



SHARED PROSPERITY:

REPORT ON THE CONTRA COSTA COUNTY

EQUITABLE ECONOMIC RECOVERY TASK FORCE



This report examines the economic impacts of the COVID-19 pandemic on Contra Costa County and summarizes the work of the Equitable Economic Recovery Task Force.

I. INTRODUCTION



Contra Costa County, alongside the global economy, was irreversibly altered by the onslaught of the COVID-19 pandemic. The county was forced to shift in response to changing demands by consumers and the economic implications of shelter-in-place. The response gave way to business innovation and opportunities for new partnership, but it also revealed existing inequalities and systematic barriers. In June 2020, the Contra Costa Economic Partnership (CCEP) joined the Workforce Development Board of Contra Costa County and the Contra Costa Employment and Human Service Department in launching the Equitable Economic Task Force with the goal of expanding economic opportunity in Contra Costa County.



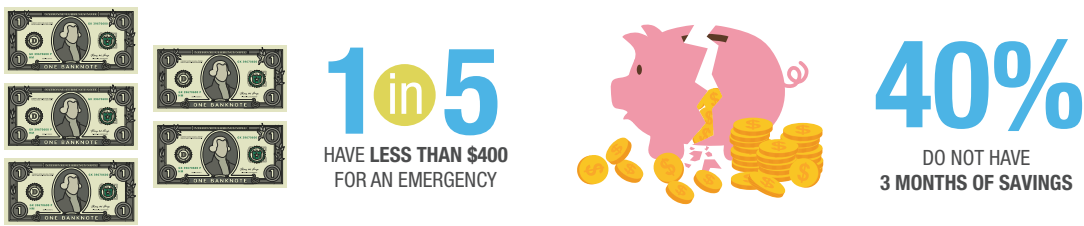
This countywide task force aligned efforts, tracked, and guided actions to support job creation in the public and private sector, identified and promoted policies to retain local employers, and expanded connections to training and employment for those disproportionately impacted by recent layoffs.

This report examines the economic impacts of the COVID-19 pandemic on Contra Costa County and the East Bay and summarizes the work of the Equitable Economic Recovery Task Force. **The report highlights strategies for continued investment, drawing special attention to areas with potential to uplift communities and enhance economic opportunity.**

II. EVALUATING ECONOMIC IMPACTS

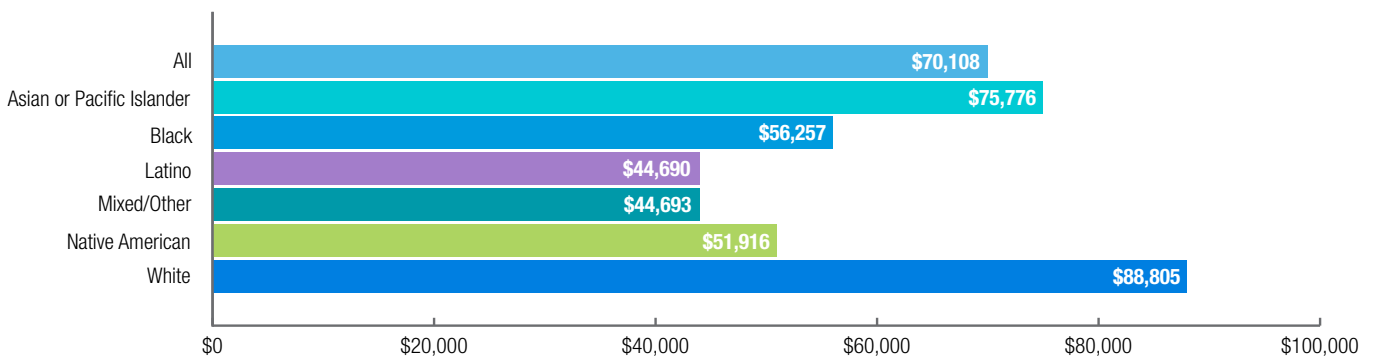
The Prologue

Reports released prior to COVID-19 illustrated the existing inequality throughout the Bay Area. **The Bay Area has the largest income gap in California**, measured by the ratio of the 90th percentile income to the 10th percentile income.¹ This income gap translates to economic realities that – even before the pandemic – made thriving in Contra Costa County out of reach for many. According to one survey conducted in the time leading up to COVID-19 lockdowns, more than 1 in 3 Bay Area residents frequently ran out of money before the end of the month, and 1 in 2 had at least one experience throughout the year when they were not able to pay all of their bills.² Many families also reported a lack of significant savings to cover expenses or an unforeseen emergency.²



While the Bay Area has benefited from strong economic growth in the last decade, measured by increases in jobs and gross regional product, the impacts of this growth have not been shared equally across demographics.³ In 2019, the national median income for Black and Hispanic households was significantly lower than for other races,⁴ a trend that holds true throughout the Bay Area including in Contra Costa County.

The median annual earnings (in 2019 dollars) for full-time workers ages 16 years and over with earnings in Contra Costa County.



Source: Bay Area Equity Atlas, Median earnings: In an equitable economy, all workers would earn a living wage (2019)

Income inequality has increased overall, as outlined by the income gap figures above, but has been particularly impactful on people of color who have experienced lower incomes and uneven wage growth. The racial wealth divide - which looks at net worth instead of income - is even starker.⁶ Prior to the pandemic, a typical Black

household in the United States had accumulated about 10% of the wealth of a typical White household.⁶ While education is often touted as the great equalizer, communities of color, at every level of education attainment, have worse economic outcomes than their White counterparts.³

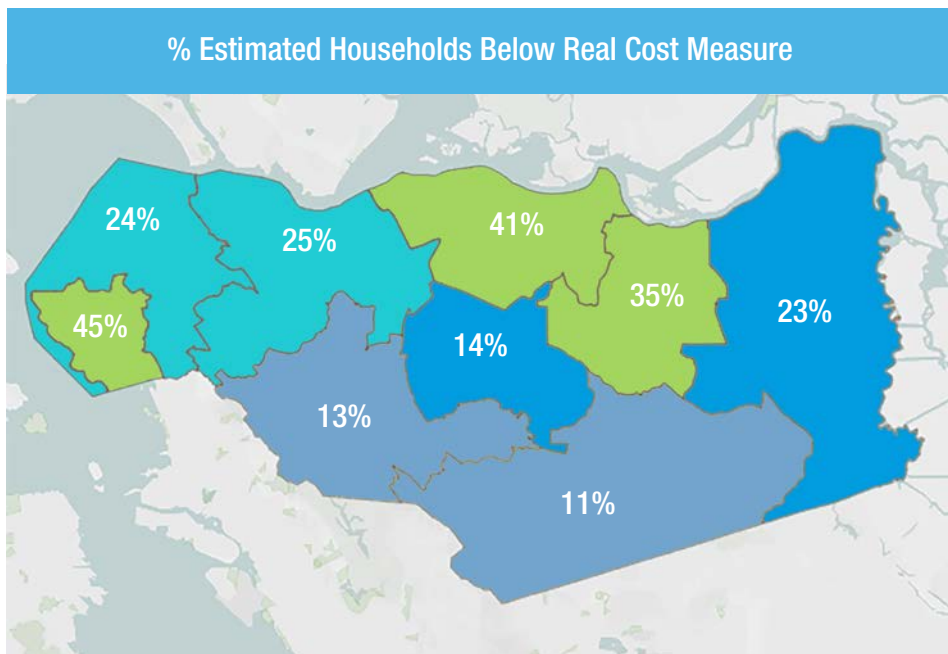
Prior to the pandemic, these communities were also more vulnerable to the impact of rapid rent increases; a 2019 report by UC Berkeley’s Urban Displacement Project found that a **30% tract-level increase in median rent (inflation-adjusted) was associated with a 28% decrease in low-income households of color.** This association was not found between rent increases and losses of low-income White households.⁵

This is just a small sampling of the array of data sets that illuminate the racial disparity in opportunity and the need for comprehensive – federal, state and local investments – to create a more equitable economy.

Real Cost in Contra Costa

Contra Costa is often referred to as a microcosm of California – in part because of the multiplicity of unique communities. Economic opportunity and incomes vary widely, and are unevenly distributed throughout the county.

Utilizing the United Way’s Real Cost Measure (RCM), which looks at factors including the costs of housing, healthcare, childcare, transportation and other basic needs, 25% of households in Contra Costa County had incomes below the real cost of living in 2019.⁷ For a family of four that included a pre-school age child, the real cost of living is about \$99,500 a year – significantly higher than what could be earned working two full-time minimum wage jobs – approximately \$48,000.⁷ Yet, Contra Costa County also has a large number of neighborhood clusters where the percentage of households living below the RCM is low. This included San Ramon and Daville where only 11% fall below the RCM, the lowest in the state.



