MEMORANDUM

February 4, 2016

TO: Health and Human Services Committee

FROM: Stephanie Bryant, Legislative Analyst
              Leslie Rubin, Senior Legislative Analyst
              Office of Legislative Oversight

SUBJECT: **Office of Legislative Oversight Memorandum Report 2016-2, *Two-Generation Approaches to Poverty***

The Council released Office of Legislative Oversight (OLO) Memorandum Report 2016-2, *Two-Generation Approaches to Poverty*, on November 17, 2015. The report responds to the Council's interest in understanding two-generation approaches to poverty implemented in other jurisdictions, factors leading to program success, and approaches to implementing a two-generation model most successfully in Montgomery County.

At this worksession, the Committee will:

- Receive a brief overview of the report from OLO staff,

- Receive an update from Uma Ahluwalia, Director of the Department of Health and Human Services, on the County's efforts in this area, and

- Hear descriptions of existing anti-poverty programs from representatives from the Housing Opportunities Commission and A Wider Circle.

The following representatives will attend the worksession and provide information for the Committee.

Department/Organization	Representative
Department of Health and Human Services	Uma Ahluwalia, Director
Housing Opportunities Commission	Bonnie Hodge Danette Lawrence
A Wider Circle	Mark Bergel, Executive Director

In addition, the CEO of Interfaith Works, Shane Rock, will be attending the worksession and available to answer questions from the Committee. This packet is organized as follows:

- **Section A** describes the philosophy behind two-generation programs,
- **Section B** summarizes existing and opportunities for two-generation programs in Montgomery County, and
- **Section C** outlines potential discussion questions for the Committee.

A. Philosophy of Two-Generation Programs

Two-generation poverty programs focus on disrupting the cycle of poverty by serving parents and children individually and together as a family unit. The Annie E. Casey Foundation identified several challenges facing low-income families today:

- Inflexible, unpredictable jobs and low wages.
- Lack of access to high-quality, flexible, and reliable early childcare and education.
- Lack of formal and informal social/support networks.
- Stress at home, for parents and children.

Additionally, a lack of stable housing (due to affordability) can lead to increased mobility for low-income families, which can cause parental stress and negatively impact children's academic achievement.

At a minimum, modern two-generation programs aim to:

- Re-engage parents in education and/or work,
- Nurture parent-child bonds,
- Improve children's well-being, and
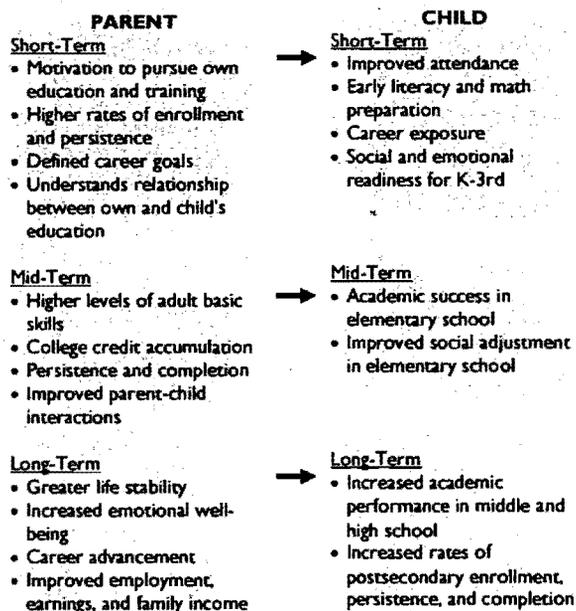- Connect families with economic, social, and other supports.

History. In the 1980s and 1990s, two-generation programs fragmented the needs of children and adults, often leaving one or the other cohort behind. Poor program results and "work-first" policies related to receiving federal assistance led to a decrease in the expansion of two-generation programs.

Federal programs, such as the 1996 Personal Responsibility and Work Opportunity Reconciliation Act and the 1998 Workforce Investment Act focused on job search and placement, producing a 60% decline in welfare recipients due to increased employment, an increase in earnings for female heads of households, and a decrease in the number of children living in poverty. These gains, however, did not lead to a comparable decline in overall poverty. While women went to work, few earned enough to escape poverty and intergenerational poverty persisted.

