/db388.htm#section_5

A 2017 survey of providers found that almost all obstetricians and gynecologists (ob/gyns) provide IUDs in their practice (91%) and offer IUDs to patients under the age of 21 (92%). This is in contrast to findings from a 2013 survey that found that just two-thirds (63%) of ob/gyns who provided IUD services at that time believed IUDs were appropriate for nulliparous women and less than half (43%) believed they were appropriate for adolescents. This may reflect recent increases in provider education as well as approval of new IUDs targeted specifically towards younger women.

Currently, many physicians require two visits for a woman seeking an IUD: a consultation and the follow up visit for insertion. Stocking IUDs onsite allows clinicians to provide same-day services to women, but some providers have been hesitant to stock IUDs because of the high upfront costs.

Community health centers (CHCs) are an important source of care for many low-income and uninsured women of reproductive age. However, access to IUDs has been challenging for some CHCs due to a combination of reasons, including high upfront costs and limited training and staff capacity to provide IUDs. Over half of community health centers provide IUDs or implants as part of the family planning services they offer, meaning many women seeking services from clinics may not have immediate access to IUDs.

Kaiser Family Foundation. Intrauterine Devices (IUDs): Access for Women in the U.S. September 9, 2020. Intrauterine Devices (IUDs): Access for Women in the U.S. | KFF

The conclusion from the NASEM report, *Roadmap to Reducing Child Poverty,* sums it up well: "Increasing both awareness of and access to effective, safe, and affordable long-acting reversible contraception (LARC) devices reduces the incidence of unplanned births, which could in turn reduce child poverty. In contrast, policies that reduce access to LARC by cutting Medicaid, Title X funding of family planning services, or mandated contraceptive coverage appear to increase the number of unintended births and thus also child poverty."

Have you considered any unintended consequences? If so, what are they?

Significant decline in unintended births could affect overall fertility rates. A rapid decline in births can result in an aging community, which could lead to more population decline. A declining population of young people would eventually affect the tax base and the ability to support public services.

Chapman, Jeff. The Long-Term Decline in Fertility – And What It Means for State Budgets. Pew, December 5, 2022. https://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2022/12/the-long-term-decline-in-fertility-and-what-it-means-for-state-budgets

It is important to note that in 2021, the 20-44 age bracket posted the largest population share for the Tucson MSA, the state of Arizona and the nation at 33.0%. 32.9% and 33.2% respectively, suggesting that a significant portion of the current population is currently of childbearing age, potentially mitigating concerns about significant drops in fertility rates.

https://mapazdashboard.arizona.edu/workforce-demographics/population-profile

As interest in LARC use has grown so have concerns around the promotion of LARCs as the "most effective" methods and the potential for coercion. Some people have reported that they have felt pressured to choose a method of contraception during contraceptive counseling, and have felt that their providers preferred and were even pushing them towards a LARC method. Others reported that their physicians have been resistant and even unwilling to remove their IUDs early. In one study, physicians reported having negative feelings about early IUD removal and some had encouraged patients not to remove their IUD early. Researchers have recommended that instead of first talking about LARCs and how effective they are, providers should first discuss with their patients their contraceptive preferences and reproductive goals, and help patients choose a contraceptive method that meets their lifestyle needs.

Kaiser Family Foundation. Intrauterine Devices (IUDs): Access for Women in the U.S. September 9, 2020. Intrauterine Devices (IUDs): Access for Women in the U.S. | KFF

Research suggests that limited access to and awareness of effective birth control options makes unintended births more frequent, particularly among low-income women. However, while informed, voluntary access to effective contraception is a basic health care right for women and men, unfortunately, there is a long history in the United States of limiting the reproductive freedom of women, particularly low-income women and women of color. Any policy to reduce unintended pregnancies may be construed as a policy designed to prevent poor women from having children. The National Academies of Sciences, Engineering, and Medicine (NASEM) recommend that given this background, unbiased, voluntary, and informed access to the contraception should be focused primarily on options that women feel are best for themselves and that child poverty reduction is understood as a secondary consequence. (Reducing Intergenerational Poverty, pg.201)

National Academies of Sciences, Engineering, and Medicine. *Roadmap to Reducing Child Poverty.*

However, research shows large racial/ethnic differences in the implementation of expanded access to effective contraception among women of low socioeconomic status. One study found that low-socioeconomic status African American and Latina women have three times the odds of being offered long-acting reversible contraceptives as do their low-socioeconomic status White counterparts (Dehlendorf et al., 2010), indicating that reproductive inequities may still exist. Thus,

Cite Return on Investment (if applicable):

The burden imposed by unintended pregnancies on taxpayers in considerable and the prevention of such pregnancies would yield significant taxpayers. A study conducted by the Center on Children and Families at Brookings estimated that the estimated annual cost of subsidizing unintended pregnancies and the annual savings from preventing them by outcome. They estimated that the total taxpayer cost (in 2010 dollars) of preventing a unintended birth in the United States. They estimate that is cost each taxpayer $7,651 on average for each unintended birth. They estimate that each taxpayer would save $3,665 if an unintended birth were prevented. Overall, they estimate that taxpayers would save $6 billion per year if all unintended pregnancies were prevented.

Thomas, Adam and Monea, Emily. The High Cost of Unintended Pregnancy. Center on Children and Families at Brookings, July 2011.

If all unintended pregnancies in Pima County could be avoided, by applying the national savings of $3,665 per tax payer from the Brookings study to Pima County's share of the 29.1 percent reported unintended births (or 2,920) in Arizona, Pima County would save an $10.7 million annually.

List of area experts and/or practitioners that reviewed or provided input into this policy:

1. **Pima County Board of Health**
2. **Diego Bernal**, Pima County Public Health Program Manager for Title-X and Well-Woman Healthheck Program

Implementation ideas:

1. Increase access to contraception.

According to the Institute of Medicine's Unintended Pregnancy and the Well-Being of Children and Families, three steps will help meet this goal. First, medical educators should revise, where necessary, the training curricula of a wide variety of health professionals (physicians, nurses, and others) to increase their competence in reproductive health and contraceptive counseling for both males and females and, when appropriate, in actually providing contraceptive methods. Pediatricians in particular should include pregnancy planning and interconceptional care in their routine scope of practice to increase the proportion of pregnancies that are intended (e.g., counseling parents of infants and young children about the benefits of pregnancy planning and spacing for themselves and their young families). Second, administrators should increase the coordination, sometimes even co-location, between basic family planning services and many other health and social programs that typically serve individuals at high risk of unintended pregnancy, such as STD clinics, homeless centers, drug treatment programs, WIC offices (that is, offices that provide services financed by the Special Supplemental Food Program for Women, Infants and Children), and well-child and immunization clinics. Third, those who provide social work, employment training, educational counseling, and other social services should be taught (in their initial training as well as through in-service programs) about the importance of talking with their clients regarding the benefits of pregnancy planning and how to do so.

Brown, Sarah S. Eisheberg, Leon, editors. The Best of Intentions: Unintended Pregnancy and the Well-Being of Children and Families. Institute of Medicine, 1995. https://www.ncbi.nlm.nih.gov/books/NBK232127/

2. Improve long-acting reversible contraception access.

The American College of Obstetrics and Gynecology recommends that physicians consider LARCs the first-line contraceptive method for most women.

American College of Obstetricians and Gynecologists. ACOG committee opinion no. 450: increasing use of contraceptive implants and intrauterine devices to reduce unintended pregnancy. Obstetrics and Gynecology, 2009.

https://journals.lww.com/greenjournal/Citation/2009/12000/ACOG_Committee_Opinion_No__450__Increasing_Use_of.54.aspx

County Health Rankings and Roadmaps identifies long-acting reversible contraceptive access as showing some evidence of effectiveness in reducing unintended pregnancy. Long-acting reversible contraceptives (LARCs) include intrauterine devices (IUDs) and implants that can prevent pregnancy for 3 to 10 years and can be removed at a woman's discretion. LARCs are over 99% effective, 20 times as effective in preventing pregnancy as older methods of birth control, such as contraceptive pills and condoms. LARCs can be used safely by teens and women regardless of whether they have previously given birth. Despite very few medical contraindications to LARC use, a variety of barriers at the patient, provider, and systems level have limited access to and uptake of LARCs. LARCs can be made accessible through broad-based efforts to decrease patient costs such as ensuring that LARCs are available at low or no cost through Title X family planning sites and other sources of care, and ACA provisions requiring full coverage of birth control options. Efforts to increase access to LARCs can include provision of comprehensive contraceptive counseling on the full range of birth control options (including LARC) for all interested patients, provider training on LARC insertion and removal, and consistent availability of LARCs at local hospitals and clinics. Accessibility of LARCs could also be improved by elimination of medically unnecessary steps between request and insertion, including two visit protocols and STI testing prior to the day of insertion. LARCs can be inserted and removed by many types of clinicians in a range of clinical settings, including primary care and non-traditional locations such as school-based health center or mobile van settings.

Long-acting reversible contraception access | County Health Rankings & Roadmaps

Child Trends researchers were commissioned by the Planned Parenthood Action Fund to estimate, with the microsimulation model FamilyScape, nationwide pregnancy outcomes if all women not seeking pregnancy used the same mix of effective contraceptive methods as women in high-performing Planned Parenthood clinics. For this simulation, they used the mix of contraceptive methods used by women who had participated in a recent evaluation study conducted by researchers from the University of California, San Francisco. As compared to women in the United States overall, women at the studied clinics were far more likely to use hormonal and long-acting methods and less likely to use no method or condoms as their primary form of birth control. Their research suggests that the increased use of effective birth control could:

- reduce unintended pregnancies, unintended births, and abortions by approximately two thirds;
- decrease the number of newborns and mothers experiencing negative outcomes such as low birth weight and gestational diabetes; and
- save an estimated $12 billion dollars in public health care costs annually.

Welti, Kate and Manlove, Jennifer. Increasing the Use of Effective Contraception Methods to Reduce Unintended Pregnancy. Building on a Broad Research. Child trends, March 8, 2017. https://www.childtrends.org/blog/increasing-use-effective-contraceptive-methods-reduce-unintended-pregnancy-building-broad-research-base

In 2008, the Colorado Department of Public Health and the Environment secured funding from a private donor to launch the Colorado Family Planning Initiative, and expansion of the Family Program that trained and gave operational support to providers and provided and low- and no-cost long-acting reversible contraceptives (IUDs or implants) to low-income women statewide. As part of the initiative, clinics hired staff, upgraded equipment and billing procedures, added sites and increased hours and reached out to local schools and other community partners. The effort was also accompanied by a separately funded community awareness campaign called Beforeplay where young people could learn about birth control methods and locate reproductive services.

By the middle of 2015, the initiative had provided LARCs to 36,000 women. The percentage of LARC users at Title X clinics increased from 6.4 % to 30.5%. Between 2009 and 2014, birth and abortion rates both decline by nearly 50 percent among tends aged 15-19 and by 20 percent among young women aged 20-24. Public assistance costs associated with the births that were averted among women aged 15-24 totaled between $54.6 and $60.6 million for four entitlement programs.

Colorado Department of Public Health and Environment. Taking the Unintended Out of Pregnancy: Colorado's Success with Long-Acting Reversible Contraception, January 2017. [Taking the Unintended out of Pregnancy.pdf - Google Drive]

3. Improve knowledge about contraception, unintended pregnancy, and reproductive health in general.

The Institute of Medicine's The Best Intentions: Unintended Pregnancy and the Well-Being of Children and Families (Institute of Medicine) recommends improving knowledge about contraception, unintended pregnancy, and reproductive health in general as a strategy for reducing unintended pregnancy.

Brown, Sarah S.. Eisheberg, Leon, editors. The Best of Intentions: Unintended Pregancy and the Well-Being of Children and Families. Institute of Medicine, 1995. https://www.ncbi.nlm.nih.gov/books/NBK232127/

Race-related disparities exist in the choice of birth control methods, with women of color generally using less effective methods. Black women are more likely than white women to report using a contraceptive method associated with lower efficacy (e.g., withdrawal, condoms) or no contraception at all. They are, therefore, three times as likely as white women to experience an unintended pregnancy. Hispanic women, too, are less likely to use highly effective forms of contraception (LARCs and hormonal methods) and twice as likely to experience unintended pregnancy as are white women.

In 2012, researchers from the Bixby Center for Global Reproductive Health sought to investigate a possible relationship between race and contraception-related choices and summarized their work in "Do Racial and Ethnic Differences in Contraceptive Attitudes and Knowledge Explain Disparities in Method Use?" Using data collected in the 2009 National Survey of Reproductive and Contraceptive Knowledge, the authors found significant racial differences in attitudes about contraception, pregnancy, and control over one's fate (fatalism).

They found that blacks and Hispanics were more likely than whites to believe that the government encourages contraceptive use to limit minority populations and that Hispanics were more likely to report positive feelings about an unplanned pregnancy than blacks or whites. Their study did not, however, find an association between these attitudes and contraceptive choice.

The only attitude they found that consistently influenced contraceptive choice was skepticism that the government ensures contraceptive safety. This belief was associated with decreased use of highly effective forms of contraceptive methods, but it was equally prevalent among the members of all racial groups studied. Ultimately, the findings did not suggest that racial differences in attitudes about contraception, pregnancy, and fatalism were responsible for current disparities in contraceptive use. The authors suggest there may be other race-correlated factors influencing choice of contraception that were not covered by this study.

Their study did find that, in general, less knowledge about contraceptives is associated with decreased use of the more highly effective forms. Levels of such knowledge were lower among Hispanics than among blacks and whites, and Hispanics were more likely to report a feeling of low control over the timing of their pregnancies. This suggests that improving knowledge about contraception, especially among Hispanics, could reduce some disparities in method choice.

The authors of the study conclude that disseminating information about contraceptive methods could result in a reduction of disparities in use. Indeed, the Contraceptive Choice Project demonstrated that when patients were counseled about all forms of birth control and barriers to choice (including financial) were removed, 75 percent of patients chose the most effective forms of contraception: implants and intrauterine devices (IUDs). This suggests that, in addition to knowledge about contraception options, financial considerations impact women's choices, and financial constraints may be inequitably distributed across racial groups. Information about the distribution of financial constraints among members of various racial groups could more fully and accurately elucidate the relationship between race and contraception use.

Payne, Carolyn and Fanarjian, Nicole. Seeking Causes for Race-Related Disparities in Contraceptive Use. AMA Journal of Ethics, October 2017. https://journalofethics.ama-assn.org/article/seeking-causes-race-related-disparities-contraceptive-use/2014-10

A controlled clinical trial examined contraceptive care model that included healthcare provider education and cost support for LARC in addition to structured contraceptive counseling resulted in higher rates of same-day LARC insertion compared to contraceptive counseling and usual care alone.

Buckel, Christina, et al. Effect of Staff Training and Cost Support on Provision of Long-Acting Reversible Contraception in Community Health Centers. Contraception, January 24, 2019. https://pubmed.ncbi.nlm.nih.gov/30685287/

Women—particularly those who are the most impacted by racism, economic injustice, and gender discrimination—"frequently report that clinicians talk down to them, do not take their questions seriously, and treat them as though they do not have the basic human right to determine what happens with their bodies." They may be encouraged or pressured to accept LARCs based on their race; for example, one study found that IUDs were recommended more often to low-income women of color than to low-income white women. They may be unable to access a preferred birth control method, or to remove LARCs and regain control of their bodies; in one study, "women reported that their preferences regarding contraceptive selection or removal were not honored." They described experiences in which providers undervalued the woman's contraceptive preference; minimized LARCs' side effects; dismissed patients' concerns about LARCs; disrespected or patronized their patients; and were unsupportive when women wanted to stop using LARCs.

Howell, Marcela et al. Contraceptive Equity for Black Women. National Black Women's Reproductive Agenda, 2020. http://blackrj.org/wp-content/uploads/2020/04/6217-IOOV_ContraceptiveEquity.pdf

Most young women at risk of unintended pregnancy are not aware of IUD as emergency contraception and look to their providers for trusted information. Contraceptive education should explicitly address IUD as emergency contraception.

Goodman, Suzan R. et al. The Intrauterine Device as Emergency Contraception: How Much to Young Women Know? Contraception, August 2018. https://www.sciencedirect.com/science/article/abs/pii/S0010782418301458

Researchers analyzed data from the 1982–2010 National Surveys of Family Growth and the 1995 National Survey of Adolescent Males and event history methods to examine trends over time for women and men in the median ages at several reproductive and demographic events. They found that Hispanics and teenagers (aged 18–19) had lower awareness of available contraceptive methods, and lower knowledge about individual methods compared with White women and young adults (age 20–29). For example, Hispanics (74%) and teenagers (77%) were less likely to have heard of the intrauterine device (IUD) than were White women (90%) and young adults (90%), and were less likely to know that a woman experiencing side effects could switch brands of oral contraceptive pills (72% of Hispanics vs. 86% of White women; 76% of teenagers vs. 90% of young adults). Hispanics born outside the United States had lower knowledge about contraceptives than U.S.-born Hispanics. For example, foreign-born Hispanics were less likely than U.S.-born Hispanics to have heard of the IUD (59% vs. 82%) or the vaginal ring (55% vs. 95%).

Exploring Young Adults' Contraceptive Knowledge and Attitudes: Disparities by Race/Ethnicity and Age. Women's Health Issues, April 11, 2014. https://www.whijournal.com/article/S1049-3867(14)00009-7/fulltext

As part of a broader effort to reduce unintended pregnancy, the Colorado Department of Public Health and Environment and the Colorado Initiative to Reduce Unintended Pregnancy created an awareness campaign called Beforeplay. The campaign was targeted to 19- to 29- year old age group. It sought to initiate more conversation about sexual health and family planning through an interactive Web site, social media, a texting services for sexual health questions, events, and statewide advertising. Materials were provided in English and Spanish.

National Prevention Information Network. Centers for Disease Control and Prevention. https://npin.cdc.gov/campaign/beforeplay

The Beforeplay campaign's purpose what to normalize conversation about reproductive health and increase visibility of Title X clinics. The website helped men and women:

- Locate health centers for reproductive services
- Understand health care coverage options for reproductive health
- Access emergency contraception
- Select birth control methods

- Learn about sexually transmitted diseases, testing and treatment
- Assess readiness for pregnancy.

Colorado Department of Public Health and Environment. Taking the Unintended Out of Pregnancy: Colorado's Success with Long-Acting Reversible Contraception, January 2017. Taking the Unintended out of Pregnancy.pdf - Google Drive

Small Business Support

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Policy Title: Support Small Business.

Policy Full Text: Increase small/micro business ownership and expansion opportunities, prioritizing entrepreneurs of color, women-owned businesses, and businesses operating in high poverty neighborhoods and rural areas.

Problem Statement

Small businesses are a powerful economic force and can be a critical path to economic opportunity and financial inclusion. The Small Business Administration defines small businesses by firm revenue (ranging from $1 million to over $40 million) and by employment (from 100 to over 1,500 employees). Microbusinesses, usually considered 10 or fewer employees, are small in scale, however, in the aggregate, they are 92 percent of all businesses, making them the country's largest segment of small businesses. In 2011, they directly employ 23 million people, but with direct, indirect, and induced effects they are responsible for 41.3 million jobs, or 31 percent of all private sector employment. (Association for Enterprise Opportunity Report, Bigger than You Think).

Microbusinesses are attractive to many people, including people with less formal education, returning citizens, women (often juggling caregiving duties), people of color and people living in rural areas. They can also be economic stabilizers. While small businesses often do not provide benefits historically offered by large firms, the non- quantifiable benefits, such as flexible hours, convenient locations, and alternative work options for caregivers may be seen as advantageous to small or microbusiness owners and employees.

On average, a small business with no employees has an average annual revenue of $46,978. The average small business owner makes $71,813. The median net worth of business owners is almost two and a half times greater than that of non-business owners. For a Latino man, the difference is five times higher for business owners compared to non-business owners. For an African American woman, the difference is more than ten-fold. For female-headed family households it generated $8,000 to $13,000 more in annual household income than similar households without a business owner, additional income that can really make a difference in a female-headed households with children below 18 years of age. (AEO Report, The Power of One in Three).

To strengthen local economies, it makes sense to make strategic investments that strengthen small and microbusinesses. Micro-businesses that receive the right mix of capital and support grow 30 percent faster than their peers (Brown). However, there are many barriers that impede them from thriving and growing. Some are systemic, with access to capital being key among them, particularly those in rural parts of our County or for groups likely to be less experienced and have less personal capital or credit including women and people of color. Navigating complicated government systems to get permits or certificates is another systemic barrier. Other challenges are around lack of knowledge of accounting, business management, etc. and being a non-English speaker. Many small and micro businesses are located in underserved communities where they provide jobs and wealth creation. "Microbusinesses grow and hire when they get the right mix of capital and support: prior AEO research found a 30 percent difference in average annual revenue growth for a sample of businesses that got support compared to their peers that did not. In fact, with the right mix of resources and support systems, employment from microbusinesses in low-wealth communities alone could grow by well over 10 percent."

Thriving microbusinesses not only strengthen our local economy, but they are also an important path for creating equity for our community. Lisa Brown, Director of Washington State's Department of Commerce said it well: How do we ensure that all small businesses -- especially those farthest from opportunity or owned by minorities or women or those in rural communities – have access to the resources and technical assistance they need (Brown)?

Strategic Element:	**Tactical Element:**
Entrepreneurship contributes to job growth, real economic activity, innovation, and economic dynamism. Local businesses keep 40 percent of spending circulating in the local economy as opposed to national or out of state businesses where only 10 percent of spending remains in local circulation. Areas with high densities of microbusiness enjoy greater economic mobility and higher quality of public health. Returning citizen entrepreneurs have the potential to serve as economic anchors. Those with criminal records are 22 percent more likely than their non-justice-involved peers to start a business, and when they do, they experience higher incomes (Smith). Small businesses are helping to drive the "greening" of products and services (Green America). It builds generational wealth allowing parents to pass on the business and its assets to the next generation.	Approximately 80 percent of businesses in any urban area have fewer than 10 employees. Microbusinesses are a powerful economic force and can be a critical path to economic opportunity and financial inclusion. If one in three microbusinesses hired an additional employee, the U.S. would be at full employment. Business ownership can provide individuals and families with ● greater flexibility in their work schedules to accommodate child and elder care; ● opportunities to increase household income with low barrier to entry such as education or prior criminal record; ● wages often double that of minimum wage; Interest in entrepreneurship is high among young people and may be one answer to ther higher youth unemployment rates after the Great Recession and the pandemic, and a way to ensure youth don't get disconnected from education and employment (Gorman).