Source: United Ways of California, *The Real Cost Measure in California 2021* (July, 2021)



The need to address the opportunity gap and the potential for the pandemic to deepen these inequities informed much of the Task Force work.

Opportunity Gap

In 2018, the Contra Costa Economic Partnership, in conjunction with the Dean and Margaret Lesher Foundation, Children Now and First 5 Contra Costa produced an infographic that examined access to opportunity for children in Contra Costa County. This research showed that **40% of children in Contra Costa County were eligible for free and reduced-price meals, with family annual income under \$46,500.** These children were at higher risk for food insecurity, toxic stress and worse academic outcomes. The latter is illustrated by the finding that economically disadvantaged 3rd-graders are three times more likely than non-disadvantaged 3rd-graders to read below grade level. The need to address the opportunity gap and the potential for the pandemic to deepen these inequities informed much of the Task Force work.



Contra Costa County



The Opportunity Gap for Children Across Contra Costa County

While many kids in Contra Costa County are thriving, others lack basic health, education, and financial supports they need for well-being and long-term success. Since countywide statistics can mask such issues, regional data is useful for highlighting disparities and targeting resources. It's especially critical to provide supports to those who are born into structural inequities such as kids of color, children living in poverty, kids in foster care, and dual-language learners. The statistics below show that some children in the county have far fewer opportunities to succeed than others.¹

Demographic Overview²

- Black
- Asian
- Latino
- White
- Other³
- 2+ Races

Contra Costa
260,950 kids



West

54,938 kids
Hercules, San Pablo, Richmond



Central

108,819 kids
Concord, San Ramon, Walnut Creek



East

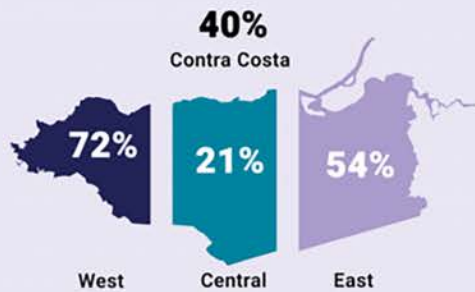
96,431 kids
Pittsburg, Antioch, Brentwood



Child poverty varies widely across the county.⁴

Low-income students

Students who are eligible for free & reduced-price meals, with family annual income under \$46,500.⁵



Without additional supports, poverty can limit kids' opportunities.⁶

Childhood poverty is linked to:







-  worse academic outcomes
-  food insecurity
-  toxic stress

Too many kids are entering school with tooth decay, especially in West and East county.

Percent of kindergarteners with reported tooth decay.⁷

- 18%** Contra Costa
- 25%** West
- 13%** Central
- 25%** East

Children with untreated oral health problems are at risk for:

-  increased absences
-  lower grades
-  low self-esteem
-  trouble sleeping
-  difficulty eating
-  weakened immune system

#CloseTheGapCCC



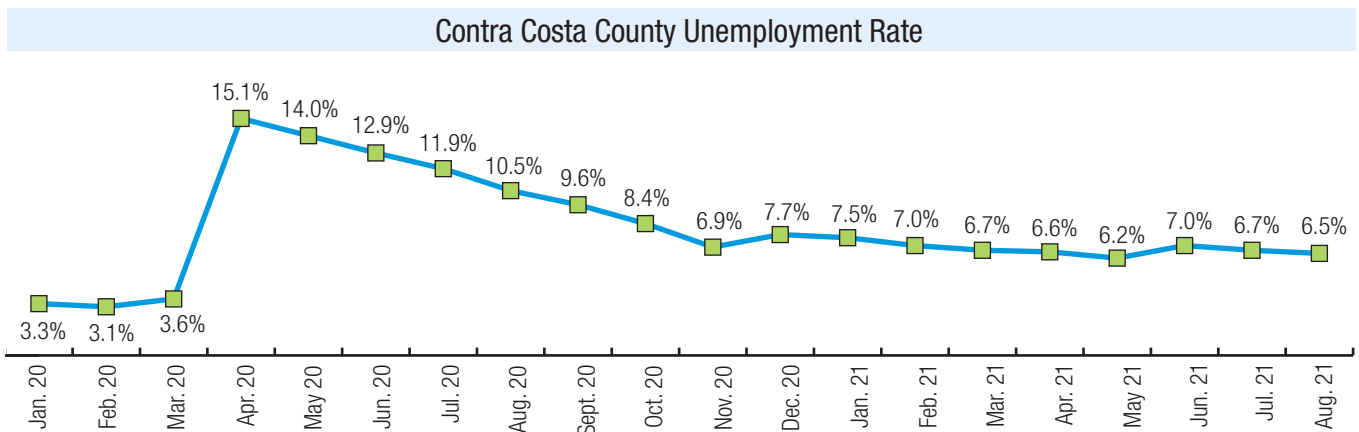
Tracking Economic Indicators

The research highlighted above was paired with real-time economic information to convey the impacts COVID-19 was having locally and to craft the Task Force’s agenda. During the monthly meetings, the Task Force tracked and discussed an array of economic indicators including unemployment, job growth, consumer spending, and housing data. These indicators guided decisions on webinar and convening topics and informed discussions about recommendations.

Many of the measures taken to ensure poverty would not widen and deepen during the pandemic were successful. This speaks to the power of direct payments in maintaining stability during a crisis. It also shows how the unique circumstances of COVID-19 highlighted long-standing inequities and provided space for groups, such as the Task Force, to bring stakeholders together and envision sustainable solutions. The following indicators were used to form recommendations for such solutions.

Unemployment

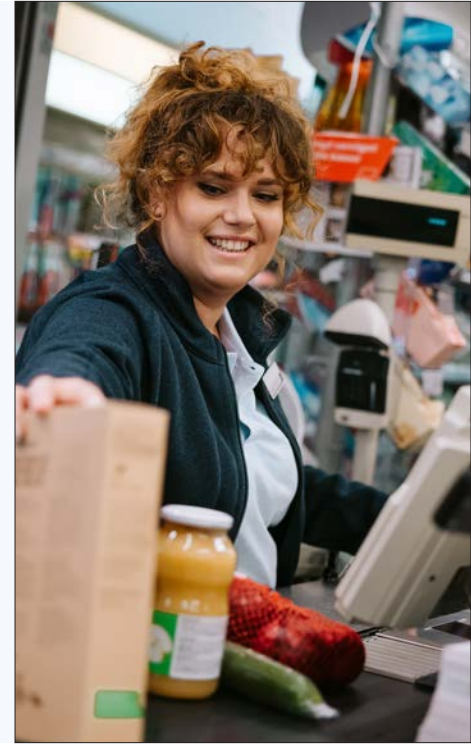
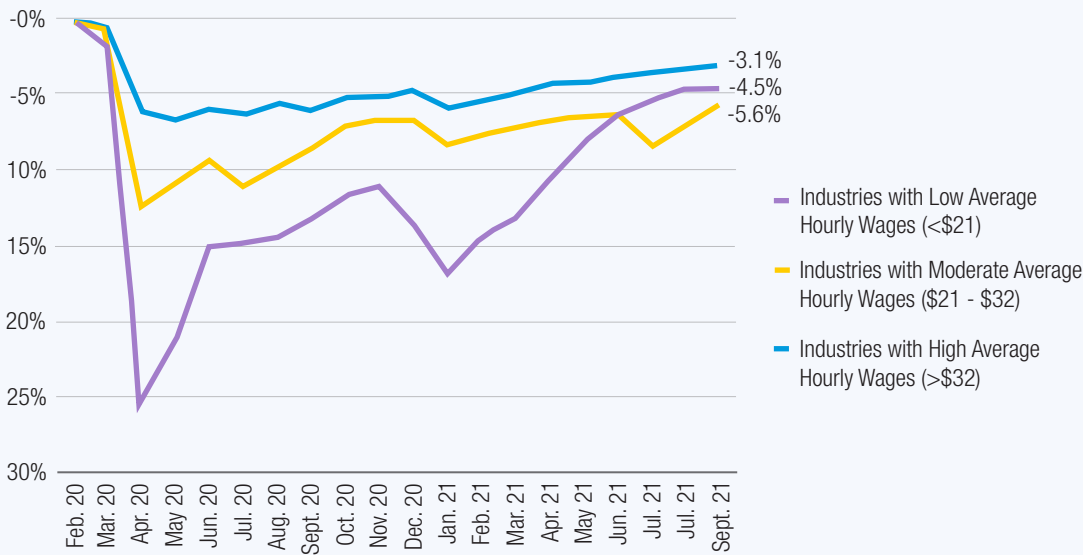
The first cases of COVID-19 in California were reported in January 2020, but California did not declare a state of emergency until March. Later in the month, a statewide shelter-in-place order was issued. **A steep increase in unemployment claims followed as businesses were required to close and restaurants were asked to pivot to take-out-only. In California and nationally, much of the job losses were concentrated in the service industry and in industries where wages were typically low.**⁸



Source: Employment Development Department of California (EDD Data Library, 2021)

The job losses in March 2020 ended record expansion in California. Between March 2020 and March 2021, nearly 47% of the California workforce had filed for unemployment insurance benefits.⁹ The impacts were not spread equally across the workforce with certain groups overrepresented in the unemployment data. Early in the pandemic, data showed that women, Latinos and younger workers experienced a higher portion of job losses. Californians with less education accounted for nearly all early job losses.