In the 2000s, factors such as changing economic conditions, globalization and international economic competiveness, and the need for a highly educated workforce spurred a renewed impetus for two-generation programs. Coupled with a national childhood poverty rate above 20 percent and increasing social inequality, two-generation approaches are experiencing a resurgence.

Current Thinking. Contemporary two-generation program design focuses on (1) defining economic stability, (2) creating an individualized family approach, and (3) defining program outcomes – guided by an enhanced understanding of the interrelationship between home environment, parental success, and childhood outcomes. Researchers are identifying dynamic methods to measure these components, such as a "self-sufficiency standard" that factors in the cost of six basic needs – housing, childcare, food, transportation, health care, and taxes, plus miscellaneous costs such as clothing, diapers, and household and personal items – to measures economic need by family type and geographic location. Using this standard, researchers and policymakers can pinpoint cost stressors for individual families experiencing poverty – the second design focus of modern programs. And finally, researchers have outlined a framework that defines short-, mid-, and long-term outcomes, seen in the graphic below, for parents and children in two-generation programs, with expected outcomes reinforcing each other.

Anticipated Outcomes

PARENT

Short-Term
- Motivation to pursue own education and training
- Higher rates of enrollment and persistence
- Defined career goals
- Understands relationship between own and child's education

Mid-Term
- Higher levels of adult basic skills
- College credit accumulation
- Persistence and completion
- Improved parent-child interactions

Long-Term
- Greater life stability
- Increased emotional well-being
- Career advancement
- Improved employment, earnings, and family income

CHILD

Short-Term
- Improved attendance
- Early literacy and math preparation
- Career exposure
- Social and emotional readiness for K-3rd

Mid-Term
- Academic success in elementary school
- Improved social adjustment in elementary school

Long-Term
- Increased academic performance in middle and high school
- Increased rates of postsecondary enrollment, persistence, and completion

Modern Programs. Modern two-generation programs typically incorporate or focus on five main components in program design and implementation:

- Early childhood education,
- Postsecondary and employment pathways for parents,
- Social capital – formal and informal networks,
- Economic supports, and
- Health and well-being.

Working to incorporate the frameworks and key program components, modern two-generation programs typically have one of four types of program structures that fit along a continuum:

- Adding education and job training programs to early childhood programs;
- Adding early childhood programs to education and workforce training programs;
- Merging separate parent and child programs within existing organizations; or
- Establish residentially-based parent and child educational programs at college campuses or public/ mixed-income housing.

The next table identifies programs that fit into each of the four program types.

	Program Type	Program Example
1	Adult Programs Added to Child-Focused Programs	Community Action Project (CAP) Tulsa, Oklahoma
2	Child Programs Added to Adult-Focused Programs	Northern Virginia, Hostos (CUNY), and Miami Dade Community Colleges
3	Adult and Child Programs in Different Organizations Merged	The Annie E. Casey Foundation Atlanta Civic Partnership
4	Adult and Child Programs as Residential Programs	Keys to Degrees Program at Endicott College

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1. Community Action Project (CAP) Tulsa, Oklahoma

The Community Action Project combines early childhood education with a work-readiness program that provides adult education courses and training services in a single program with stackable career credentials. CAP Tulsa's outcomes are evaluated by CAP's Innovation Lab. The Lab has an "evidence-oriented" culture focused on empirical evidence testing and incubation of new data-driven program offerings. The Lab has lead CAP Tulsa's participation in national and localized program evaluation studies, including two five-year studies of CAP Tulsa's two-generation approach – one examining family advancement and one examining life quality/well-being.

2. Miami Dade College – Single Stop USA

Miami Dade College, in partnership with Single Stop USA (a national non-profit), offers students on campus public benefits screenings. Staff help students apply for benefits and then follow-up with to ensure that students receive the benefits – all free of charge to enrolled students. Staff also provide free financial counseling, legal referrals, and tax preparation services.

Since 2012, Single Stop USA has partnered with 18 colleges in seven states to help increase community college retention and graduation rates. By providing coaching and case management services, students are able to overcome barriers (e.g., housing, transportation, child care) many of which impact the student's ability to proceed with postsecondary education.