How will the policy: (1) ensure the availability of jobs that will economically support a household, (2) address the need for affordable housing, 3) provide an effective social safety net, and/or 4) build individual and community assets?

1. **Jobs –** Small and micro businesses are a powerful economic force and can be a critical path to economic opportunity and financial inclusion. Ten percent of the workforce in the U.S., or 12 million people, own a business rather than holding a wage or salaried job. These owners hold a disproportionate amount of total wealth and create jobs for others (Fairlie, Covid). Micro businesses make up approximately 30 percent of private employment through direct and indirect employment. Many small and micro businesses are located in underserved communities where they provide jobs and wealth creation. In Arizona, on average, each new startup creates 4 jobs. On average, a small business with no employees has an average annual revenue of $46,978. The average small business owner makes $71,813. While small businesses often do not provide benefits historically offered by large firms, the non- quantifiable benefits, such as flexible hours, convenient locations, and alternative work options for caregivers may be seen as advantageous to microbusiness owners and employees.

   The Association for Enterprise Opportunity (AEO) created five designations and the largest group (30 percent) of microbusinesses includes owners who work full time, with less than $50,000 in sales and receipts, followed by owners earning $50,000+ in sales and receipts (28.6 percent) and part time, not primary income (25.8 percent). Another 10.9 percent of microbusiness owners were categorized as part timers but whose microbusiness provided their primary source of income. (AEO Report, Bigger than You Think). More than 83 percent of small business owners make less than $100,000 (Godlewski).

2. **Housing, Resources, Assets** – People who start businesses earn higher lifetime incomes, including 10 percent higher salaries than other workers. This increases a family's capacity to cover other critical expenses like housing. As noted, a microbusiness run by a female-headed family households generated $8,000 to $13,000 more in annual household income than similar households without a business owner. The median net worth of business owners is over two times greater than non-business owners, and five times higher for Latinx men and ten times higher for African American women (AEO Report, Bigger than You Think). Microbusiness employment and ownerships can provide a significant increase in wages and represent an important anti-poverty strategy. Additionally, a very modest 1 percent increase in entrepreneurial activity in a state correlates with a 2 percent decline in poverty (Slivinski).

Why policy is applicable to Pima County region?

Based on the 2020 Small Business Profile, the there are approximately 641,025 small businesses operating within the State of Arizona, which represents 99.5 percent of all Arizona businesses. In terms of employees, small business firms employ an estimated 1.1 million workers within the state, equating to 42.5 percent of the statewide workforce. As it relates to small business workforce and ownership demographics, women comprised 46.6 percent of workers and 45.4 percent of business owners. Veterans made up 6.4 percent of workers and 7.9 percent of small business owners. Latinx individuals comprised 31 percent of workers and 19.6 percent of business owners. Finally, racial minorities made up 19.1 percent of workers and 11.1 percent of small business owners. While these breakdowns are provided at the state level, they allow for useful insights on the demographic values for Pima County. The Census County Business Patterns data reports that Pima County contains 20,230 small businesses with 100 employees or less. In 2021, there are 312,775 employees across all sectors in Pima County, however, this source does not list the number of workers employed in these firms. Using the statewide figure of 42.5 percent, it would mean about 134,000 workers employed by small businesses.

In response to the need for equitable small business services within the region, the City of Tucson has established a roadmap for service provision through the Comprehensive Economic Development Strategy (CEDS). This program, adopted by Mayor and Council in May 2022, places small business development as the first goal within the document. Specific priorities within CEDS aimed at improving small business successes are:

1. Implement a formal business retention and expansion program around Tucson's clusters.
2. Provide resources to Tucson's small, multicultural, retail, and tourism-driven businesses.
3. Execute Tucson's Visual Improvement Program.
4. Build the Tucson Legacy Business Program to recognize local businesses with more than 25 years of continuous operation.

Additionally, the Pima County Industrial Development Authority (PCIDA) operates in partnership with the Community Investment Corporations (CIC), which provides three levels of loans: micro loans from $500 to $10,000, standard loans at $10,000 to $1000,000, and the BIPOC Community Managed Loan Fund, which offers zero interest rates and no fees. They also provide a variety of resources and assistance. The Pima County Small Business Commission advises the Board of Supervisors on current and proposed County policies affecting small business. It also helps facilitate communication between the County and small businesses by providing a forum for issues to be brought to the attention of the Board of Supervisors.

Has policy proven to be more effective for certain populations and if so, who?

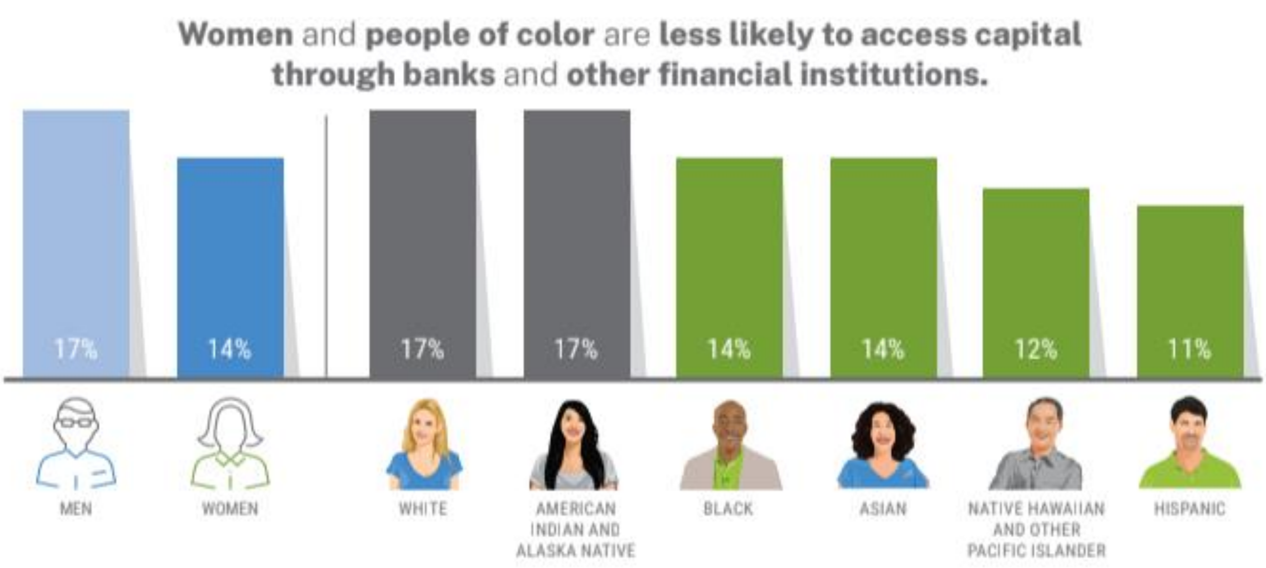
Entrepreneurship has the possibility of having greater economic impact for women, people of color and returning citizens. However, previous attempts to aid small business owners have resulted in skewed aid, with a disproportionate amount of funds going towards white businesses. One report calculated that if Black-owned businesses were able to reach employment parity with all privately held U.S. firms, close to 600,000 new jobs would be created, and $55 billion would be added to the economy (Gorman, The Tapestry of Black Business Ownership in America). If a policy is aimed to help small business owners equitably then the policy would need to address these systemic barriers.

Cite evidence-based research from nonpartisan, objective, and well-recognized authorities:

Entrepreneurship is often viewed as a mechanism for promoting economic mobility, wealth accumulation, and job creation. The Brookings Institution calls small businesses "the backbone for rural resilience" and the same could be said for urban, low-income neighborhoods as well. One in five Americans lives in rural areas, communities where often there are deep ties and connections. Rural and urban economies often have an interlocking, shared future (Love, 2020). Small businesses drive employment in economically distressed areas with 37 percent of the workforce from the local area and some studies suggest a decline in crime as a result (Slivinski). Given all these benefits, it is critical to address the barriers to small business owners growing and thriving. However, a growing body of evidence shows that systemic discrimination places a drag on these important locally based economic engines.

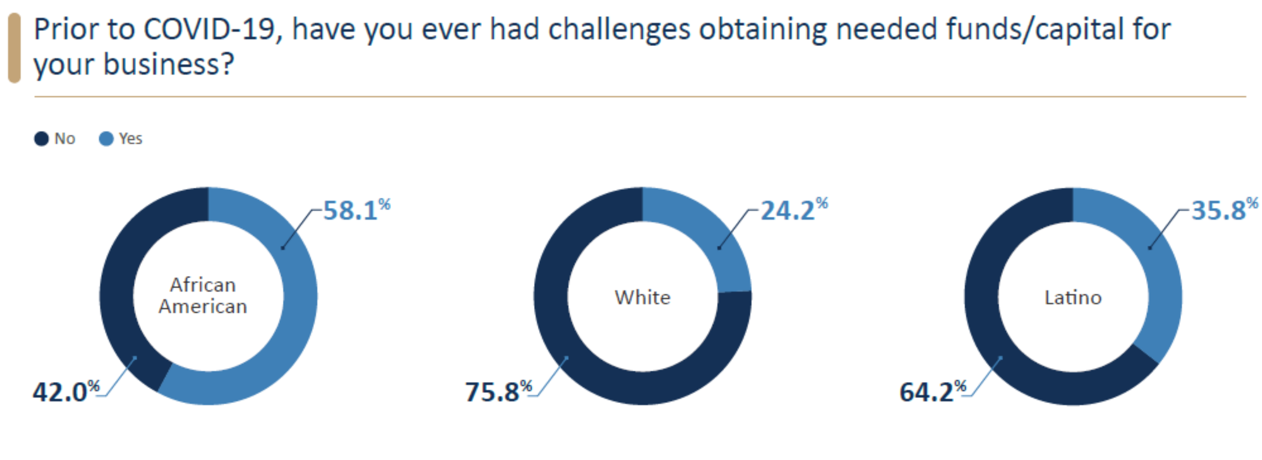
Robert Fairlie, professor of economics at the University of California, Santa Cruz and an NBER research associate affiliated with the Economics of Education and Productivity, Innovation, and Entrepreneurship Programs noted: "Racial disparities in business formation raise concerns about lost economic efficiency. If minority entrepreneurs face liquidity constraints, discrimination, or other barriers to creating new businesses or expanding current ones, there will be efficiency losses in the economy. Barriers to entry and expansion are potentially costly to productivity and local job creation, especially as minorities represent a growing share of the population (Fairlie)."

Barriers to Accessing Capital: Commercial banks are generally uninterested in making loans of the sizes these entrepreneurs qualify for and further, their loans require relatively high credit scores, collateral, and lengthy track records, expectations many small business owners can't meet. As a result, when seeking out capital one, in five small business owners have obtained less financing than they sought, but this number increases as we look at the track record for women, BIPOC small business owners, and rural entrepreneurs who have disproportionately more challenges with accessing these resources. Access to fair credit is an area where discriminatory practices show up



placing a drag on business creation and expansion for owners of color. (Fairlie, Black and White: Access to Capital among Minority-Owned Startup). The Aspen Institute also notes that direct racism remains an issue, citing evidence of direct discrimination against black business owners in Paycheck Protection Program (PPP) lending, even though the program was structured to be essentially risk-free for lenders (Weaver, 2021). One study using data from the 1993 National Survey of Small Business Finances showed that "even after controlling for the differences in creditworthiness and other factors that exist between black- and white-owned firms, blacks are still about twice as likely to be denied credit." When approved, black owners paid higher interest rates. One study showed that these disparities also held back Black owners from applying for credit through traditional channels because of the expectation of denial (Blanchflower).

Another study showed large racial differences in the sources and amounts of financial capital that are used to launch businesses. They noted that Black-owned startups start smaller in terms of overall financial capital and invest less on average as they mature. "Racial differences in outside debt account for more than half of the difference in total financial capital" (Fairlie, Black and White: Access to Capital among Minority-Owned Startup). This often drives business owners of color to seek alternative sources of capital such as loans from friends and family, personal equity, and credit cards, which can be more financially risky. However, even with accessing these sources, these differences are not reduced. As a result, Black-owned startups also have lower levels of all major sources of funding than do white-owned startups (Gorman, *The Tapestry of Black Business Ownership in America*). This can push these business owners to seek funding with higher rates of interest or less favorable terms. As a result, Black small business owners (12 percent) were three times as likely as small business owners overall (4 percent) to have obtained a high interest loan that they could not pay back. Latino, AAPI, and larger small businesses (7 percent each) were twice as likely (Small businesses struggling to access capital, harming their financial recovery). The Business Ownership Initiative of the Aspen Institute identified requiring proof of collateral, the use of external loan committees, and technology investments as counterproductive and harmful cycles to small business, particularly for historically excluded groups.



The Impact of Covid19: In addition, the pandemic hit small businesses hard. This means that now is an important time to step forward to help our small businesses recover and thrive. Many noted that they needed additional assistance during the pandemic for information on how to comply with public health requirements to keep customers and staff safe, as well as access to PPE supplies and equipment. Among all businesses with employees, about half reported that their revenues had decreased somewhat or significantly as a result of COVID-19 (Cosgrove). Most were not able to receive the significant funds provided by the federal government because of barriers to applying. The Joint Center on Political and Economic Studies issued a report in 2021 *Exploring Challenges for Small-Business Owners Across Race* in which they surveyed more than 1200 small businesses, which included 67 percent owners of color, and showed that 57 percent reported a decrease in profitability since the pandemic for a variety of reasons, from staffing to supply chain to fewer customers. Yet for all owners who were approved only 1/3 received the full amount requested with entrepreneurs of color receiving far less. BIPOC business owners were less likely to apply for federal funding, often because of lack of knowledge, complex rules, or other significant challenges for applying.

Other barriers: While 61 percent of men cited the inability to access capital as a primary reason why their business closed, 68 percent of women said the same; 55 percent of women reported closing their business in large part because they were unable to find support, advice, or role models (Cosgrove). Many small business owners share the same concerns (Fulton), which include:

1. Obtaining and retaining property, as well as access to affordable property, to operate their business.
2. Access to flexible leases, the increasing rents, or the ability to pay property taxes if the property is owned.
3. Issues around certifications and licenses including knowledge of, access to, affordability, compliance issues, and speed for obtaining them.

4. The need for technical and legal assistance and the availability of this assistance in languages other than English.
5. Access to fair credit to sustain or expand their business.

Another systemic hardship found in the survey was that 21 percent of all small business owners did not have a business banking relationship with a bank or credit union. This number increased to 40 percent for self-employed individuals, 31 percent for Black owners, and 26 percent for Latinx. Equitable policy must have methods to address small business owners with low to no capital that do not rely on typical credit systems. (*Small businesses struggling to access capital, harming their financial recovery*).

Entrepreneurial Training Programs for Youth: Interest in entrepreneurship is high among young people and may be one answer to ther higher youth unemployment rates after the Great Recession and the pandemic, and a way to ensure youth don't get disconnected from education and employment. Entrepreneurial training has been shown to increase cognitive skills like reading, remembering, and reasoning. In addition, they boosted self-confidence, employability, and basic life skills. They also encouraged youth to stay in school, increased their occupational aspirations and college, and developed leadership behavior after participation. Research has shown the positive effect on noncognitive skills such as persistence, creativity, pro-activity, conflict management, resilience, and emotional intelligence – the 21st Century skills employers look for. These are skills that help youth manage stress, conflict, and setback. Evaluation studies of high school-level curricula in youth entrepreneurship report that six months later, 70 percent of the alumni in a recent evaluation cohort were in college, and 63 percent had jobs. Additionally, entrepreneurship programs generally include financial management training, which is often lacking at home or school environments, but key to gaining economic stability as an adult (Gorman).

Entrepreneurship and Returning Citizens. Individuals with criminal records face significant obstacles to employment from lack of education to employer discrimination. Unemployment is common with 60 to 75 percent of returning citizens unemployed after one year after release from incarceration and individuals who are unemployed face a 45.6 percent five-year recidivism rate. Perhaps because of these barriers, justice-impacted individuals are 22 percent more likely to pursue entrepreneurship than that of similar non-justice-impacted individuals (Smith).

Employment opportunities and living wages significantly reduce the risk of recidivism. Research shows that entrepreneurship decreases the recidivism rate by 13.5 percentage points (or a 30 percent decrease from the 45.6 percent recidivism rate noted above), while employment decreases the recidivism rate by 7.9 percentage points or almost half as effective as entrepreneurship. This may be in part because entrepreneurship increases the possibility of greater income and economic stability compared to wage-employment. "The positive outcomes of entrepreneurship for justice-involved individuals, in terms of income, economic mobility, and recidivism, advance entrepreneurship as an attractive way forward for this population" (Hwang).

Smith points out that not only are returning citizen entrepreneurs more likely to hire employees with criminal records, but that these entrepreneurs have the potential to serve as economic anchors, particularly in "communities disproportionately impacted by the inequities incarceration.

Local and Regional Efforts: In response to the need for equitable small business services within the region, the City of Tucson has established a roadmap for service provision through the Comprehensive Economic Development Strategy (CEDS). This program, adopted by Mayor and Council in May 2022, places small business development as the first goal with specific priorities aimed at improving small business to includes implement a formal business retention and expansion program, providing resources to Tucson's small, multicultural, retail, and tourism-driven businesses, executing a Visual Improvement Program, and the Build the Tucson Legacy Business Program recognizing local businesses with more than 25 years of continuous operation. Associated with each priority are a series of action drivers intended to help deliver success within the program.

The City of Tucson has also allocated resources into the Small Business Navigator Program, which launched in 2022 with the hiring of three bilingual/multilingual Business navigators and a Program Manager. The Small Business Navigator Program provides services that address technical assistance, one-on-one counseling, and workshops/trainings for business planning and expansion. The target audience under these three goals are small business owners and entrepreneurs, underserved, legacy, minority groups and Spanish speaking business owners. The team currently provides multilingual business assistance, primarily in English and Spanish.

During the pandemic, the City of Tucson was able to use American Rescue Plan Act (ARPA) funds to focus on three areas: access to capital, financial health, and leadership acumen, and specifically targeting some hard-hit industries, including travel, tourism, hospitality, and restaurants. Some of the initiatives undertaken with these funds include:

- Co-location of City of Tucson staff with the Tucson Industrial Development Authority (TIDA): The main purpose is to continue working together on the AVANZA loan program, which was created to provide access to capital to women, minority, and veteran-owned small businesses.
- Collaboration with the Arizona Registrar of Contractors to assist small business owners applying for various contracting licenses.
- Academia de Marketing a series of three sessions in Spanish where business owners learned tactics to maximize their marketing efforts, strategies to find success online, and tools to create content online.
- Profit Soup: a platform for business owners that helps them understand their financials, calculate important financial information, and work on creating a solid financial plan. Participants completed this 10-week course, taught in collaboration with the Pima Community College. Businesses walked out of the class with their real information in hand and ready to access capital.

Two other innovative programs provide equitable access to fair credit in Pima County. One is the **Community Investment Corporations' (CIC) BIPOC Community Managed Loan Fund** operated in partnership with the Pima County Industrial Development Authority (PCIDA) and the other is the Avanza Revolving Loan Fund for Minority & Women Business operated under the Tucson IDA. Both provide early-stage capital and support to help entrepreneurs successfully navigate the business development continuum and target businesses in Pima County with at least 50 percent ownership of minority or disadvantaged identities such as Veterans or Women. Both have loan sizes ranging from small ($500 to $5000 minimum) to moderate ($10,000 to $250,000) with coaching and mentoring support, which research tells us is so critical to stabilizing and growing small businesses. Avanza offers low interest rates while the BIPOC fund offers not only zero interest loans, but they do not require collateral, fees, or credit checks.

The Economic Relief Loan for Tucson Businesses is a collaboration between *Chicanos por la Causa* and the City of Tucson to give small business owners in the City of Tucson and South Tucson access to low interest loans with flexible timelines. The City of Tucson also provides a phone number and email for business owners to contact them for help. They have also taken advantage of other community partnerships including Pima County Library and SCORE to provide further outreach and seminars. SCORE is a nation-wide advocator for small businesses and provides local workshops, mentorship, and connects owners to resources. Throughout their 27-library network, the Pima County libraries connect entrepreneurs to a variety of resources including Business Plans Handbook, Reference Solutions (Reference USA), the Foundation Directory and Arizona Guide to Grants. They offer access to computers, free printing, scanning, and faxing. Currently, they are offering bilingual information sessions to writers and artists on marketing their work.

Title 20 of the Pima County Code and Board of Supervisors Policy D29.8 ensures a fair and equitable opportunity for participation in County contracts by local certified Small Business Enterprises (SBE). Where County Contracts are federally funded, however, the County's SBE program may be supplanted by a federal mandate for participation by Disadvantaged Business Enterprises (DBEs). DBEs are for-profit small businesses where socially and economically disadvantaged individuals own at least a 51 percent interest and also control management and daily business operations. African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent Asian Americans, and women are presumed to be socially and economically disadvantaged; other individuals can also qualify as socially and economically disadvantaged on a case-by-case basis. To participate in the DBE program, a small business owned and controlled by socially and economically disadvantaged individuals must receive DBE certification.

These entrepreneurial support organizations (ESOs) can make a significant difference in turning on the economic engine of small and micro businesses. For example, in the first five years, an ESO funded by JP Morgan Chase called *Small Business Forward* partnered with 21 ESOs to provide entrepreneurs with critical business education, connections to capital and access to markets to create more jobs. Over five years, those 21 ESOs raised $1.2 billion in capital that supported more than 8,300 small businesses. Those businesses generated over $1 billion in revenue, created more than 24,000 jobs, and paid $760 million in wages, creating local, inclusive economic growth in those communities (Kent).

