moving to work IN THE BAY AREA

A PROJECT OF THE GREAT COMMUNITIES COLLABORATIVE

Brief One: Barriers to Quality Jobs Faced by Low-Income Workers
LEAD ORGANIZATIONS

The Great Communities Collaborative is a group of organizations dedicated to ensuring that the San Francisco Bay Area is made up of healthy, thriving neighborhoods that are affordable to all and linked to regional opportunities by a premier transit network. We connect local residents with the tools and resources they need to influence decision making, forge diverse partnerships to craft lasting strategies and harness the means to help move visions to reality.

The Great Communities Collaborative envisions a socially, economically, and environmentally sustainable San Francisco Bay Area where all people are able to shape the future of their communities. By working together, we can ensure that our region is made up of healthy, thriving neighborhoods that are affordable to all and well-connected to regional opportunities by a premier transit network.

Reconnecting America is a national nonprofit that advises civic and community leaders on how to overcome the challenges associated with community development, to create better communities for all. Reconnecting America not only develops research and innovate public policy, but we also build on-the-ground partnerships and convene the players necessary to accelerate decision-making.

At Reconnecting America, we help transform promising ideas into thriving communities, where transportation choices make it easy to get from place to place, where businesses flourish, and where people from all walks of life can afford to live, work and visit. At Reconnecting America, we link people to the places that matter.

Urban Habitat builds power in low-income communities and communities of color by combining education, advocacy, research and coalition-building to advance environmental, economic, and social justice in the Bay Area.

We envision a society where all people live in economically and environmentally healthy neighborhoods. Clean air, land and water are recognized as fundamental human rights. Meaningful employment honors a worker’s right to dignity and a living wage with benefits. Effective public transportation and land-use planning connect people to the resources, opportunities and services to thrive. Affordable housing provides a healthy and safe home for all. And quality education prepares visionary leaders to strengthen our democracy with new ideas, energy and commitment.

We envision community leaders mobilizing an inspired, well-informed, and politically engaged constituency who hold decision-makers accountable to the principles of economic, environmental and social justice. In this society, equality, sustainability and diversity are the core values that guide public policy, creating a vibrant environment for this and future generations.
ABOUT THIS PROJECT

Moving to Work is an applied research project undertaken to increase the regional knowledge of the intersection between three distinct fields: workforce development, economic development, and equitable transit-oriented development. Workforce Development prepares workers to enter career ladders through training, outreach and education. Economic Development grows the economy by fostering sectors and clusters of industries in which the region is competitive, and expanding “driving industries” which grow jobs across many sectors. Much work is already underway to link workforce and economic development. Equitable Transit-Oriented Development, the key focus of the Great Communities Collaborative, integrates transportation, land use, and housing to reduce the cost of living and expand access to opportunities for households of all incomes in the region. Understanding the interrelationship of these fields in a “spatial frame” based on geography, travel patterns, and transportation infrastructure – focuses our analysis and finds common ground between the fields.

The Moving to Work project includes the following elements:

OBJECTIVES:

- Link Bay Area equitable transit-oriented development initiatives with economic development and workforce development initiatives
- Inform the Bay Area’s Regional Economic Prosperity Plan, as part of the HUD-funded Sustainable Communities Regional Planning Grant process
- Understand mobility dynamics of low-income workers
- Identify strategies to increase career ladder job access for workers in areas of concentrated poverty

Cover Photos (Clockwise from top): Passengers waiting for a train at the Civic Center BART Station via koopr (http://www.flickr.com/photos/koopr/). Passengers boarding the Valley Transportation Authority Express 522 bus from San Jose to Palo Alto at Eastridge Shopping Mall via Valley Transportation Authority. Commuters bicycling to work in San Francisco via Sven Eberlein (http://www.flickr.com/photos/11217210@N08/).
**Background**

Low-income workers in the Bay Area face multiple barriers to career advancement. We found that the economic and workforce development fields often overlook a key barrier: transit access. In turn, transit advocates often overlook the importance of job creation and training to building a stronger Bay Area economy as well as asset building. Moving to Work examines the critical role of transit – as well as development clustered around transit (“TOD”) – in linking low-income communities with career-ladder opportunities.