3. The Annie E. Casey Foundation Atlanta Civic Partnership

In 2001, the Annie E. Casey Foundation partnered with Atlanta Public Schools, Sheltering Arms Early Learning and Resource Center, and the Center for Working Families to establish the Atlantic Civic Site Dunbar Learning Complex. The Dunbar Learning Complex, located with an elementary school, incorporates education, family economic success, and neighborhood transformation – providing resources to residents of five Atlanta neighborhoods (Neighborhood Planning Unit Number 5 (NPU-V)). Because all services are combined at one site, children can matriculate from the early learning center to the elementary school and follow a continuous Pre-K through third grade curriculum while their parents receive workforce development classes. Enrolled parents receive guaranteed childcare placement at no additional cost.

4. Endicott College's Keys to Degrees Program

Endicott College's Keys to Degrees Program educates two-generations together by enrolling parents in any of Endicott College's baccalaureate degree programs while enrolling their children in a high-quality early childhood center or area public schools. The Keys to Degrees program began in 1993 and has replicated the program nationally since 2010. At Endicott College, the program houses 10 single parents and their young children, ages six or younger at time of admission. (The program is expected to grow to 20 students by 2017).

The Keys to Degrees Program has nine core components to achieve the education of two-generations at a time. While student-parents pursue a baccalaureate degree, the Keys to Degrees Program pre-screens local child development programs for students' children. Keys to Degrees also pays the majority of a child's tuition while the family is on the waiting list for state-issued income-eligible childcare assistance vouchers.

Common Steps for Implementing Two-Generation Programs. The Ray Marshall Center for the Study of Human Resources (University of Texas) and the Foundation for Child Development issued a guide to implement two-generation strategies and programs for local and state policymakers. The guide presents six common steps that successful two-generation programs have undertaken in their development, summarized below.

Six Common Steps for Successful Two-Generation Programs

	Step	Key Tasks
1	Conduct an Environmental Scan	• Understand current policies, programs, and resources in the region. • Define challenges and opportunities to leveraging existing services to implement two-generation programs.
2	Link Existing Resources	• Assess needs of existing populations to define service offerings. • Interview parents at strong early childhood education programs to determine needed workforce services, and vice versa with adult program participants.
3	Identify Program Champions	• Use the environmental scan to identifying program champions, funding sources, and key collaborators such as government leaders, workforce intermediaries, or community organizations.
4	Identify Funding Sources and Key Collaborators	• Explore public-private partnerships to support two-generation strategies. • Examine existing early childhood, workforce development, and education programs with potential funders. • Identify funding options such as Social Impact Bonds, Place-Based Funding, or braided funding (interweaving public, private, and non-profit funds).
5	Replicate or Expand Successful Two-Generation Programs	• Consider replication that best fits the resources, public policies, and other factors in the region. • Leverage existing programs at new sites to speed up implementation and achievement of goals.
6	Launch a Pilot Program	• Start small to recognize needed changes before large-scale implementation. • Identify measures that reflect long-term desired program outcomes.

Success Factors and Challenges with Program Implementation. OLO interviewed organizational staff in existing two-generation programs to identify factors that impact programs' success and challenges. The key take-aways from these interviews were:

- Programs with strong leadership support are more successful.

- Needs assessments can help narrow service offerings and available funding mechanisms.

- Partnerships can be used to bridge funding gaps and provide whole family services.

- Evidence-oriented cultures permit research and data to target areas or populations with the largest need, leverage partnerships, and evaluate program performance.

The Utah State Intergenerational Welfare Reform Commission coordinates data sharing between five state agencies to understand existing needs of families experiencing or at risk for experiencing intergenerational poverty statewide. The State Commission measures progress in early childhood development, education, family economic stability, and health and produces 5-year and ten-year plans and benchmarks. The Commission tracks progress towards goals and ensures that financial resources are properly expended to meet the greatest need.

- Current funding mechanisms can inhibit the implementation of two-generation programs.

- Program replication depends on scalability and needs.

