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How Massachusetts can Achieve an Inclusive Recovery from COVID-19

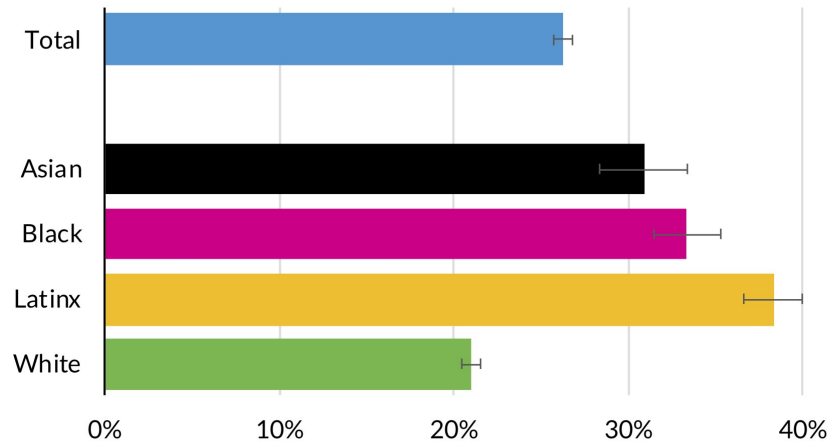


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COVID-19's Impacts by Race and Ethnicity

Adults in Households with Someone Expected to Lose Employment Income in the Next Four Weeks

Survey period: August 19–31, 2020



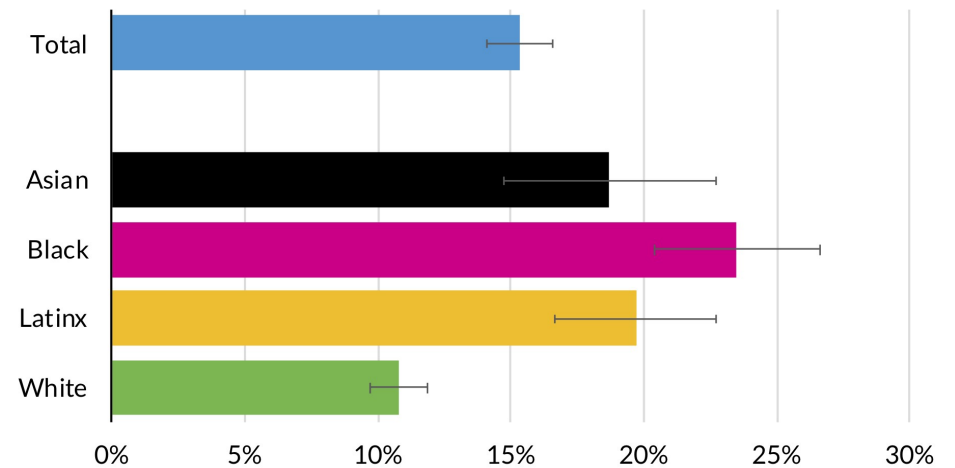
URBAN INSTITUTE

Source: Calculations from the Urban Institute Racial Equity Analytics Lab's COVID-19 racial equity recovery tracker, based on the second phase of the federal Household Pulse Survey.

Notes: We've included margins of error to show the uncertainty in the estimates because of sample size and response rates.

Renter Households That Are Not Caught Up on Rent

Survey period: August 19–31, 2020



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Source: Calculations from the Urban Institute Racial Equity Analytics Lab's COVID-19 racial equity recovery tracker, based on the second phase of the federal Household Pulse Survey.

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Meeting the Moment

- As the federal government invests unprecedented levels of funds in states and localities, jurisdictions have a once in a generation opportunity to pursue innovative recovery plans bolstered by policies of inclusive growth

	CARES Act	CRRSAA	ARPA
Total funding	\$2.2 trillion	\$900 billion	\$1.9 trillion
Flexible state and local aid	\$150 billion	None	\$350 billion
Ensuring that broadband access is equitably distributed and affordable			
Additional state and local funding	\$50 billion	\$51 billion	\$120 billion
Sources of additional funding	<ul style="list-style-type: none"> •CDBG and other housing assistance •Economic development •Transportation •Child Care 	<ul style="list-style-type: none"> •Emergency Rental Assistance •Transportation 	<ul style="list-style-type: none"> •CDBG and other housing assistance •Economic development •Transportation and other infrastructure
Funds available through	2021	Multi-year periods	2024-2025 or until expended

An inclusive recovery occurs when

“

a place overcomes economic distress in a way that enables its residents—especially historically excluded populations—to **share in benefiting from and contributing to economic growth.**

What happens if we don't recover inclusively?