Findings from the Moving to Work project are summarized in four research briefs:

1. Barriers to Quality Jobs Low-Income Workers Face
2. The Role of Transportation in Addressing Barriers to Economic Opportunity
3. Access to Industries of Opportunity
4. Recommended Strategies and Future Research

This first brief offers a basic overview of all barriers to employment. Next, Brief 2 explores more deeply the details of how specifically transportation barriers affect economic opportunity for low-income workers.

---

**Defining Low-Income Residents and Low-Income Workers**

This study evaluates barriers to employment and transportation issues that low-income residents and low-income workers face. In this study, “low-income residents” refers to households earning less than 200% of the federal poverty line, or about $39,000 for a family of three. “Low-income workers” are defined as individuals earning less than $15,000 per year, while “moderate-income workers” are defined as individuals earning between $15,000 and $40,000 per year.

---

1. This definition is consistent with MTC’s Communities of Concern
2. The definition of low-income workers or low-wage jobs varies depending on the data source. The above categories are the only income categories available within one source of data, the Longitudinal Employer Household Dynamics data. In other sources of data such as the U.S. Census, our analysis focuses on workers earning less than $20,000 or $25,000 annually.
LOW-INCOME RESIDENTS LIVE EVERYWHERE, BUT ARE CONCENTRATED IN COMMUNITIES OF CONCERN

As Figure 1 (on next page) shows, low-income residents live in most communities throughout the Bay Area, but there are some neighborhoods where transit dependent, low-income residents are concentrated. These areas of concentration, defined by the Metropolitan Transportation Commission (MTC) as “Communities of Concern”, are home to approximately 40% of all low-income residents in the Bay Area, which are shown in orange in Figure 1. Because of their concentration of transit dependent residents, it is possible that these Communities of Concern could be prioritized for future transit investments to ensure more equitable infrastructure investments.

We need to prioritize based on need – areas with a high concentration of low-income households, high poverty and unemployment rates.

—Jose Corona, Inner City Advisors

However, the fact that 60% of low-income residents do not live in areas of concentrated poverty underscores the fact that the region’s low-income residents are dispersed. The region will face an ongoing challenge in offering transportation choices to all low-income residents as a way of reducing the combined cost of housing and transportation.

DEFINING COMMUNITIES OF CONCERN

Communities of Concern are neighborhoods where poverty and transit dependence are concentrated. MTC identified Communities of Concern as a framing tool for evaluation of the success of its programs and policies in addressing equity issues.

Communities of Concern are defined as geographic areas that exceed the threshold for FOUR or more of the following, OR, just both 1 and 2:

1. 70% Minority
2. 30% Low-income
   (less than 200% of Federal Poverty Line)
3. 20% Limited English Proficiency
4. 10% Zero vehicle households
5. 10% 75 and older
6. 25% Disabled
7. 20% of Households are Single Parent
8. 15% of Households are Overburdened Renters

For more on Communities of Concern, please refer to MTC’s website:

www.mtc.ca.gov/planning/snapshot
Figure 1. The Location of “Communities of Concern” and Low-Income Residents in the Bay Area.
CASE STUDY: COMMUNITIES OF CONCERN VARY WIDELY IN TRANSIT ACCESS

Three Communities of Concern - West Oakland, East Palo Alto and East San Jose - provide insight on how transit frequency impacts the ability of low-income workers to take transit to work. All these communities have a higher ratio of workers with a high school diploma or less (47% to 66%) compared to the Bay Area average (28%) (see Table 1). Thus, the need for quality jobs and access to job training is vital. Local households are more likely to have higher transportation costs than the average Bay Area family. However, despite the burden of these higher transportation costs and the number of jobs located near the three communities, many of the low-income workers living in these three areas own cars and drive to get to their jobs.

Table 1. Transportation and Workforce Dynamics in Select Communities of Concern

<table>
<thead>
<tr>
<th>Community</th>
<th>Share of Residents with a High School Diploma or less</th>
<th>Transportation Costs</th>
<th>Share of Households with No Cars</th>
<th>Jobs within Five Miles</th>
<th>Share of Residents who Drive Alone</th>
<th>Share of Residents who Take Transit</th>
</tr>
</thead>
<tbody>
<tr>
<td>East San Jose</td>
<td>66%</td>
<td>$14,600</td>
<td>8%</td>
<td>375,243</td>
<td>73%</td>
<td>5%</td>
</tr>
<tr>
<td>East Palo Alto</td>
<td>59%</td>
<td>$14,250</td>
<td>10%</td>
<td>290,531</td>
<td>68%</td>
<td>5%</td>
</tr>
<tr>
<td>West Oakland</td>
<td>47%</td>
<td>$11,500</td>
<td>29%</td>
<td>664,533</td>
<td>49%</td>
<td>22%</td>
</tr>
<tr>
<td>Bay Area</td>
<td>28%</td>
<td>$10,219</td>
<td>9%</td>
<td>—</td>
<td>68%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Source: American Community Survey 2006-2010, LED 2010