B. Two-Generation Programs in Montgomery County

Roughly 18 percent of Montgomery County residents (184,759) live below the Federal Poverty Line, with female-headed households comprising 60 percent of the households with children under the age of 18 living in poverty. It is estimated that to meet the costs of basic needs, a single adult family with one preschooler and one school age child would need to earn at least $83,000 to be considered economically self-sufficient – higher than other large metropolitan areas such as New York City and Los Angeles. Families living in poverty in Montgomery County often live in over-crowded situations, struggle for basic necessities, and may need behavioral health services, domestic violence assistance, and disability services.

Families at-risk for experiencing intergenerational poverty often face unemployment, domestic violence, health and mental health challenges, incarceration or substance abuse, and homelessness. The Department of Health and Human Services identified six population subgroups in the County who could benefit from a two-generation approach to poverty, including young homeless families, veterans, pregnant teenagers, disconnected youth, grandparents raising grandkids, and refugee and immigrant families living on the margins.

One program in Montgomery County that employs elements of two-generation programming is DHHS' Neighborhood Opportunity Network. In 2009, DHHS and the Montgomery County Office for Community Partnerships partnered with leaders from faith-based communities, social service non-profits, and grassroots organizations to deliver critical emergency and safety net services to County residents. The partnership merged traditional service delivery with neighborhood organizing – securing the commitment of three large non-profits (i.e., Family Services, Inc., Mary's Center, and Catholic Charities) to serve as anchor sites for the new Neighborhood Services Centers in three zip codes that had the largest need for emergency assistance programs. In the first year of operation, this program initiated over 1,341 one-on-one conversations with County residents from over 63 countries. However, while this program works across policy silos and builds social capital in high-need areas in the County, fully implementing the Neighborhood Opportunity Network as a true two-generation program would require additional resources and program infrastructure.

At OLO's request, the Director of the Department of Health and Human Services provided recommendations on implementing a two-generation approach in the County, which describes current two-generation opportunities in the County, current Department strengths that could allow implementation efforts to succeed, and current and future opportunities for utilizing a two-generation strategy to eliminate poverty in the County.

Current Opportunities for Implementing Two-Generation Approaches
By Uma Ahluwalia, Director, Department of Health and Human Services

While the Neighborhood Opportunity Network is a program that we are proud of and has served the community well, we do not see it as the singular approach that fits the definition of a two-generation approach to eliminate poverty. Many families are served by this non-traditional service delivery, but it typically only addresses one dimension of poverty, financial assistance. As a help and referral center, the NON's have evolved into centers that largely serve immigrant populations many of whom are undocumented. The customer base does not represent a true microcosm of the total customers with whom we work. Many of these families would not be eligible for typical benefits that might be packaged for a two-generation approach, especially with regard to federal funds. Having said that, we don't want to under-estimate the

impact that the services have for those families that use the centers. In addition, the use of outreach strategies and potential attaching community health workers or other outreach personnel could position this resource to be highly impactful in the community around two generation poverty for residents in those neighborhoods. It is existing infrastructure that when modified could be leveraged.

The department also wants to focus on specific areas such as young homeless families, pregnant teenagers and teen mothers with significant barriers. Some of this work will occur in our young adult rapid re-housing program and in a secondary preventative program focusing on pregnant teens.

Current Strengths to be applied Towards a Two-Generation Approach to Eliminate Poverty for young parent households:

- HHS operates a rapid re-housing program providing services to families with minor children who are homeless. It should be noted that the commitment for this program currently is 18 months to two years however, research shows that the two generational approach can take as many as five years to demonstrate results.

- Strong linkages between HHS, other public agencies, other nonprofits, HOC, and public school system.

- We are in early stages of discussion of data sharing with Montgomery county public schools.

- We have the capacity to braid together the following services:
    - case management,
    - stable housing,
    - education and workforce attainment,
    - mental and physical health supports,
    - financial literacy,
    - child welfare involvement, and
    - engagement and supportive services.

- With recent changes coming to the Working Parents Assistance program (WPA), we will be able to support a two generational approach by helping more low income families access quality childcare.

- Montgomery County has a strong network of employers and employment opportunities. We have been able to achieve employment opportunities above minimum-wage placements through our TANF employment program for a large percent of our mandatory TANF population.

- Montgomery College has proven to be a good partner for post-secondary education and other job training opportunities. They have been a partner in several targeted job training programs for the healthcare industry, construction industry, and automotive mechanics.