Placed Based Strategies: Small businesses can be economic anchors in neighborhoods and a stabilizing force, particularly in culturally diverse and/or low-income neighborhoods. Communities of color are often targeted by outside investors like private equity groups and hedge funds, which worsened in the wake of the Great Recession and possibly as a result of the pandemic as well. To offset this pattern and increase the opportunities for locally owned and controlled businesses, particularly in higher poverty areas, a Brookings Institution report recommended that local and state government create dedicated city funds for commercial real estate acquisition, offer more tax benefits, incentives, and direct grant assistance, expand programs to support small business with technical assistance such as navigating regulations, marketing, access to capital, to start a commercial community land trust pilot program, expand or subsidize broadband/high-speed internet services, utilize economic development tax credits to help small businesses buy property, and expand more support to train workers in fields related to the employee needs of small entrepreneurs (Vey).

“Buy Back the Block” is a growing strategy around the country where cities are expanding or reclaiming real estate ownership for use at the local level, creating opportunities for local residents, often in communities of color, to anchor their businesses. A Brooking study on the ownership of commercial real estate (CRE) found that 1 percent of households own 81 percent of nonresidential real estate. Here too, commercial real estate is plagued by racial disparities, with Black and white households having disproportionate rates of commercial property ownership (3 percent and 8 percent, respectively) (Perry). Moreover, for those households that do own commercial property, the average white household owns $34,000 worth, compared to just $3,600 for the average Black household. (Osemwengie). These disparities limit Black business owners’ capacity to grow their enterprises—and thus their wealth. While these studies specifically compared Black to white disparities, we can assume those same disparities exist to some degree more or less for Latino and Native American entrepreneurs.

Creating these community anchors can have wider impact. “Connection to place” was shown in a recent Knight Foundation study to be the single leading indicator in places that have prosperity. When people love their place, they are more likely to vote, volunteer, start or support local businesses, improving local prosperity for all. Kimber Lanning, Director of Local First Arizona, advocates for rehabbing and using older buildings as vital incubator spaces for local businesses, which also increases the diversity and unique personality that better connects residents to their place (Lanning). Small businesses can work as a powerful civic engagement tool, building trust with area residents, particularly in areas of historic disinvestment.

Relevant to this policy, businesses reported overwhelmingly that these are areas where they need help to stabilize:

- Create dedicated city funds for commercial real estate acquisition.
- Offer more tax benefits, incentives, and direct grant assistance.
- Expand programs to support small business with technical assistance such as navigating regulations, marketing, and access to capital.
- Start a commercial community land trust pilot program.
- Expand or subsidize broadband/high-speed internet services.
- Utilize economic development tax credits to help small businesses buy property.
- Expand more support to train workers in fields related to the needs of small entrepreneurs.[ii]

Supporting local entrepreneurs tends to have broad political support. The Goldwater Institute promotes entrepreneurship as a key to lowering the poverty rate. They cite research from the Initiative for a Competitive Inner City (ICIC), an organization that has tracked more than 600 companies in inner cities across the nation for 13 years. Among the benefits of these businesses, they note that they drive employment in economically distressed areas with 37 percent of the workforce from the local area resulting in remarkably low turnover rates of 12 percent, less than one-third the national average. As their companies grew, many of the entrepreneurs were in a position to buy the building next to the company to expand, often rehabbing buildings that were abandoned and dilapidated. They cite studies showing a statistically significant connection between high levels of entrepreneurship and a drop in property crime.

Overall, they recognize these businesses as “an engine for redevelopment” and a force for stability and pride in these communities” (Slivinski).

Have you considered any unintended consequences? If so, what are they?

Yes, this policy could be used to reinforce systemic inequities if not intentional in ensuring that women, people of color, people with disabilities and returning citizens are not included in the formation of, outreach for and participation in programs. This will help inform how to design programs that address barriers and build trust to achieve success.

List of area experts and/or practitioners that reviewed or provided input into this policy.

- **Barbra Coffee,** Director of Economic Initiatives, City of Tucson
- **Francisca Villegas,** Program Manager, City of Tucson Economic Initiatives
- **Kelle Maslyn,** Administrative Services Manager, Pima County Economic Development Office
- **Patrick Cavanaugh,** Deputy Director, Pima County Economic Development Office

Implementation ideas:

1. Offer entrepreneurial training, internships, apprenticeships, and financial literacy programs that assist young adults in starting their own businesses and increase the employability of young adults.
2. Investigate programs for youth entrepreneurs like BizWorld, Youth Business USA, and COFFECC for applicability in Pima County.
3. Additional data points are needed to be able to craft and measure small business policy initiatives intended to break the cycle of poverty and improve the opportunity to create community wealth. Develop data on low-income small business ownership as a key metric to measure baseline and policy improvements.
4. Right to Start has clearly defined policy recommendations that could be customized for our community. https://drive.google.com/drive/u/0/folders/19W66i3tb17IDXTm3KZVjoh3U5YSOI1JA
5. Hire *Forward Cities* to do an entrepreneurial ecosystem assessmen
6. **Develop a Regional Loan Fund**: The current state budget includes a pilot program of $5 million for an Arizona small business loan fund. This Loan Fund would be available for nonprofit lenders to apply to receive capital to lend to microbusinesses. The capital is limited to loans up to $50,000 and can only fund 25 percent of any single loan. Pima County proposes a similar fund to supplement the microloan fund with an additional 25 percent, helping nonprofit dollars to be leveraged by 50 percent.
7. **Develop a Regional Loan-Loss Guarantee Program**: A loan-loss guarantee encourages both traditional and alternative capital providers to be more inclusive in their underwriting. A loan loss guarantee is a form of insurance that lenders can apply for in the case that a loan goes into default, they can draw on the guarantee to help recoup some of the loss (anywhere between 25 percent - 75 percent of the remaining loan amount). This is an effective social justice and equity strategy because it helps lessen the risk for high-risk loans that might have otherwise been turned away. In order to receive the Loan-Loss Guarantee, they would have to meet certain metrics for serving underrepresented small businesses.
8. **Create Capital Provider Collaboration**: One of the major frustrations for small businesses is going to multiple capital providers and being turned away. Better collaboration between lenders through a shared system would help reduce the barriers for the borrowers.
9. **Expand the use of Navigators**, training seminars and workshops for businesses, providing in Spanish and where possible other languages. Coordinate and collaborate across agencies to lessen confusion and increase access.

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Prioritize Transportation Options to Connect Disadvantaged Communities to Jobs and Resources

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Policy Title: Prioritize Transportation Options and Development to Connect Disadvantaged Communities to Jobs and Resources

Policy Full Text: Identify and prioritize safe, reliable, and affordable transportation options, and encourage mixed-use and transit-oriented developments where appropriate, to better connect disadvantaged communities with jobs and other resources, and reduce travel times, traffic injuries, transportation costs, and air pollution.

Strategic Element:	**Tactical Element:**
Increased employment, educational attainment, and incomes. Improved health and wellbeing.	Individuals and families have safe, reliable, and affordable ways to get to work, school, training, college, medical appointments, and other necessities, as well as visit with friends and families, and participate in community activities. Travel times are shorter. Households have more money to spend on housing and other household needs.

Problem Statement:

Long travel times, limited walkability, segregated land uses, and a lack of safe, reliable, and affordable transportation, can be a significant barrier to connecting to jobs, childcare, school, college, grocery stores, healthcare and other essential services, all of which limit the potential for low-income residents to maximize their income, stay healthy and move out of poverty. A lack of accessible transportation is associated with less healthcare utilization, lack of regular access to medical care, and missed medical appointments. Local governments often prioritize spending on car-dependent transportation improvements over public transportation, even though the latter has detrimental environmental impacts. Transit advocates often prioritize transit over car-based solutions even though many low-income households have cars. Many low-income households own cars even though the costs of owning and operating a car can be the second highest household expense behind housing. Low-income children are often more likely to have worse health outcomes and missed days of school due to air pollution caused in part by transportation-related emissions. Low-income individuals are more likely to face severe or fatal traffic injuries due to higher walking rates, higher volume and higher speed streets, and other factors. Low-income and minority communities have historically been less represented in the transportation planning and investment decision-making process and have disproportionally been affected by transportation impacts.

“Public transportation” refers to a variety of publicly funded options, including buses and vans (fixed route or on-demand), and streetcars, as well as subsidized car sharing, ride hailing and bike sharing.

How will the policy: (1) ensure the availability of jobs that will economically support a household, 2) increase housing stability, 3) provide equitable and effective resources, and/or 4) build individual and community assets?

This policy aims to improve employment and educational opportunities for low-income individuals and families by improving transportation access to jobs, job training and education. With transportation spending being equal or close behind housing costs as a share of household income, decreasing household spending on transportation provides more money to spend on housing and other household needs. Improving transportation access to doctors’ appointments and other essential resources, improves health and wellbeing. A safe, reliable, and affordable transportation network is an asset to the entire community.

Why policy is applicable to the Pima County region?

The U.S. Department of Transportation provides interactive maps for areas of persistent poverty and historically disadvantaged communities, referred to in this policy brief as "disadvantaged communities" (USDOT Data Hub). The information below results from comparing the locations of these disadvantaged communities with a number of housing and transportation indicators (H+T Index) also available geographically, which attempt to identify the affordability of living in certain locations.

It is important to note that the City of Tucson has already been incorporating the transportation needs of disadvantaged communities into their transportation planning, including the City's MoveTucson transportation plan and the Comprehensive Transit Operational Analysis under development. The City of Tucson also adopted an award winning Complete Streets policy and design guide, and appointed a Complete Streets Coordinating Council to review transportation projects, help prioritize transportation investments, and provide public oversight over complete streets implementation. While not exclusively focused on disadvantaged communities, the Complete Streets policy comprehensively incorporates many similar strategies citywide. The Town of Sahuarita's street standards require complete street elements, and the Town has established main roads that offer excellent connectivity throughout Sahuarita. Sahuarita has also worked closely with Sun Shuttle to ensure that bus stops are placed in locations where affordable housing is most likely to be built. The Town of Marana is currently developing a 25-Year Transportation Master Plan that will identify opportunities to improve access, safety and connectivity to Marana's traditionally disadvantaged communities. The Town of Oro Valley operates their own transit system, which disproportionately serves low-income individuals, those with disabilities, seniors and others with barriers to accessing auto-dependent transportation. Recent federal grant applications submitted by Pima County have focused on transportation investments in disadvantaged communities or benefiting disadvantaged communities by improving access to key destinations or services.

Disadvantaged communities on Tucson's Southside, Southwest side, Northwest side including Flowing Wells, and rural areas of Marana and Pima County have **low transportation access to jobs** (H+T Index 2022, USDOT Data Hub). In addition, households in some of these same high poverty communities (primarily Tucson's Southside, Northwest side, portions of Avra Valley, and the Tohono O'odham Nation) also have **low rates of internet access**, making it more difficult to telecommute to jobs, use telehealth, or connect to other resources for those lacking transportation (Connect Pima 2023).

Average **transportation costs** for households in these same disadvantaged communities outside of central Tucson **range from 18% to over 30% of household income, or from \$10,000 to over \$13,000 annually** (H+T Index 2022, USDOT Data Hub). Disadvantaged communities in central Tucson tend to have lower average transportation costs, **but still exceed 15% of household income, or over \$9,000 annually**. It is worth noting that on average across Tucson, **household spending on transportation is EQUAL to spending on housing (23% on each, 46% total)**. **On average across Pima County, household spending on transportation is only one percent less than spending on housing (26% on transportation, 27% on housing, 53% total)**. Pima County has a higher-than-average number of single parent families. These families often have the lowest incomes with the highest proportion of their income spent on transportation (Nelson 2021). Over 50% of renters in Tucson and Pima County are housing cost burdened (spending more than 30% of income on housing). Similar to the more well-known housing cost burdened measure, there is also a transportation cost burdened measure of 15% of household income.

Disadvantaged communities on Tucson's Southside and Northwest side including Flowing Wells, have **moderate access to public transportation**, while disadvantaged communities on Tucson's southwest side, in Sahuarita and rural areas of Marana and Pima County are **largely car dependent with limited access to public transportation** (H+T Index 2022, USDOT Data Hub). The percent of households in disadvantaged communities along the I-10/I-19 corridor that had no access to a personal car range from 12% to as high as 42% in one census tract (EJ Dashboard)**. This compares to 7 percent of households overall in Pima County that have no vehicle access, or 30,000 households**. (ACS 2021 5-year).

The walkability of neighborhoods varied greatly across disadvantaged communities, from **low density with limited walkability, to high density and walkable**.

Disadvantaged communities on Tucson's southwest side, northwest side, and rural areas of Marana and Pima County, have **longer commute to work times** compared to those in central Tucson. (Opportunity Atlas)

Tucson was ranked the 13th most dangerous metropolitan area for pedestrians, and the average fatality rate between 2016 and 2020 was higher than the previous five years. The Tucson pedestrian crash rate for 2022 was estimated to be 22 fatalities, which is roughly almost twice the national rate, which has also been increasing in recent years. In 2016, the U.S. Department of Transportation ranked Tucson as being in the 29th percentile for bicycling road traffic fatalities per 100,000 residents and 19th percentile for pedestrian road traffic fatalities per 100,000 residents (USDOT Health Tool).

Disadvantaged communities on Tucson's Southside and along the I-10/I-19 corridor live in **areas with higher ozone and diesel particulate matter, caused in part by vehicle emissions** (EPA EJ Screen and Mapping Tool).

A review of Pima County's **workforce development** program data found that about **21% of enrolled clients used transportation assistance subsidies** funded with Federal Workforce Investments Opportunity Act (WIOA) funds to access workforce development activities, i**ncluding 45% of youth clients**.

Pima Community College cited **transportation as one of two key barriers for college students** that local governments may be best suited to address, with the second being childcare (I.Roark, Vice Chancellor of Workforce Development & Innovation, 2023). In addition, **transportation costs related to commuting to college and other forms of post-secondary education/training are not eligible expenses from Arizona 529 educational savings accounts, Pell grants and many other forms of post-secondary funding.**

While urban, suburban and rural communities have different types of transportation needs, local governments in Arizona are heavily dependent on state shared transportation revenues known as Highway User Revenue funds (HURF), which are constitutionally limited to non-transit expenses. **This limits spending on transit for communities where it is most needed**. In a typical year, the City of Tucson spends approximately one-third of its transportation budget on transit (Hartley, 2023) Pima County's spending on transit (via an annual funding contribution to RTA) has ranged from 3% to 10% of total transportation spending per year over the past 10 years.

The City of Tucson owns and operates a regional transit system within the City boundaries and boundaries of South Tucson, with some routes extending into unincorporated Pima County and suburban towns. **The RTA operates a separate system in some areas of unincorporated Pima County, which is branded to match the City of Tucson system. Oro Valley owns and operates its own transit system. Oro Valley's ridership has double post pandemic and with free fares.** RTA partially funds all three systems. In Oro Valley, for example, RTA funds 90 percent of the transit costs. Pima County, Marana and Oro Valley make maintenance of effort payments to RTA for transit; Sahuarita and South Tucson do not. Transit services include fixed and express bus route service, on demand and dial-a-ride van service, and ADA service for persons with disabilities.

Through the **City of Tucson's MoveTucson** transportation planning effort, more than **4,000 people** commented between Nov. 2019 and Aug. 2021. Common themes included: **prioritizing safety for all types of travel, improving trip times and the reliability of public transportation, providing more options to get around, investing in improving what we have, improving safety and comfort by adding shade and reducing speeds, and making cross town travel** more efficient across all modes. When asked how to spend $25 during a participatory budgeting exercise, Tucsonans responded: $7 Roadway Maintenance, $5 Public Transportation, $4 Biking, $4 Driving, $3 Walking + Rolling, $1 Shared Modes, $1 Shared Micromobility.

Over 165 employers located in Pima County representing over 150K employees in Pima County, who have 100 full-time equivalents (FTEs) or more, are required by Pima County or City of Tucson ordinances to participate in the **Trip Reduction Program** administered by PAG. **By encouraging and assisting employees to use alternative transportation modes to commute**, their actions can help to reduce traffic congestion and vehicle emissions for cleaner air, reduce the impacts of climate change, **increase access to employment for lower income employees without cars, and reduce transportation costs for lower paid employees.**

Housing and Transportation Affordability Index, Center for Neighborhood Technology (2022): https://htaindex.cnt.org/
US Department of Transportation Data Hub, Areas of Persistent Poverty and Historically Disadvantaged Communities Map Tool (2023): https://datahub.transportation.gov/stories/s/RAISE-Persistent-Poverty-Tool/tsyd-k6ij/
Connect Pima: Household Poverty and Internet Access by Census Block Group. https://experience.arcgis.com/experience/b8dfb2c4d8734068994364691b8096ef
Nelson, Arthur C., Hibberd, R., Currans, K & Iroz-Elardo, N. Transit Impacts on Jobs, Peopleand Real Estate. NITC-RR-1253. Portland, OR: Transportation Research and Education Center (TREC), 2021. https://ppms.trec.pdx.edu/media/project_files/NITC-RR-1253_Transit_Impacts_on_Jobs_People_and_Real_Estate_Full_Final_Report_4xRglcW.pdf
Opportunity Atlas. Fraction of working adults over age 16 with commute to work times less than 15 minutes. https://www.opportunityatlas.org/
https://smartgrowthamerica.org/dangerous-by-design/
https://www7.transportation.gov/transportation-health-tool/indicators/detail/az/msa/tucson#indicators
Center for Disease Control's Environmental Justice Dashboard: https://ephtracking.cdc.gov/Applications/ejdashboard/
EPA's Environmental Justice Screening and Mapping tool: https://ejscreen.epa.gov/mapper/
https://movetucson.tucsonaz.gov/

Cite research for evidence-based strategies to reduce poverty endorsed or recommended by nonpartisan, objective, and well-recognized authorities.

In other Prosperity Initiative policy briefs, evidence-based strategies have been provided for reducing poverty by improving educational attainment, health, housing opportunity, and household income. **The majority of these strategies require connecting individuals and families to jobs, childcare, schools, colleges, job training programs, doctors' appointments, etc., which requires physical mobility, the ability to digitally connect, or home visitation and mobile services.**

While there is a growing body of research that transportation insecurity is a key factor in persistent poverty, national transportation experts and the U.S. Department of Transportation's Federal Transit Administration (FTA) have recognized the need for additional research to document impacts, as well as to identify more specific strategies that work to address transportation insecurity. The FTA recently awarded funds to the University of Minnesota Center for Transportation Studies to design and lead the new Mobility, Access and Transportation Insecurity: Creating Links to Opportunity Program (FTA 2023).

With that said, the National Academy of Sciences, Harvard, the Brookings Institute, the Urban Institute and others have made evidence-based recommendations concerning transportation strategies for disadvantaged communities. **These recommendations are in the areas of improving access to high quality transit and car ownership for low-income households to improve employment and wages; reducing commute times and car usage by improving the proximity of housing, jobs and services, and increasing frequent transit service; reducing household transportation costs; increasing transportation assistance for those in workforce training programs and for low-income workers; improving traffic safety; reducing exposure to transportation created pollutants; and involving under represented communities in transportation planning and decision making.**

Access to cars and high quality transit increases employment and wages for those in poverty and in rental housing voucher programs

This report references **multiple sources showing evidence that access to cars improves employment, wages and earnings for low-income people. The report also references the downside of car ownership for the poor and the environment and suggests a more pragmatic approach to transportation policy that integrates access to both cars and high quality transit for low-income households.** More research is needed on the effectiveness of a variety of programs that subsidize the cost of buying, owning and maintaining a car, including providing access to fair credit, and subsidizing the cost of car sharing and ride-hailing. **The authors recommend multi-stakeholder collaborations that align smart automobile solutions with transit to meet the diverse short and long-term mobility needs of low-income households.**

Pendall, Rolf. June 2016. What if Cities Combined Car-Based Solutions with Transit to Improve Access to Opportunity? Urban Institute. Metropolitan Housing and Communities Policy Center. https://www.urban.org/research/publication/what-if-cities-combined-car-based-solutions-transit-improve-access-opportunity

In the 1990s and early 2000s, the U.S. Department of Housing and Urban Development sponsored two major experiments to test whether rental housing vouchers improved the economic outcomes of low-income households initially and 10 to 15 years. The first of these was the Moving to Opportunity (MTO) for Fair Housing program, which **was designed to test whether poor families with children benefited from moving from high poverty neighborhoods to low poverty neighborhoods. MTO involved over 4,000 families, a third of which were required to use rental housing vouchers to rent in low-poverty neighborhoods, a third who could use the vouchers with no geographic restrictions, and a third who remained in public housing.** The other was the Welfare to Work Voucher experiment (WTW), initiated in 1999, which **tested the impact of rental housing vouchers on where participants lived, their ability to obtain and retain employment, and welfare dependency.** Over 7,000 families received either a rental housing voucher that could be used to rent housing anywhere vouchers were accepted, and those that did not receive housing rental vouchers. Although slightly different, the purpose of the two voucher programs was to assess whether low-income families benefitted from living in lower-poverty neighborhoods—either through improved neighborhood conditions or better economic and health outcomes. These programs **produced experimental data (treatment and control) for housing voucher participants in 10 major U.S. metro areas**. Previous studies reported significant outcomes for families that moved to low-poverty neighborhoods, including immediate health benefits to parents and increased educational attainment and employment outcomes for children at adulthood. This more recent study used the data produced by both experiments to examine differences in residential location choice and **employment outcomes between rental housing voucher recipients that had access to cars and those without access to cars**

Notable findings regarding effects of car and transit access and residential location choice:

- Families with access to cars found housing in neighborhoods where environmental and social quality consistently and significantly exceeded that of the neighborhoods of households without cars. Program participants with access to automobiles moved to areas with lower concentrations of poverty, higher concentrations of employed adults, higher median rents, more owner-occupied housing, lower vacancy rates, greater access to open space, and lower levels of cancer risk.
- Especially noteworthy, families with car access felt safer in their neighborhoods and were less likely to live in neighborhoods with high crime rates than those without car access.
- Over time, households with automobiles experience less exposure to poverty and are less likely to return to high-poverty neighborhoods than those without car access.
- Keeping or gaining access to automobiles is positively related to the likelihood of employment.
- Improved access to public transit is positively associated with maintaining employment but not with gaining employment.
- On earnings, both cars and transit access have a positive effect, though the effect for auto ownership is considerably greater.
- Because the importance of automobile access may also reflect the inadequacy of public transportation, policies to enable households to move to transit-rich neighborhoods can also help participants retain employment.