Percentage Change in Number of Jobs in California February 2020 to September 2021

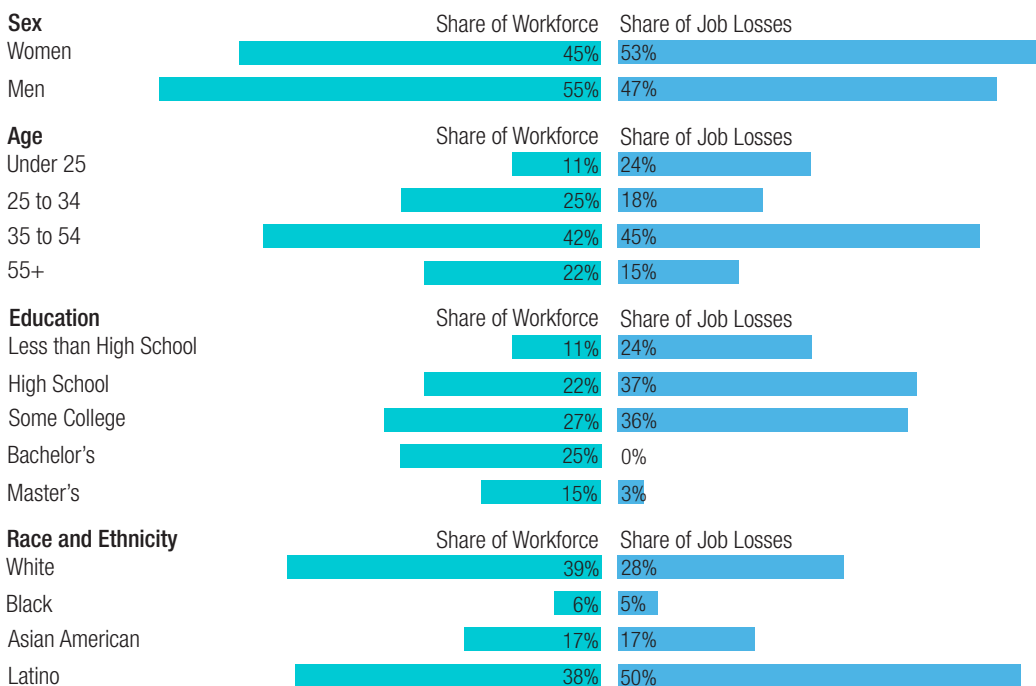


Source: UC Berkeley Labor Center, California's Labor Market in the Time of COVID-19 2021 Chartbook (October, 2021)

As the pandemic persisted, so did many of these trends. **Educational attainment continued to have a substantial impact as did race and gender. These adverse employment trends align with the overrepresentation of women and Black and Latino workers in the most affected industries.**⁸

At the writing of this report, the most recent unemployment numbers suggest that the total unemployed is between 8-14%. The latter number reflects underemployment by counting unemployed workers, part-time workers who want to work full time and some discouraged workers.¹⁰ It does not reflect those who have left the labor force altogether.

Women, and especially mothers who were unable to work from home, left the workforce at disproportionate rates, likely due to the added responsibilities resulting from school and childcare closures.⁸



Share of workforce as of February 2020 and share of job losses between February and September 2020.

Source: Legislative Analyst's Office, COVID-19 and the Labor Market: Which Workers Have Been Hardest Hit by the Pandemic? (December, 2020)

After every economic shock since 1980 economic growth has reset at a lower trend rate. This suggest that with each shock employers are hiring back fewer people.

These trends helped to steer the Task Force toward conversations centered on broadband and access, childcare, and expanding programs that pair a wage with training opportunities.

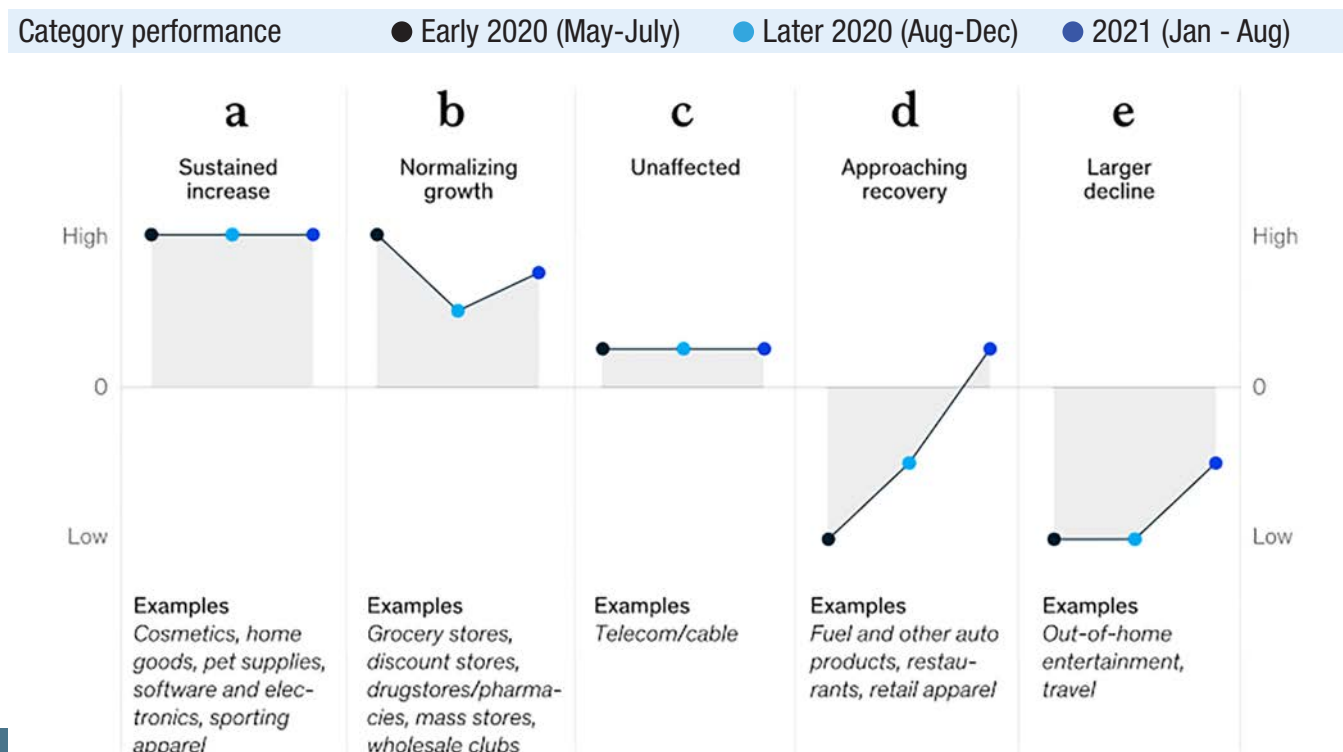
Consumer Buying and Spending

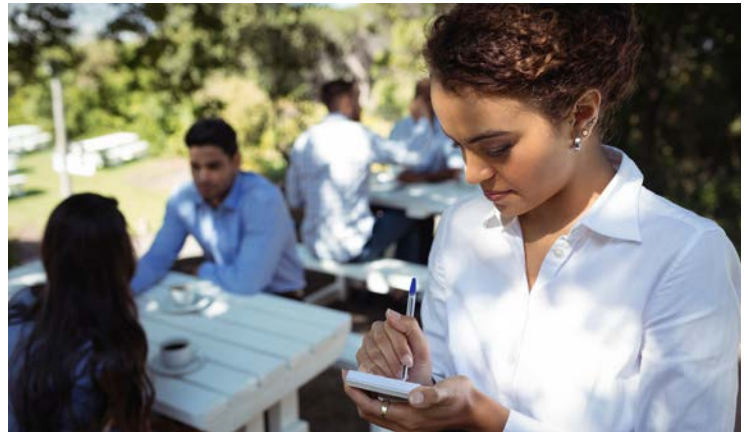
How community members and households spent funds was impacted by the unique circumstances presented by the pandemic and the shelter in place orders.

