

# **City of Danville, Virginia**

## **Economic Mobility Work Plan**



**Prepared by Economic Leadership, LLC**



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## Introduction

The topic of economic mobility is increasingly prominent at the local, state, and national levels in America. The visibility of this issue is partly due to the work of Harvard researcher Raj Chetty and his team studying the likelihood that a child born to a low-income family will rise to a higher income group as an adult. A closely related issue is reducing generational (or intergenerational) poverty, families that remain poor across multiple generations. These issues are often addressed by working to improve existing conditions (such as family income, child development and well-being) while also striving to build long-term household assets and wealth. Some also use the term community wealth building, though as described in this report that term carries a slightly different meaning and is often approached via different strategies.

Most upward mobility efforts are focused on lower-income families with children. An indication of the size of the group that can be called low-income Americans comes from the Bill & Melinda Gates Foundation. It focuses on the 47 million people in the U.S. ages 16 to 64 (plus their children) with incomes less than 200 percent of the federal poverty level. As of 2022, that standard equaled an income of \$27,180 for an individual or \$55,500 for a family of four. The Gates Foundation states that “economic mobility is decreasing” in the country and that “even a college education does not guarantee financial stability.”<sup>i</sup>

The City of Danville’s prior work on this issue includes being part of a National League of Cities economic inclusion project. Danville is now one of a group of local governments each receiving a grant from the ICMA (International City/County Management Association) within the 2024 Economic Mobility and Opportunity Peer Learning Cohort. The goal of this effort is for participating communities to impact conditions that promote the “overall well-being and upward mobility of their residents.”

The purpose of this document is to provide a new City of Danville staff position in economic mobility with the background research, best practices, and suggested strategies needed to implement an initial work plan over the first one to three years.

## 1. Danville Demographic and Economic Overview

According to estimates from national data provider ESRI, Danville has a 2024 population of approximately 42,120. Over the next five years, it projects Danville to see a very slight decline in population, while Virginia is predicted to increase by 0.37 percent annually. New developments in Danville could, of course, alter the projections. An increasing population, particularly if new residents are from higher socioeconomic levels, could exacerbate existing wealth gaps in Danville.

The median age in the city, 43.2 years, is significantly older than the statewide median of 39.2 years. The city's racial and ethnic breakdown is summarized below along with Virginia's.

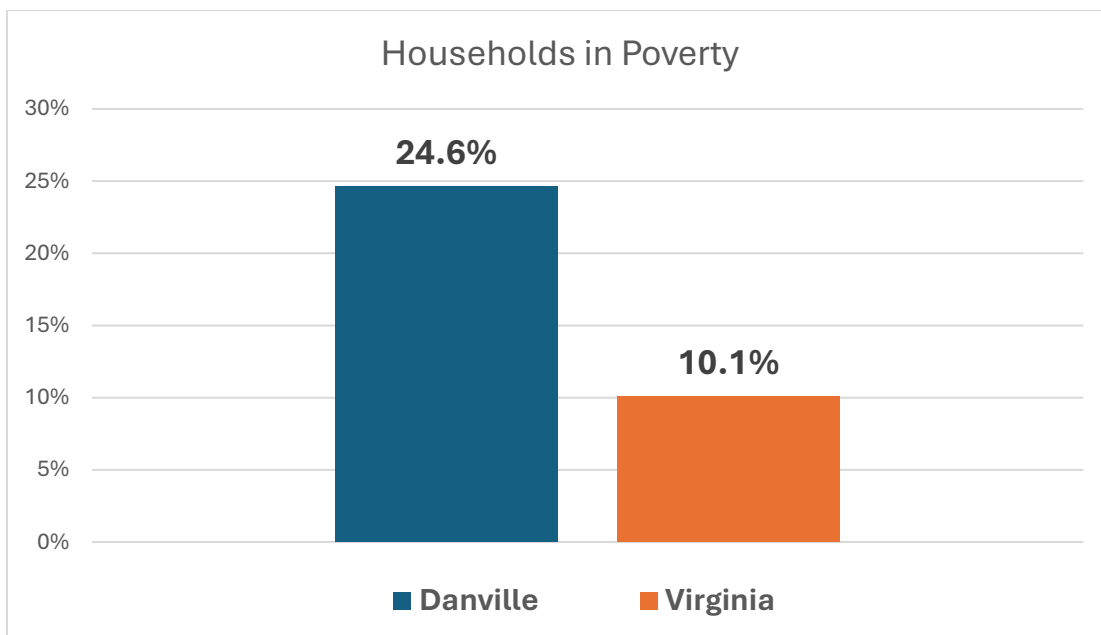
	Danville	Virginia
White	39.1%	58.9%
Black	52.2%	18.7%
Hispanic Origin (any race)	5.5%	11.3%

Source: ESRI 2024 estimates

Median household income in the city is currently estimated at \$40,177. This is 55 percent less than the statewide median income. The gap is similar when looking at average household income (Danville's is 53 percent lower) or per capita income (46 percent lower). Among Danville households, 30.9 percent have incomes of less than \$25,000.

### Poverty

Using Census Bureau American Community Survey (ACS) estimates for 2018-2022, the share of Danville households with income below the poverty line was 24.6 percent. The city's poverty index was 198, with a national average of 100 and Virginia overall at 81. Higher numbers indicate greater poverty.



Source: American Community Survey 2018-2022 estimates

The table below shows the share of households receiving non-employment income and other public assistance.

	Danville	Virginia
<b>Public Assistance Income</b>	15.5%	2.2%
<b>Food Stamps/SNAP</b>	24.0%	8.3%
<b>Social Security Income</b>	40.2%	29.8%