Inequity has detrimental effects on economies as a whole

- Persistent disparities cause significant aggregate economic losses; losses measured in trillions of dollars and several tenths of a percentage point on GDP growth
- Segregation in Chicago has cost the city \$8 billion in GDP
 - Regions with higher levels of Latino-white segregation have lower overall life expectancy
 - Regions with higher levels of black-white segregation have lower black per capita income, lower bachelor's degree attainment for both residents who are black and residents who are white, and higher homicide rates
- “Spatial mismatch,” or the mismatch between where jobs are located and where job seekers live, leads to high unemployment rates and lead to longer spells of joblessness

What did we learn in our
analysis of inclusion?

Economic health is positively correlated with inclusion

Economic Health Category in Given Year	Pooled Average Ranking Across Years		
	Overall Inclusion	Economic Inclusion	Racial Inclusion
Healthy	95	88	114
Other	141	134	142
Recovered	151	167	139
Distressed	180	191	157

But economic recovery does not automatically lead to inclusion

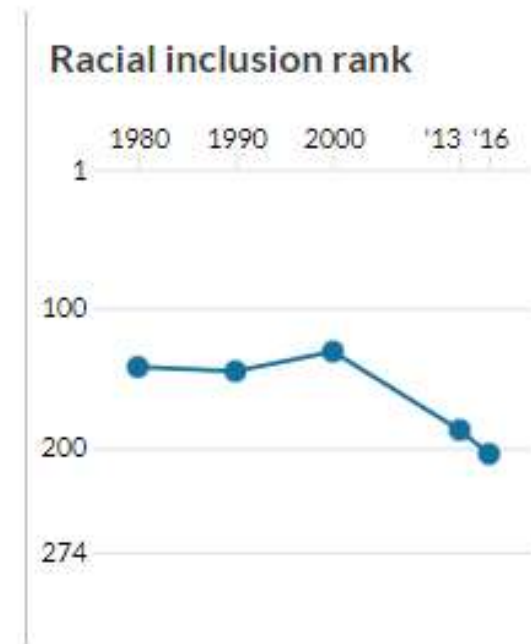
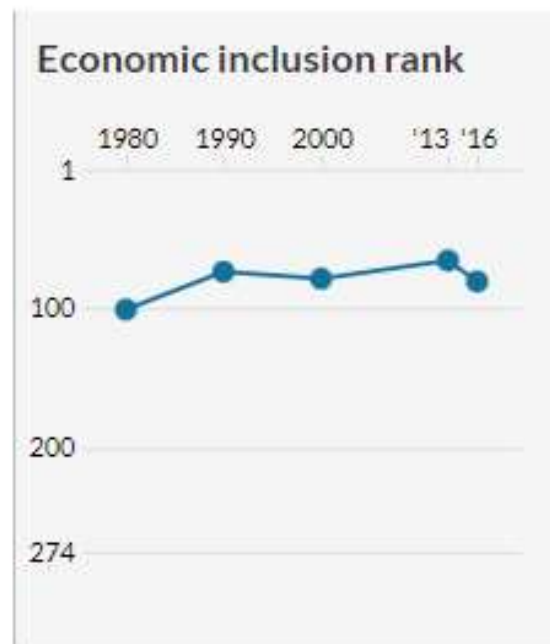
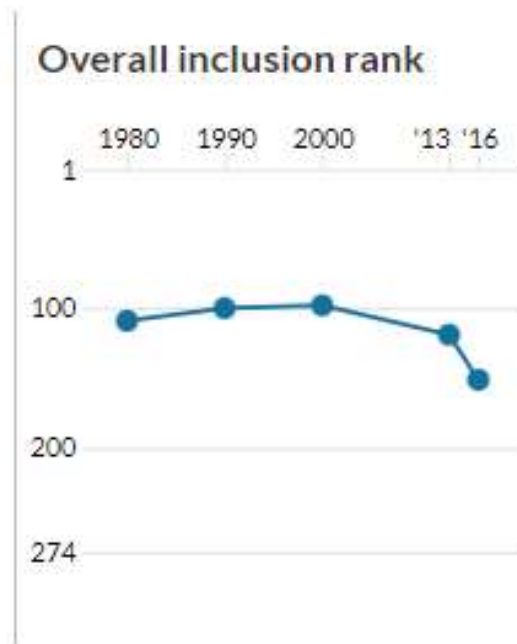
23 “recovered” cities made gains in inclusion during their recovery periods

