

## INCOME

### Community Level Goal

Increase the Number of Economically Stable Households in the Region

**Key Indicator:** Recorded Number of Households With Annual Income At/Above the Threshold for Economic Stability (Measured Using the ALICE (**A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed) Income Threshold for Household Economic Stability)

**Target:** Transition 8,500 (6%) of households in the region to economic stability by 2025.

<b>Strategic Income Priorities</b>	<b>Stable and Affordable Housing</b>	<b>Strategies</b>
		Short-term Supports for Acquiring or Maintaining Stable, Affordable and Quality Housing
		Long-term Supports for Maintaining Stable, Affordable and Quality Housing
		<b>Indicators</b>
		# and % of Individuals Transitioning From Homelessness to Housed Sustaining Safe, Affordable Housing as a Result of Obtaining an Income Source (e.g. housing voucher, employment, SSI, SSDI, public assistance)
		# and % of Individuals Moving from Homelessness to Housed as a result of Receiving Support Services to Obtain Safe, Affordable Housing
		# and % of Households Retaining Stable, Affordable Housing as a Result of Receiving Short-Term Housing Assistance Subsidies (Up to 6 Months)
		# and % of Households Retaining Stable, Affordable Housing as a Result of Receiving Long-Term Housing Assistance
	<b>Workforce and Income Supports for Low-income and Working Individuals</b>	<b>Strategies</b>
		Community-Based Service Supports and/or Referrals for Employment Attainment and Retention
		Credential Attainment for Job Readiness and Advancement
		Financial Literacy, Coaching & Asset Building
		Childcare Assistance for Working Parents/Guardians
		Tax Preparation Assistance for Low-income and Working Individuals
		<b>Indicators</b>
		# and % of Working Individuals Attaining Employment as a Result of Receiving and Utilizing Referrals for Community-based Services to Reduce Employment Barriers
		# and % of Working Individuals Retaining Employment as a Result of Receiving and Utilizing Referrals for Community-based Services to Reduce Employment Barriers
		# and % Individuals Gaining Employment as a Result of Attaining Credentials for Job Readiness
		# and % of Individuals Experiencing an Increase in Wages as a Result of Attaining Credentials for Job Advancement
		# and % of Individuals Experiencing Recorded Gains in Household Income and/or Dollar Value in Net Assets as a Result of Receiving Financial Literacy and/or Coaching Support
# and % of Families/Households Attaining Employment as a Result of Receiving Childcare Assistance		
# and % of Families/Households Retaining Employment as a Result of Receiving Childcare Assistance		
# and % of Individuals with an Eligible Income Utilizing Free Income Tax Assistance Services who Qualified for and Received Earned Income Tax Credit		
# and % of Individuals with an Eligible Income Utilizing Free Income Tax Assistance Services who Qualified for and Received Property Tax Credit		
# and % of Individuals with an Eligible Income Utilizing Free Income Tax Assistance Services who Qualified for and Received Home Heating Credit		
# and % of Individuals with an Eligible Income Utilizing Free Income Tax Assistance Services who Qualified for and Received Child Tax Credit		

**UWBCKR has a special interest in equity and the reduction of economic and racial disparities in systems and outcomes.**

**Therefore, programmatic elements that intentionally address these issues are encouraged, including but not limited to:**

- Anti-bias training and assessment
- Inclusive supports (e.g. multi-lingual service provision, non-traditional communication methods, equitable representation)
- Neighborhood-based programming in high-need areas
- Address structural and institutional policies & practices creating inequities in housing, career and income opportunities based on factors of race, ethnicity, gender and physical limitations.

**\*Annual Demographic Data to Be Collected By All Funded Partner Agencies and Programs**

# INCOME

## Community Level Goal

Increase the Number of Economically Stable Households in the Region

**Key Indicator:** Recorded Number of Households With Annual Income At/Above the Threshold for Economic Stability (Measured Using the ALICE (**A**sset **L**imited, **I**ncome **C**onstrained, **E**mloyed) Income Threshold for Household Economic Stability)

**Target:** Transition 8,500 (6%) of households in the region to economic stability by 2025.

**Population(s) of Interest: ALICE Households and Employed, Low-wage Earners Between Ages 20 – 44.**

### Baseline Data

Of the **154,304** (↑ from 2014 ALICE Report) households in the Kalamazoo County and Greater Battle Creek region, a combined **58,203** (**38.5%** {↓ from 2014 ALICE Report}) have an annual income at or below the ALICE Threshold.