Current and Future Opportunities for Implementing a Two-Generation Approach to Eliminate Poverty

- While we currently do not have an integrated case management system, we are only approximately one year away from having an integrated enterprise wide case planning and data collection system within HHS.

- We need to establish strong relationships with the new Workforce Development Authority in the county and make sure that we take advantage of recent changes from the Workforce Investment Opportunity Act (WIOA). WIOA is now mandating that the social services agency are a mandated partner and that they share funding, but the state has not released the plan on this.

- The cost of Housing in Montgomery County limits the amount of work that we can do within our current budgets to provide long-term and substantial assistance to housing costs. Creative solutions such as Medicaid Waivers need to be pursued and unique landlord/tenant relationships.

- We need to find creative approaches to support full-day programming for children enrolled in the head start program, so that their families can participate in programs that support up two-generational poverty elimination approach.

- Many of our low income families have dual citizenship status within the family. For example, the child may be a citizen and one or more of the parents may not have legal status. In the latter situation, the parents may not be eligible for some of the supports necessary for a two generational approach. This presents some unique blending and braiding opportunities with flexible local funds. We need to figure out the policy and practice permissions and waivers that are needed to facilitate this work.

- HHS has not established a program that includes the creation of asset development. It should be noted that in a partnership with HOC, we do provide case manager support to Low income families who, through an asset development program, are able to purchase housing and or cars at the end of a five-year program. We believe that funders would be interested in supporting an asset development model.

Housing Programs in Montgomery County for Low-Income Residents. As DHHS mentioned above, one area for possible future expansion of a two-generation approach in the County is home affordability programs. Within the County, the Department of Housing and Community Affairs' programs help produce and preserve affordable housing for low and moderate income families.

DHCA's housing programs target both low-income and moderate-income residents. However, County resources alone are not sufficient to reach residents who earn below 60 percent of the Area Median Income – the County requires private, federal and state resources to help supply housing for these lower-income residents. DHCA reports that its community and private sector development partners often have to braid together multiple funding sources to develop affordable housing projects that reach these residents (e.g., low-income housing tax credits, land donations, foundation grants, and County funds).

At the same time, Montgomery County's decades-old policy of "inclusionary zoning" means that the County spreads low and moderate income and affordable housing opportunities throughout the County, rather than concentrating this housing (and effectively concentrating poverty) in a few smaller areas. This disbursement of low-income residents presents an added challenge for service providers (such as DHHS) because there may not be a single, easily-accessible location to reach high concentrations of people in poverty, which increases the cost of providing services.

The Housing Opportunities Commission (HOC) of Montgomery County also provides housing assistance to low-income County residents – as the County's public housing agency, a housing finance agency, and a housing developer. HOC is an independent agency from the County Government and County Government funding to HOC does not support any two-generation programs.

HOC administers at least one program that follows a two-generation approach – the federal Department of Housing and Urban Development's Family Self-Sufficiency (FSS) program. The FSS program is a five-year program available to families in the federal Housing Choice Voucher program or Public Housing residents. In addition to the federal housing assistance that program participants already receive, the FSS program provides mentors and coordinates child care, transportation, education, job training, employment counseling, financial literacy, and homeownership counseling for program participants.

C. Discussion Questions

Below are questions to help Councilmembers examine the benefits of and opportunities for developing two-generation programs in Montgomery County.

1. What opportunities exist to expand the use of data to understand the needs of families experiencing intergenerational poverty in Montgomery County? How can data be used to drive program design and the geographic location of services?

2. On October 13, 2015, the Council enacted Bill 40-15 establishing a non-profit Workforce Development Corporation. Would focusing current and future workforce development programs on sectoral training and stackable career credentials benefit County residents in poverty? This includes opportunities to foster partnerships with early childhood education centers, Montgomery College, and expansion of existing programs, such as the Rx for Employability Program started by the Montgomery Business Development Corporation.

3. The Office of Legislative Oversight currently is working on a study examining paid family leave in Montgomery County. How would paid family leave impact low-income families living in the County?

4. What funding mechanisms are available for the establishment of programs in the County to address two-generation poverty (i.e., partnerships, Children's Opportunity Fund, Social Impact Bonds, grants)?