An increase in ecommerce sales made headlines as the convenience and safety of online shopping led more consumers online. **While some of this shift was influenced by necessity, the growth of ecommerce appears to be persistent and may result in permanent changes to consumer behaviour.** Similarly, spending on durable goods increased during the pandemic – with more spending on recreational items such as home gyms and furnishing for home offices. While these lifestyle changes may persist, leading more people to work and exercise at home, households often do not need to replace these items frequently and forecasters are predicting a decline in spending in these sectors in 2022.¹¹

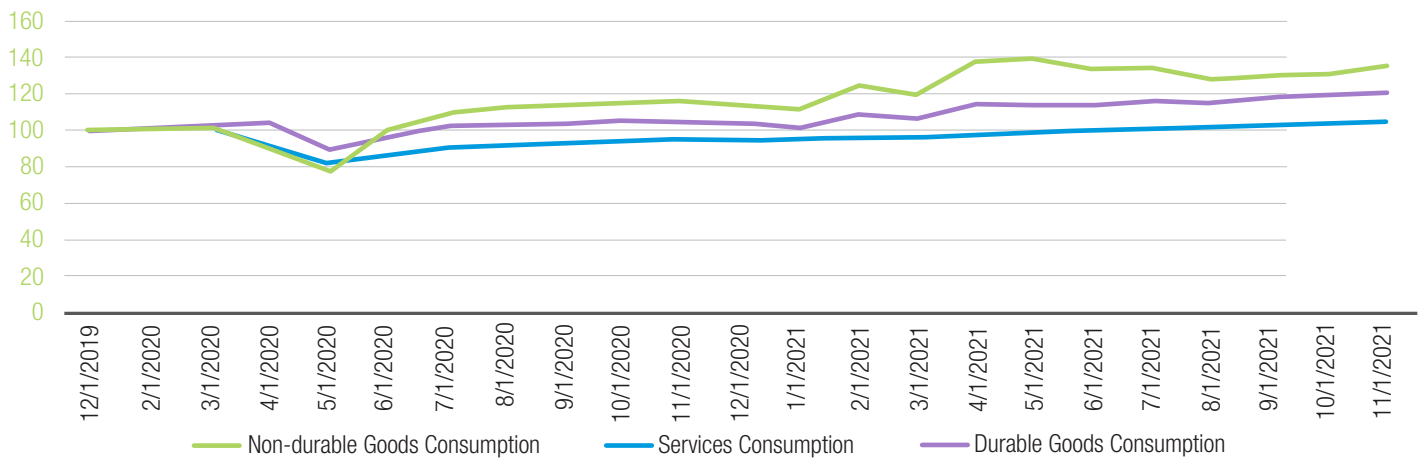
Spending on services tells a different story. Service consumption sharply declined and recovery relies on people feeling more comfortable traveling, staying in hotels, and eating out, activities many remain wary of.

The decline in service spending impacted many in the service industry, leading to high unemployment in the sector which at the writing of this report had still not returned to pre-pandemic levels. For example, 40% of the low-wage workforce was employed in leisure and hospitality prior to the onset of COVID-19.¹² Unfortunately, many of those employed in this sector were economically vulnerable and less able to weather the risk of labor market changes or ongoing unemployment.¹² These workers, often referred to as displaced, were the population the Task Force strived to serve by expanding connections to training and employment.





US Consumption



Source: Contingent Macro Advisors (2021)

Government Spending

Direct Payments

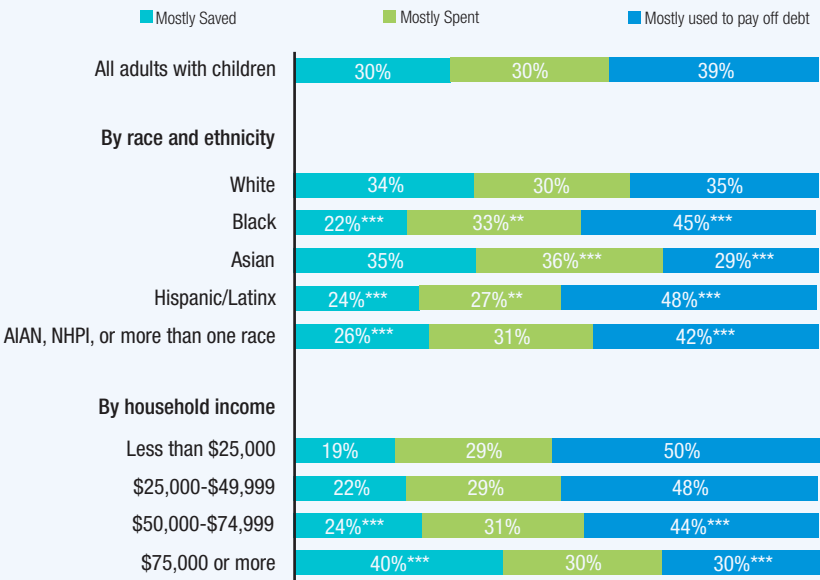
The federal government’s response to COVID-19 was multipronged and included interest rate reductions, relief money to state and local governments, expanded unemployment benefits, and stimulus checks – **all meant to reduce the economic impacts of the healthcare crisis.**

The first round of direct-payment stimulus checks – distributed in 2020 as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) – were \$1,200 per person, plus \$500 per child. This was followed by another direct payment of \$600. The last stimulus check, part of the American Rescue Plan, was the largest at \$1,400 for individuals plus \$1,400 per dependent. Receiving the stimulus checks was income based, the amount decreased for those making \$75,000 or more and was unavailable to those making more than \$100,000.

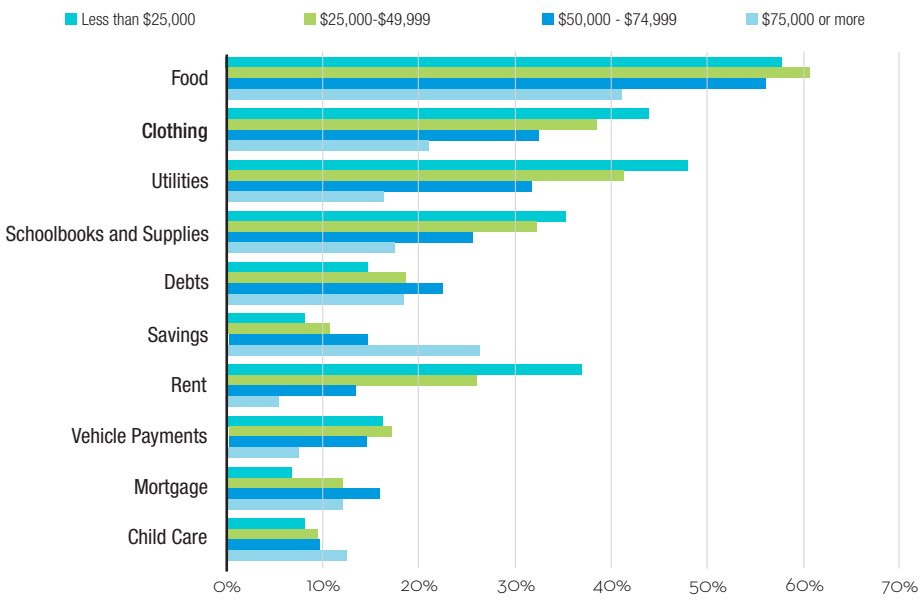
With each round of stimulus checks, recipients used the majority of the funds toward savings and debt payments. One study by the Federal Reserve Bank of New York, found that those making less than \$40,000 a year had used (or planned to use) 44 percent of their stimulus checks to pay down debt. This number was lower for higher income earners (around 32 percent).¹³

It's also worth noting that many families also received their 2021 child tax credit in the form of a monthly payment. The tax credit was increased and restructured in March and by July Americans who met the income requirements received between \$250-300 per child, per month. As with the stimulus funds, **a significant portion of the monthly payment is being utilized to pay down debt especially for those making under \$49,000.**¹⁴ The most common use overall is for food.