From the perspective of employment and wage outcomes, the findings underscore the positive role of automobiles and high quality transit for rental housing voucher participants. The importance of automobiles arises because public transit systems in most metro areas are slow, inconvenient, and lack sufficient metro-wide coverage (not high quality). Authors call for strengthened coordination between transportation and housing programs, along with additional research into auto-related solutions for low-income households.

Pendall, Rolf, Dawkins, Casey, Blumenberg, Evelyn. March 2014. Driving to Opportunity: Understanding the Links Among Transportation Access, Residential Outcomes, and Economic Opportunity for Housing Voucher Recipients. Urban Institute. https://www.urban.org/research/publication/driving-opportunity-understanding-links-among-transportation-access-residential-outcomes-and-economic-opportunity-housing-voucher-recipients

In a review of transportation barriers for housing voucher families in Dallas Fort Worth, the author stated that "while publicly funded transportation subsidy programs exist, much debate and controversy persist around how to and which mode of transportation to subsidize. Some studies argue that car ownership should be encouraged for low-income families in order to increase their welfare. Car ownership promotion remains highly controversial because other research argues that it may notably lead to greater societal car dependence; it conflicts with progressive Smart Growth principles; and fuels the popular opposition to assist individuals excessively benefiting from governmental assistance. Hence, a greater number of researchers and advocates support the subsidization of public transit. The pursuit of equity in transportation affects individuals in various ways– depending on the equity lens. As a means to account for structurally derived disparities, and positing that disadvantaged populations deserved special attention, the author opting for a need-based equity approach, **supports policies that facilitate access to private transportation for low-income families. Transportation authorities should be working towards enhancing the quality, and so, competitiveness of public transit in serving critical destinations (i.e. employment, health care facilities)**. In addition, the author recommends that **Public Housing Authorities and transportation agencies collaborate to increase public transit affordability for voucher recipients notably through targeted discounts and subsidies."**

Igoufe, Myriam. 2018. Assessing Cumulative Barriers to Transportation: An Integrated Framework of Equity Analysis for Housing Choice Voucher Families in the Dallas Fort Worth Region. The University of Texas at Arlington.
https://rc.library.uta.edu/uta-ir/bitstream/handle/10106/29160/IGOUFE-DISSERTATION-2018.pdf

For workers without access to cars, an analysis of the relationship between transit-based job accessibility and employment outcomes found that improved transit-based job accessibility significantly improves the probability of being employed and the probability of working 30 hours or more per week for those living in highly auto-dependent cities. In this study "job accessibility" is defined as the number of jobs within a certain distance or travel time. Being able to access jobs close to home or with short commute times is often has a greater impact on attaining and retaining a job for those without personal vehicles versus those with personal vehicles. While the study also cited literature showing that personal vehicle ownership increasing access to job opportunities, it also noted that the cost of publicly subsidizing personal vehicle ownership is often controversial and excessive auto dependence which increases traffic congestion and pollution is a public concern. **Two approaches are recommended: creating job opportunities in transit-rich neighborhoods, and improving public transportation services to better connect people to jobs (including extending service hours and frequency of fixed-route transit services, expansion of bus and rail services to underserved areas, and van-pooling and ride-sharing services).**

Kawabata, Mizuki (2003). Job Access and Employment among Low-Skilled Autoless Workers in US Metropolitan Areas. Sage Journals. https://journals.sagepub.com/doi/10.1068/a35209

Commutes can be made easier through dedicated or enhanced transit route services. In the past, governments have added routes that were not as frequently traveled, and this helped low-income workers. These grants were made through the Job Access and Reverse Commute Program. Reverse Commute grants helped fund the costs of adding reverse commute bus, train, or carpool service from urban areas to suburban workplaces. **Policymakers can also nurture the development of "intelligent, independent transportation services that fill transit gaps through web-based hailing technologies for shared rides**" (Kaufman et al. 2015, 5).

Kaufman, Sarah M., Mitchell L. Moss, Jorge Hernandez, and Justin Tyndall. 2015. "Mobility, Economic Opportunity and New York City Neighborhoods." New York: New York University Wagner School, Rudin Center for Transportation Policy & Management.

This 2018 review describes factors that shape people's use of public transportation in a multi-city longitudinal study of 25 transit agencies in North America. The findings show that cost of fares and rate of resident car ownership are significant factors that impact the level of public transportation ridership. **The authors find that municipalities can increase public transportation ridership by further investing in services and operations, fare reductions, incentives to increase density and disincentivize car ownership. Additionally, ride-sourcing and bicycle-sharing systems can be complementary or flexible alternatives to existing bus public transport. Car-sharing programs are associated with a reduction in citywide car ownership, improved access to healthcare appointments, and increase in access to a wider geography of economic opportunities.**

Boisjoly, Geneviève, Emily Grisé, Meadhbh Maguire, Marie-Pier Veillette, Robbin Deboosere, Emma Berrebi, Ahmed El-Geneidy. (2018). Invest in the ride: A 14 year longitudinal analysis of the determinants of public transport ridership in 25 North American cities. *Transportation Research Part A: Policy and Practice*. 116:434-445. https://www.sciencedirect.com/science/article/pii/S0965856418300296?via%3Dihub

Federal Reserve Banks recognize that reliable transportation is a necessary component of economic mobility for the working poor, and lack of transportation traps people in poverty by decreasing access to jobs, childcare, grocery stores, and other essential resources (Philly Fed 2018, Cleveland Fed 2019).

https://www.businessinsider.com/lack-of-transport-is-a-major-obstacle-to-employment-for-americas-poor-2018-1
Philly Fed, "access to reliable transportation was discussed as a necessary component of economic mobility and quality of life."
Adiah Bailey https://www.clevelandfed.org/publications/notes-from-the-field/2019/nftf-20190905-proposed-solutions-for-breaking-the-cycle-of-poverty

Impact of transportation subsidies

Kansas City, Missouri, a city in comparable size to Tucson, **initiated a fare-free city-wide program in 2019**. While the disruptive landscape of the COVID-19 pandemic complicated the evaluation of this experimental fare-free program, the program did show a substantial increase in ridership pre-pandemic, and a quicker recovery by October of 2020 to 80% of pre-pandemic levels which the rest of the country remained at 40%. The Kansas City system demonstrated more resiliency in ridership than other transit systems across the country, which was credited to the fare-free program. In 2021, Kansas City riders reported increased accessibility to different aspects of their life, including grocery shopping, healthcare services, pursuing personal goals, and social gatherings. A majority of riders also mentioned **increased access to employment (81.97%), and training or education (79.24%). Riders reported increased frequency of bus use as a result of the free fares (89.80%) and increased travel distances (83.87%)**. The fare-free program reportedly helped create a better image of the city leaders among the riders (86.24%), and many riders feel safer on the bus (79.60%).

Tauheed, L., Manalakos, P., & Johnson, R. (2021). RideKC-Zero Fare Executive Summary Quality-of Life Survey 2021. Charting the Path Forward: Is Equity Enough? 80-85. https://www.ulkc.org/2021-black-kc-1-1

Transportation subsidies such as **student passes (Fan and Das 2015) or employer-provided transportation (Sanchez 2008) can reduce financial barriers to accessing transportation**. Beyond subsidies, some communities are **making public transportation entirely free and are piloting free ride-hailing services** (Gardner 2019). Further, programs could invest in models to **provide late-night service to meet the public transportation needs of late-shift worker**s. For example, Detroit is investing in 24-hour transit service. To increase safety, the city installed **police cameras and additional lighting at transit stops** (APTA 2019).

Fan, Yingling, and Kirti Das. 2015. Assessing the Impacts of Student Transportation on Public Transit. Minneapolis: University of Minnesota, Center for Transportation Studies.
Sanchez, Thomas W. 2008. "Poverty Policy, and Public Transportation." Transportation Research Part A 42 (5): 833–41.
Gardner, Keona. 2019. "Pick up your smartphone for a free ride if you live in southwest Port St. Lucie." TC Palm, December 9.
APTA (American Public Transportation Association). 2019. "Supporting Late-Shift Workers: Their Transportation Needs and the Economy." Washington, DC: APTA.

Reviews of existing literature across the nation suggest that **workforce development participants receiving supportive services (such as transportation subsidies), in combination with technical training and case management, have more positive employment and earnings outcomes compared to groups that do not receive such services**.

WIOA Research Portfolio, June 2021. Jonah Deutsch, Katherine Allison-Clark, and Armando Yañez, Mathematica for the Department of Labor https://www.dol.gov/sites/dolgov/files/OASP/evaluation/pdf/WIOA%20Portfolio%20Research%20Evidence%20Scan.pdf)

Commuting and the Impact of Land Use Patterns on Child Opportunity

A continuing study by Harvard's Opportunity Insights is frequently cited when it comes to commute to work times and upward mobility. The Opportunity Atlas and prior work before the Atlas, is a collaboration between the U.S. Census Bureau and Opportunity Insights, a non-partisan, not-for-profit organization based at Harvard University. It uses de-identified census data linked to federal income tax returns for millions of children and their parents, and American Community Surveys. The interactive map allows cities and counties **to determine the extent to which the location where a child grows up impacts their economic opportunity** (incomes, educational attainment, etc.) in adulthood. The researchers refer to this intergenerational mobility as "social mobility" or "upward mobility". At the county level, **children from lower income families in Pima County were found to have one of the lowest chances of moving up the economic ladder compared to other counties in the U.S**., with wide variation across census tracts within Pima County. Researchers also found that **50-70% of the observational variation in children's outcomes reflects the causal effect of where they grow up. Furthermore, for children in lower income households the strongest predictor of these causal effects is the proportion of people in the county/commute zone where these children grow up that have short commute times. Reducing commute times by one standard deviation in the county/commute zones areas in which a child is raised is associated with a 7 percent increase in income in adulthood. The researchers use short commute times (a census data point) as a proxy for sprawl (low-density development and segregated land uses).** Other causal characteristics of counties that have higher rates of upward mobility include less geographical segregation by household income and race, lower levels of income inequality, better schools, lower rates of violent crime, and a larger share of two-parent households. Raj Chetty, one of the authors, stated, "we must tackle social mobility at a local level, not just a national one. **That must include connecting the residents of low-income neighborhoods to job opportunities in the broader region, as well as attracting better options locally**. Improving proximity to jobs alone certainly won't tackle our social mobility challenges, but it can ameliorate problems like segregation, concentrated poverty, and low-density sprawl that pose real barriers to economic progress for low-income kids and families."

Note that commuting to work accounts for less than 20 percent of all trips taken, and that long travel times for other types of essential trips are likely to be impact low-income households disproportionately (Federal Highway Administration 2011, USDOT Commute Mode Share).

The Impacts of Neighborhoods on Intergenerational Mobility I: Childhood Exposure Effects Raj Chetty, Nathaniel Hendren QUARTERLY JOURNAL OF ECONOMICS, 133(3): 1107-162, 2018 DECEMBER 2017. https://opportunityinsights.org/paper/neighborhoodsi/
https://www.nytimes.com/2015/05/07/upshot/transportation-emerges-as-crucial-to-escaping-poverty.html
Close to home: Social mobility and the growing distance between people and jobs (Natalie Holmes and Alan Berube Tuesday, June 9, 2015) https://www.brookings.edu/blog/social-mobility-memos/2015/06/09/close-to-home-social-mobility-and-the-growing-distance-between-people-and-jobs/

The impact of land use patterns and segregated land uses on housing and transportation costs

A 2008 study published by the Brookings Institute examines workers' commuting costs and travel modes, the relationship between housing and commuting costs, and how workers' commuting and housing characteristics vary in the large U.S. metropolitan areas. The focus of the analysis is on the working poor, but the discussion frequently draws on the experiences of all workers. Key findings rely on data from the U.S. Census Bureau's Survey of Income and Program Participation for over 30,000 workers: (1) The working poor spend a much higher portion of their income on commuting compared with other workers, (2) the combined costs of commuting and housing make up a larger portion of the household budgets of the working poor than other households, and (3) the working poor carpool, use public transit, and bike or walk twice as much as other workers. The study references the housing and transportation affordability index created by Center for Neighborhood Technology (CNT), which allows for comparisons of combined housing and transportation costs across neighborhoods, cities, etc., and evaluating t**he financial impact of location decisions**. Key factors that contribute to the housing and transportation cost burden include limited affordable housing, few transit options, and **few employment centers near or in residential neighborhoods (the spatial mismatch)**. The study also includes effective strategies frequently discussed to provide the working poor with commuting assistance: **Better coordination of housing and transportation planning, public transit as a less expensive option than driving and particularly effective for intra-urban travel, car ownership and car sharing programs for workers not well served by public transit (noting that driving imposes other costs in addition to operating expenses, including air-pollution, traffic congestion, and increased oil dependence).**

"The commuting burden experienced by the working poor has been shown to be a symptom of larger local and regional trends, including **development and land use patterns, residential segregation, and changing local economies.** The outcomes of such trends can be seen in metropolitan areas across the United States where workers commute longer and farther between affordable housing and employment opportunities. Commuting provides a key link to economic mobility for the working poor. **With access to affordable transportation options, the working poor are able to commute to opportunity—find better jobs, lower household expenses, and increase their earnings….Employment requires mobility.** Workers need transportation to jobs and child care centers and other services that make work possible."

Commuting to Opportunity: The Working Poor and Commuting in the United States, Elizabeth Roberto, Brookings 2008
https://www.brookings.edu/wp-content/uploads/2016/06/0314_transportation_puentes.pdf

Multiple sources provide evidence to indicate a clear **"location advantage"** when it comes to household transportation costs. According to national expert Scott Bernstein, cofounder of the Center for Neighborhood Technology, "Average household outlays in Pima County averaged $12,233, while those in Tucson averaged $8,690, a difference of $3,543 or almost $300/household less than county wide. You might say that the location efficiency of Tucson—**the net effect of being more compact, convenient and connected—provides this benefit, the equivalent of a 10% raise tax-free**."

Rural communities need thoughtful land development policies that **encourage the development of rural village centers** rather than strip malls along highways on the periphery of communities. Over the past 40 years, research has shown that low-density, unconnected development is more costly to the public and local governments than compact development. In rural communities, it can be tempting to see any new development as a positive force, but **development on the low-density outskirts of communities can make it harder for people to access daily needs without a car while undermining the long-term resilience of the community's economy in the process**.

Smart Growth America. (2015). The Fiscal Implications of Development Patterns A Model for Municipal Analysis. https://smartgrowthamerica.org/resources/the-fiscal-implications-of-development-patternsoverview/

Safe and Healthy Environments

Disadvantaged neighborhoods tend to have roadway design and traffic patterns that when combined with higher rates of pedestrian usage, contribute to increased traffic injuries and fatalities. Black, Hispanic, and Native Americans are killed as a result of traffic crashes at higher rates than White Americans. Furthermore, exposure to numerous environmental contaminants due to proximity to sources of pollutants such as freeways, has been linked to worse health outcomes for children and missed days of school. The National Academy of Sciences recommends that local governments **engage in urban planning improvements to enhance traffic safety and eliminate road hazards (e.g. legislate speed limits) to prevent traffic and pedestrian injuries and deaths, especially in marginalized communities**.

National Academies of Sciences, Engineering, and Medicine. 2023. *Closing the Opportunity Gap for Young Children*. Washington, DC: The National Academies Press. https://doi.org/10.17226/26743.
https://smartgrowthamerica.org/dangerous-by-design/
https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/813118

One well-cited study estimates that the risk of death for adults over 15 years of age in a crash increases from 10% with impact speeds around 17 miles per hour to 75% or 90% with impact speeds of approximately 41 and 48 miles-per-hour respectively (Tefft 2013, table 4)—making persons or households with low-vehicle ownership rates who are more dependent on pedestrian, cycling, or transit travel particularly more vulnerable in areas with higher speeds. Tefft also found that older pedestrians were at higher risks as well, citing an average risk of severe injury or crash for a 70-year-old pedestrian was roughly equivalent to a 30-year-old impacted around 11-12 miles-per-hour faster at any given speeds.

Tefft, B. C. (2013). Impact speed and a pedestrian's risk of severe injury or death. Accident Analysis & Prevention, 50, 871–878. https://doi.org/10.1016/j.aap.2012.07.022

The National Academy of Sciences recognizes that multi-level approaches are needed to address inequities in the distribution of environmental contaminants such as those related to transportation-caused pollution and suggests **evaluating construction and urban development plans to reduce dependence on automobile transportation**.

There are no shortage of studies that **link reduced automobile dependence with greater multimodal destination accessibility, and numerous studies linking higher density, mixed use, transit accessible areas to reduced automobile dependence and lower rates of vehicle miles traveled** (see Ewing & Cervero 2010 for a review). Automobile dependence is the cyclical prioritization of auto travel that results in few alternative options for mobility and access (e.g., Urry 2004, Handy 2012), **but the likely contributing factors in automobility extend beyond land use and transportation decisions, including cultural and political institutions.**

Populations on the lower end of the socio-economic spectrum and minorities are disproportionately exposed to traffic and air pollution and at higher risk for adverse health outcomes. In this study, Pratt et al (2015, page 13) point to strategies around four central themes:

(1) Reducing exposure from current infrastructure, such as adding barriers between residential areas and corridors, traffic calming, signalization optimization with pedestrian emissions in mind, traffic circles instead of stoplights and stop signs (possibly linked with idling emissions increases), disincentives to driving and preferences in operations for non-automobile travel.
(2) Recommending to travelers' personal actions that reduce individual exposures, such as route choice public service information campaigns, increasing distances around idling vehicles or busy corridors, considering personal residential location choices and travel options when moving.
(3) Encouraging less polluting transportation technologies, such as electric and hybrid vehicles, which while more expensive, contribute less to increases in air pollution than gasoline counter parts.
(4) Building future infrastructure informed by environmental equity considerations to prevent further exacerbating the historic discrepancies in exposure to environmental contaminants.

Ewing, R., & Cervero, R. (2010). Travel and the Built Environment: A Meta-Analysis. Journal of the American Planning Association, 76(3), 265–294.
Urry, J. (2004). The 'System' of Automobility. Theory, Culture & Society, 21(4–5), 25–39. https://doi.org/10.1177/0263276404046059
Handy, S. (2012). A Cycle of Dependence: Automobiles, Accessibility, and the Evolution of the Transportation and Retail Hierarchies. Berkeley Planning Journal, 8(1). https://doi.org/10.5070/BP38113081
Editors: De Abreu e Silva; Currans; Van Acker; Schneider (2023). *Handbook on Transport and Land Use: A Holistic Approach in an Age of Rapid Technological Change.* Edited book. https://www.e-elgar.com/shop/usd/handbook-on-transport-and-land-use-9781800370241.html
Pratt, G. C., Vadali, M. L., Kvale, D. L., & Ellickson, K. M. (2015). Traffic, Air Pollution, Minority and Socio-Economic Status: Addressing Inequities in Exposure and Risk. International Journal of Environmental Research and Public Health, 12(5), Article 5. https://doi.org/10.3390/ijerph120505355

Complete Streets are a relatively new approach to transportation infrastructure, with a focus on expanding and improving infrastructure for walking, biking and other travel modes through design. A recent study of 26 complete street projects across 17 counties in metropolitan areas found that **population overall and minority population along Complete Streets grew faster than the county as a whole, median incomes rose faster, and households with children grew at a rate almost double. These Complete Street projects tended to attract middle and upper wage jobs at a faster pace, attracted more jobs than proportionate to their land area**, and that 2/3 of the change in workers living along Complete Street corridors used modes other than the automobile in their commute to work. It is also worth noting that multi-family rents increased, which shows the need for proactive anti-displacement strategies to be implemented along with Complete Street investments. The study did not specifically review Complete Streets located in disadvantaged communities, nor the impact specifically on low-income populations.

Nelson, Arthur C. and Hibberd, Robert, Do Complete Streets Make a Difference? (January 22, 2023). Available at SSRN: https://ssrn.com/abstract=4334552 or http://dx.doi.org/10.2139/ssrn.4334552

Have you considered any unintended consequences? If so, what are they?

There could be unintended consequences if we focus on a single strategy as opposed to a comprehensive approach.

For example, if we restrict development of affordable housing to only areas with existing transit access, we may inadvertently limit opportunities for many low-income families that have cars to improve their health, educational attainment, employment and wages by moving to low-poverty neighborhoods that lack transit.

If we focus only on reducing commute times to work, we may identify the need for more freeways and higher-speed roadways that can create barriers to access and mobility and increase air pollution for those living nearby. While higher speed and limited access roadways are be part of an overall transportation system, a comprehensive approach must consider other the recommendations to improve safety through slowing traffic, reducing transportation-caused pollution, expanding transit, and reducing household transportation costs, which are higher for those that own cars and live further from employment opportunities and services.

If we focus transit improvements only on disadvantaged communities, an unintended consequence could be longer transit commutes times for other riders, which may discourage transit use and increase air pollution.

Increased funding for electric vehicle car-based programs could accelerate environmental improvements, while encouraging an increased rate of conversion for the energy economy. However, if funding for this purpose decreases funding 1:1 for transit, we decrease or delay the development of high quality transit and the related environmental and economic benefits associated.

Has policy proven to be more effective for certain populations and if so who?

This policy is focused on disadvantaged communities, the demographics of which include higher rates of low-income households and people of color.

People of color who live in racially segregated communities and on reservations face disproportionately high transportation cost burdens and access constraints (NAS 2021 Racial Equity Addendum) and therefore benefit from programs that remove cost-burdens and increase access. People of color are particularly affected by spatial mismatch between residences and economic opportunities (Kneebone and Holmes 2015) and are disproportionately low-income and face more barriers to affordable housing and job opportunities than white residents (Cass et al. 2017).