West Oakland is the outlier of these three communities, with a higher share of workers who take transit and a higher share of households who do not own a car. West Oakland has more frequent transit service and is more central to job centers connected by that transit service. These characteristics may allow more residents to take transit to work than in East Palo Alto and East San Jose. West Oakland workers are more than four times as likely to take transit to work as those in East Palo Alto and San Jose. Less than half of West Oakland residents drive to work.
EMPLOYMENT BARRIERS LOW-INCOME WORKERS FACE

Based on a literature review and interviews with stakeholders, we identified the following seven issues as the most significant employment barriers for low-income workers:

1. HIGH TRANSPORTATION COSTS
2. LACK OF APPROPRIATE EDUCATION, TRAINING, AND EXPERIENCE
3. LACK OF ACCESS TO AFFORDABLE CHILD CARE
4. LACK OF ENGLISH PROFICIENCY
5. LACK OF ACCESS TO BASIC WORKER RIGHTS
6. DISCRIMINATION AGAINST WORKERS WITH A CRIMINAL RECORD
7. LACK OF DOCUMENTATION NEEDED TO WORK

The following sections describe each of these employment barriers in further detail, and discuss whether and how transportation can play a role in addressing them. For some of these issues, transportation does not play a major role.

1. HIGH TRANSPORTATION COSTS

Figure 2 shows that the Bay Area has the highest combined annual average housing and transportation cost in the nation. Together, transportation and housing costs for all income levels averages $36,206 per household in the Bay Area, on par with Washington, D.C., and 19% higher than the New York City region. The average household in the Bay Area spends $13,350 in transportation costs annually. However, neighborhoods offering more transportation options, shorter commutes, and services and shopping within walking or biking distance have significantly lower transportation costs. These areas are generally in the region’s most dense urban centers, ringing the Bay, and at major transportation nodes.

The average low-income Bay Area household spends around 24% of its income on transportation, compared with the U.S. average of 18%. The cost of owning a car comprises the largest share of this annual transportation cost, averaging an estimated $6,500 for a small car. Low-income households in the Bay Area are five times more likely not to own a car compared to higher income households. When those families live in neighborhoods well-connected by transit to employment centers, this may be a choice they make to save money. However, the fact that 84% of low-income Bay Area households do own a car indicates that residents in many communities may choose to have a car, despite the costs. Low-income households that do own a car may not be able to afford to drive it regularly, or may cut other essential expenses in order to pay for vehicle costs. The size of the region and sprawling location of many jobs makes transit dependence highly challenging. Brief 2 in this series explores these geographic disconnects in greater detail.

3. H+T Index, httaindex.org
4. H+T Index, httaindex.org
Members looking for work will look for anything, regardless of location or commute even if the commute leads to LOSING money. People are willing to travel for these jobs if they are middle-skill or higher paying.

— Congregations Organizing for Renewal member

As households add trips – to drop kids off at school, to access services, take classes, or hold down multiple jobs – transportation costs increase and transit becomes even less viable as a means to get around. The commute trip only comprises one in every five trips the average person makes, meaning those other trips quickly contribute to the expense of transportation.

Figure 2. The Bay Area Has One of the Highest Combined Housing and Transportation Costs

Figure 3 shows that low-income workers are more likely than other workers to take transit or walk to work. Nearly 18% of workers earning less than $25,000 a year walk or take transit, compared with 10% to 12% of workers in higher income categories.

The cost of transit can be a heavy burden for low-income, transit-dependent households, although monthly passes can sometimes help reduce costs. With or without passes, individuals often pay multiple fares for a single trip as they make transfers among lines or change modes or transit agencies.