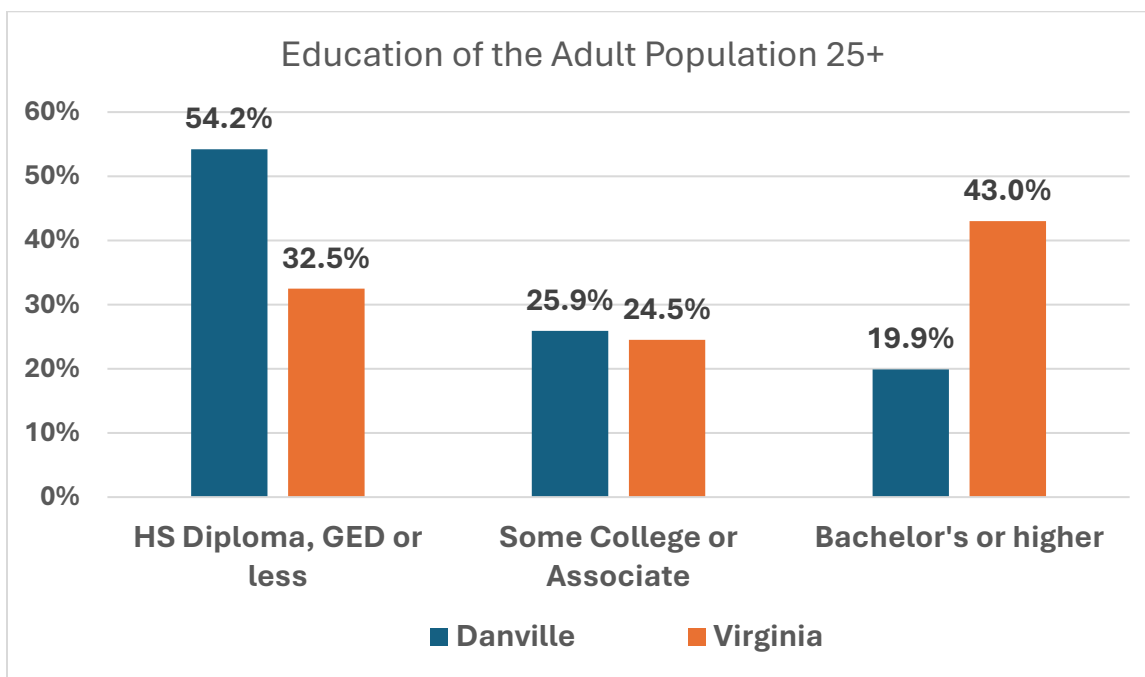
Source: American Community Survey 2018-2022 estimates

### Household Composition

A higher percentage of households in Danville are headed by a female with no spouse or partner. Using 2020 data this share is 43.9 percent of all households in Danville, compared with 27.8 percent of all households in Virginia.

### Educational Attainment

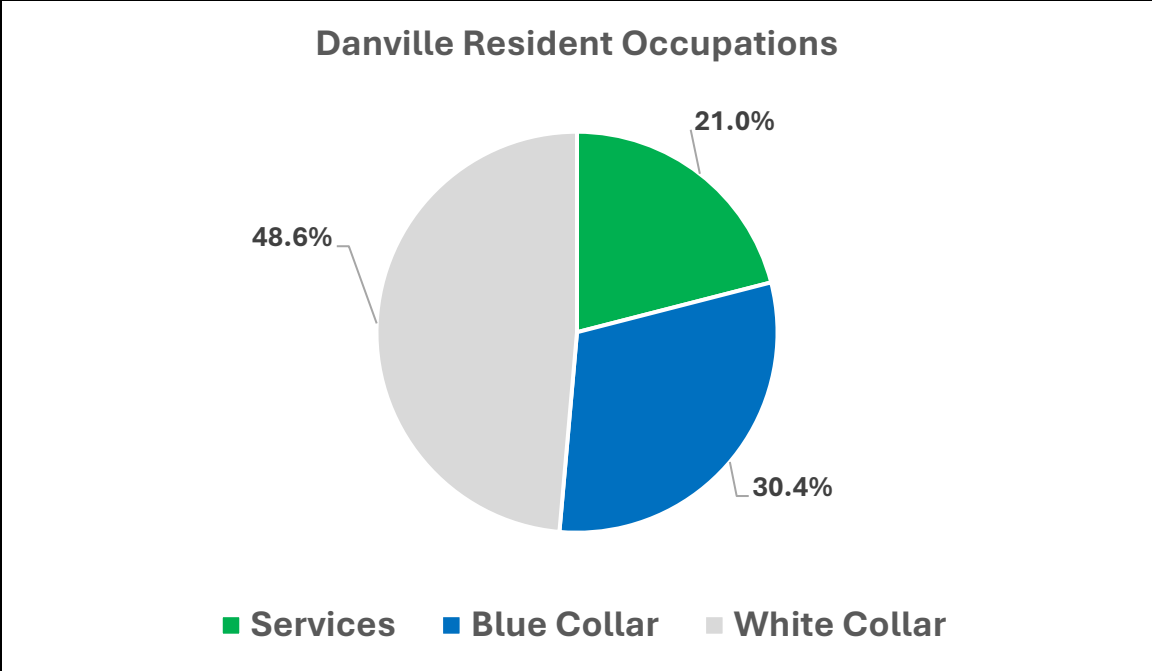
Education levels of the adult population are summarized in the chart below.



Source: ESRI 2024 estimates

### Employment

The unemployment rate in Danville is fairly low, recently estimated at 4.6 percent. Considering employment by type of occupation, Danville residents are less likely than Virginians statewide to work in white collar jobs (professional, management, and sales) and more likely to be in blue collar positions such as production, construction, transportation and material moving.



Source: ESRI 2024 estimates

In Virginia overall, the occupational category breakdown is white collar 68.0 percent; blue collar 16.8 percent; and services 15.2 percent.

**Housing**

Danville has a higher percentage of rented housing and more vacant units than the Commonwealth as a whole, per 2024 estimates shown below.

	Danville	Virginia
Owner Occupied	40.7%	61.1%
Renter Occupied	44.3%	30.5%
Vacant	15.1%	8.5%

Source: ESRI 2024 estimates

As of the 2020 Census, about 22 percent of all Danville households owned a home free and clear with no mortgage.

The median home value is estimated at \$117,390 in Danville and \$415,170 in Virginia overall. Danville’s housing affordability index of 138 represents great affordability and compares with lower affordability statewide (Virginia’s index is 86). However, Danville’s ESRI wealth index is very low at 44 compared with a national average of 100 and Virginia’s index number of 117. This wealth index takes into account both income and accumulated assets.

## Crime

Estimated for 2024, below are crime indexes for Danville and other southern Virginia cities.

	Danville	Lynchburg	Petersburg	Roanoke	Virginia
<b>Total Crime Index</b>	145	92	132	171	73
<b>Personal Crime</b>	105	87	172	112	55
<b>Murder</b>	338	104	847	240	100
<b>Property Crime</b>	153	93	125	182	76

Source: Applied Geographic Solutions 2024 estimates

## Other Data Points for Danville

- The share of Danville households with no internet access was 21.5 percent (compared with 8.9 percent statewide), according to Census Bureau ACS estimates from 2018-2022.
- The percentage of households reporting one or more people with a disability was 33.9 percent per ACS estimates. The percentage statewide was 24.3 percent.
- A slightly higher share of Danville residents had no health insurance compared with statewide averages. Census Bureau ACS figures estimated the share at 3.6 percent for Danville adults 19 to 34 and 4.7 percent for those ages 35 to 64.