Use of the Child Tax Credit Among Adults Living in Households with Children Under 18 Who Reported Household Receipt of the Credit, Overall and by Race and Ethnicity and Household Income. July - September 2021



How Adults Spent the Child Tax Credit, Among Those Living in Households with Children Under 18 Who Reported Household Receipt of the Credit, by Household Income. July - September 2021



Source: Karpman, Michael & Elaine Maag & Kenney, Genevieve & Wissoker, Douglas, Who Has Received Advance Child Tax Credit Payments, and How Were the Payments Used? (Urban Institute, November, 2021)

The Task Force discussed the use of government payments and looked for how the research surrounding these distributions could inform the work. **For many, it highlighted the public's uneasiness with the economy and the debt (or further debt) that many families may have accrued to deal with the economic impacts of COVID-19.**

State and Local Government

The onset of COVID-19 brought with it a wave of uncertainty, for individuals, businesses and governments. Concerns about budget deficits and the ability to pay for increased service needs quickly dominated conversations amongst leadership. The federal government responded, giving out large sums of flexible money as part of federal relief packages (CARES and ARP). These funds were used to stabilize budgets and to launch new programs intended to respond to the unique circumstances presented by COVID-19 including free testing, rent relief and a stimulus program for low and middle income Californians.

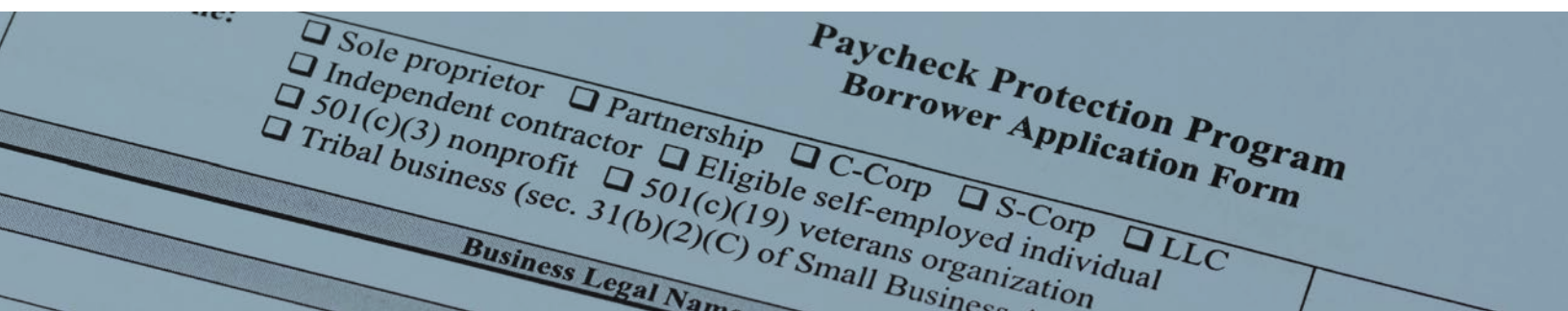
The Task Force followed these funding packages, sharing information about their potential uses and offering guidance and clarity to Task Force members.

The Paycheck Protection Program

The Paycheck Protection Program (PPP) was established through the CARES Act and provided cash-flow assistance to businesses through forgivable loans to employers who committed to maintaining their payroll during the COVID-19 pandemic. **The PPP program rolled out rapidly, as the federal government was most interested in getting support out quickly which would allow employees to remain employed or firms to rehire rapidly.** In California, more than 692,692 loans were granted, totaling nearly \$36 million.¹⁵

Banks played a critical role in the distribution of PPP loans, which resulted in firms with strong relationships with their banking partners benefiting more quickly. These firms were also more likely to be in higher-income neighborhoods or predominantly White census tracts.¹⁶ **The PPP had an equity issue, and though there were numerous attempts to address this, the program's results suggest the hardest hit areas saw less support.**

The Task Force heard this first-hand from focus group members who commented on the difficulty of applying for PPP loans and a general distrust of the government's claims. This focus group, composed of minority-owned small business leaders, shared that the program did not feel like it was designed to serve them and that many did not apply for funds. The Task Force also heard from focus group members that there was a strong distrust related to taking loans from the government and a concern about the government honoring forgiveness.



California Small Business COVID-19 Relief Grant Program

In 2020 and 2021, California approved billions of dollars of grants to aid small businesses and nonprofits. In Contra Costa County nearly 6,500 organizations received grants from the state, ranging from \$5,000 to \$25,000. The Task Force promoted information about how to apply for these grants and who was eligible.



Local Government Grants

In an effort to support small businesses, the Workforce Development Board of Contra Costa County created layoff aversion grants of \$5,000 prioritizing firms that had not already received other funds (such as PPP loans). The County received 121 applications and funded 26 small businesses. Similarly, cities created grant programs designed to support or promote local businesses and to reduce the costs of reopening.



#BounceBackContraCosta

Workforce Development Board
Contra Costa County

LAYOFF AVERSION FUNDING FOR SMALL BUSINESSES

If you're a small business in Contra Costa County facing potential layoffs due to the financial impacts of the pandemic, we want to help you keep your workers! The Workforce Development Board of Contra Costa County (WDBCCC) is awarding grants to small businesses experiencing adverse financial impact due to COVID-19. The goal is to help employers avert layoffs and/or closure.

How much funding is available?
WDBCCC has \$100,000 in state and federal funding to award to small businesses within Contra Costa County. The grant is awarded as a reimbursement for eligible costs.

Who is eligible?
To be eligible for funding, businesses must:

- Be located in Contra Costa County.
- Be currently open or planning to re-open.
- Be current on their unemployment taxes and in good standing with the state of California.
- Be able to demonstrate the need for support due to the impacts of COVID-19.

Priority will be given to these types of women and minority-owned micro-businesses: retail, restaurants, hair salons, barber shops, nail salons, day spas and fitness studios.

How can I use the funds?
Funds must be used to create solutions that are directly related to preventing potential layoffs or facility closures due to COVID-19. Examples of allowable reimbursable expenses include:

- Equipment, such as laptops and computers, that allows employees to work remotely.
- Personal protective equipment (PPE), including masks, gloves and cleaning supplies, to help ensure a safe working environment.

Businesses may not use funds to pay employee wages, benefits, or support services, such as rent, childcare or transportation.

How do I apply?
WDBCCC will host a webinar on Nov. 17 at 3 p.m. to present information about the grant program.

Go to www.wdbccc.com/bounce-back-contra-costa/employer to register for the event. In the meantime, if you have questions, call the WDBCCC COVID-19 Resource Hotline at 833-320-1919 or email bouncebackccco@ehsd.cccounty.us.

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CALIFORNIA SMALL BUSINESS COVID-19 RELIEF GRANT PROGRAM



This program is funded by the State of California and administered by CalOSHA.

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CALIFORNIA SMALL BUSINESS COVID-19 RELIEF GRANT PROGRAM

www.CAReliefGrant.com

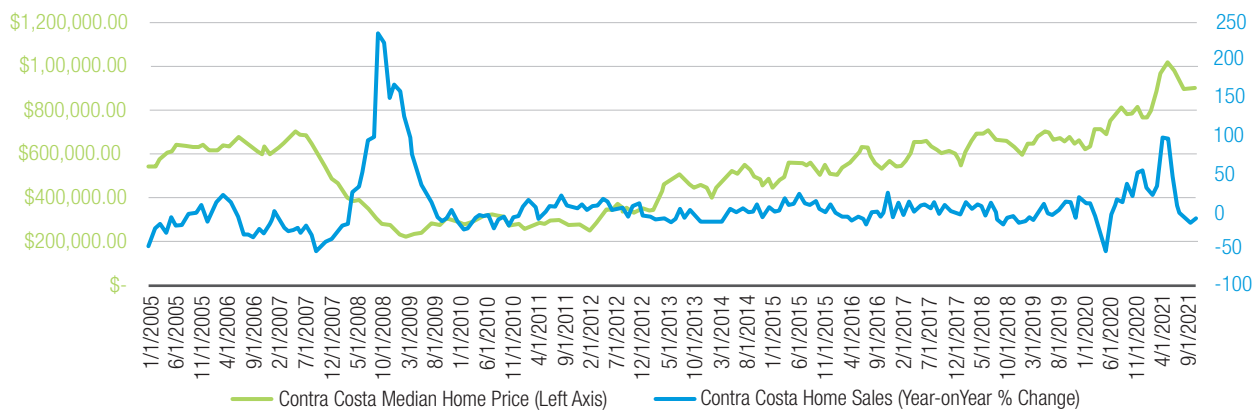


Housing

Housing, which was already considered expensive and in limited supply prior to the onset of COVID-19, became an even more critical issue. Housing prices increased in Contra Costa County, with sharp rises occurring from late 2020 through early 2021. The need to stay at home, the desire for more space and the ability to work remotely drove more families to Contra Costa County. The housing crisis worsened.