Low-income, transit-dependent workers face many other access and mobility challenges, such as frequency of service, hours of transit operation, and location of homes, work, and services. These are discussed in Brief 2.
2. LACK OF APPROPRIATE EDUCATION, TRAINING, AND EXPERIENCE

There is a mismatch in the Bay Area between the skills needed for available jobs and the skills training that unemployed workers receive. This mismatch extends beyond skills-building and formal education. Employers want to hire workers with experience, presenting a significant barrier to entry for workers with only classroom learning. Community college and other training providers acknowledge the need for better “pipeline” programs that help feed formally trained students into positions by offering the opportunities to gain this valuable on the job training.

Workforce training is vital for low-income workers hoping to gain career advancement or to obtain a quality job. The services workforce training providers offer are fundamental to the development of soon-to-be employed workers, but accessing and maximizing the value of these services is challenging. For example, of all the community college campuses located throughout the Bay Area (see Figure 4 on page 10), only 35% are located near high-frequency transit service.
3. LACK OF ACCESS TO AFFORDABLE CHILD CARE

Job seekers with children need access to reliable and affordable child care in order to seek and maintain employment. The high cost of child care is a burden for families at many income levels. For many low-wage workers, the cost of child care is often a significant barrier to employment.

Accessing child care is also a particular challenge for workers who are transit-reliant. Dropping a child off at child care or school adds time and expense to morning and evening commute trips, which can be complicated if child care is not on the way to work. Less than half of all child care centers are located near transit in the Bay Area, and only 16% of these facilities are near rail. Only half of BART stations have a licensed child care center within walking distance.

We are looking into ways to target vulnerable groups: aged-out foster youth, formerly incarcerated, lower-educational attainment, and ESL students, for example.

–Jose Corona, Inner City Advisors

4. LACK OF ENGLISH PROFICIENCY

Lack of proficiency in English is a significant barrier to employment, particularly for immigrant workers. Some facilities, such as adult education centers, provide low-cost English proficiency courses in the evenings. However, without a reliable, cost-effective way to access classes to improve English skills when transit service hours are often limited, there are limited job options for job-seekers who are not English-proficient.

DEFINING WORKFORCE INVESTMENT BOARDS (WIBS)

There are 11 Workforce Investment Boards throughout the Bay Area, with at least one in each county. They provide various services to the workforce community including convening stakeholders, providing research and analysis, facilitating community input, and building capacity among the WIB’s One-Stop Centers, which are designed to provide a full range of assistance to job seekers under one roof. Each WIB programs its One-Stop Centers differently, but is required to report to the state on its performance in placing workers in jobs, retaining those workers, and increasing performance and pay of those workers over time. The Workforce Investment Boards in the Bay Area include:

• Alameda County Workforce Investment Board • Workforce Development Board of Contra Costa County
• Marin County Workforce Investment Board • Napa-Lake Workforce Investment Board • North Valley Workforce Development (NOVA) • Oakland Workforce Investment Board • Richmond Workforce Investment Board • San Francisco Workforce Investment Board • Silicon Valley Work2Future • Workforce Investment Board of Solano County • Sonoma County Workforce Development Board

6. GIS mapping analysis by Reconnecting America does not include home-based, family child care facilities.
CASE STUDY: LOCATION OF TRAINING CENTERS AND COMMUNITY COLLEGES

Community Colleges, One-Stop Centers and WIB’s
San Francisco Bay Area Region

Legend
- Stations
- Major Roads
- County Boundary
- Non Urbanized Area
- Rail Line

Within Rail & Bus All Locations

Category
- Triangle Community College
- One-Stop Center
- Employment Center
- Workforce Investment Board

Source: MTC & various sources, see attached notes

One-Stop Centers are run by the Workforce Investment Boards (WIBs) and provide job training, job placement programs, and other services related to businesses in specific workforce investment areas (see box on page 9 for Workforce Investment Board definition).
The location and transportation accessibility of job training and placement centers is vital for those seeking employment or upward mobility. One-Stop Centers, community colleges, and adult education programs are the three main public entities providing the educational backbone for training low-income Bay Area job seekers. Non-profit organizations and unions also provide job-training programs.

Ensuring quality transit access to these centers is important because many patrons are working full time while attending classes and searching for new jobs. The ease of transit access between home, work, and school may be the factor that determines whether a worker decides to pursue additional training or not.