## Upward Mobility Initiative

The Urban Institute's Upward Mobility Initiative framework uses 24 different predictors to analyze places across the U.S. and their potential for greater long-term prosperity for residents. These predictors are spread across five topic areas that are seen as necessary supports for citizens in any community. Looking at the 24 factors for Danville compared with national medians, these stand out as possible areas of concern:

- ➡ Financial Security: Share of adults with debt in collections
- ➡ Education: Average annual improvement in English Language Arts
- ➡ Education: Share of households with a computer and broadband internet
- ➡ Neighborhoods: Share of people in poverty who live in high-poverty neighborhoods
- ➡ Environmental: Air quality
- ➡ Environmental: Deaths by injury per capita

Upward Mobility Initiative information can be accessed here:

<https://upward-mobility.urban.org/>

## Opportunity Insights

Harvard University professor Raj Chetty has become known as a national expert on economic mobility. He and other researchers created Opportunity Insights, an organization which identifies and measures barriers to economic success. Opportunity Insights calls upward mobility a "fading American dream," noting that 90 percent of children born in 1940 grew up to earn more than their parents but today only about half do so.

The group's Opportunity Atlas provides relevant data at the city and census tract levels. A mobility map for census tracts in Danville is in the appendix, and the website can be accessed here:

<https://www.opportunityatlas.org/>

## 2. Key Organizations Involved with Aspects of Economic Mobility in Danville

Numerous governmental agencies and other organizations currently address various aspects of generational poverty in Danville. It is important that these groups communicate and coordinate their work with one another. Acting separately in silos, individual agencies can have some positive impact. However, experiences across the United States suggest that providing wraparound services and support to families and individuals by aligning efforts can be much more effective.

This should start with increased internal communication among City of Danville departments. The Economic Mobility Manager can serve a valuable role by convening regular meetings and inter-department communication. The most relevant City of Danville departments are:

- Department of Community Development
- Department of Social Services
- Danville Transit System/Mass Transit Office
- Office of Economic Development
- Project Imagine Youth & Gang Violence Prevention Coordinator

In addition, other departments should at the least be included in written communication regarding economic mobility efforts. Those include the Police Department, Human Resources, and Parks & Recreation.

Several area institutions also play critical roles for issues such as housing and education. Those most directly involved include:

- Danville Redevelopment & Housing Authority
- Danville Public Schools
- Danville Community College
- West Piedmont Workforce Development Board

Many others could play a valuable role, and building relationships with them will be an important task for the new position. Possible important players:

- Averett University
- Danville Regional Foundation
- Partnership for Regional Prosperity
- Danville Pittsylvania Chamber of Commerce
- Dan River Nonprofit Network
- Danville-Pittsylvania Community Services
- Danville Neighborhood Development Corporation
- Danville-Pittsylvania County Habitat for Humanity
- Institute for Advanced Learning & Research
- Boys & Girls Clubs of the Danville Area

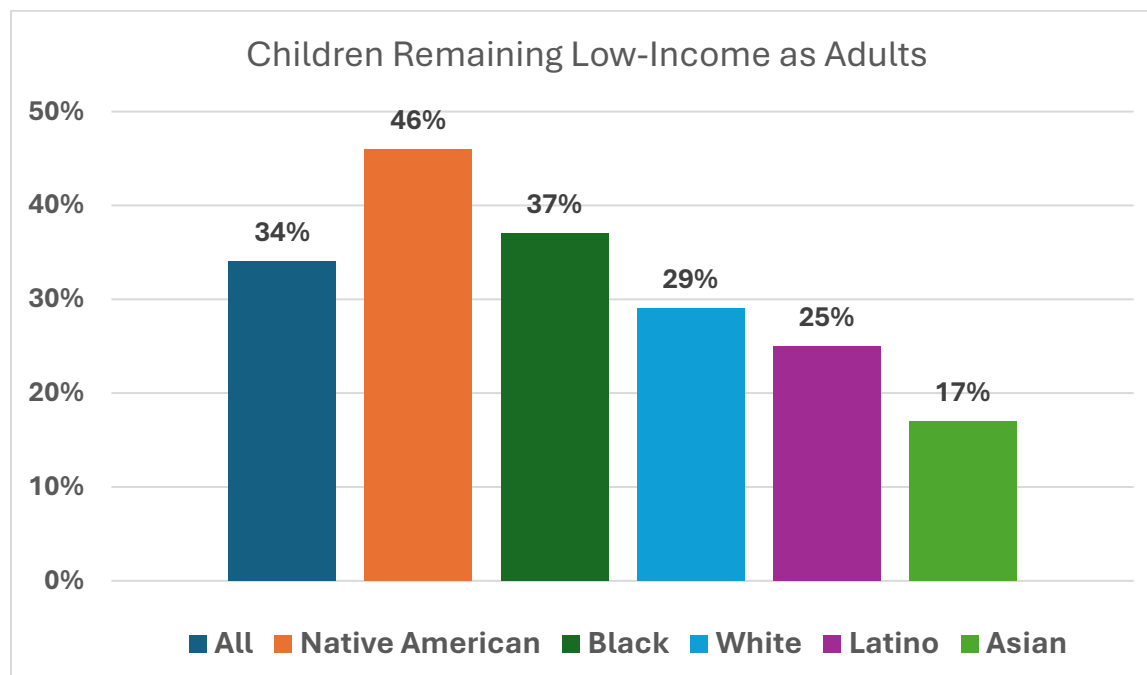
- The Health Collaborative in the Dan River Region
- United Way of Danville-Pittsylvania County
- Big Brothers Big Sisters of Danville Area
- Cherrystone Missionary Baptist Association
- Danville Ministerial Alliance
- SCLC Danville/Pittsylvania
- Danville Church-Based Tutorial Program
- Longwood Small Business Development Center
- Black Business Collaborative – Dan River Region

The Economic Mobility Manager should be alert for additional community, neighborhood, and faith-based groups to add to this initial list.

### 3. Recent Research Relating to Generational Poverty and Economic Mobility in the United States

Concerted efforts to address generational poverty and economic mobility in America are relatively recent phenomena and there are few long-term evaluations of their success. However, there is a growing body of analysis suggesting that certain areas of focus and strategies can move the needle at the local, state, or national levels.

Because of their share of the overall U.S. population, white individuals make up the largest proportion (40 percent) of all people in low-income households in childhood and as adults.<sup>ii</sup> However, other groups are more likely to remain in poverty during their lifetimes. A study on intergenerational poverty released in 2024 notes that the likelihood of remaining in poverty differs greatly among racial and ethnic groups, as shown in the chart below.



“Reducing Intergenerational Poverty.” National Academies of Sciences, Engineering, and Medicine. March 2024. From Chetty et al, 2020.