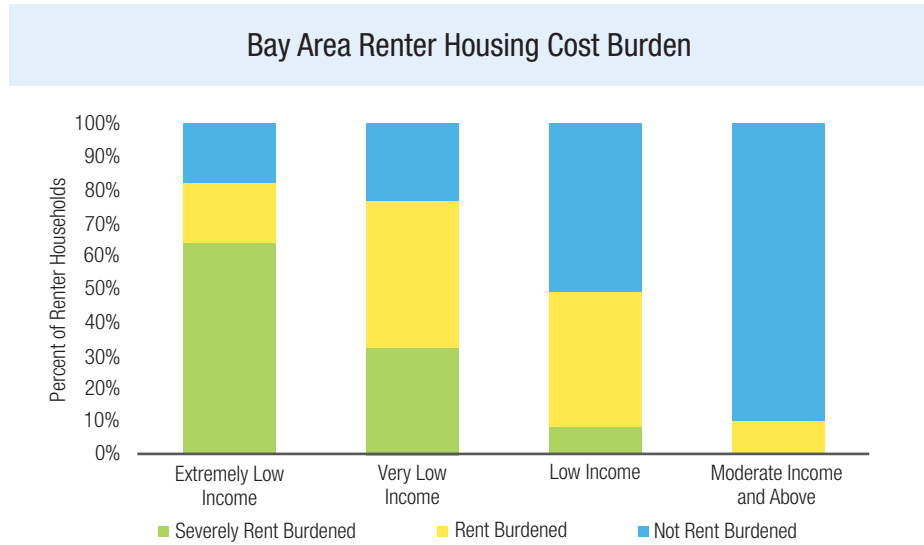
The impact was not only felt by those looking to become homeowners, but by renters whose income may have been reduced or eliminated in response to COVID-19. The risk of eviction was a public health issue and likely

Contra Costa Home Prices vs. Sales



Source: Contingent Macro Advisors (2021)

to disproportionately impact communities of color and women, who were already rent-burdened.¹⁷ Prior to the pandemic, most extremely-low income renters in the Bay Area were extremely rent burdened – meaning they spent more than 50% of their income on housing. The high rent burden made these renters more at risk of eviction.



Source: Reid, Carolina, *On the Edge of Homelessness: The Vulnerability of Extremely Low-Income Households in the Bay Area* (Turner Center for Housing Innovation, December 2021)

Recognizing this vulnerability, both the state and county enacted an eviction moratorium. The Task Force continually shared information related to the eviction moratorium and explored innovative housing solutions via webinars including the use of trusts to fund housing projects. These conversations informed the recommendations outlined in this report.

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- ¹⁵ U.S Small Business Administration, Paycheck Protection Program (PPP) Report (May 2021)
- ¹⁶ Sumida, Nami & Jung, Yoohyun, These Big Banks Were the Least Likely to Serve Bay Area Communities of Color with PPP Loans (SF Chronicle, June 2021)
- ¹⁷ Bay Area Equity Atlas, The Coming Wave of COVID-19 Evictions: A Growing Crisis for Families in Contra Costa County (July 2020)

III. THE EQUITABLE ECONOMIC RECOVERY TASK FORCE

To establish the Equitable Economic Recovery Task Force, the Contra Costa Economic Partnership team met extensively and engaged in significant outreach with private sector leaders across all major sectors of the regional economy and recruited key leaders as volunteers. In consultation with the Employment and Human Services Department and Workforce Development Board, CCEP also recruited key county staff and leaders from community-based organizations to develop the Task Force’s membership.

Private Sector Leaders	
Keith Archuleta	Emerald HPC International, LLC
Vic Baker	Premier 34, LLC
Linsi Crain	Chevron
Ed Del Beccaro	Tri Commercial Real Estate Services
Patty Deutsche	Volterra Communications
Debbie Haldeman Wells	Cemex
Jim Hammack	Nerd Crossing
Izamar Hook	The Veranda
Pamela Kan	Bishop Wisecarver
Bob Linscheid	Linscheid Enterprises Inc
Alex Mehran	Sunset Development Company
Ken Mintz	AT&T / East Bay Leadership Council
Bielle Moore	Republic Services
Aaron Nissim	F&M Bank
Sharon Quesada-Jenkins	John Muir Health
Kish Rajan	Mt. Diablo Resource Recovery
Leo Scott	Gray-Bowen-Scott
Deneen Wohlford	Kaiser Permanente



Community Based Organizations

Ruth Barajas	Bay Area Community Resources
Jim Becker	RCF Connects
Linda Best	Opportunity Junction and Tech Exchange
Leslay Choy	San Pablo Economic Development Corporation
DC Dorham-Kelly	Rubicon Programs
Robert Duncan	Rubicon Programs
Ruth Fernandez	First 5 Contra Costa
Jane Fischberg	Rubicon Programs
Alissa Friedman	Opportunity Junction
Betty Geishirt Cantrell	RCF Connects
Tom Hansen	IBEW Local 302
John Jones	CocoKids Inc
Megan Joseph	Impact Launch
Alexander Khu	First 5 Contra Costa
Zulay Loftin	Concord Chamber of Commerce
Letty Quizon	CocoKids Inc
Andrea Rios	Family Justice Center
Debbie Toth	Choice in Aging
Sbeydeh Viveros-Walton	10,000 Degrees

Task Force members were asked to commit to semi-monthly meetings which began on July 29, 2020, and subsequently became monthly meetings in September. In preparation for these meetings, the CCEP team built and maintains a website dedicated to the Task Force. This website served as an information hub for agendas and meeting details and hosts a library of resources. The website also hosts recordings of each meeting which absent members were encouraged to watch. The website can be found at: www.ccpartnership.org/taskforce



Public Sector Leaders	
Tamina Alon	Contra Costa County
Alejandra Chamberlain	Contra Costa County Office of Education
Maura Connell	Contra Costa County
Brian Cook	California State University East Bay
Sam Driggers	Contra Costa County
Heather Fontanilla	Mt. Diablo Unified School District
Liz Fuller	Contra Costa County Library System
Kathy Gallagher	Contra Costa County Employment and Human Services Department
David Green	Contra Costa County Library System
Patience Ofodu	Workforce Development Board of Contra Costa County
Kelly Schelin	Contra Costa Community College District

The CCEP team managed all aspects of hosting Task Force meetings including the management of registrations, planning of polls and break-out rooms discussions, and the circulation of relevant and timely materials.

Consulting with experts was a key aspect of CCEP’s leadership of the Task Force. CCEP staff met with Alan Berube, the Deputy Director of the Metropolitan Policy Program at the Brookings Institution, to inform the Task Force and center the work with common definitions and clearly outlined goals. This meeting led to the Task Force focusing on two strategies to support middle-skill job creation and retention that would become the focus of webinars and half-day convenings in later months of the Task Force’s work.

Early meetings of the Task Force in August involved asking Task Force members to reflect on their own experiences with how the COVID-19 pandemic had impacted their organizations and how it had impacted them as individuals. During these breakout sessions, some groups also conducted brief analyses of Contra Costa County’s economic strengths, weaknesses, opportunities and threats.

Getting to Action

Based on Task Force members' reflections and observations about the regional economy, the CCEP team created five subgroups intended to meet as action teams that would advance five core objectives.

- **Identify** funding priorities
- **Improve** broadband access
- **Provide** wage subsidies for hiring displaced workers
- **Create** a marketing plan for Contra Costa County's industrial base
- **Grow** the local healthcare workforce

Initial steps taken by each group included identifying the data and information they needed to inform their work and what early action steps could be taken in each specific area. CCEP staff conducted research on each subgroup topic and facilitated group discussions.



In advance of the Task Force's October meeting, **CCEP staff shared written materials on two strategies to support middle-skill job creation and retention, including the rapid reemployment strategy** adapted from Central Indiana and the people-centered strategy out of Chicago to support manufacturing, to inform its early work.

Focusing on Broadband

On December 9, CCEP staff hosted a webinar on behalf of the Task Force, *Increasing Access to*

Broadband in Contra Costa County, which featured a presentation by Andrew Petersen, the Chief Information Officer for the City of Oakland, about how the City of Oakland significantly expanded the availability of public wireless networks available across the City's underserved communities (slides included as an Appendix). Many local jurisdictions and non-profits serving low-income people impacted by the pandemic found Mr. Peterson's experience moving from a "guerilla warfare" approach to an expanded, strategic effort that harnesses political will, to be very helpful. **The recording of the webinar was uploaded to the Task Force's webpage at ccep.org/taskforce.**

In addition to the presentation about Oakland's expanded Wifi access, the webinar also featured two provider perspectives from Ken Maxey (Comcast) and Ken Mintz (Formerly AT&T) on what low-cost options exist for low-income people to access internet speeds able to support the demands of working remotely, distance learning, and telehealth.