Fixed-route transit systems include bus rapid transit (BRT) and express bus transit (XBT) routes in dedicated lanes plus such rail-based systems as streetcar transit (SCT), light rail transit (LRT), heavy rail transit (HRT), and commuter rail transit (CRT). They do not include traditional bus or express routes that flow with regular traffic. A key purpose of fixed-route transit systems is to attract people and households to live near transit stations located along them. There is very little research into the extent to which this occurs. Arthur C. Nelson is a pioneer in creating a consistent methodology using census data to evaluate the extent to which people and households are attracted to transit stations. Using census American Community Survey 5-year sample data applied to 30 metropolitan areas for 2013 and 2019—a period between the Great Recession and the COVID-19 pandemic—Nelson found that nearly all the change in people and households were attracted to the first 100 meters of transit stations, with very little occurring in the rest of the ‘‘½-mile circle’’ (about 800 meters). While streetcar systems serve mostly downtowns, other fixed route systems such as BRT, LRT and HRT serve larger corridors linking suburban nodes to downtown and other regional centers such as airports and universities. Streetcar systems would thus capture significantly less future growth within the region compared to other region-serving fixed-route systems, even if those other systems attract growth also within just the first 100 meters.

Additionally, **most of the increase in residents in the first 100 meters of fixed-route transit stations include minority persons and surprisingly large shares of households with children, which is inconsistent with displacement and gentrification expectations.** Recent analysis by Nelson and Robert Hibberd published in 2023 (https://journals.sagepub.com/doi/10.1177/03611981221105872) combined with updated market analysis reported by the National Association of Realtors in 2023 (https://www.nar.realtor/reports/nar-community-and-transportation-preference-surveys) suggest that demand for transit station proximity may be higher in the future than before the pandemic.

The availability of reliable transportation and transit options directly affects the **physical health of individuals, especially historically marginalized and more vulnerable populations**. 21% of adults in the United States without access to a vehicle or public transit went without needed medical care in 2022. Individuals who lacked access to a vehicle but reported neighborhood access to public transportation services were less likely to skip needed care. Black adults (8%), adults with low family incomes (14%), and adults with public health insurance (12%) were all more likely to forgo needed care due to difficulty finding transportation; and adults with a disability (17%) were more than three times as likely to report skipping care due to transportation concerns. (Arizona Partnership for Healthy Communities)

Automobiles can be particularly important for low-income women who often juggle paid work with household-serving responsibilities and would benefit greatly from the flexibility offered by driving. Many studies have examined the effect of automobile ownership on outcomes for welfare participants—largely poor, female-headed households. These studies produce similar results: a positive association between household automobiles and employment rates, the likelihood of leaving welfare, and an increase in earned income (Pendall et al. 2014)

Low-income riders and riders already using public-transportation reported taking more trips when fares were free (NAS 2012).

For elderly people, access to safe transportation and seating on that transportation are particularly important (Wong et al. 2018).

An important economic hub in Tucson is the University of Arizona. In other university-affiliated communities, fare-free programs saw a decrease demand for parking in and around campus, increased **student access to campus, and reduced transportation costs for students** (UCITS, King & Taylor 2023). Pima Community College reports the cost and accessibility of transportation to be a key barrier for low-income students.

While vulnerable populations and low-income households are likely to benefit most from safe, reliable and affordable transportation options, an **increase in transit usage also benefits the wider community.**

National Academy of Sciences, Engineering and Medicine (NAS). (2012). Implementation and Outcomes of Fare-Free Transit Systems. Washington DC: The National Academies Press. https://doi.org/10.17226/22753

Kneebone, Elizabeth and Natalie Holmes (2015). The Growing Distance Between People and Jobs in Metropolitan America. *Brookings Institute: Metropolitan Policy Program.* March 2015. Washington DC.

Nelson, Arthur C, Hibberd, Robert. 2023. Influence of Transit Station Proximity on Demographic Change Including Displacement and Gentrification with Implications for Transit and Land Use Planning After the COVID-19 Pandemic. National Academy of Sciences: Transportation Research Board 2022. https://pubmed.ncbi.nlm.nih.gov/36618819/

Pendall, Rolf, Dawkins, Casey, Blumenberg, Evelyn. March 2014. Driving to Opportunity: Understanding the Links Among Transportation Access, Residential Outcomes, and Economic Opportunity for Housing Voucher Recipients. Urban Institute. https://www.urban.org/research/publication/driving-opportunity-understanding-links-among-transportation-access-residential-outcomes-and-economic-opportunity-housing-voucher-recipients

June 2023. Place Matters: The intersection of housing and health. Arizona Partnerships for Healthy Communities. Place Matters: The Intersection of Housing and Health (arizonahealthycommunities.org)

Wong, Szeto, W. Y., Yang, L., Li, Y. C., & Wong, S. C. (2018). Public transport policy measures for improving elderly mobility. Transport Policy, 63, 73–79. https://doi.org/10.1016/j.tranpol.2017.12.015

National Academies Press (NAS). 2021b. Racial Equity Addendum to Critical Issues in Transportation. https://nap.nationalacademies.org/catalog/26264/racial-equity-addendum-to-critical-issues-in-transportation

Cass, N., Shove, E., & Urry, J. (2005). Social Exclusion, Mobility and Access. *The Sociological Review*, *53*(3), 539–555. https://doi.org/10.1111/j.1467-954X.2005.00565.x

King, H., & Taylor, B. D. (2023). Fare-free? Reduced fares? What research tells us about strategies for pricing public transit. UCLA: Institute of Transportation Studies. http://dx.doi.org/10.17610/T6WC8Z Retrieved from https://escholarship.org/uc/item/93p7h6dv

Cite Return on Investment (if applicable):

In a study of Kansas City, MO, which initiated a city-wide fare-free program in 2019, the wider regional GDP was projected to increase between $13 million and $17.9 million indirectly because of “ZeroFare KC”. This positive impact would be the result of the fare cost savings to riders, many of whom have annual incomes below $40,000 who would be able to redirect those expenditures towards real estate, hospitals, wholesale trade, and insurance (Tauheed 2021).

Tauheed, L., Manalakos, P., & Johnson, R. (2021). RideKC-Zero Fare Executive Summary Quality-of Life Survey 2021. Charting the Path Forward: Is Equity Enough? 80-85. https://www.ulkc.org/2021-black-kc-1-1

According to the Urban Opportunity Agenda, improving access to jobs with increased transit, rideshare, employer shuttles, and more not only benefits low-income workers, but expanding transit access benefits employers by widening the work pool, and making it easier and less costly to get to work helps families of all income levels. A 10% increase in public transit access to jobs requiring an associate degree or less would result in 5,444 newly accessible jobs. If 20% share of those newly accessible jobs paying $15 an hour would go to people living below poverty this strategy would reduce the poverty gap by $34 million in Tucson. The poverty gap is defined as the aggregate income necessary to increase incomes to above the poverty line.

Urban Opportunity Agenda web tool, Tucson profile, created by the Center for Neighborhood Technology with support from the JPB Foundation. https://uoa.cnt.org/location.php?addr=Tucson,%20Arizona

Every $1 invested in public transportation generates $5 in economic returns. Every $1 billion invested in public transportation supports and creates approximately 50,000 jobs. Every $10 million in capital investment in public transportation yields $30 million in increased business sales.

https://www.apta.com/news-publications/public-transportation-facts/#:~:text=%E2%80%8BEvery%20%241%20invested%20in,million%20in%20increased%20business%20sales.

List of area experts and/or practitioners that reviewed or provided input into this policy:

- **Arthur C. (Christian "Chris") Nelson**, Ph.D., FAcSS, FAICP. Emeritus Professor of Urban Planning & Real Estate Development, University of Arizona
- **Kristina M. Currans**, Associate Professor, Urban Planning, College of Architecture, Planning, and Landscape Architecture, University of Arizona
- **Paul Casertano**, Deputy Transportation Director, Pima County
- **Johnathan Crowe**, Transportation Planner, Pima County
- **Patrick Hartley**, Complete Streets Program Manager, City of Tucson
- **Ryan Stephensen**, Planner, Pima County Community and Workforce Development
- **Penny Pestle**, President, Sahuarita Food Bank.
- **Anna Casadie**, Planning and Building Director, Town of Sahuarita
- **Emily Yetman** and **Evren Sonmez**, Living Streets Alliance
- **Ian Roark**, Pima Community College, Vice Chancellor of Workforce Development and Innovation

Implementation ideas:

1. Develop multi-modal transportation master plans for unincorporated Pima County, Oro Valley and Sahuarita to identify needs and prioritize investments. Pima County's plan should have a sub-regional focus, or sub-regional planning could occur independently similar to the current Southwest Area Mobility Study, as needs could differ significantly between sub-regions. Tucson already has a transportation master plan called "MoveTucson", and Marana is in the process of developing a 25-year transportation master plan.
2. MoveTucson includes an equity index for prioritizing projects that weights certain projects more heavily when located in higher inequity areas. Pima County, Marana, Oro Valley and Sahuarita could consider developing a similar index to assign a higher priority ranking for projects located in disadvantaged communities or that connect disadvantaged communities to opportunities elsewhere in the region.
3. Consider a variety of solutions that improve high quality transit access and car access for low-income households. The U.S. Economic Development Administration's Distressed Area Recompete Pilot Grant Program will invest $200 million in persistently distressed communities to create and connect people to good jobs. Eligible funding activities include transit improvements as well as loans for buying cars or for car repair. HUD's Pathways to Removing Obstacles to Housing grant focuses on increasing housing opportunities for workforce housing in suburban communities with affordable housing shortages, including funds for transit improvements.
4. As Pima County develops the regional Safe Streets For All Safety Action Plan, consider the needs in disadvantaged communities, as well as how a Complete Streets policy, Vision Zero policy, slower speed limits and other policies, programs and standards can improve safety.
5. Continue to support free or reduced transit fares and consider additional measures to reduce transportation costs for disadvantaged communities and low-income households, including subsidized car/bike sharing, ride hailing opportunities, subsidies that reduce car ownership costs, including access to fair credit and other methods.
6. Pima County, Marana, Sahuarita, and South Tucson, as jurisdictions that do not directly operate transit, should continue to advocate for improved transportation options for disadvantaged communities through the PAG/RTA Transit Working Group and provide recommendations.
7. City, Town and County comprehensive plan updates (i.e. PlanTucson, Pima Prospers) and corresponding zoning codes should include specific and detailed mixed-use development/redevelopment centers or infill zones that encourage locating housing closer to schools, jobs, health care and other essential services, and encourage more dense development patterns with streets that support pedestrian, bike and transit-oriented modes of travel. Zoning code text amendments should be pursued that encourage the development of multifamily housing along major transportation corridors. Street standards and site plan requirements should be revised to align with these objectives.
8. Work with PAG and employers that are subject to the Travel Reduction Program (TRP) and Pima County and City of Tucson's TRP ordinances, to review existing ordinances and strengthen meaningful compliance. This includes improving the following local governments' compliance since each are employers with over 100 employees: Pima County, City of Tucson, Town of Oro Valley, Town of Sahuarita and Town of Marana.
9. Pima County should proactively identify workforce training client needs for transportation assistance and provide assistance.
10. Efforts to increase the supply of affordable housing should continue to consider the transportation needs of tenants and homeowners.
11. Electric vehicle (EV) infrastructure and electric ride share planning should continue to consider the needs and opportunities in and for disadvantaged communities, particularly in areas where access to public transit is low, rural areas where there are less gas stations and in areas where car-operating costs are higher due to longer travel distances.

Prioritize Workforce Development for Underserved Populations

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Policy Title: Prioritize Workforce Development for Underserved Populations

Policy Full Text: Prioritize workforce development for low-income job seekers with evidence-based case management practices that include apprenticeships, on-the-job training, and supportive services that prepare participants for jobs with self-sufficient wages and benefits.

Problem Statement: The Brookings Institution estimates that 50% of all jobs in Pima County are low wage. Jobs for the Future states it well: "Near-term stability isn't enough; workers need pathways that lead to long-term prosperity." To achieve those pathways for low-income jobseekers, the additional and often hidden barriers need to be addressed. Living in poverty means living with the stress of managing a world with not enough time, money, and other resources. Those lack of resources often derail a person from accessing training programs or completing them, which keeps them in a cycle of only being eligible for low skill, low wage jobs.

Additionally, the U.S. government is heavily investing in green infrastructure jobs that will increase climate resiliency. This once in a lifetime investment creates an opportunity to use job training in those career pathways as a way to move low-income families into good paying jobs with benefits. When that happens, the impact is generational.

The research is clear that traditional job training programs often do not provide the needed support for low-income jobseekers to be successful. However, there are several successful program models across the United States as well as in Pima County that have demonstrated positive results. It should be noted that Pima Community College has been nationally recognized for its innovative and effective programs, including its iBest model and its integration of Navigators and Coaches.

The American Institutes for Research names five key elements for successful workforce programs, which are repeated across the research:

1. Coordination and collaboration across the workforce, education, industry, and economic development sectors;
2. Career development/planning and goal/mobility coaching;
3. Dual focus on skill building for in-demand, high-growth occupations and sectors (i.e., job specific skills) along with 21st century skills (i.e., communication, teamwork, critical thinking, and problem-solving skills; also known as general skills);
4. Authentic work experiences and earn-and-learn opportunities;
5. Wraparound support services

Strategic Element:	Tactical Element:
• More low-income families will now be accessing better paying jobs with benefits, building economic stability. • Reduced reliance on public benefits. • We will have strengthened our own Pima County workforce to take critical green infrastructure jobs that make our community more climate resilient.	• There will be improvements in our workforce training system to be more effective for job seekers with additional barriers. • More low-income people will be able to enter and complete training programs that lead to careers and better paying jobs. • Opportunity youth will be given new opportunities to reconnect with education and employment.

● There will be fewer youth who are disconnected from education and employment. ● The next generation will be healthier, achieve better educational outcomes, and therefore be better equipped to continue moving into higher paying and high demand jobs. ● Employers will be able to hire locally to fill those high demand jobs and retain workers. ● Those with higher educational attainment and quality jobs will be less likely to be involved in crime.	● Returning citizens and their families gain more economic stability and reduce the chances of recidivism.

How will the policy: (1) ensure the availability of jobs that will economically support a household, 2) increase housing stability, 3) provide equitable and effective resources, and/or 4) build individual and community assets?

Ensure the availability of family sustaining wage jobs: Employment is the primary way that an individual or family avoids poverty. Unfortunately, working full time does not ensure that a family will be lifted out of poverty or near-poverty. This policy focuses efforts on connecting jobseekers who are low-income and have additional barriers with career pathways to jobs that pay a self-sufficient wage, provide an advancement ladder, and cover basic benefits like health care, sick leave, vacation, or retirement. This is not a new idea. President Roosevelt said on June 16, 1933 "No business which depends for existence on paying less than living wages to its workers has any right to continue in this country." There is evidence that the pandemic has permanently reduced participation in the economy. Now is the time to invest in better paying jobs that attract people back into the workforce and lift families out of poverty.

Increase housing stability: With better paying jobs and benefits, families will have the financial assets to be able to afford rent or reach for home ownership.

Provide equitable and effective resources: This policy targets those groups historically left out of access to good paying jobs. Those effective and proven resources detailed in this policy from research including randomized, control studies describes more intensive case management, wraparound supportive services, work based learning and more.

Build individual and community assets: With increased income and economic stability, families will have the financial resources to put towards asset building. Most of those who would be impacted by this policy have children. The Career Advance and New Hope studies showed secondary positive impacts on children, which means they are more likely to achieve greater economic stability as adults, benefiting their families and the wider community in the long term.

Why policy is applicable to Pima County region?

The Brookings Institution estimates that 50% of all jobs in Pima County are low wage, most with few benefits. Low wages trap families in economic instability, increasing their possibility of facing an eviction, falling into debt, increasing health problems, and other major disruptions. Large federal investments will provide once in a lifetime opportunity for access to well paying jobs, but those jobs will go unfilled if we don't plan for, develop, and train a workforce. We have significant resources with the Pima County One Stop system that frequently exceeds state performance goals, Pima Community College (PCC) and the University of Arizona (UA), both Hispanic Serving Institutions with strong track records, and nonprofits like JobPath, that have created an effective model for moving low-income adults through training to self-sufficient wage jobs. PCC is considered one of the highly successful community colleges in workforce development in the country.

Additionally, Hispanics make up a larger share of the workforce with participation rates at 62 percent compared with 52 percent for non-Hispanics. Currently, Hispanics are 38% of our population and projected to grow by 9 percent in the next five years. In Arizona, their purchasing power is expected to grow by 23 percent by 2026, reaching more than $90 billion (Tucson Hispanic Chamber 2023 Market Outlook Report).

Has policy proven to be more effective for certain populations and if so who?

Traditional workforce development approaches often don't provide sufficient supports for jobseekers who face additional barriers. Those barriers include historic discrimination that has left certain groups, particularly women and people of color, out of higher paying career paths, including union and trade jobs. This policy addresses that gap and is specifically looking at approaches that can increase completion rates for job training programs for job seekers who are low income, single parents, people of color, Opportunity Youth, immigrants, and returning citizens.

Cite research for evidence-based strategies that inform this policy, including references to well-recognized, non-partisan, and objective authorities that endorse or recommend these strategies:

Why Traditional Workforce Development Isn't a Poverty Reduction Strategy

In the post WWII economy, unskilled workers could find well-paying jobs in manufacturing and other industries, which made it possible to reach middle class income levels with only a high school education. Research shows that good-paying jobs for workers with a high school education or less have largely disappeared, moved overseas, or were lost to automation. To obtain livable-wage jobs that are in high demand today—in fields like healthcare, advanced manufacturing, information technology, transportation/logistics, and many parts of the service sector—workers need at least some postsecondary education or training. In addition to occupation-specific skills, employers expect employees to be competent in areas like communication, collaboration, digital literacy, and problem-solving skills.

In 1993, the US Department of Labor issued a report evaluating the Job Training Partnership Act (JTPA), then the nation's largest employment and training program for economically disadvantaged adults and youth. The report had mixed reviews of JTPA's impact and a subsequent study found that the early positive impacts for adults faded after three years. As a result, many conservative and liberal policymakers viewed the studies as evidence that job training did not work and subsequently cut funding for job training programs.

Since then, employment and training programs and strategies have evolved. **The Workforce Innovation and Opportunity Act (WIOA)** was signed into law in 2014 with wide bipartisan support, the first legislative reform of the public workforce system since 1998. WIOA was designed to help job seekers access employment, education, training, and support services – and to connect those skilled workers with employers in order to be competitive in the global economy.

WIOA's purpose is "**to help people attain economic self-sufficiency**, while giving employers opportunities to train, hire, and retain workers" and to **"to improve the quality of the workforce, reduce welfare dependency, increase economic self-sufficiency,** meet the skill requirements of employers, and enhance the productivity and competitiveness of the Nation." The Department of Labor recognizes that historical inequities in accessing good jobs and wage disparities based on race, ethnicity and gender need to be addressed and WIOA is a key tool. In 2022, for example, men earned on average $1,164 weekly, while all women earned on average $971 weekly. Black women earned, on average even less, just $830 weekly and Latino women earning less—just $782 per week or almost $20,000 less per year (Brundage, 2016). These historic disparities deepened as a result of the pandemic.

Many national organizations including the National Skills Coalition (NSC) believe that to build back a post-COVID workforce, we need to create a more inclusive economy that provides pathways to recovery for the workers and businesses who were most impacted by this recession and who have faced and continue to face economic exclusion, marginalization, and discrimination. **To achieve that, NSC believes a set of expansive, industry- and worker- targeted**

skills policies, accompanied by the necessary income and social service supports, must be part of the strategy (Unruh, 2020).

Reducing poverty means connecting low-income job seekers to jobs that pay a living wage. In communities like Pima County, **half of the jobs are low wage jobs**, according to a Brookings Institution Report. This means more "good jobs" are needed. The Departments of Commerce and Labor **define a good job** as one that helps workers achieve economic stability and mobility, while prioritizing diversity and worker voice. They have jointly identified eight key principles of a good job that in addition to a stable and predictable living wage includes benefits (health insurance, retirement plans, workers' compensation benefits, paid leave, etc.), safe working conditions, the right to organize, career advancement and more (Parton). [iii]

Nearly all jobs meeting these criteria require training. Generally, the better paying the job, the longer the training program, although there are many jobs that provide entry into a pathway for better paying jobs with career advancement that can be achieved in shorter time periods. One of the challenges is that many low-income job seekers need a job and a paycheck today. Even if tuition is covered, training programs require time that competes with the need to work, provide or find childcare, and manage household responsibilities. Limited education can also mean that remedial classes are needed before the job seeker can start a training program. **Connecting low-income job seekers with good jobs means going well beyond the traditional strategies to help them address the multiple barriers that stand in their way.** It requires a set of supports that have proven successful in a variety of programs across the country. It is a standard that many workforce programs do not meet.

Highlights of Programs with Evidence Based Research Supporting Their Effectiveness

Sectoral programs train people for existing jobs in high-demand industry sectors that pay well for workers without four-year college degrees. This section, reviews four of the most effective models: *Year Up*, Project Quest, Per Scholas and CareerAdvance. They have had multiple studies, including randomized control and longitudinal studies, showing evidence of lasting positive impacts on participants' employment and earnings (Katz et al., 2022). An overview of JobPath, a successful local organization built on Project Quest's approach, is also included. The second section looks at other programs with promising practices but less definitive results. The third section highlights the successes and lessons learned from Pima Community College, considered one of the highly successful community colleges in workforce development.

Year Up, Project Quest, and Per Scholas achieve success by combining skill-based training with in-person case management and coaching, an array of supportive services, and direct pipelines to local employers. They target somewhat different demographics though all participants are low-income, and the majority are people of color. For example, *Year Up* serves youth and young adults often considered "Opportunity Youth," Project Quest serves predominantly Latino/Latina adults older than 24, and Per Scholas predominantly adults of color. These are the same demographics that should be prioritized in Pima County. Although implementing these models is resource intensive for program administrators and requires highly knowledgeable staff, which can limit the replicability and scalability of these programs, JobPath has successfully more than doubled the number of adults it serves and expanded to three additional counties in its service area.