*Job training centers are not always transit accessible and if the bus isn’t reliable, trainees can miss days of training and get kicked out.*

– Congregations Organizing for Renewal Member

Workforce development and job training programs are located throughout the Bay Area but are not always easily accessible via transit. Figure 4 shows the locations of these services. Some One-Stop centers are located in job centers and some are embedded within community colleges. Locating One-Stops in these kinds of locations can make it easier for low-income residents to access the services they provide. Of the 34 One-Stop Centers in the Bay Area, only 8 are near a train stop and an additional 8 near a bus stop with frequent service (every 15 minutes or more).

The 37 community college campuses (including satellites) in the Bay Area also play a key role in training workers for jobs. Many of these colleges target specific sectors or industries for job training as well, and these efforts are coordinated by a regional Community College Consortium. Of these campus locations, however, only 3 are within a half-mile of a rail station and another 10 near a frequent bus.
For the following barriers, transportation does not play a role.

5. LACK OF ACCESS TO BASIC WORKER RIGHTS

Many currently employed low-income workers face barriers to economic opportunity within their current positions and do not receive living wages nor dignified work conditions. In some instances, employers take advantage of low-income employees by not paying wages. This can especially be true for the region’s undocumented population (currently estimated to be 8%).\(^7\) Undocumented workers are not fully protected by labor laws and are susceptible to abuses such as unpaid wages. Even those workers protected by law are often unaware of their rights, and need access to information, legal aid, and affordable or pro-bono lawyers to navigate and understand labor laws.

6. DISCRIMINATION AGAINST WORKERS WITH A CRIMINAL RECORD

Workers with past felony records do not pass initial screenings within job applications that ask job seekers to list previous criminal records. What is generally a box to be checked on a form can close the door to employment opportunities for many potential workers who are not given the opportunity to explain themselves, or show that their record is not a reflection of their ability to do the job. This form of discrimination hits the African-American Community the hardest since an estimated one of out every three young African-American men are incarcerated at some point in their lives.\(^8\)

Employers sometimes need training themselves: it’s not bad to hire a specialist in a job training center for people with criminal backgrounds; employers need to overcome some of the fears. – Congregations Organizing for Renewal member

7. LACK OF DOCUMENTATION NEEDED TO WORK

There are limited opportunities, especially in certain sectors, for job seekers who lack immigration or citizenship documentation. Although there are some opportunities in the service sector, many other sectors are out of reach.\(^9\)

For undocumented COR members, there are a limited number of possible employment opportunities including laundry service, home cleaning, other service-oriented jobs

– Congregations Organizing for Renewal member

---

OVERVIEW OF STRATEGIES TO ADDRESS BARRIERS TO ECONOMIC OPPORTUNITY

Each of the barriers discussed in this brief is significant to job seekers hoping to find a quality job. Within the public, private, and non-profit sectors, there is a deep and sophisticated network of services and programs designed to address these barriers in different ways. These programs and services can be categorized according to the goals they pursue, which include:

- Increasing opportunities to expand and fill career ladder jobs
- Increasing the quality of jobs in all industries through labor agreements, development agreements, etc.
- Fostering and supporting small businesses
- Removing barriers to employment through adult education, child care services, English proficiency classes, and programs to offer work experience for formerly incarcerated workers.

The emphasis of this project is on the role transportation plays in addressing these barriers, and how we can change the way we invest in transportation and in new development within our communities. Therefore, this study only evaluates the above categories to the extent that transportation and land use investments could help address barriers and increase economic opportunity. Therefore some of these categories – such as investing in labor agreements – are not further addressed in this particular study, though they are critical to increasing economic opportunity.

Brief 2 addresses the relationship specifically between transportation and many of the services provided to increase economic opportunity for low-income workers. Brief 3 focuses on connecting career ladder jobs to the transit network. It looks specifically at six key sectors, or “industries of opportunity” that are the emphasis of workforce training and economic development programs, many of which offer potential career ladder positions. Finally, Brief 4 summarizes our policy recommendations.

Above: Congregations Organizing for Renewal equips thousands of ordinary people with the leadership skills and experience to win extraordinary results for their communities. Members here are attending a community action meeting in San Leandro.

Right: San Mateo County Transit, or SamTrans, provides local bus service in and regional transit connections throughout Silicon Valley, home to some of the most sought after jobs in the entire country.