Researcher and Opportunity Insights director Raj Chetty wrote in 2015 that five factors correlate significantly with upward mobility. Five conditions that appear to improve mobility are:

- Living in mixed-income communities produces better outcomes for children from disadvantaged backgrounds;
- Places with less income inequality;
- More stable family structures;
- Areas that are socially cohesive (more interaction and friendships among those of different income levels);
- Places with better public schools.

Chetty concluded by noting these lessons for public policy:

1. The importance of tackling social mobility at the local level, not just nationally.
2. The childhood environment – such as schools and neighborhoods – seems particularly important.
3. Harnessing data to evaluate progress can be “incredibly valuable.”<sup>iii</sup>

Over the last ten years, the Urban Institute has developed a focus on economic mobility resulting in the Upward Mobility Initiative. This initiative believes that five essential “pillars of support” are critical for more Americans to prosper. The five pillars creating a framework for success are:

- A. Rewarding Work
- B. High-Quality Education
- C. Opportunity-Rich and Inclusive Neighborhoods
- D. Healthy Environments and Access to Good Health Care
- E. Responsive and Just Governance.

Among the program’s national and local research thus far, the Upward Mobility Initiative finds that no locality provides “consistently strong support” for residents across all five pillars of prosperity. It notes that the nation’s long history of racial discrimination and segregation has built many barriers of inequity. The group also states that local labor markets and housing markets are “out of balance,” resulting in greater insecurity and hardship for many households.<sup>iv</sup>

A 2024 research update from the Washington Center for Equitable Growth sheds new light on the factors that drive upward mobility. This report stresses the importance of several factors affecting children and families:

- **Health** – noting, for example, that the share of uninsured people has gone down significantly in recent years but that various racial and ethnic groups have very different rates of being uninsured (Hispanic 19 percent, Black 11 percent, White 7 percent as of 2021).
- **Accumulated Wealth** – not just current income, but accumulated assets that can be passed on to younger generations. Family wealth also provides immediate support for young people, such as the ability to buy a home in a high-performing school district or pay a larger share of children’s college education costs.
- **Education** – research points to the need for high-quality early childcare and more supports for K-12 and college students from lower socioeconomic levels.

- **Social Capital** – the importance of social connections, especially connections with people in higher income classes.
- **Changing Job Markets** – data shows that declining unionization rates are correlated with greater income inequality in America. Recently (post-pandemic), though, there has been strong wage growth among lower income workers likely due to tight labor markets.

A 2024 National Academies report lists seven most likely drivers of intergenerational poverty: a) children’s education, b) child health, c) family income, wealth, and employment, d) family structure, e) housing and neighborhood conditions, f) neighborhood safety and the criminal justice system, and g) child maltreatment and the child welfare system. It finds that the following interventions – which vary among national, state, and/or local solutions - are best supported by existing evidence. It did not find any policy actions regarding family structure or child maltreatment that are well-supported by evidence.<sup>v</sup>

Area	Programs or Policies
Education	<ul style="list-style-type: none"> <li>• K-12 spending in the poorest schools/areas</li> <li>• Teacher workforce diversity</li> <li>• Less exclusionary school discipline</li> <li>• High quality CTE programs</li> <li>• Industry sector training for youth &amp; adults</li> <li>• Financial aid for low-income college students</li> <li>• Campus supports such as tutoring</li> </ul>
Health	<ul style="list-style-type: none"> <li>• Expand access to Medicaid</li> <li>• Title X family planning funding</li> <li>• Family planning for Medicaid recipients</li> <li>• Remove five-year waiting period for SNAP benefits for legal permanent residents</li> <li>• Improve school quality and reduce lead exposure</li> </ul>
Family Income, Wealth, Employment	<ul style="list-style-type: none"> <li>• Expand Earned Income Tax Credit (EITC)</li> </ul>
Housing and Neighborhoods	<ul style="list-style-type: none"> <li>• Increase efforts to reduce vacant lots and abandoned homes</li> <li>• Increase grants to effective community-based organizations</li> </ul>
Neighborhood Crime and Criminal Justice	<ul style="list-style-type: none"> <li>• Expand policing in high-crime areas</li> <li>• Expand community policing</li> <li>• Reduce use of juvenile confinement</li> <li>• Improve gun safety</li> <li>• Increase sentencing for violence involving firearms</li> </ul>

Governmental organizations across the U.S. are increasingly involved in this issue. In 2022, the National Governors Association provided policy governance for ways to help low-income families to

“meet their basic needs,” to “increase their economic security and resilience,” and also “build assets” that can be passed on to future generations. The NGA’s policymaking principles are of course aimed at the state level, but many can be applied by local governments. Principles of good policy include:

**Facilitating cross-agency collaboration.** Many agencies that have not collaborated before may be asked to coordinate on economic mobility programs.

**Leveraging technology.** Using new information management technologies to streamline service delivery across agencies and make access more user-friendly.

**Gathering and applying data.**

**Considering multigenerational policies** to improve both the short-term and long-term economic outlook for families.

**Prioritizing stakeholder engagement** to ensure that programs are responsive to the greatest community needs.

NGA strategies to advance upward mobility come in three areas: 1) restructuring and strengthening safety net programs for working families; 2) reducing barriers – such as transportation and childcare – for families to participate in employment, education, and workforce training; and 3) promote wealth building through home ownership and access to banking and lending services.<sup>vi</sup>

The National League of Cities suggests that city governments have several levers through which they can help to boost economic mobility. Potential city government roles are:

- ➡ **Listener** – to convene residents and stakeholders and engage through communication
- ➡ **Implementer** – new programs that address community needs
- ➡ **Community Partner** – working with organizations to gather and distribute information, and work with other service providers to align and streamline service delivery
- ➡ **Model Employer** – improving recruitment and hiring practices, offering strong wage and benefit packages
- ➡ **Funder** – making grants to organizations and neighborhoods, and procuring locally
- ➡ **Priority Setter** – incorporating economic mobility into strategic plans
- ➡ **Equity Leader** – through ordinances and the structure of local government.<sup>vii</sup>

## What do generational poverty, economic mobility, and community wealth building mean?

Multiple terms are used when discussing strategies to impact families that are poor, lack financial security, and frequently see these conditions continue from one family generation to another.

**Generational (or intergenerational) poverty** can be defined as a situation where children who grow up in poor families – say, with incomes below the poverty line – continue in poverty as adults, and so on through further generations.