Year Up**:** *Year Up*'s in a nonprofit with the mission of closing the "Opportunity Divide," which they describe as "the gap between millions of young adults with low incomes and U.S. firms seeking to find well-qualified entry-level workers in technical fields." Founded in 2000 by Gerald Chertavian, *Year Up* was developed to serve economically disadvantaged urban young adults ages 18 to 24, often called Opportunity Youth and described as young adults with lower academic skills who don't pursue education or training and withdraw from the labor force. One study described the economic consequences of Opportunity Youth as "enormous" and estimated that each year, each individual youth imposes an immediate taxpayer burden of $13,900 and an immediate social burden of $37,450 compared to other youth. After age 25, the future lifetime taxpayer burden rises to $170,740 and a social burden to $529,030 (Belfield, 2012). Interventions that reconnect opportunity youth provide documented individual and social value.

Over 90% of *Year Up* participants are individuals of color and virtually all are from low socio-economic backgrounds. Year Up recruits students with a high school diploma or equivalent who are motivated and who, with assistance, can overcome challenges and successfully enter careers in fast-growing technical occupations. It now operates in eight locations across the country as a sectoral training program that helps young adults build skills for success in high-demand, high-wage careers, such information technology (IT) and business services. The program provides six months of industry-specific and career readiness training, followed by an additional six months of paid internship with a local employer.

Year Up's "high support, high expectations" model provides extensive services, particularly important since the students must attend full time, and sets high standards for professional behavior. The model is considered one of the most effective workforce training programs for young adults. The four major components of the *Year Up* program model includes:

1. **Continuous Assessment**. *Year Up* participants are assessed during the admissions process; during onboarding to the program; and throughout the program via course grades, periodic evaluations from staff and employers, and structured feedback.

2. **Instruction**. Participants receive formal instruction in business communications; professional skills (e.g., practical business communication and networking skills, critical thinking and problem solving, teamwork, self-regulation, financial literacy); and technical skills (e.g., IT, financial operations). Local offices also provide a wide range of workshops and other ad hoc learning opportunities.

3. **Wrap Around Supports**. Participants are offered a wide array of services to support successful completion of the program. These services include advising, mentorship, learning communities, supportive services and connections to external services, stipends, and contracts with financial incentives to encourage professional behavior. Students receive weekly stipends (typically $150 during the first half and $220 during the second half of the program) to help cover transportation and other program-related expenses. Professional social workers meet regularly with participants to offer support.

4. **Employment Connections**. *Year Up* works closely with employers and they participate in the teaching of workshops, class projects and on-site events, and host workplace visits to introduce their companies to the participants. During the latter half of the program, participants work as interns in professional settings and receive supports for career planning and post-program job placement. Payments from employers for interns cover 59% of *Year Up* 's costs (Fein, 2016).

***Year Up* measures its success in three areas:**

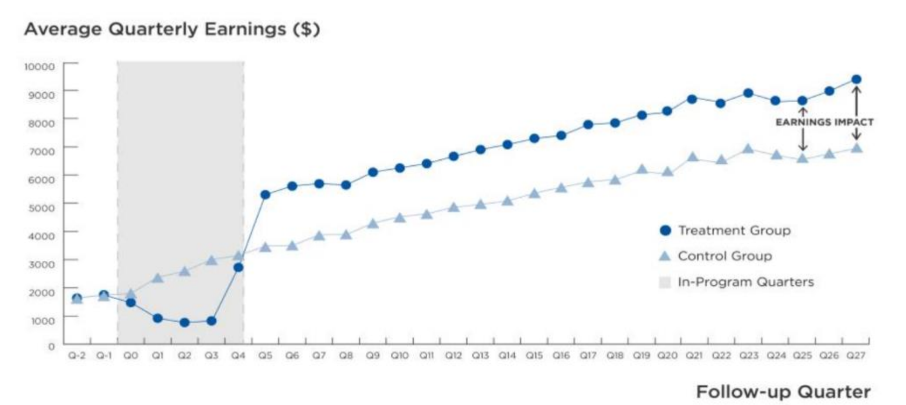
1. **Success in Career-Track Employment** following the program largely in terms of full-time work in targeted occupations at $15/hour or above at four months post-graduation.

2. **Pursuit of Further Education** as measured by college persistence and completion once graduates are financially stable. To this end, during the program participants are enrolled at local colleges and earn credits for completing Year Up courses.

3. **Improvements in Other Life Outcomes**. The model posits that good jobs will raise income and assets and thus enhance other dimensions of individual and family well-being in the longer term (e.g., physical and mental health, formation of healthy family and social relationships)

Partnering with the Administration for Children and Families, the Social Innovation Fund, and Abt Associates, [*Year Up* is one of nine leading programs] selected to take part in the federally-sponsored Pathways for Advancing Careers and Education (PACE) Evaluation. A randomized control study measuring the impact of strategies for increasing economic self-sufficiency, this evaluation provided a seven-year framework for findings, which included:

1. ***Year Up*'s large positive earnings impacts persisted undiminished to the end of the seven-year follow-up period**. The average quarterly earnings were $1,895 higher for treatment than control group members (a 28% increase over the control group's $6,901 average quarterly earnings). Impacts of about $2,000 per quarter continued throughout the seven years, though the size of impacts varied to a considerable degree across groups.
2. **Favorable impacts extended to wider financial outcomes** such as increases in household and personal income and decreases in housing insecurity, debt, and public benefit receipt.



ix years out, average earnings for Year Up treatment group were 30% higher than the control group.

3. **The net benefits to society per participant rose** from $15,349 in the five-year analysis to $33,884 for the seven-year period, representing a $2.46 return per dollar spent on *Year Up* —the difference between a net benefit of $57,019 and a net cost of $23,135.

The report continued to emphasize the importance of intense, comprehensive and full-time programs as having the right mix of elements to create this kind of success. Specifically, they mentioned:

- Careful applicant screening identifies young adults who will benefit from services and thereby help to bolster employers' confidence in *Year Up* and its graduates.
- The imperative to develop and maintain strong relationships with employers creates strong incentives to focus training on marketable skills.
- Training aims to equip students with technical knowledge they need to function credibly in the workplace; as well as skills needed to thrive in corporate social settings.
- Strong supports and high expectations help ensure that participants receive the full dose of training and advance to internships.
- Internships offer opportunities to further transform classroom knowledge into real capabilities and get to know prospective employers.

- Employer payments to *Year Up* for interns provide critical program revenue and increase incentives for employers to help interns succeed.

The key is strong organizational practices and shared values to fuse these elements into a cohesive whole. When asked to identify the most important program ingredients, a number of staff, participants, and employers interviewed said that synergies across multiple components were critical for success.

For comparison's sake, another study compared *Year Up* to two other sector-based, youth internship programs that target Opportunity Youth, Youth Build and YAIP. Both Youth Build and YAIP are shorter programs and offer fewer supportive services. Neither comparative program showed any discernable gain in income for the participants though it should be noted that both programs overall served youth with more barriers (like no high school diploma) than *Year Up*. Notably, *Year Up* is seeking to expand using a version that is delivered in a community college setting (Bloom, 2018).

Per Scholas: Over its 27-year history, Per Scholas Program has been successful in helping more than 17,000 individuals traditionally excluded from technology gain the skills and certifications needed for employment high-growth careers in the sector. Eighty-five percent of Per Scholas learners are people of color, more than a third identify as women, and less than half have an education credential beyond a high school diploma or GED. About 80 percent of participants need additional supports to absorb difficult and technical materials. (Amin).

Like Project Quest, it focuses on building a strong employer network and active relationships. Through its more than 850 employer partners, **graduates go on to earn four times their pre-training wage** in a variety of roles, including IT support specialists, Java Developers, software engineers, and cybersecurity analysts. Per Scholas' mission is to advance economic equity through rigorous and cost-free tech training and direct connections to careers. CompTIA A+ certification is the industry-standard certification for IT professionals and acquiring this certification is an important step in gaining high-quality employment in the field of IT, which offers stable employment with livable wages. When compared with learners who do not earn any certification, 72% of participants were more likely to obtain a job within four months of graduation. Rigorous studies of Per Scholas' model have shown that the model produces large earning gains for participants six to nine years after participation (Cade, 2023).

Project Quest: Project Quest, begun in 1992 in San Antonio, Texas, seeks to engage and support low-income adults in training for middle skill health care occupations. Services include financial assistance with college expenses, remedial instruction, intensive individual and group counseling, and job search and placement services. Participants must start with a high school degree or equivalent and most of these programs took one to two years after students met prerequisite requirements.

Most participants are Latino and low-income. In one study, the majority of participants were female and Latina, many were of Mexican ancestry, but fewer than 10% were immigrants themselves. Seventy-one percent were between the ages of 25 and 64—older than traditional college-age students – and 72% had children under the age of 18. About 70 % of participants had a high school diploma at enrollment, while a quarter had dropped out of high school and earned a GED. Nearly half (46%) of participants had attended some college but had not attained a degree. Twenty percent had earned a certificate or license in a health-care occupation. Nearly all participants (99%) had worked at some point prior to applying to Project Quest, only 42% had worked during all 12 months of the prior year, with average earnings among all participants of only $11,387.

In the first year of the program, Project QUEST pays 100% of tuition and fees for participants who pursued training, as well as the costs of books, uniforms, required vaccinations and drug testing, tutoring and review courses, and licensing exam fees. In the second year, Project QUEST paid 50% of the tuition fees. Key to the program's success, they also provide funds in both years for supportive services, such as transportation, medical care, eye exams, utilities, and childcare. The amount of financial assistance the program offers for supportive services increases in the second year to offset some of participants' tuition costs. Participants receive services for an average of 22 months.

Another example of Project Quest's approach of intensive support are the career counselors who work with participants from the time they are accepted into the program until they obtain a job. A mainstay are weekly group meetings—called **Vision, Initiative, and Perseverance** (or VIP) sessions—led by counselors and held on the college campuses. These sessions focus on life skills, such as time management, study skills, test-taking techniques, critical thinking, and conflict resolution. During the study period, the sessions shift to focus more on workforce readiness skills, including writing résumés and cover letters, and completing applications. Participants are required to attend the VIP sessions weekly while they are taking classes and to hand in class attendance sheets signed by their instructors in order to continue receiving tuition assistance from Quest. The VIP sessions allow counselors to monitor students' progress in class and check in on how they are doing. Counselors are also available to meet one-on-one with participants to help them solve problems and to refer them to needed supports, such as assistance with utility bills, childcare, food, or tutoring.

Another important element are the occupational development staff whose role was to maintain relationships with employers to understand the skill sets they require and to work with the community colleges to modify existing training programs or develop new ones to meet employers' needs. Both the career counselors and the employment coordinator provide participants with information about upcoming job fairs and identified employers that are hiring.

In 2005, a small, randomized control study was conducted. Overall, 69% of Quest participants completed training and 43% earned the targeted health-care certification. Importantly, Quest participants who needed to take remedial classes had strong program completion and earnings outcomes. Additionally, a number of impressive outcomes of the study stand out including earnings impacts that continued to increase through the sixth year, participants were more consistently employed and earned higher hourly wages than control group members, and participants were significantly more likely than control group members to earn $15 an hour or more six years later. The program raised average earnings by $2,286 (14%) in the third follow-up year and those effects grew steadily to reach $5,080 (22%) by the sixth year. This annual earnings gains of between about $4,000 and $5,700 continued through years 9 through 11 (Roder and Elliot, 2021).

It should be noted that the non-profit JobPath program operating in Pima County is modeled off of Project Quest. Their program mirrors many of the key elements that help students to persist through challenges to achieve success, including:

- JobPath gives special attention to creating and maintaining high quality support for each student. The relationship between the student and their coach begins during the intake meeting to create their individualized financial plan and identify potential future challenges. JobPath's strengths- based approach gives students ownership over how they utilize their funds and which of the offered resources they will need.
- Students' success is attributed also to the funds they receive to help them overcome barriers and the care of their coaches that guide them through difficult times. Recognizing that students often need support in areas beyond what is in JobPath's purview, we have developed a network of agencies to which they can refer students.
- JobPath recently developed a new program area called Workforce Readiness that provides job search skills, opportunities to improve their soft skills, an area employers continue to express is lacking in the workforce, and employer connections. The soft skills component includes both an online platform and instructor-led workshops on important topics such as communication, critical thinking, negotiation, and self-management.
- The Workforce Readiness team is engaged with over 20 key employers to better understand their needs and

ensuring students are fully prepared for the workplace.

Ninety percent of JobPath participants complete their program of study, and graduates see an increase in annual wages of $39,700 compared to their pre-training wages. Participants graduate and 85%which when calculating the decrease in public assistance in increased tax revenue represents.

Mirroring these program elements of these featured programs, the American Institutes for Research (AIR) Workforce Development and Economic Mobility/Prosperity Workgroup has five key goals into what creates success for under-resourced populations (Perez-Johnson and Holzer, 2021):

1. Coordination and collaboration across the workforce, education, industry, and economic development sectors;
2. Career development/planning and goal/mobility coaching;
3. Dual focus on skill building for in-demand, high-growth occupations, and industry sectors (i.e., job specific skills) and 21st century skills (i.e., communication, teamwork, critical thinking, and problem-solving skills; also known as general skills);
4. Authentic work experiences and earn-and-learn opportunities;
5. Wraparound supports services that help job seekers navigate systems and overcome barriers.

Additionally, they emphasize strong employer relationships that guide and create work-based learning. “One best practice is ensuring that individuals are trained in the content and skills that employers need—and that they get some on-the-job or work-based learning experience. Programs like *Year Up* have shown that with six months of training to develop technical and professional skills and six months of a work-based learning experience, an individual can be out in year in a job and earning a living wage. Five years later, that same person is still out-earning individuals who did not participate in that program (Zachry Rutschow, 2023).

CareerAdvance program is a two-generation program that has been extensively studied (Sabol, 2021). Run by the Community Action Project of Tulsa County (CAP Tulsa), CareerAdvance offers education and training in the health care sector for the parents of children enrolled in CAP Tulsa’s Head Start programs. Because parents’ and children’s lives are interdependent, synergistic, and dynamic, and improvements in one generation affect improvements in the other, CareerAdvance includes a number of key components that reflect a dual developmental or a two-generation framework. The program offers intensive services to support parents’ participation, such as tuition coverage, as well as in-kind services, such as after-school care or transportation to offset wages lost while attending school. The program’s goals are to improve economic outcomes, family dynamics, and children’s educational and health outcomes (National Academies of Sciences, Engineering, and Medicine, et al., 2023 *Closing the Opportunity Gap for Young Children*).

Tulsa’s Head Start programs provide unusually high-quality programming compared to average Head Start programs nationwide. For instance, all programs are full-day (compared with 52% nationwide) and all teachers have bachelor’s degrees. The parents receive intensive services for **stackable, sector-based training for high demand health care sector jobs**. They incorporate best practices in adult education. In addition, CareerAdvance takes a relational approach to career development, offering weekly peer partner meetings at the Head Start centers, led by trained career coaches.

Importantly, CareerAdvance also **provides tuition coverage, incentives, and in-kind assistance** (e.g., after-school care or transportation) to encourage participation and to offset the reduced wages parents may incur while attending school. The program has several **structural components that are designed to align parent and child services**. Parents’ and children’s schedules are coordinated, and family support staff work with both parents and children within families.

A recent quasi-experimental evaluation of CareerAdvance found that parents who enrolled in the program had **higher levels of certification, employment in the health care sector, and psychological well-being** compared to matched comparison parents after 1 year. **After 2 years**, CareerAdvance participants also **had greater household income and improved physical health and improved psychological wellbeing** compared to matched comparison parents (Chase-Lansdale, et al.). Among children, the program was associated with **improved attendance and reductions in chronic absenteeism after 5 months** (Sommer et al., 2020).

Planning for the Benefit's Cliff

The benefits cliff is the loss of eligibility for public safety-net programs and the benefits they provide as a worker's income rises above eligibility limits. The overall impact can be a net loss of income just when a worker thinks they are moving ahead financially. Benefits cliffs can significantly impact lower-wage workers and their families financially. They often have two effects: they can act as a disincentive to pursue modest promotions, incremental raises, and career development if a worker knows the cliff is coming, or if the worker is unaware the cliff is coming, it can destabilize the family as benefits are lost. Research from the Federal Reserve Bank of Atlanta found that, "These benefits cliffs can be so severe that low-income workers may be temporarily better off financially by not advancing to take a higher paying job" (Altig, et al., 2020) Families with children are often the most negatively impacted. A U.S. Chamber of Commerce Foundation report *Benefits Cliffs: Effects on Workers and the Role of Employers*, stated that workers pay a high "tax" on increased earnings and estimated the effective marginal tax rates (EMTRs) associated with benefits cliffs vary from 17% to 65%, noting that "[w]orkers are taking 'two steps forward, one step back' when earnings increase" (Despard, 2023).

Gauging when the cliff will happen requires a complex set of information and calculations how the various programs measure eligibility. Some benefits have a bigger impact, like childcare, housing subsidies, and health insurance. Several studies[2] have found that fear of encountering benefits cliffs causes many low-income workers to be more cautious in their career and job decisions.[iv] As a result, some workers may postpone investing in things like job training and higher education, resources typically associated with upward mobility. Instead, they may "park" their earnings below the maximum income threshold as the best course to ensure the family's available net resources (Blackwood, et. al., n.d.).

Figure 12: Questions to Discuss with Individuals Facing a Benefits Cliff

Employers are also impacted. Kentucky Chamber President and CEO Ashli Watts said, "We have heard stories from numerous employers about challenges they have experienced with, for example, offering a worker a promotion and pay increase only to find out that it would cause them to lose a public assistance benefit like a childcare subsidy." Benefit cliffs are a complex problem requiring multifaceted solutions. Many of those solutions must be implemented at the state level, like raising income limits as well as creating smaller cliffs and more cushions. Ohio invested $5 million in the "Benefit Bridge," a program providing savings accounts, emergency assistance and jobs training so those who qualify for public assistance can afford to take higher-paying jobs (Campbell, 2022). In 2022, Kentucky established a statewide task force to study and develop ways to address the benefits cliff.

At the local and regional level, the focus should be on educating workers and employers to understand how the benefits cliff impacts them. Agencies providing employment support should learn how to educate clients about the benefits cliff and help them make sound decisions for their future.

This was emphasized in a report on the HPOG (Health Pathways Opportunity Grant) program, which prepares low-income students for higher paying jobs in the health field. HPOG states: "This is an important role for case managers. Participants in career pathway programs need to think about the best way they can use extra income and identify temporary sacrifices they must endure as they make their way past the benefits cliffs." (Office of Family Assistance, n.d.) They recommend reframing the loss of benefits as a positive step forward because someone earning too much means that the family has moved closer to economic independence and that receiving benefits carries administrative burdens they can now shed . Even then, advancing to a higher paying job may not make sense from an economic perspective, and much depends on the depth of the cliff and timing.

There is a role for the private sector as well. The Chamber of Commerce Foundation's report concluded:

> *These threats to financial stability and economic mobility mean that low-wage workers are not getting ahead financially, which helps explain why these workers struggle to afford housing and childcare, save for emergencies and retirement, and manage debt. Employers can play a key role in eliminating these threats by advocating for changes in public policy – especially concerning childcare and health insurance (Despard, 2023).*

"**Career pathways"** is a promising approach to connecting workers and employers. The career pathways framework combines postsecondary education and training organized as a series of manageable steps that lead to successively higher credentials and employment opportunities in well-paying and growing occupations. Participants enter the pathway at the step aligned with their skills level, then can seek employment upon completion of a step or proceed to the next step on the pathway. Each step should confer higher skills associated with better-paying jobs. These programs are designed to provide well-articulated training and employment steps targeted to locally in-demand jobs, combined with a range of supports to help participants persist and complete their programs.

To date, limited rigorous research is available on its effects on participants' educational and economic outcomes. The Pathways for Advancing Careers and Education (PACE) project and Health Pathways Opportunity Grant (HPOG) are two career pathways programs that have been studied using experimental research designs to assess the impacts of the interventions by the Office of Planning, Research, and Evaluation (OPRE) of the Administration for Children and Families (ACF) within the U.S. Department of Health and Human Services (Gardiner, 2019).

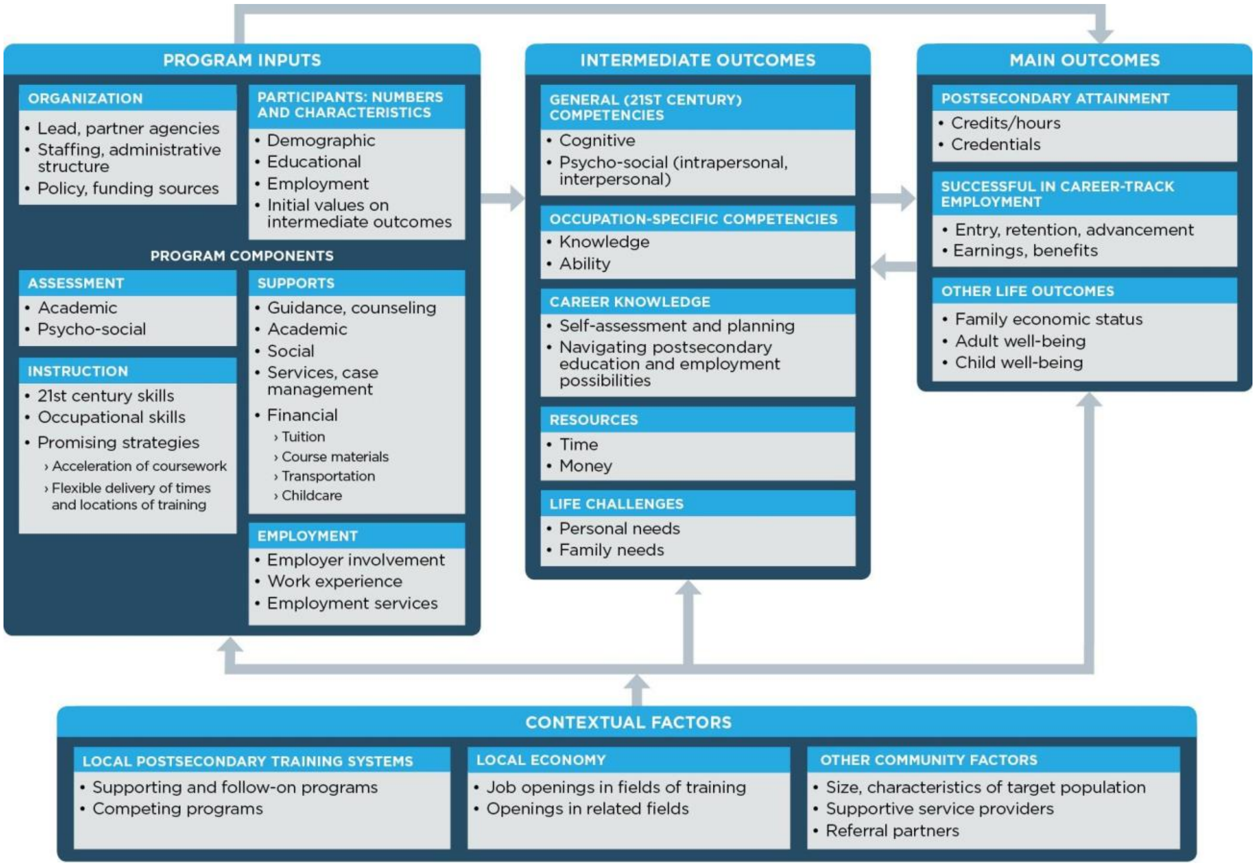
Pima Community College was one of nine promising career pathways programs selected and studied by OPRE. Their 2013 report described some of the demographics of the PACE Study Participants in the first year of the study, showing that 85 percent of study participants were female, nearly two-thirds (65 percent) of study participants lived with one or more child; more than one-third (36 percent) of study participants were aged 40 or older; and significantly, more than two-thirds (68 percent) of study participants had total family incomes below $15,000 in the prior year. PCC worked closely with the Pima County One Stop, assigning a One Stop Workforce Development Specialist to each student to address their employment, training, and support service needs. The One Stop also provided intensive employability skills workshops.