*United Way ALICE Report – Michigan; 2017, <http://www.uwwalice>*

#### Poverty & ALICE Population - Disparity Data based on Demographic Indicators

##### Financially Struggling Households by Population (Poverty & ALICE Combined)

- MI – **40%** ↔ {15% poverty/25% ALICE}; Kalamazoo Co. – **36%** ↓ {15% poverty/21% ALICE}; Calhoun Co. – **41%** ↓ {15% poverty/26% ALICE}

**Unemployment Rate** (ACS 5-Year Average): Kalamazoo Co. – **7.3%** {↓ from 8.9%}; Calhoun Co. – **8.4%** {↓ from 11.4%}

- **62%** of Jobs in Michigan pay less than \$20/hour; 2/3 of those jobs pay less than \$15/hour

**ALICE by Aging Population (MI):** **36.5%** of Households in MI, with occupants over 45 yrs. old, are ALICE Households

**ALICE by Race/Ethnicity (MI):** White/Caucasian – **35%**; African-American – **62%**; Latino/Hispanic – **54%**

**ALICE Household Type & Income** (Regional): Married – **16.5%**; Single Male Head – **67%**; Single Female Head – **82.5%**

*U.S. Census Bureau, American Community Survey (5 – Year Average, 2007 – 2012); United Way ALICE Report – Michigan; 2017*

### Rationale

National research on positive outcomes for economic stability show direct correlations among economically stable households and affordable stable housing, positive employment outcomes, children’s school success (increased math and reading scores; fewer behavioral issues) and higher probability of high school completion, and reduced likelihood of high-risk teenage pregnancy.

2013 survey research conducted by the Corporation for Enterprise Development and Federal Deposit Insurance Corporation indicated in 2011 over 50% of Michigan households with an annual income of under \$30,000 use an Alternate Financial Product (e.g. payday lending/cash advance) to supplement income gaps; 39% for households with an annual income between \$30,000 - \$50,000.

*(United Way Alice Report – Michigan; 2014 <http://www.uwwalice>)*

Growing numbers of Americans suffer from chronic unemployment or are trapped in low-wage jobs with limited resources to support a family and move up the economic ladder. The combination of economically struggling households, increasing basic costs of living, growing number of available jobs paying low – moderate wages, policies that challenge ability to access available service programs for assistance, and changes in needed (skilled) workforce due to automation and technology are persistent factors for ALICE populations moving from economic survival to stability.

### Research

A combined **40%** (4 out of 10) of all Michigan households are either in poverty or below the ALICE Threshold based on annual household income (*ALICE Report data held flat* {↔} for 2014 & 2017).

*(ALICE Threshold is defined as the number of households within a given county in Michigan struggling financially based on the ALICE Household Survival Budget; 2017 Report budget numbers increase {↑} due to 18% increase in basic cost of living)*

Household Survival Budget			
	Single Adult	2 Adults/2 Children	2 Adults/2 Childcare
Calhoun Co.	\$17,604	\$49,296	\$53,208
Kalamazoo Co.	\$17,940	\$56,172	\$57,516
Household Stability Budget			
	Single Adult	2 Adults/2 Children	2 Adults/2 Childcare
Calhoun Co.	\$28,800	\$110,292	\$97,512
Kalamazoo Co.	\$29,388	\$128,412	\$106,656

#### Household profile data from the US Census Bureau-American Community Survey – 5 Yr. Average

- **49%** of Michigan households do not have a “rainy day fund in place sufficient to cover up to three (3) months of household expenses in case of an emergency.
- Assessed gap of **26,842** units of affordable housing stock in Michigan
- Child care affordability and accessibility remains a challenge for Michigan families, representing **24%** of their monthly budget and a **50%** gap in resources for families to meet the basic ALICE threshold for child care

*W.E. Upjohn Institute; U.S. Census Bureau, American Community Survey; ALICE Report – Michigan, 2017.*

# INCOME

## Community Level Goal

### Increase the Number of Economically Stable Households in the Region

**Key Indicator:** Recorded Number of Households With Annual Income At/Above the Threshold for Economic Stability (Measured Using the ALICE (**A**sset **L**imited, **I**ncome **C**onstrained, **E**mloyed) Income Threshold for Household Economic Stability)

**Target:** Transition 8,500 (6%) of households in the region to economic stability by 2025.

#### Research (Continued)

According to research conducted by the Center for Michigan (March 2015) on State supported Childcare, an estimated 20,000 low-income children receive subsidized care in Michigan, while an estimated 89,000 low-income children (newborn – 3 yrs. old) do not. And approximately 30% or more of children receiving childcare assistance are in unlicensed settings.

*Child Care Aware of America: Comparison of Average Cost of Childcare to Average Household Income.*

Research conducted by the National Alliance to End Homelessness indicated the estimated cost for maintaining and re-housing individuals in permanent housing is around \$4,100; compared to the costs for sheltering (\$10,000) or providing temporary transitional housing (\$22,000).

*National Alliance to End Homelessness; April 2014 <http://www.endhomelessness.org>*

A 2012 study conducted by the Center for American Progress analyzed the average cost to an employer for replacing an employee vs. retaining an employee. The study produced the following statistics:

- Cost to replace a \$10/hr. low-paying employee is \$3,328 (16% of an annual salary)
- Cost to replace a \$40,000/yr. mid-range employee is \$8,000 (20% of an annual salary)

*Employee Retention –Real Cost of Losing an Employee; Aug 2013 <http://www.zanebenefits.com>*