With a similar focus, experts such as economist Raj Chetty see **economic mobility** (specifically *upward* mobility) as the opportunity for children born to low-income parents to reach higher income brackets as adults. Chetty says that one way to define the American Dream is for a child born in a family in the bottom fifth of incomes to eventually rise to the top fifth of all incomes in the nation. He notes that achieving this American Dream is actually more difficult in the U.S. than other developed countries. In one of Chetty's studies, American children had a 7.5 percent chance of moving from the bottom fifth to the top fifth; that chance was 9.0 percent in the United Kingdom, 11.7 percent in Denmark, and 13.5 percent in Canada.<sup>viii</sup> Variation in mobility is also "extremely local." The Washington DC metro area has an upward mobility rate of 11 percent overall, but this ranges from 4.7 percent in the District of Columbia to 9.2 percent and 14.2 percent in neighboring Prince George's County and Charles County, Maryland.<sup>ix</sup>

Strategies to address generational poverty and improve economic mobility often revolve around lower-income families with children. The most common topic areas for strategies are in early childhood development, schools and education, health, workforce development and employment, and housing.

**Community wealth building** is often defined in somewhat different terms. It has been described as a "more inclusive, community-based approach to economic development" that seeks to bring greater benefits to disadvantaged neighborhoods and groups from local asset development.<sup>x</sup> Community wealth building looks at community benefits from land development and redevelopment, building reuse, and new business enterprises that will either be owned by local residents or employ them.

Agencies such as the City of Richmond's Office of Community Wealth Building have incorporated strategies that are aligned with both approaches. According to interviews with former staff members, the Richmond office has had the most success impacting family generational poverty and economic mobility by improving workforce training, employment outcomes, and public transportation. Its efforts have also included community wealth building aims such as new housing development and the creation of new employee-owned businesses or social enterprises. Richmond has thus far made less progress in those arenas.

## 4. Best Practices from Around the United States

This section provides examples and brief case studies of practices that show promise for moving the needle on economic mobility and generational poverty in America. The primary set of practices below comes from the local (city and county) level, although federal policies are discussed later as well.

### A. Better Coordinated and Aligned Service Delivery

The practice mentioned most often for helping low-income households and potentially putting them on a path toward upward mobility is creating “wraparound” services by coordinating the delivery of existing services for families and individuals. This uses what is termed a collective impact model (see *appendix*), based on the idea that various agencies and organizations can better address issues by working together closely.

This usually starts with coordination among departments or agencies within a local government, eventually including other governments or organizations as well. Reports such as a 2024 analysis of metro Atlanta by the Atlanta Women’s Foundation note the value of creating a single point of contact – a case manager – for each household, rather than having families negotiate through multiple departments, agencies, and processes.<sup>xi</sup>

Chesterfield County, VA has promoted the range of services available to residents through one-day “mini-conferences.”<sup>xii</sup> In the Savannah, GA area better assistance for families to “navigate the complex web of public and nonprofit service providers” is partly credited with a juvenile justice intervention program reducing referrals from the schools to juvenile court by 85 percent in one year.<sup>xiii</sup> The City and County of Los Angeles created a regional service delivery system as a key part of a pilot program to positively impact disconnected youth.<sup>xiv</sup>

### B. Connecting Residents with Good Local Jobs

Almost all upward mobility programs view the ability of low-income residents to obtain and keep a living wage job as a key path toward financial security. After that is accomplished, participants can focus on turning that income into long-term family assets.

The community wealth building office in Richmond, VA found success in workforce development using city and foundation funds that have greater flexibility than federal WIOA money. Helping people move up the ladder to self-sufficiency through employment has been one of Richmond’s main successes, though they note it is easier to move those who’ve already made some progress up the ladder rather than those on the bottom rung.<sup>xv</sup>

As Pittsburgh, PA reinvigorated its economy through the tech sector, it connected historically Black neighborhoods to tech jobs via the Pittsburgh Central Keystone Innovation Zone.<sup>xvi</sup> As part of a nine-city mobility cohort, the City of New Orleans worked with a local education-business-civic collaborative, YouthForce NOLA, to streamline the process for young people to sign up for internships tied to high-growth careers there.<sup>xvii</sup>

Places such as San Juan County, Utah emphasize local government jobs with strong benefits as good opportunities for low-income residents. San Juan County strives to increase community awareness of these job openings and to understand what barriers keep low-income and minority

adults from applying.<sup>xviii</sup> Finally, the mobility study in Atlanta, GA noted the value of providing life skills training (such as financial literacy) along with workforce training.

### **C. Addressing Transportation Barriers**

Transportation – especially to work – can be a major hurdle for low-income residents to access better jobs. In Richmond, VA, even though adjacent counties helped to fund a bus system with the city, the counties did not allow bus routes from the city into the counties. City staff considered it a significant success for economic mobility when a new Bus Rapid Transit (BRT) system was created, enabling access in the counties where many new jobs were being created.

In 2019, Kansas City, MO became the first large U.S. city to make public transit free for everyone. The Zero Fare bus system has “has largely been successful in advancing local transit equity” and improving access to employment. In a 2021 survey, 82 percent of riders said that Zero Fare has enabled them to get or keep a job.<sup>xix</sup> The free service has been extended through 2025, though there are continuing concerns about how to fund it. Thus far, money has come from a combination of federal funds and dedicated local sales taxes.

### **D. Focusing on Early Childhood Development**

Early childhood education, health, and overall development are seen as critical for enabling young people from low-income families to enter K-12 school on par with their classmates. A focus on early childhood is one reason why Raj Chetty’s research showed that mobility “improved markedly” for low-income children born in Charlotte, NC in the early 1990s compared with those born in the late 1970s. During this period, Charlotte realized “better outcomes for low-income Black residents” and steady results for low-income white residents. The Charlotte Opportunity Initiative prioritized health and education for children, committing to universal pre-K, high quality preschools, and well qualified teachers.<sup>xx</sup>

A 2024 study in metro Atlanta also identified high quality early education programs as a “foundational issue” for impacting generational poverty. Dayton, OH worked with a nonprofit organization to improve communication with families about pre-K programs, resulting in higher preschool attendance by low-income children.<sup>xxi</sup>

### **E. Better Use and Sharing of Data**

When El Paso County, TX strove to improve childcare availability for working families there, the government partnered with a regional workforce organization to gather data from employers about their workers’ childcare challenges. As governments in the Los Angeles area developed a new partnership to provide integrated services for more than 170,000 disconnected youth, they found that even existing in-house data could be difficult to use. The city and county both offered to share data on youth services, but neither was willing to fully integrate their data systems with the other. In addition, YouthSource Center staff found it difficult to use a state system for entering data on the young people being served. Ultimately the Los Angeles partnership developed a new, consistent data input and assessment process to be used in youth centers across the region.