The specific requirements set for entry into each of the sixteen healthcare programs varied, but the minimum level for entry is equivalent to approximately a 9th grade score on the Test of Adult Basic Education (TABE®). Depending on their literacy and numeracy scores, Pathways to Healthcare participants could be referred to a remedial course to improve their academic skills prior to taking the required training course assessments. For example, those who score two grade levels below the required entry score are referred to PCC's Pathway to Healthcare's College Readiness program, a 10-week contextualized basic skills course. The course helps HPOG participants increase their academic skills to prepare them to pass the necessary placement assessments. Pathways to Healthcare staff reported that more than 90% of individuals who completed this curriculum subsequently placed into their desired healthcare training, evidence that the program could take participants with low academic skills and improve those sufficiently to gain acceptance into the training program.

At each of the nine PACE programs, staff randomly assigned eligible applicants to either a treatment group allowed to access the intervention or a control group that could not but could access other training, services, or supports available in the community. They analyzed whether educational progress impacts identified in the three-year reports translated into earnings impacts, and whether earnings impacts for one program at year three persisted into year six.

At the three-year follow-up, most programs had increased educational progress, usually measured as credential receipt, mostly for short-term credentials such as Certified Nursing Assistant (CNA) certificates, and most programs also had increased the duration of training as well as other education-related outcomes (Juras & Buron, 2021). However, impacts on credentials **did not translate into detectable impacts on quarterly earnings or employment**. (Only one program, *Year Up*, had increased quarterly earnings after three years.) Consistent with the lack of earnings gains, there was little evidence that PACE or HPOG 1.0 programs reduced financial distress or public assistance receipt or affected family structure or parents' assessments of their children's well-being.

Despite the lack of detectable earnings gains for all but one program after three years, there was reason to believe that if the impacts persisted, earnings impacts could emerge by year six for programs that had previous educational impacts. For example, if between year three and year six, the programs produced impacts on longer-term credentials associated with higher-paying jobs, such as Licensed Vocational Nurse (LVN), then it is plausible that earnings impacts could follow. All ten programs had a confirmatory outcome in the earnings domain, but only the HPOG program had a confirmatory outcome in the employment domain (specifically, employed in a healthcare occupation).



Employment and Climate Resilience

In a recent national survey led by NPR, The Robert Wood Johnson Foundation, and the Harvard T.H. Chan School of Public Health, 77% of Americans identify climate change as a crisis or major problem (2022). The vast majority of U.S. adults say they have been personally affected by extreme weather events in the past five years, often causing serious health problems, serious financial problems, and property damage. Weather disasters will continue to worsen and become more prevalent in the future.

Trillions of dollars will be required to address climate change and build climate resilience. Landmark federal law including the Infrastructure Investment and Jobs Act and Inflation Reduction Act is bringing significant funds to state and local governments as well as tax credits and other incentives to further private investment. Whether infrastructure or services, these new investments will create new jobs, which means this is a historic opportunity to prepare our local workforce to take these jobs. This opportunity comes with many challenges including skepticism over whether there are enough workers ready to step into these new roles. Across the country and in our own community, employers are struggling to retain talent and fill positions in the skilled trades, transportation, utilities, and other key areas vacated by a retiring workforce, let alone fill new positions.

A recent Brookings Institution (Kane & Addi, 2023) research notes that ambitious climate action plans (CAPs) will stall without a coordinated, comprehensive plan to retrain and recruit workers in well-defined, green-related careers.[v] One analysis estimated a 50% increase in “green jobs” such as turbine technicians (+44.3%), solar installers (+27.2%), electricians (+7.1%), and recyclable material collectors (+5.4%) since 2019 (Beckett, 2023).

Green jobs typically offer a more competitive salary, exceeding national mean wages up to 19%, but women and people of color are under-represented in fields like clean energy production and energy efficiency. Barriers include a lack of awareness that these careers exist, a lack of flexibility around training, and a lack of supportive services (such as childcare). Science, technology, engineering, and math (STEM) knowledge is especially important in these careers.

However, a lack of education, particularly in STEM areas can serve as a barrier, though this knowledge is often gained through on-the-job training and work-based learning opportunities such as apprenticeships and internships. Degrees are not needed for many jobs, but certifications, licenses, and other credentials are. Additionally, ongoing professional skills development is likely needed to stay up with new technologies.

Brookings stresses the importance of local governments and workforce boards to design workforce development plans to capitalize on the current window of federal funding for strategic and long-term changes to support the green transition in their communities. "Their ability to target new federal funding around upskilling and reskilling, community outreach, and other activities will be crucial for preparing workers for this transition" (Kane, 2023). They emphasize green jobs across multiple infrastructure sectors, focus on portable, stackable credentials, the need for broad collaboration and more sustained funding, and data-driven benchmarks to guide future action. In Brookings' review of 50 cities, they note that most cities are not ready to maximize green workforce development. What is required is a regional assessment with timelines and benchmarks that identifies and plans for the kind and number of jobs that are needed, along with the types of skills needed to meet these goals. A chapter on "Prosperity and Green Jobs," in the Los Angeles' Green New Deal outlines a plan to create 400,000 green jobs by 2050 by expanding sector partnerships, developing new green jobs courses in the community college system, and highlighting specific climate projects and place-based innovations already underway.

These jobs are a historic opportunity for low-income families to gain an economic foothold that didn't exist before. Key is a commitment to train and hire a more diverse, local pool of workers, and equipping them with the skills and experience they need on the job. As so many other research centers have emphasized in other parts of this report, supportive services are vital to helping more diverse, lower-income job seekers navigate these careers. Part of a green jobs workforce plan should include specific strategies, goals, and benchmarks for recruiting, training, and employing Pima County residents, particularly youth, women, and people of color. Many of these future employees are living in parts of our community most at risk for the worst impacts of climate change, whether from heat, flooding, or other impact. In the NPR and Robet Woods Johnson Foundation study cited earlier, people of color were far more likely to report serious health problems as a result of extreme weather events. Of those who experienced an extreme weather event in the past 5 years, 51% of Native Americans, 31% of Latino adults, 30% of Asian adults, 29% of Black adults, and 18% of White adults said they experienced serious health problems as a result. A plan that addresses the workforce needs of a climate resilient community while it creates a pathway to economic stability for families in poverty is a triple win that can have a life-changing impact for generations.

Employment for Returning Citizens

In 2010, the Pew Charitable Trusts report, "Collateral Costs: Incarceration's Effect on Economic Mobility" cited that more than one in 100 adults was incarcerated in the U.S., a 300 percent increase since 1980 and one of the highest incarceration rates in the world. Further, they noted that "[i]ncarceration is concentrated among men, the young, the uneducated and racial and ethnic minorities—especially African Americans." Children are impacted since 54 percent of inmates are parents with minor children making 2.7 million children with an incarcerated parent, two-thirds for a nonviolent crime. Again, the racial distribution shows huge disparities with one in 9 African American children (11.4 percent), 1 in 28 Hispanic children (3.5 percent) and 1 in 57 white children (1.8 percent) living with an incarcerated parent. Research has shown that having a parent incarcerated hurts children, both educationally and financially (Western, 2010).

The costs of incarceration are staggering, but the economic cost to an offender, his/her family, and his/her community endures far past the point of incarceration. Formerly incarcerated men are less likely than nonincarcerated men to climb up the economic ladder (Boosting Upward Mobility). High incarceration rates in communities can lead to a loss of working-age adults. After returning home, ex-offenders are out of work about half the time. Frequently returning to social and economic adversity, former prisoners are poorly equipped to lead productive lives. The situation is exacerbated by chronic health problems, high rates of mental illness, and cognitive scores well below grade level. Further, ex-offenders often have very little work experience, even compared to others with similar schooling and demographic characteristics. As a result, in 2006 twice the number or two-thirds of former inmates who were in the lowest fifth of the male earnings distribution in 1986, remained on the bottom rung compared to those who were not incarcerated. Having previously been incarcerated reduces hourly wages by 11 percent, annual employment by nine weeks, and annual earnings by 40 percent (Western, 2008).

Expanded re-entry programs for employment are associated with lower rates of reoffending and higher wages are associated with lower rates of criminal activity, according to the Urban Institute’s multistate longitudinal study, *Returning Home: Understanding the Challenges of Prisoner Reentry*. This report underscores that finding and maintaining a job is a critical dimension of successful prisoner reentry; however, former prisoners face tremendous challenges in finding and maintaining legitimate job opportunities. Studies found that people without a criminal record are more likely to receive callbacks for job interviews than those with a criminal record (Leasure 2019). These factors result in half as many positions offered to job seekers with a criminal record than those without criminal records. For African American applicants this increases to two-thirds fewer offers. This negative effect of a criminal record is more pronounced for Black applicants than white applicants (Leasure and Andersen 2020). However, according to the Urban Institute’s report, “[f]ormer prisoners who held an in-prison job, participated in job training while incarcerated, earned a GED during prison, or participated in an employment program soon after release work a greater percentage of time the first-year post release than those who did not” (Returning Home).

Some successful models featured in a Brookings Institution report, “From Prison to Work: A Proposal for a National Prisoner Reentry Program,” are the National Supported Work (NSW) Demonstration (1975–78), that placed parolees and probationers in construction industry job and the Center for Employment Opportunity (CEO program) a long-standing program that serves about two thousand parolees each year, and about half enter the program within three months of prison release. After an assessment clients work four days a week in supervised crews providing maintenance and repair work, groundskeeping and landscaping, and light construction and demolition for government agencies. In the next phase, about 60 percent of clients move to unsubsidized work with private sector employers where CEO has developed strong ties. After placement, CEO offers incentives such as travel and supermarket vouchers for program graduates who remain continuously employed. A CEO evaluation (2004–05) found parolees entering transitional jobs experienced increased employment and were 19 percent less likely to be rearrested after a year.

Another featured program is the ComALERT program (evaluated 2004–2006), that combined supported employment with housing and substance-abuse treatment, was found to reduce arrests by nearly 20 percent compared to a matched control group with similar demographics and criminal history (Western, 2008). Transitional employment for up to six to twelve months immediately after prison release is associated with reduced recidivism. Such programs aim to prevent relapse to drug use and crime by intervening in the critical weeks and months after release from prison, thereby helping former inmates chart a new course toward stable employment and economic self-sufficiency.

Local Workforce Infrastructure

Pima County is fortunate to have effective government (Pima County One Stop system), higher education (Pima Community College), and nonprofit organizations (such as Earn to Learn and JobPath) with proven track records to innovate and implement successful workforce programs. In addition, there is a robust network for private sector organizations, like the Tucson Metro Chamber of Commerce, and businesses that are key partners.

Pima County One Stop is the largest provider of workforce training and services in the region and largely funded through the federal Workforce Innovation and Opportunity Act (WIOA). It provides three tiers of employment services: employment resources, training, and intensive career services. In fiscal year 2022/2023, more than 22,400 people visited One Stop for services and more than 26,500 received some kind of service such as attending job fairs, use of the computer lab, job leads and referrals, and employability skills training workshops, which alone assisted more than 1,100 participants. The majority of participants are ages 25 to 44, equally split between men and women, and 53 percent of those seeking services identify themselves as non-White. Currently, there are 2,458 enrolled adult and 831 youth clients receiving case management from 27 workforce development specialists who work with participants to identify career paths and training opportunities.

The Pima County One Stop is unique in that it has developed education and employment programs aimed at specific groups, like the full-service Veteran's Center, the Youth One Stop, and two education programs, a charter school, and a GED program, aimed at Opportunity Youth. It also offers a wide array of other services from homeless services, rent assistance, home repair, and manages two large grant making programs. By braiding funding sources, resources, and services together, the One Stop system offers job seekers a wide array of options. Pima County often meets or exceeds grant performance measures. In the 2022/23 fiscal year, for the 3,179 WIOA adult and youth enrolled participants, an average of 67.5 percent completed their credential and 71 percent gained measurable skills. In addition, 78 percent of the participants exiting the program were employed six months after they completed, and 75 percent maintained employment for the year after they completed.

Apprenticeships and on the job training experiences are proven approaches to increasing employment and wages for low-income job seekers and those with other barriers to employment. Through apprenticeships and on the job training, workforce development agencies can also influence participating employer wages and benefits. Pima County One-Stop adult clients participating in these types of experiences in FY2022 account for 1.3 percent of the total number of enrolled clients. Pima County is in the process of increasing the number of opportunities for apprenticeships and on the job training, however, WOIA federal grant regulations limit the client from participating in both training and work-based learning opportunities.

Supportive services, including transportation assistance and childcare, are also proven to increase the success of job training programs. Case managers promote critical programs like PEEPs (Preschool Early Education Program Scholarships) which provide full scholarships to parents earning under 300% of poverty. Pima County's current policy allows for case managers and participants to utilize all allowable services under the grant, with a limit of $500 per participant per year. Dependent on the needs identified by the participant, the case manager can request additional supportive service dollars.

As noted earlier, the One Stop works closely with several other community partners including Job Path and Pima Community College, as well as Goodwill, Catholic Community Services, and Tucson Indian Center so co-enrolled participants can benefit from their resources and services. The Business Services Team also works closely with area employers to identify current and future employment needs, link participants to jobs, and address lay-offs.

The One Stop also provides comprehensive education and employment support to 831 youth, particularly focused on "Opportunity Youth" ages 16 to 24 who are disconnected from both education and employment. They collaborate with the Pima County Joint Technical Education District (JTED) and area high schools to fund career pathways such as internships and provide guidance to help students transition to post-secondary education once leave high school. More than 59 percent earned an industry recognized credential and measurable skill gain while in training. Of the youth completing the program, 82 percent maintained employment six months after they exited the program and 80 percent retained employment over the course of the year following their program completion. Pima County's Summer Youth Employment Program, supported by County General Funds, provides students a summer opportunity to recover high school credits, advance in basic literacy and education activities, or enter a work experience during the summer months. Last summer, 784 youth participants at 300 worksites, adding to their work experience at a critical age as well as to their family's income.

Among their innovative programs, a pre-apprenticeship program just launched to prepare students for an apprenticeship and ultimately a career in one of 14 different trades. The curriculum provides students with hands-on experience and enables them to get numerous certifications, including CPR, first aid, safety and health fundamentals through the Occupational Safety and Health Administration (OSHA), creating a pathway into in-demand, high-paying jobs that pay family-sustaining, thriving wages.

Pima County libraries also play a significant role in connecting jobseekers to resources. They have a robust Job and Tech Help programs available at 14 branches throughout Pima County offering computers, free printing, scanning, and faxing for job seekers. They connect people with public benefits and other supports for low-income people in the community while they are job hunting. They organize Job Fairs throughout the year, including the DREAM Job Fair and the Second Chance Job Fair. If starting a business is the focus, all libraries have a variety of resources including Business Plans Handbook, Reference Solutions (Reference USA), the Foundation Directory and Arizona Guide to Grants. They provide resume creation software and career information and help with access to online databases like Learning Express Library, Brainfuse, and GCFLearn. They also link jobseekers with the One Stop system for additional support when appropriate. They estimate that they serve approximately 25,000 Pima County jobseekers each year. Some of their services are bilingual.

Pima Community College is a leader in innovation for low-income jobseekers. Pima Community College (PCC) is nationally recognized for work in a number of workforce areas and was recently included as one of five featured community colleges in "America's Hidden Engines: How Community Colleges Can Drive Shared Prosperity." They have been recognized for opening six Centers of Excellence, a $65 million initial investment from revenue bonds, created in response to the current and future workforce needs of Pima County identified in partnership with industry, government, and community leaders and other stakeholders. These Centers provide high-tech training and reskilling of both new and incumbent workers. Pima is committed to 100 percent of both its credit and noncredit learners having a work-based learning experience.

In addition, PCC has developed a number of innovative programs like iBEST (Integrated Basic Education and Skills Training), which incorporate a combination of education and job skills training that is used to transition adult learners beyond adult basic education and through a career pathway. They report that 75 percent of learners complete their certificate and 81 percent find employment within 12 months. They also offer micropathways that are competency-based, multimodal and stackable certificates, also known as non-degree credentials (NDCs). Research shows that both men and women with an NDC earn more than their counterparts whose highest level of education is a high school diploma.

The use of prior learning assessment (PLA) that awards learners with credit for knowledge from previous personal and/or professional experiences increases Pima's ability to provide flexible pathways and stackable credentials. PLA is lower than the cost of tuition, so learners can earn their credentials faster while also saving money. Learners can also enter the college through dual enrollment (enrollment in high school and the community college simultaneously), which has a positive impact on high school academics, high school graduation rates, college enrollment, college success, and college completion rates.

PCC is also nationally recognized for its navigation services and coaching, which helps students find and access support such as financial aid resources, which they might be eligible for and coaching. PCC distinguishes two types: academic coaches who provide tutoring and inform students about opportunities for career-based learning and other educational services, and specialized coaches who provide students social and emotional support to students in their first semester, first-generation college students, students with military backgrounds, and those receiving benefits such as TANF. Lee Lambert, PCC's prior Chancellor, said: "The pandemic has brought a heightened sense of urgency to our historic mission of supporting social and economic mobility for the diverse students and working adults that community colleges serve. Addressing this crisis requires us to develop new and more flexible credentials that are more responsive to the rapidly changing needs of the labor market.''

Have you considered any unintended consequences? If so, what are they?

Yes, but none have been noted.

Cite Return on Investment (if applicable):

Several of the studies on programs cited above show a return on investment including Year Up, Project Quest, Per Scholas, CareerAdvance, and JobPath. Other programs like iBest, PACE, and HPOG, all offered previously or currently (depending on funding) through Pima Community College, show significant gain and impact.

List of area experts and/or practitioners that reviewed or provided input into this policy:

1. **Ana Grief,** CEO JobPath
2. **Dan Sullivan**, Director, Pima County Community and Workforce Development
3. **Frank Velasquez,** Director of Workforce, Tucson Chamber of Commerce
4. **Ian Roark**, Pima Community College, Vice Chancellor of Workforce Development and Innovation
5. **Dr. Brian Mayer,** Professor, Acting Director, School of Sociology College of Social and Behavioral Sciences

Implementation ideas:

1. Implementation ideas:
2. Develop or expand workforce programs that provide:
    - Coordination and collaboration across the workforce, education, industry, and economic development sectors;
    - Career development/planning and goal/mobility coaching;
    - Dual focus on skill building for in-demand, high-growth occupations, and sectors (i.e., job specific skills) and 21st century skills (i.e., communication, teamwork, critical thinking, and problem-solving skills; also known as general skills);
    - Authentic work experiences and earn-and-learn opportunities;
    - Wraparound supports
3. Identify the most effective way to braid local funding with WOIA federal funding, to overcome WOIA restrictions that limit supportive services funding for participants, and limit participants from receiving education funding versus on-the-job training/apprenticeship funding (so they can receive funding for both). Take resulting policy and procedural amendments to the Workforce Investment Board for review and approval.

4. Closely coordinate with those working on climate resilience efforts to include opportunities for workforce training for low-income job seekers. This includes seeking grant funding for these opportunities.
5. Develop a regional assessment with timelines and benchmarks that identifies and plans for the kind and number of green infrastructure jobs that are needed along with the types of skills needed to meet these goals.
6. Improve connections with city, town and county departments that need skilled employees.
7. Consider a partnership with Child-Parent Centers, Inc., the regional Head Start early childcare and education administrator, as well and First Things First and local school districts, to offer workforce training and education services to parents of children in the programs; and the reverse – ensuring parents in local workforce training and education programs have access to childcare.
8. Develop a program to train staff supporting jobseekers with tools to explain and prepare for the benefits' cliff. Aggregate information to be shared with business leaders and policy makers to address the negative impact on employee retention and advancement.
9. The Pew Charitable Trusts' Public Safety Performance Project and Pew's Economic Mobility Project recommend these measures for returning citizens:
10. Proactively reconnecting former inmates to the labor market through education and training, job search and placement support and follow-up services to help former inmates stay employed;
11. Enhance former inmates' economic condition and make work pay by capping the percent of an offenders' income subject to deductions for unpaid debts (such as court-ordered fines and fees), screen and sort people convicted of crimes by the risks they pose to society;
12. Diverting lower-risk offenders into high-quality, community-based mandatory supervision programs;
13. Use earned-time credits, a proven model that offers selected inmates a shortened prison stay if they complete educational, vocational or rehabilitation programs that boost their chances of successful reentry into the community and the labor market;
14. Provide funding incentives to corrections agencies and programs that succeed in reducing crime and increasing employment;
15. Use swift and certain sanctions other than prison, such as short but immediate weekend jail stays, to punish probation and parole violations, holding offenders accountable while allowing them to keep their jobs.