Place	Period of Recovery	2013 Overall Inclusion Rank	Change in Inclusion Rank During Recovery
Augusta, GA	1990-2000	142	176
Midland, TX	1990-2013	72	160
Jacksonville, FL	1980-2000	97	133
Charleston, SC	1980-2013	158	111
El Paso, TX	2000-2013	62	103
Lowell, MA	1990-2000	79	100
Lubbock, TX	1990-2013	148	96
Tallahassee, FL	1980-1990	183	66
Louisville, KY	2000-2013	194	63
Long Beach, CA	2000-2013	215	53
Oceanside, CA	1980-1990	40	43
Vancouver, WA	1980-2000	45	41
Corpus Christi, TX	2000-2013	75	39
Brownsville, TX	2000-2013	221	33
San Antonio, TX	1990-2000	134	29
Los Angeles, CA	2000-2013	241	28
Athens, GA	1990-2000	118	24
Salem, OR	1980-1990	186	22
Columbus, OH	1980-1990	115	19
Fort Worth, TX	1990-2013	213	15
Amarillo, TX	1990-2013	219	14
Washington, DC	2000-2013	184	14
McAllen, TX	2000-2013	146	8

18 “recovered” cities
lost ground in
inclusion during their
recovery periods

Place	Period of Recovery	2013 Overall Inclusion Rank	Change in Inclusion Rank During Recovery
New York, NY	2000-2013	197	-3
Wilmington, NC	2000-2013	252	-5
Jersey City, NJ	2000-2013	30	-6
Lafayette, LA	1990-2013	232	-6
Fontana, CA	2000-2013	69	-8
McKinney, TX	1980-2000	35	-10
Victorville, CA	1980-1990	65	-12
Modesto, CA	1980-1990	92	-14
Boston, MA	1990-2013	119	-19
Phoenix, AZ	1990-2000	270	-21
Indianapolis, IN	1980-1990	226	-27
Salt Lake City, UT	1990-2000	225	-29
Sacramento, CA	1980-1990	90	-33
Oklahoma City, OK	1990-2013	206	-36
Denver, CO	1990-2000	217	-50
Laredo, TX	2000-2013	204	-59
Joliet, IL	1980-2000	187	-90
North Las Vegas, NV	1990-2000	89	-132

As of the most recent analysis, Boston: **151st** out of 274 cities on overall inclusion, **81st** on economic inclusion, and **204th** on racial inclusion



What can Massachusetts do to
promote an inclusive
recovery?

Building Blocks for an Inclusive Recovery

- **Create jobs** for residents hardest hit by the pandemic or who face greatest barriers to employment;
- **Connect residents to jobs and economic opportunities**, including through workforce development, childcare, transportation, or broadband;
- **Reinvest in disinvested communities** and address longstanding disparities in access to education, capital, economic opportunities, and climate resilience across neighborhoods;
- **Stabilize housing and expand affordable housing** options for low-income households and housing-insecure renters; and
- **Create opportunities** for low-wealth households to build wealth.

The World Bank recommends asking a set of questions to frame an inclusive recovery strategy:

1. Who is most likely to be affected?
2. Where do they live? What neighborhoods or regions need the most support?
3. What are the most at-risk occupations and living conditions?
4. How are the vulnerable most likely to be affected?
5. Why are they vulnerable, and what do they need to cope with the circumstances?

It is also important to track and monitor inclusion

- These metrics can include
 - measures of spatial segregation and access to high opportunity neighborhoods
 - housing costs relative to income
 - ability of all residents to get decent, good-paying jobs
 - quality of service provision by the city, such as education
 - health equity
 - political representation

Engage with historically excluded populations to develop these plans and uses of funds

In developing inclusive recovery plans, leaders should explicitly ensure that those creating the plans **represent the community as a whole** and that the process engages with and includes all community members

- For example, **Lowell, Massachusetts**, established the Lowell Plan in the 1980s, a nonprofit economic development organization that coordinates planning efforts between public and private leaders.
 - Although the plan was not designed to promote inclusion, it spurred small business growth, including the formation of the Small Business Assistance Center, which has supported the establishment of over 400 immigrant- and minority-owned small businesses.

Lay the building blocks for inclusion through ...



Developing and preserving affordable housing to minimize displacement and ensure existing residents can share in economic growth



Investing in educational initiatives that are outcomes-focused and encourage opportunity for historically-disadvantaged groups



Ensuring that broadband access is equitably distributed and affordable



Investing in public transportation and other ways of getting people to opportunity



Provide direct cash transfers to the most vulnerable residents

For states and localities to truly embrace inclusivity, they must



Explore and understand

- how their policies and systems shape their physical landscape, the choices their residents have in where to live, and the links between place and opportunity in neighborhoods.

Track and monitor

- inclusion and equity over time

Confront

- the legacy and history of segregation in their region

Work with residents

- to identify concrete steps to increase equity and inclusion in the wake of the pandemic

For more information and research on this topic:

<https://www.urban.org/inclusive-recovery>

If you have questions, my email is:

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