## F. Increasing Community Engagement

Local governments emphasize the importance of getting to know “the people you are working with, including their culture.” That way, you have a “relationship already built in” when issues or concerns arise.<sup>xxii</sup> In El Paso, TX county staff developed better relationships with the Native American community there. This included being present in the K-12 schools, getting to know students and showing them the resources, the education and career opportunities available locally.

### Other Lessons Learned:

- **Progress Takes Time**

In particular, collaboration among agencies, governments, and other organizations often occurs at a “slow pace.” In the Savannah, GA area’s Front Porch juvenile justice intervention initiative, it “took almost four years for talks to materialize into a resource center on the ground.”

Chesterfield County, VA similarly wanted to “do something really grand” and quickly improve service delivery but found that progress was incremental. The county’s workforce development director noted that “it seems overwhelming trying to tackle all of the issues associated with upward mobility,” but “it’s those baby steps that really matter.”

- **Housing: A Success or Not?**

Cities such as Kansas City, MO and Richmond, VA have made great efforts to create robust housing trust funds to develop new, affordable housing. But sometimes implementation can be difficult. Former staff in Richmond note that it has been hard to find suitable, available land and get projects started for new housing to reduce segregation for low-income households.

- **Accountability is Important**

The analysis for metro Atlanta states that services and benefits for low-income families should be paired with accountability measures – such as home visits and check-ins – to make sure that services are targeted correctly and have the intended results.

- **Political Changes Can Impact Progress**

Case studies such as the one from Savannah, GA emphasize that changes in local or state elected leadership can change the political atmosphere that helped an initiative get underway. Local staff need to be prepared for shifts in funding and other support.



## Economic Mobility Efforts in Nearby Cities

Two nearby cities making concerted efforts to address generational poverty and upward mobility are Richmond, VA and Durham, NC.

**Richmond's** programs grew from an anti-poverty commission convened by former Mayor Dwight Jones in 2014. At the time, the city's poverty rate was about twice that of Virginia's. Discussions from this commission resulted in the creation of the city **Office of Community Wealth Building** (CWB), believed to be the nation's first at the city level. Primary topics for the CWB to address were:

- Workforce Development
- Housing (public housing concentrated in one part of the city; eviction issues; the need for mixed-income housing)
- Early Childhood Education
- Transportation (lack of public transit to many employment locations).

CWB has focused mainly on households with children and has operated on two levels: a) direct services to clients such as assistance with job training, childcare, and transportation needs; and b) broader work on systems and policies, particularly reducing silos and a history of agencies fighting over funding. A common goal of the CWB is to help adults attain a living wage job, and then work with clients on building wealth. Wealth building avenues include home ownership and employee ownership of businesses, but CWB has not yet been as successful at that level. Greater success has come with upward mobility efforts in workforce development and transportation. Richmond's poverty rate, 26 percent when the CWB was created, was estimated at 18 percent by 2018-2022 American Community Survey data.

Former staffers with Richmond's Office of Community Wealth Building provide the following advice for Danville:

- A one-person or small economic mobility office is likely to have the greatest initial success if they can develop a collective impact model with collaboration among city departments and some outside agencies. Richmond encountered initial resistance among city departments and it took time to identify "joint wins." This internal focus can include efforts for city departments to hire low-income residents at a living wage.
- When delivering services for clients, it is important to get case managers to talk together and work together – perhaps having one lead case manager or point of contact per family.
- If there is a geographic/neighborhood focus to mobility efforts, you need to stay in an area long enough (five years?) to build relationships and make an impact.
- The new position needs to carry enough authority or access to leadership to be respected, not buried too deeply in a department.



In **Durham, NC** a more targeted effort for employment of young adults is the **BULLS Life Sciences Academy**. The BULLS Academy targets residents ages 18 to 25 with a high school diploma or GED for a five-month biomanufacturing training program at the community college. Graduates are guaranteed local job interviews for positions averaging at least \$40,000 plus benefits. The BULLS Academy is fully funded and thus free for participants, who also receive a \$10,000 stipend over the 17-week training period. Developed in 2020, BULLS is now on its tenth cohort of participants.

### Best Practices at the National Level

Evidence suggests that the following federal policies can positively impact economic mobility for lower-income households.

- ➡ Income – expand the Earned Income Tax Credit (EITC) for working families and possibly include a credit in the absence of work income.
- ➡ Employment – the Federal Reserve Bank of Atlanta urges a focus on “opportunity employment,” defined as jobs that do not require a four-year degree and that pay above the national median wage.
- ➡ Education – increase public school funding for underfunded and impoverished districts; create more high-quality workforce training programs such as K-12 CTE and industry sector-based training.
- ➡ Healthcare – expand Medicaid, both in who is covered and what is covered (ex: more family planning services; more coverage for mothers before and after births).
- ➡ Benefit Cliffs – reduce sudden and/or sharp drop-offs in benefits that can occur when household work income increases.
- ➡ Infrastructure – improve access to quality infrastructure in low-income communities, from broadband internet to transportation.
- ➡ Housing – increase total housing supply and affordability; encourage home ownership that builds family wealth.

## 5. Recommended Actions and Strategies for an Economic Mobility Manager in the First Years of the Position

Below are suggested initial steps and data points for measuring progress to aid the City of Danville in building an economic mobility program for its residents.

### **Initial Steps for the Economic Mobility Manager Position:**

- A.** Develop relationships with key government agencies (the first group listed on page 7) and establish regular meetings. Meet at least quarterly – perhaps every other month during the first year. Facilitate discussions on how to strengthen communication, case management, and coordination of services across agencies.
- B.** Gather local data. Decide which data items to track on a regular basis and set up a system for collecting and distributing the data. Seek data input from other government departments/agencies and work with the agencies on commitments to share data.
- C.** Develop relationships with additional stakeholders: key non-profit and community partners (see list suggested on page 7). Meet quarterly.
- D.** Based on discussions with internal and external service providers and available data, develop a list of the strengths and weaknesses of current service delivery. This could include examples of effective and efficient service to families and individuals, problem areas that show little improvement, and barriers to effective service delivery that have been identified.
- E.** Consider convening a gathering of neighborhood organizations and neighborhood leaders (particularly from low-income areas) to receive input on 1) residents' ability to access available services and 2) the highest priority issues to address regarding economic mobility.
- F.** Review data, national research, and best practices to select priority strategy areas for the next three to five years. Strategy areas can be based on:
  - Selected demographics (families with children, young children for early childhood education);
  - By topic (workforce development, transportation, early childhood education, housing, etc.); and/or
  - By targeted geographies (neighborhoods, census tracts).
- G.** Share data and progress with stakeholders and elected officials on a regular basis. This could be done at an annual event.
- H.** Develop a web page to publish key data, strategic plans, and progress updates.