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Prosperity Initiative Meetings and Presentations 2022-23

Local Government Commission and Council Presentations

3.2. and 8.3	1. City of Tucson Equitable Housing and Development Commission
4.4	2. City of Tucson Mayor and Council Study Session
6.6	3. Marana Town Council
6.12	4. Sahuarita Town Council
7.21 and 8.18	5. Pima County Regional Affordable Housing Commission
9.20	6. Metropolitan Education Commission
9.26	7. Pima County Transportation Advisory Committee
10.3	8. City of South Tucson Mayor and Council
10.19	9. Pima County Small Business Commission
10.25	10. Pima County Planning and Zoning Commission
10.25	11. Pima County Board of Health
11.15	12. Pima County Board of Health
11.17	13. Pima County Workforce Investment Board
12.7`	14. Pima County Library Board

Planning and Consultation Meetings and/or Presentations:

To develop ideas and input from the wider community, the Prosperity Initiative staff held 182 meetings with 828 individuals (includes some duplications. Does not include Working Group meetings, Commission/Council meetings, regular staff /researcher meetings, or meetings with Supervisors).

Type of Meeting/Presentation	# of Meetings/Presentations
• Area practitioners	84
• Business Community	13
• Pima County staff	26
• City of Tucson staff	20
• Staff from other towns or cities	10
• Researchers (local and national)	24
• People with lived experience	5
TOTAL	**182**

Understanding Poverty Workshops

Two Understanding Poverty Workshops were given, each three hours, with a total of 98 participants.

University of Arizona Researchers working with the Prosperity Initiative

Brian Mayer, Professor School of Sociology

Brian Mayer is a Professor of Sociology with the College of Social and Behavioral Sciences with expertise in the area of poverty as well as other areas. Dr. Mayer supported the Tucson Mayor's Poverty Commission from 2012-2014. He also developed the experiential learning Tucson Poverty Project class that incorporates community-based research approaches and has received recognition for his innovative work in teaching and community engagement.

His work in environmental sociology has examined the role of community activism and participation in the identification and management of potential environmental health risks.

Keith Bentele, SIROW Associate Research Professor

Keith Bentele, PhD, is an Associate Research Professor with the Southwest Institute of Research on Women (SIROW) in the College of Social and Behavioral Sciences and holds a Ph.D. in Sociology. Dr. Bentele's research has examined state-level poverty rates, inequality, homelessness, and the generosity and accessibility of various safety-net programs.

He is interested in policy-relevant research with the potential to reduce poverty and homelessness. His specific areas of methodological expertise are in the use of quantitative methods and statistics.

List of experts and/or practitioners who reviewed or provided input into these policies

1. **Alison Miller,** City of Tucson's Community Services Manager, Strategic Planning and Community Engagement (SPACE), Housing & Community Development
2. **Ana Grief,** CEO JobPath
3. **Barbra Coffee,** City of Tucson Economic Initiatives Director
4. **Barbra Coffee,** Director of Economic Initiatives, City of Tucson
5. **Ben Blink,** Principal, Blink Public Policy, LLC
6. **Betsy Langley,** Managing Librarian, Sahuarita Library
7. **Betty Villegas,** Former Executive Director City of South Tucson Housing Authority
8. **Cathy Bohland**, Pima County human Resources Director
9. **Chelsea Forer –** Metropolitan Education Commission Program Coordinator for the Regional College Access Center
10. **Cindy Hogan,** Digital Equity Program Manager for the Arizona Commerce Authority Broadband Office and Co-Chair of the Digital Inclusion Committee for the Connect Pima Action Plan in Pima County.
11. **City of Tucson Commission on Equitable Housing and Community Development**
12. **City of Tucson Gentrification and Displacement Working Group**
13. **City of Tucson Procurement and Human Resources staff**
14. **Dan Derksen, MD.** Associate Vice President for Health Equity, Outreach and Interprofessional Activities
15. **Dan Sullivan**, Director, Pima County Community and Workforce Development
16. **Daniel McDonald,** Director, Take Charge America Institute Extension Specialist Financial Literacy, UA Cooperative Extension Service
17. **Diego Bernal**, Pima County Public Health Program Manager for Title-X and Well-Woman Health Check Program
18. **Dr. Atticus Jaramillo,** University of Arizona, Assistant Professor of Planning and Real Estate Development
19. **Dr. Atticus Jaramillo,** University of Arizona, Assistant Professor of Planning and Real Estate Development
20. **Dr. Brian Mayer,** University of Arizona Professor, Acting Director, School of Sociology, College of Social and Behavioral Sciences
21. **Dr. Daniel Kuhlmann,** University of Arizona, Assistant Professor of Real Estate Development and Planning
22. **Dr. Eric Schindler**, President/CEO for Child and Family Resources
23. **Elizabeth A. Krupinski,** PhD FSPIE, FSIIM, FATA, FAIMBE, Professor & Vice Chair for Research, Department of Radiology & Imaging Sciences, Emory University
24. **Erin Carr Jordan,** Ph.D, President and CEO Digital Equity Institute
25. **Francisca Villegas**, Program Manager, City of Tucson Economic Initiatives

26. **Frank Velasquez,** Director of Workforce, Tucson Chamber of Commerce
27. **Ian Roark**, Pima Community College, Vice Chancellor of Workforce Development and Innovation
28. **Janet Major,** Associate Director for Innovation & Digital Health, Arizona Telemedicine Program & Southwest Telehealth Resource Center.
29. **Jay Young**, Executive Director, Southwest Fair Housing Council
30. **Jeffrey Ong,** State Administrator, AZ State Treasurer's Office
31. **Jenifer Darland,** Deputy Director, Pima County's Community and Workforce Development
32. **Jessica Harrington**, First Things First, Senior Regional Director of the Southeast Area
33. **Joanna Carr**, Interim Executive Director, Arizona Housing Coalition
34. **Karla Morales**, Vice President, Arizona Technology Council
35. **Kate Hoffman,** CEO and Founder, Earn to Learn
36. **Kelle Maslyn,** Administrative Services Manager, Pima County Economic Development Office
37. **Kelly Griffith,** Executive Director, Center for Economic Integrity
38. **Margaret Clancy,** Center for Social Development Policy Director, Brown School at Washington University in St. Louis. Also, Director of College Savings Initiative and SEED for Oklahoma Kids.
39. **Matt Jewett,** Director of Health Policy, Children's Action Alliance
40. **Michelle Crow**, Children's Action Alliance
41. **Michelle Simon,** Deputy Director, Pima County Library, and lead for Connect Pima
42. **Monica Brinkerhoff**, United Way of Tucson and Southern Arizona's VP for Early Childhood Education
43. **Nicole Scott,** Program Manager, Pima Early Education Program (PEEPs)
44. **Office of the Senior Vice President for Health Services**, The University of Arizona Senior Advisor and PI, Arizona Area Health Education Center Program
45. **Patrick Cavanaugh**, Deputy Director Pima County Economic Development Department
46. **Patrick Hain,** Program Manager with the Economic Opportunity and Financial Empowerment, National League of Cities
47. **Pima County Affordable Housing Commission**
48. **Pima County Board of Health**
49. **Pima County Planning and Zoning**
50. **Stacy Butler,** Innovation for Justice Director, Professor of Practice, James E. Rogers College of Law, University of Arizona
51. **Terri Spencer**, Pima County Procurement Director
52. **The Preschool Promise**
53. **Tisha Tallman,** CEO, Primavera Foundation
54. **Town of Marana Human Resources staff**

55. **United Way Financial Wellness Partnership members**

56. **Walter H Pearce** Endowed Chair and Director, Arizona Center for Rural Health, Professor of Public Health, Medicine and Nursing

Poverty Policy Research Centers

UNIVERSITY BASED CENTERS

1. Center on Poverty and Social Policy at Columbia University *

The Center on Poverty and Social Policy at the Columbia University School of Social Work produces cutting-edge research to advance our understanding of poverty and the role of social policy in reducing poverty and promoting opportunity, economic security, and individual and family wellbeing in New York City and the United States

2. Center for Population, Inequality, and Policy at University of CA, Irvine*

The Center for Population, Inequality, and Policy at UCI is focused on advancing research on socioeconomic factors that directly impact inequality. Our faculty investigate the causes and consequences of this inequality as well as policies and other strategies designed to improve well-being of the less advantaged. Our research covers six areas: Child & Adolescent Development, Maternal & Infant Health, Criminal Justice & the Life Course, Migration, Institutions & Human Capital, and Population Data Science & Methodology.

3. Center for Poverty and Inequality at the University of California-Davis *

The UC Davis Center for Poverty & Inequality Research mission is to facilitate non-partisan academic research on poverty in the U.S., disseminate this research, and train the next generation of poverty scholars. Our research agenda includes four themed areas of focus: labor markets and poverty, children and intergenerational transmission of poverty, the non-traditional safety net, and immigration.

4. Center for Poverty Research at the University of Kentucky *

The University of Kentucky Center for Poverty Research (UKCPR) is a nonpartisan, nonprofit academic research center established in 2002. Housed in the Gatton College of Business and Economics, the Center's research informs evidence-based policy on the causes, consequences, and correlates of poverty, inequality, and food insecurity in the United States.

5. Center for Social Development at Washington University in St. Louis

The Center for Social Development is a hub for implementing and testing applied social innovations that broaden well-being for individuals, families and communities. We incubate ideas that can be scaled to reach millions, and we create new fields of study to meet social needs. We also train emerging scholars and practitioners in the effective conduct of engaged social-science research.

6. Center on Race and Wealth at Howard University *

The mission of the Center on Race and Wealth is to enrich research, dialogue, and policy formation related to asset building, wealth accumulation, racial wealth disparities, racial disparities in law enforcement, poverty, and inequality.

7. Harvard Joint Center for Housing Studies

The Harvard Joint Center for Housing Studies advances understanding of housing issues and informs policy. Through its research, education, and public outreach programs, the Center helps leaders in government, business, and the civic sectors make decisions that effectively address the needs of cities and communities. Through graduate and executive courses, as well as fellowships and internship opportunities, the Center also trains and inspires the next generation of housing leaders.

8. Institute for Economic and Racial Equity at Brandeis University

The Institute for Economic and Racial Equity (formerly IASP) is a research institute that advances economic opportunity and equity for individuals and families, particularly households of color and those kept out of the economic mainstream.

9. Institute for Research on Poverty at the University of Wisconsin-Madison

IRP researches the causes and consequences of poverty and inequality in the United States. We bring together social scientists from across research disciplines such as economics, sociology, social work, and demography. The result is a well-rounded understanding of poverty issues. They also serve as the lead for the National Research Center On Poverty And Economic Mobility, an effort with ten other institutions as a part of the collaborative of U.S. Policy Centers. (Those centers are noted below with *)

10. Joint Center for Political and Economic Studies

The Joint Center for Political and Economic Studies, America's Black think tank, provides compelling and actionable policy solutions to eradicate persistent and evolving barriers to the full freedom of Black people in America. We are the trusted forum for leading experts and scholars to participate in major public policy debates and promote ideas that advance Black communities. We use evidence-based research, analysis, convenings, and strategic communications to support Black communities and a network of allies.

11. McSilver Institute for Poverty Policy and Research

The McSilver Institute for Poverty Policy and Research at New York University is committed to disrupting generational poverty through research, policy, and action. The McSilver Institute's research focus involves developing evidence-based interventions to address the consequences of inequality, racism and poverty. Our research efforts are guided by an understanding of the links between individuals, families, and communities to their external environments, as well as the interrelatedness of race, gender, sexual orientation, and poverty.

12. Opportunity Insights at Harvard University

Our mission is to identify barriers to economic opportunity and develop scalable solutions that will empower people throughout the United States to rise out of poverty and achieve better life outcomes.

13. Poverty Solutions at the University of Michigan *

The mission of Poverty Solutions is to partner with communities and policymakers to find new ways to prevent and alleviate poverty.

14. Rural Poverty Research Institute at the University of Missouri

The Rural Policy Research Institute (RUPRI) is a national policy research organization with a mission to: (1) undertake unbiased research and analysis on the challenges, needs, and opportunities facing rural America; (2) improve the understanding of the impacts of public policies and programs on rural people and places, using original research and policy analysis; and (3) facilitate dialogue and collaboration among the diverse community, policy, practice, and research interests focused on a sustainable rural America.

15. Stanford Center on Poverty and Inequality at Stanford University *

The Stanford Center on Poverty and Inequality is committed to providing research, policy analysis, and training on issues of poverty and inequality.

16. University of Chicago Inclusive Economy Lab

The University of Chicago Inclusive Economy Lab solves this by working with policymakers, organizations, and communities to identify their most urgent and pressing challenges, co-generate evidence about what works, and translate that evidence into real policy changes that expand economic opportunity and improve lives. The Inclusive Economy Lab studies programs and policies that aim to expand economic opportunity in order to understand how well they work. By identifying barriers to social mobility and racial equity and highlighting the programs and policies that have the most positive impact, our work creates greater economic opportunity in cities, particularly in Chicago communities that have been harmed by discrimination, disinvestment, and segregation.

17. Washington State Institute for Public Policy

The Washington State Institute for Public Policy (WSIPP) is a nonpartisan public research group located in Olympia, the hub of Washington State government. WSIPP is a team of multidisciplinary researchers who conduct applied policy research for the state legislature in a creative and collaborative environment. WSIPP is strongly committed to the core values of nonpartisanship, quality, and impartiality. Created in 1983, WSIPP has become nationally and internationally recognized for the design, depth, and quality of its research reports and benefit-cost analyses.

18. West Coast Poverty Center at the University of Washington *

The West Coast Poverty Center works to bridge the gaps between anti-poverty research, practice, and policy by connecting scholars, policymakers and practitioners; facilitating important social policy research; magnifying the reach of new knowledge; and fostering the next generation of anti-poverty scholars. Research of affiliated faculty revolves around the causes, consequences and effective policy responses to poverty, with a specific emphasis on asset-building, demographic shifts, family structure, and social and economic inequality. Through center activities, students receive a robust multidisciplinary foundation in poverty issues, U.S. social policy and research methodology.

19. Wilson Sheehan Lab for Economic Opportunities at Notre Dame*

We believe that academic researchers, service providers, and policymakers all play a critical role in ending poverty. LEO matches top researchers with passionate leaders in the social service sector to conduct impact evaluations that identify the innovative, effective, and scalable programs and policies that help people move permanently out of poverty. We partner with service providers who want to disrupt the anti-poverty space. They realize that decades of "business as usual" have not sufficiently turned the tide on poverty and have left us with scant understanding of what works to lift lives up. They are early adopters, generating innovative ideas about ways to end the cycle of poverty for American families.

OTHER CENTERS

1. Alliance for Health Policy

The Alliance for Health Policy is a nonpartisan, nonprofit organization dedicated to helping policymakers and the public better understand health policy, the root of the nation's health care issues, and the trade-offs posed by various proposals for change. We believe a better health care system begins with a balanced exchange of evidence, experience, and multiple perspectives. Regardless of their point of view, our audience recognizes the Alliance's reputation as a well-respected source for unbiased health policy information.

2. The American Institutes for Research

The American Institutes for Research® (AIR) is a nonpartisan, not-for-profit organization that conducts behavioral and social science research and delivers technical assistance to solve some of the most urgent challenges in the U.S. and around the world. AIR's mission is to generate and use rigorous evidence that contributes to a better, more equitable world. We do this work because when we look to the future, we see opportunities to close gaps that are rooted in injustice. At AIR, we know that equity begins with systems that work for everyone, so we lead with expertise, follow the evidence, and never stop drawing new connections to build a better, more equitable world.

3. Annie E Casey Foundation

The Annie E. Casey Foundation (AECF®) is devoted to developing a brighter future for millions of children and young people with respect to their educational, economic, social and health outcomes. Our work focuses on strengthening families, building stronger communities, and ensuring access to opportunity, because children, youth and young adults need all three to succeed. We advance research and solutions to overcome the barriers to success, help communities demonstrate what works and influence decision makers to invest in strategies based on solid evidence. Since 1948, these efforts have translated into more informed policies and practices and yielded positive results for many kids and families.

4. Aspen Institute

The Aspen Institute is an nonpartisan educational and policy studies organization based in Washington, DC. Its mission is to foster leadership based on enduring values and to provide a nonpartisan venue for dealing with critical issues. The Aspen Institute has earned a reputation for gathering diverse, nonpartisan thought leaders, creatives, scholars, and members of the public to address some of the world's most complex problems. But the goal of these convenings is to have an impact beyond the conference room. They are designed to provoke, further and improve actions taken in the real world.

5. Brookings Center for Economic Security and Opportunity

The Center for Economic Security and Opportunity (formerly the Center on Children and Families) produces data-driven, non-partisan analysis to address the United States' most challenging social policy questions. Building a thriving and inclusive economy is an essential building block for a healthy democracy, and data-driven policy can provide the foundation for Americans from all backgrounds to prosper. The Center for Economic Security and Opportunity identifies critical social policy challenges; studies how to address them creatively and effectively, recognizing that important trade-offs are present in any hard policy arena; and seeks common ground for politically viable solutions.

6. Center for Financial Services Innovation at Innovations for Poverty Action

The Center for Financial Services Innovation (CFSI) is a nonprofit financial services consultancy, specializing in serving unbanked and underbanked consumers. The aim of the organization is to improve the quality and quantity of financial products and services, better shape them to the needs and desires of underbanked customers and expand effective savings and asset acquisition opportunities. (Note: more globally focused)

7. ChangeLab Solutions

ChangeLab Solutions shares resources, provides innovative legal approaches, and offers practical policy tools and technical assistance to communities and governments that are looking to reduce health disparities through law and policy change. We can help you achieve your health equity goals so that everyone in your community can achieve their full health potential. To learn more about our core strategies, strategic activities, and organizational goals, explore our Strategic Framework.

8. National Bureau of Economic Research | NBER

The National Bureau of Economic Research (NBER) is a private, nonpartisan organization that facilitates cutting-edge investigation and analysis of major economic issues. It disseminates research findings to academics, public and private-sector decision-makers, and the public by posting more than 1,200 working papers and convening more than 120 scholarly conferences, each year. The NBER supports the conduct of economic research by administering research grants that affiliated researchers receive from government and private funders, by convening research projects on emerging economic issues, by publishing books with the findings of some of these projects, and by maintaining an archive of data sets that are used in economic research.

9. National Academy of Sciences

The National Academy of Sciences (NAS) is a private, non-profit society of distinguished scholars. Established by an Act of Congress, signed by President Abraham Lincoln in 1863, the NAS is charged with providing independent, objective advice to the nation on matters related to science and technology. Scientists are elected by their peers to membership in the NAS for outstanding contributions to research. The NAS is committed to furthering science in America, and its members are active contributors to the international scientific community. Approximately 500 current and deceased members of the NAS have won Nobel Prizes, and the Proceedings of the National Academy of Sciences, founded in 1914, is today one of the premier international journals publishing the results of original research.

10. National Academy for State Health Policy

For over 35 years, The National Academy for State Health Policy has been a nonpartisan organization committed to developing and advancing state health policy innovations and solutions. Our mission is to be of, by, and for all states by providing nonpartisan support for the development of policies that promote and sustain healthy people and communities, advance high quality and affordable health care, and address health equity.

11. PolicyLink

PolicyLink is a national research and action institute advancing racial and economic equity by Lifting Up What Works. PolicyLink seeks to deliver and scale results in the following arenas: 1) **Equitable Economy**: Promote economic inclusion and ownership to eliminate poverty, shrink inequality, and increase mobility. 2) **Healthy**

Communities of Opportunity: Create and maintain opportunity-rich communities in all neighborhoods and all regions of the country through strong networks and social capital, equitable development, and infrastructure investments that enable low-income people and communities of color to thrive. 3) **Just Society**: Build power and expand agency to ensure that all systems and institutions are just, free of racial bias, and lead to a vibrant democracy where all, especially the most vulnerable, can participate and prosper.

12. W.E. Upjohn Institute for Employment Research

The W.E. Upjohn Institute for Employment Research, a private, not-for-profit, nonpartisan, independent research organization, has studied policy-related issues of employment and unemployment since its founding in 1945. The Institute is headquartered in Kalamazoo, Michigan. The Institute research focuses on labor markets, addressing several core areas: the causes of unemployment and the effectiveness of social safety net programs in mitigating its effects; education and training systems to improve workers' employability and earnings; and the influence of state and local economic development policies on local labor markets. The Institute also assesses emerging trends affecting workers and labor markets in its core research areas.

13. What Works Clearinghouse: Institute of Education Sciences

The Institute of Education Sciences (IES) is the statistics, research, and evaluation arm of the U.S. Department of Education. We are independent and non-partisan. Our mission is to provide scientific evidence on which to ground education practice and policy and to share this information in formats that are useful and accessible to educators, parents, policymakers, researchers, and the public. IES conducts six broad types of work that addresses school readiness and education from infancy through adulthood and includes special populations such as English Learners and students with disabilities.

14. Zero to Three

To ensure that all babies and toddlers have a strong start in life. At ZERO TO THREE, we envision a society that has the knowledge and will to support all infants and toddlers in reaching their full potential. Since 1977, we have translated our expertise in the science of early childhood development into pioneering programs, field-leading training and resources, and responsive policy solutions. As a membership-based organization, we provide a vibrant, connected community for professionals in diverse disciplines focused on child development who are committed to advancing their knowledge and skills. Our work creates lasting, transformative change for children, their families, and our future.

[iii] The Department of Labor notes: While a good job may not necessarily reflect all eight principles equally, an employer interested in providing good jobs should demonstrate commitment to and operationalization of these principles. The workforce system should continually engage with employers to increase good job opportunities and help build partnerships that raise job quality in meaningful ways. The system should engage with employers and help them work to create more good jobs no matter where they are in terms of integrating the Good Jobs Principles.

[iv] Examples include "Child Care and Low Income Families: Coping with the Cliff Effect" from The Women's Foundation of Colorado and "Cliff Effect Qualitative Insights" from the Greater Cincinnati Foundation.

[v] Brookings notes that we lack a clear definition of "green jobs" though they identified 320 unique occupations across three major industrial sectors: clean energy production, energy efficiency, and environmental management.