Work-based Learning

Half-day Convening

In the month of February, CCEP staff planned and executed a half-day convening entitled *Showcasing Work-Based learning in Contra Costa County*. **The convening offered participants the opportunity to hear from organizations building apprenticeship and work-based learning programs. The event also featured a panel of experts who discussed how to grow work-based programs locally.**

While there is state and local support for these kinds of initiatives, to be successful, work-based learning requires committed partners and organized stakeholders.

CCEP staff conducted eight meetings, primarily with potential speakers and panelists in preparation for the work-based learning convening. These meetings also served to identify commonalities and differences in programs offered in the East Bay in hopes of creating the most robust possible program for Contra Costa County. CCEP's goal was to create a convening that would be dual-purpose, directly serving displaced workers in need of opportunities today and educating community leaders on how to plan for and support work-based learning.

The final program included two sessions. The first featured Jewish Vocational Services, Pathstream and Opportunity Junction - direct service providers who are developing programs to meet the needs of the economy and the workforce today. Participants could choose which program they were interested in learning about and enter a breakout room to hear about that specific program's offerings and ask questions.

The convening continued with a panel discussion featuring DC Dorham-Kelly of Rubicon Programs, Gina Del Carlo of Earn & Learn, and Adele Burns of the Bay Area Community College Consortium.



Gina Del Carlo, Founding Director, Earn & Learn



Adele Burns, Regional Director of Apprenticeship, and Bay Area Community College Consortium



DC Dorham-Kelly, President and CEO, Rubicon Programs

Meet the Panelists

Rubicon Programs: An organization that provides pathways for participants to develop the economic mobility to move out of poverty. Rubicon provides career services designed to help participants build a career that will provide them with the resources they need to achieve their long-term goals.



Earn and Learn: An organization that partners with schools, employers and communities to effectively scale work-based learning experiences for all learners.



Bay Area Community College Consortium: A consortium of 28 colleges in the Bay Area that facilitates, collaborates, plans, manages, and informs career education program investments and engages with industry and employers to develop curriculum and programs that address the workforce needs of our local economy.





Key Actions: Internships, working families, and building on consensus

During their March meeting Task Force members broke into three separate groups to build on the actions identified as priorities during the half-day convening on work-based learning in February.

Key Action #1

Paid Internship Support - Connecting to paid internships is a key strategy to building a more equitable economy. Task Force members were asked:

- What questions do you and/or your organization have about offering paid internships?
- What has worked well for your organization?
- What barriers have you encountered in offering paid internship programs?

During this breakout session, Task Force members shared their best thinking about what works and does not work about their paid internship programs. After reporting out on their discussion, members reported that they planned to approach their summer internship programs differently as a result of this discussion.

Key Action #2

Supporting Working Families - Participants agreed that the Task Force should plan a half-day convening on the connection between increasing access to early childhood education and reducing child poverty. The Task Force's early childhood education experts led the discussion on this key issue and noted their enthusiasm for the child tax credit contained in the American Rescue Plan as a poverty fighting strategy. This was identified as an area of ongoing interest.



Key Action #3

Building on Consensus – Task Force participants were asked what issues they would like to take on in the next three months and how the group would catalyze action at all levels of government and across economic sectors. The following were raised as priorities for further discussion and action:

- **Supporting employers.** The Task Force subgroup encouraged the creation of the Contra Costa County “Back to Business” fund to address the growing debt among small business owners. The Task Force also encouraged policy makers to go beyond technical assistance and make emotional connections with community members and talk about who they employ. Task Force members also emphasized the importance of highlighting the fact that women and minority-owned businesses disproportionately employ women and minorities. Importantly, participants agreed that one of the most effective and equitable economic recovery strategy is to prevent small businesses from closing in the first place.
- **Developing mentors.** The Task Force subgroup supported the idea of a support system where small businesses in retail with a few employees can connect to a central hub or mentors who are willing to help small businesses identify available resources and advise about the best options.
- **Understanding workers needs.** The Task Force subgroup endorsed the continued exploration of the multifaceted impact on women workers, which was discussed in detail by this subgroup of the Task Force. If kids are not back in school, then women will disproportionately struggle to return to work in the same way. Single mothers of children cannot come back to work without childcare and education. Women are also more likely to be responsible for the care of elders. Adult day healthcare programs cannot be run remotely because you cannot take care of frail elders remotely.
- **Prioritizing access.** The Task Force subgroup agreed on the importance of closing the digital divide by increasing broadband availability and access to hardware is key. The Task Force encouraged Contra Costa County to continue to build on partnerships that increase the affordability of internet access and the disbursement of free or low-cost hardware to community members.

Impact of Childcare

Half-day Convening

A lack of affordable, high-quality childcare burdened Contra Costa County prior to the pandemic, but **COVID-19 had devastating impacts on the childcare sector that had ripple effects across the economy.** The CCEP team identified early the need to dive deeply into the expanded universe of who has dropped out or stayed out of the job market because of caregiving responsibilities or other COVID-related burdens. **The dramatic disappearance of childcare has had a disproportionate impact on women in the workforce.**





Having experts in childcare including John Jones of CocoKids and Ruth Fernandez from First 5 Contra Costa serve on the Task Force informed the work in important ways throughout all aspects of the effort. The importance of childcare was a theme covered at each Task Force meeting and was the focus of one of the two convenings.

At the half-day virtual convening entitled *Driving Economic Recovery and Mobility*, the Task Force opened with a welcome from Supervisor Diane Burgis as Chair of the Contra Costa County Board of Supervisors and then focused on the importance of both early childhood education (ECE) and broader childcare sectors to ending child poverty and driving meaningful economic development. The program included a panel discussion with local childcare experts, advocates, and funders. The panelists included Devorah Levine of the Dean & Margaret Leshner Foundation, Camilla Rand of First 5 Contra Costa, and both John Jones and Letty Quizon of CocoKids.

The panel discussion with distinguished experts in ECE was followed by a keynote by Michael Tubbs, former Stockton Mayor and current senior advisor to Governor Gavin Newsom on economic mobility.

Tubbs described the guaranteed income pilot that he launched with the support of philanthropic funding in Stockton known as the Stockton Economic Empowerment Demonstration. He validated the path that the Task Force was on in Contra Costa County and promised to make the region a part of his post-pandemic listening tour on behalf of the Governor.

Asked how he will know he has been successful in this new role with Governor Newsom, Michael Tubbs responded that he will have been successful when poverty is eliminated in California. His ambition inspired the attendees of the convening.

One of the outcomes of the Task Force convening was to ensure an ongoing relationship with Michael Tubbs that will facilitate Contra Costa County availing itself of a proportional share of available state resources to help build a more equitable economy and tackle the region's most intractable problems.

About the Panelists

First 5 Contra Costa: funds programs that improve the lives of children in Contra Costa County, from the prenatal stage through age 5.



CocoKids: Through offices in Richmond, Concord and Antioch, CocoKids provides services to improve the lives of thousands of children, families and early educators.



Dean & Margaret Leshner Foundation: A philanthropic organization deeply committed to funding impactful programs benefiting children and families, educational opportunity, and access to the arts.



Key Actions:

Using Measure X funding to support equitable economic recovery

Following the half-day convening, which deepened the Task Force's commitment to caregiver support and the impact of direct payments, the Task Force began work on formulating recommendations for how Contra Costa County could initiate bold initiatives using newly available Measure X dollars.

CCEP staff helped Task Force members understand the potential for engaging in the County's Measure X Community Advisory Board process.

Based on the Task Force's first eleven months of work, CCEP staff proposed advocating for four priorities:

1. Guaranteed income pilot
2. Early education including funding for additional childcare slots and incentive grants tied to professional development
3. Economic development including technical assistance to very small businesses
4. Workforce development including technical assistance to create paid internships and expanding Contra Costa County's paid internship programs through specific support of the health careers pathway program

In addition to the four priorities mentioned above, the Task Force received a staff presentation focusing on the significant role that housing plays in economic recovery. This discussion validated the staff recommendation that the final two webinars to be convened through the work of the Task Force be focused on rental relief and assistance, and housing/land trusts.

Struggling Business Owners and Workers

Focus Groups

The Task Force wanted to hear directly from low-income workers and entrepreneurs about the challenges created by the pandemic and partnered with the Glenn Price Group to manage targeted focus groups. Once the focus groups were completed, the Task Force convened three of the participants to share the findings.