### **Potential measures of progress**

- Median household income – citywide and by census tract
- Household poverty rate – citywide and by census tract
- Child poverty rate – citywide and by census tract
- Unemployment rate – citywide and by census tract
- Homeownership rate – citywide and by census tract
- Wage levels for working adults, wage increases for participants
- Third grade reading levels
- On-time graduation rates
- School absenteeism
- Educational attainment – high school graduates/GED recipients, associate and bachelor's degree attainment
- Household debt – share of adults or households with debt in collections
- For new programs and initiatives – track participation numbers and results (example: for financial literacy programs, track the number of people completing a class, number of participants opening new accounts, etc.)

## APPENDIX

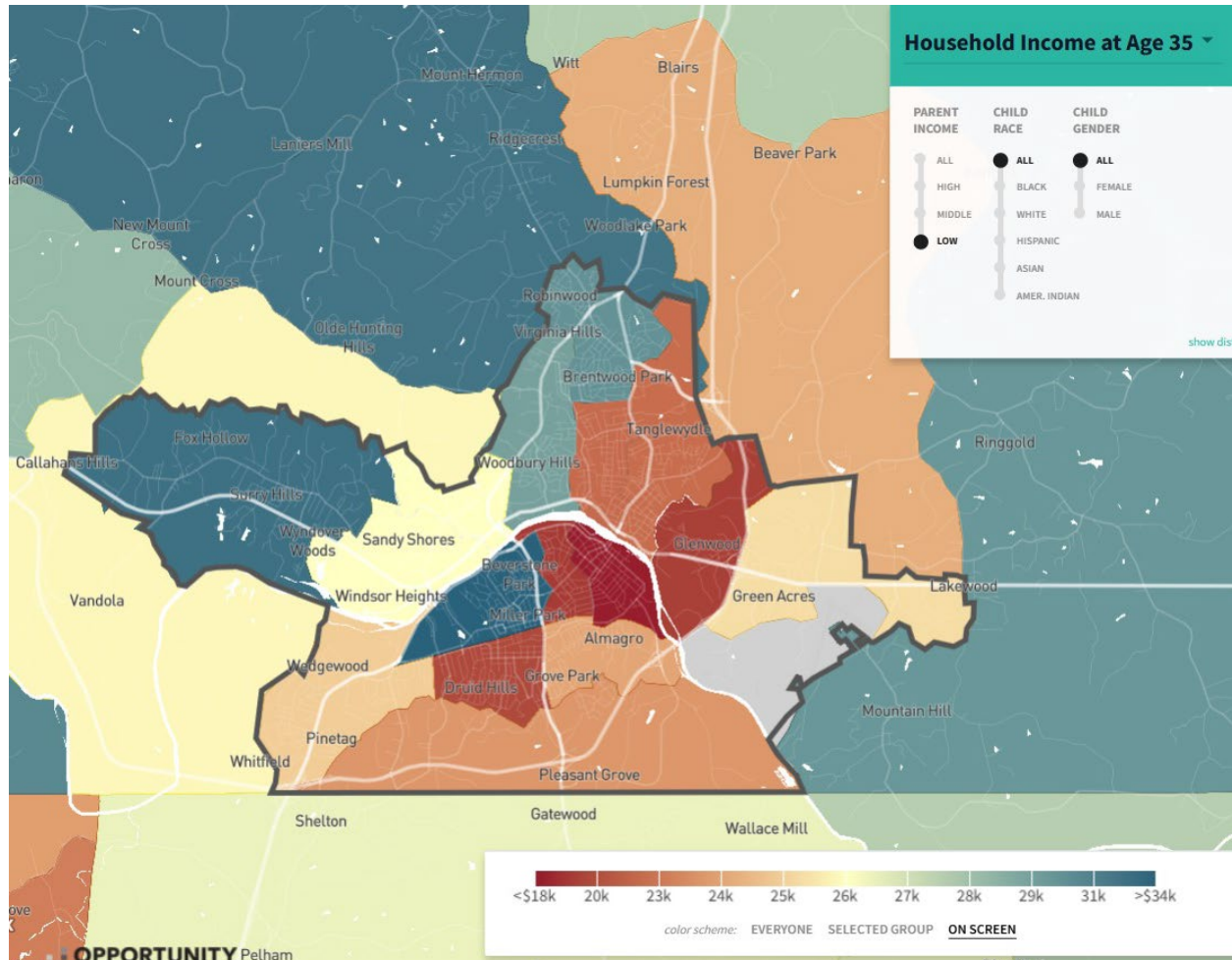
### Demographics: Danville and Selected Census Tracts

	<u>Danville</u>	<u>Census Tract 2</u>	<u>Census Tract 4</u>	<u>Census Tract 10</u>	<u>Virginia</u>
Population 2024	42,121	4,106	3,699	3,454	
Median Age 2024	43.2	<b>48.0</b>	38.4	40.2	39.2
Med HH Income	\$40,177	\$33,974	<b>\$22,032</b>	<b>\$29,536</b>	\$89,834
Avg HH Income	\$60,460	\$46,344	<b>\$39,043</b>	\$50,233	\$129,347
White pop 2024	39.1%	36.1%	23.1%	22.9%	58.9%
Black pop	52.2%	53.6%	<b>71.5%</b>	<b>66.8%</b>	18.7%
Hispanic pop	5.5%	5.9%	3.0%	7.3%	11.3%
Owner occupied 2024	40.7%	38.3%	<b>23.9%</b>	<b>29.0%</b>	61.1%
Renter occupied	44.3%	49.6%	48.6%	<b>56.1%</b>	30.5%
Vacant	15.1%	12.0%	<b>26.0%</b>	14.8%	8.5%
2024 Median home value	\$117,387	\$100,723	<b>\$70,376</b>	<b>71,644</b>	\$415,172
2024 Avg home value	\$172,462	\$140,531	\$115,333	<b>\$96,727</b>	\$509,992
2024 High school or less	54.2%	<b>62.9%</b>	<b>67.8%</b>	55.2%	32.5%
2024 Bachelor's or greater	19.9%	<b>7.1%</b>	<b>9.8%</b>	14.4%	43.0%
2024 Unemployed	4.6%	0.9%	<b>8.5%</b>	<b>9.7%</b>	3.2%
2024 White collar jobs	48.6%	34.3%	<b>30.6%</b>	35.5%	68.0%
2024 Service jobs	21.0%	21.0%	<b>36.6%</b>	<b>32.4%</b>	15.2%
2024 Blue collar jobs	30.4%	<b>44.6%</b>	32.8%	32.2%	16.8%
2020 Female HH no partner	43.9%	<b>49.7%</b>	<b>51.6%</b>	<b>49.0%</b>	27.8%
2024 Housing afford index	138	136	126	166	86
2024 Wealth index	44	<b>27</b>	<b>21</b>	<b>30</b>	117
2024 Crime index	145	<b>162</b>	132	140	73
Personal crime	105	79	<b>143</b>	<b>141</b>	56
Murder	338	198	<b>487</b>	<b>387</b>	100
Property crime	153	<b>178</b>	130	140	76
ACSnonfamily HH 1 person	41.1%	<b>51.2%</b>	41.1%	45.5%	28.0%
ACSno internet access	21.5%	28.3%	<b>33.2%</b>	29.3%	8.9%
ACSincome ratio below poverty	25.3%	31.1%	<b>45.3%</b>	<b>42.6%</b>	10.0%
ACSincome 12 mo below poverty	24.6%	26.3%	<b>45.1%</b>	<b>38.8%</b>	10.1%
Poverty index	198	212	<b>363</b>	<b>312</b>	81
ACSHH with soc sec income	40.2%	<b>45.3%</b>	37.1%	34.7%	29.8%
ACSrent 40%-plus of income	31.2%	36.8%	<b>43.5%</b>	<b>46.4%</b>	30.0%
ACSHH public assistance	15.5%	17.9%	<b>30.0%</b>	<b>33.2%</b>	2.2%
ACSHH food stamps/SNAP	24.0%	23.0%	<b>52.4%</b>	<b>40.4%</b>	8.3%
ACSHH with a disability	33.9%	32.9%	37.6%	<b>49.6%</b>	24.3%

Source: ESRI 2024

## The Opportunity Atlas from Opportunity Insights

### Low-Income Children from Danville, Household Income at Age 35



Source: Opportunity Insights. Opportunity Atlas accessed online, October 2024.

<https://www.opportunityatlas.org/>

## MIT Living Wage Calculator

The website below from Massachusetts Institute of Technology (MIT) provides living wage standards for various household types in Danville, VA. It also includes typical household expenses and typical salaries in Danville.

<https://livingwage.mit.edu/counties/51590>

## Other Resources

- ➡ The Urban Institute's Upward Mobility Initiative

<https://upward-mobility.urban.org/>

The Upward Mobility Initiative's Planning Guide for Local Action

<https://upward-mobility.urban.org/boosting-upward-mobility-planning-guide-local-action>

- ➡ ICMA's Economic Mobility and Opportunity Tools and Resources

<https://icma.org/page/economic-mobility-and-opportunity-tools-and-resources>

## The Collective Impact Model

A Collective Impact approach requires all participants to share a common vision for change, which includes a mutual understanding of the problem and a collaborative approach to solving it through agreed-upon actions.

The collective impact model is built on five foundational components:

- **Common Agenda:** Stakeholders share a vision and agree on actions to address specific challenges or opportunities.
- **Continuous Communication:** Regular meetings and transparent communication foster trust among participants.
- **Mutually Reinforcing Activities:** Stakeholders coordinate a set of differentiated activities, assuming both joint and individual responsibilities.
- **Shared Measurement System:** Data is collected, and results are measured using a common set of performance metrics.
- **Backbone Support:** An independent or mutually agreed-upon organization provides the collaborative capacity needed to achieve the goals, with funded staff offering ongoing support.



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- <sup>i</sup> Economic Mobility and Opportunity work overview. Bill & Melinda Gates Foundation. Website accessed October 2024.
- <sup>ii</sup> Greg Duncan and Harry Holzer. “Policies That Reduce Intergenerational Poverty.” Brookings. October 17, 2023.
- <sup>iii</sup> Raj Chetty. “Improving Opportunities for Economic Mobility: New Evidence and Policy Lessons.” Federal Reserve Bank of St. Louis. 2016.
- <sup>iv</sup> Upward Mobility Initiative website. Urban Institute. Website accessed October 2024.
- <sup>v</sup> “Reducing Intergenerational Poverty.” National Academies of Sciences, Engineering, and Medicine. March 2024.
- From Chetty et al, 2020.
- <sup>vi</sup> “Advancing Economic Mobility for Low-Income Families: Policy Options for Governors.” National Governors Association. September 13, 2022.
- <sup>vii</sup> “Improving Opportunities and Boosting Economic Mobility.” National League of Cities. December 13, 2022.
- <sup>viii</sup> Raj Chetty. “Improving Opportunities for Economic Mobility: New Evidence and Policy Lessons.” Federal Reserve Bank of St. Louis. 2016.
- <sup>ix</sup> Ibid.
- <sup>x</sup> Marjorie Kelly and Sarah McKinley. “Cities Building Community Wealth.” Democracy Collaborative. November 2015.
- <sup>xi</sup> “Breaking the Cycle of Generational Poverty in Metro Atlanta.” The Shapiro Group, prepared for the Atlanta Women’s Foundation. 2024.
- <sup>xii</sup> Anna Mitchell, Jessi Atcheson, and Laura Goddeeris. “County Leadership in Dismantling Barriers to Economic Opportunity.” PM Magazine. November 1, 2023.
- <sup>xiii</sup> “The Front Porch: City of Savannah and Chatham County, Georgia.” Results for America Collaboration Case Study. 2022.
- <sup>xiv</sup> “Performance Partnership Pilot Initiative.” Results for America Collaboration Case Study. 2022.
- <sup>xv</sup> Economic Leadership interviews with Valaryee Mitchell and Evette Roots, former staff in the City of Richmond Office of Community Wealth Building. September 2024.
- <sup>xvi</sup> Marjorie Kelly and Sarah McKinley. “Cities Building Community Wealth.” Democracy Collaborative. November 2015.
- <sup>xvii</sup> “Increasing Economic Mobility by Bringing Together Nine US Cities.” Behavioral Insights Team blog. June 13, 2022.
- <sup>xviii</sup> Anna Mitchell, Jessi Atcheson, and Laura Goddeeris. “County Leadership in Dismantling Barriers to Economic Opportunity.” PM Magazine. November 1, 2023.
- <sup>xix</sup> Sandy Smith. “Kansas City’s Zero Fare Transit Program Shows Major Success – And What Still Needs to Be Done.” Next City. July 27, 2022.
- <sup>xx</sup> Eleana Teran. “Economic Mobility: A Tale of Two Cities.” Capital Analytics Associates. July 31, 2024.
- <sup>xxi</sup> “How Can Governments Increase Program Uptake?” Results for America blog. June 20, 2022.
- <sup>xxii</sup> Anna Mitchell, Jessi Atcheson, and Laura Goddeeris. “County Leadership in Dismantling Barriers to Economic Opportunity.” PM Magazine. November 1, 2023.