Small Business Owners and Entrepreneurs

The small business owners entrepreneurs in the group emphasized the importance of **(1) providing emotional support for struggling small business owners** – participating in the focus group itself was significantly beneficial to participants – and **(2) the importance of trusted messengers being involved with small businesses** such as SparkPoint.

Participants reported that they did not apply for the Paycheck Protection Program or Economic Injury Disaster



Loans because of confusing information and a lack of trust in government messengers. When information about economic relief options was offered by a trusted source, that made it more likely that a business would avail itself of available relief.

Impacted Workers

The focus group with impacted workers emphasized (1) middle class workers often do not know how to access available social services that are regularly accessed by low-income workers; (2) having a connection to a trusted non-profit is incredibly important in terms of accessing services and (3) taking steps to promote available resources to those in need is one of the most important steps the Task Force can take.

Too many people impacted do not know where to start to get the help that they and their families desperately need after periods of long unemployment.

Too many people impacted do not know where to start to get the help that they and their families desperately need after periods of long unemployment.

The panelists emphasized that too many low-wage workers have been put in the position of compromising their health or being unable to provide for themselves and their families. **There was profound frustration that too few low-income workers have a way to earn money while staying safe in the midst of a public health crisis.**

Throughout the entire year that the Task Force met, CCEP staff used every available channel to promote available state resources for small businesses and worked to find ways to implement the recommendations from both focus groups. For example, CCEP staff promoted that the second round of state relief grants opened February 2, 2021, and closed February 8, 2021. CCEP emphasized that applicants from the first round that closed in January and did not receive funding do not need to re-apply in this second round. CCEP asked Task Force members to promote these available state resources, as well as the new federal resources approved in

December, to all local small businesses across Contra Costa.

Connecting Contra Costa County's Efforts to Those Around the Region

On Thursday, April 22, both Patience Ofodu and Kristin Connelly represented the Task Force at a regional convening hosted by the San Francisco Foundation in which they presented common areas for action and potential advocacy based on reviewing available reports from the three efforts led by mayors in San Francisco, Oakland and San Jose. As part of this work, the SF Foundation also funded public opinion research through EMC Research and highlighted the equity atlas work by Policy Link. The SF Foundation is interested in building common action and advocacy on shared priorities that will benefit the Task Forces's aligned efforts.

CCEP staff continued to connect Contra Costa County to the broader region's recovery efforts by attending the first action group on "Building a More Equitable Economy" as part of the San Francisco Foundation's ongoing efforts to connect regions across the Bay Area. Participants agreed that a shared priority was not

to duplicate existing efforts and promised to collaborate as much as possible to prevent this from happening. Over subsequent meetings, **three strands of work emerged as critical to success in this Action Group:**

- Job quality standards
- Small business support
- Childcare

Through these discussions participants identified key advocacy opportunities at the state and federal level that CCEP monitored and supported, as appropriate.

Focus on Governor Newsom's Proposed Budget - May Revise

May's Task Force meeting included a briefing on the key components of the Governor's proposed budget which included the "California Comeback Plan," a \$100 billion California stimulus plan consisting of the approximately \$74 billion in projected surplus plus the \$27 billion approved for California as part of the American Rescue Plan.

Specifically, CCEP staff highlighted five components proposed by Governor Newsom that were most relevant to the Task Force's work:

1. Tax rebate to earners making less than \$75,000
2. Proposed \$12 billion in new funding to fight homelessness
3. Universal access to preschool for all four year-old Californians
4. Grants for small businesses
5. Funding for K-12 system for learning loss resulting from the pandemic

CCEP staff then briefed the Task Force on some concerns raised by the Legislative Analyst's Office (LAO) including

1. Insufficient funding of reserve accounts because of concerns about the volatility of California's revenue stream
2. Too many proposals to augment new programs rather than making significant increases to existing safety net programs
3. A concern that by addressing too many issues in the budget that the Governor would dilute the impact of each proposal
4. A lack of sufficient Legislative oversight

Task Force members reiterated their desire to ensure that the federal and state relief funds administered across Contra Costa County's local jurisdictions were going to be used for their highest and best purpose.



Two Webinars

In June, the Contra Costa Economic Partnership held two housing-focused webinars as part of the Task Force's work and in recognition that available data suggests that **lower- and middle-income workers are leaving California because of high housing costs**. In addition, employers are negatively impacted by high housing costs because it makes it harder to hire and retain employees. **Contra Costa County's economic goals depend on workers being able to afford housing in the region.**



The first webinar focused on the state rental assistance program, **Housing Is Key**, in which Contra Costa County is partnering with the state to provide funds to renters and landlords for rent and utilities (both for past due and future payments). Lynn Peralta, Division Manager with Contra Costa County's Employment and Human Services Department, provided an overview of the program and answered questions. **This webinar also discussed other homeless prevention efforts in Contra Costa County and**

gave participants an overview of how homeless providers work collaboratively to share data and address needs.

Andrea Foti, Program Director at Shelter Inc, gave an overview of their prevention fund and some of the services they provide (including assisting with deposits). The webinar concluded with a presentation focused on housing costs in Contra Costa County and the impact of rising costs on the region's economy.



The Task Force's second housing webinar introduced **Housing and Land Trusts and the role they can play in creating and preserving affordable housing**. The webinar included two presentations. The first presentation was from RichmondLAND, an organization based in West Contra Costa County, working primarily on preservation efforts. The second presentation featured Housing Trust Silicon Valley which has large funds that focus on pre-development and gap-funding. Because **affordable housing developers are competing in a tight market for land and**

projects, there is a need for pre-development and gap-funding that is flexible and fast. Both organizations are committed to increasing the affordable housing supply in the East Bay. These presentations highlighted the critical need for creativity and collaboration in the affordable housing space.

CCEP ended the webinar with a discussion of the Contra Costa County Measure X Community Advisory Board and affordable housing and land trusts as a potential use of public funds.



Final Task Force Meeting

The Task Force's final meeting provided a unique opportunity to harness the experience of the group to reflect on their shared experiences, to share the status of their own efforts and to identify opportunities for future work.

Following the regular economic update, CCEP staff reviewed the work of the Task Force over its 16 meetings, two convenings and three webinars. As part of listening to its members during the early, formative stages and as a result of a consensus-building process, the Task Force focused on the importance of broadband access, the needs of small business and the myriad challenges of the care economy. Highlighting the importance of paid internships to provide meaningful work-based learning opportunities for young people in an equitable fashion clearly impacted many of the Task Force members.

Task Force members identified a need to make lasting systemic changes to ensure that existing career pathways for high school students remain strong and are not dependent on current leaders.

RCF Connects shared that they are committing \$100,000 to invest in small businesses owned by Black women to help facilitate an equitable economic recovery. Kaiser Permanente is also looking to expand investment to this work and CCEP will continue to follow-up on emerging strategies.

CCEP acknowledged that leading this work has been a paradigm shift for the organization and was encouraged by the engagement of all task force members.



IV. FURTHER THE WORK

Recommendations

The Task Force was an excellent starting point for envisioning a more equitable economy in Contra Costa County. The collaborative effort and input from a broad range of stakeholders provided an abundance of issues to cover and topics to discuss. Drawing from these conversations and listening sessions this report aims to identify actionable recommendations for consideration by the Contra Costa Board of Supervisors. These investments showcase a commitment to equality and economic justice.

Recommendations based on the work of the Equitable Economic Recovery Task Force:

1. **Target local money.** The priorities identified by the Task Force for the Measure X funding are opportunities to support currently marginalized communities and workers and are an investment in the region's future workforce. Contra Costa County should explore alternative sources of funding, partnerships, and leadership opportunities that would demonstrate their commitment to these worthwhile and innovative priorities.
 - a. **Guaranteed income pilot** - invest in a pilot program that will look at the impact of direct payments to create financial security.
 - b. **Early education** - invest in additional childcare slots and incentive grants tied to professional development to bolster the workforce.
 - c. **Economic development** - invest in business development and retention by providing technical assistance to very small businesses through the Workforce Development Board of Contra Costa County.
 - d. **Workforce development** - invest in assistance programs that will incentivize employers to create paid internships and expand Contra Costa County's paid internship programs.
2. **Use trusted messengers.** Building trust between government and trusted community voices and organizations is important in sharing resources. Contra Costa County could promote its programs and projects by fostering trusted relationships with the non-profit community and identifying critical messengers in each supervisorial district. Supervisor Burgis currently hosts a East Contra Costa Nonprofit Roundtable, which could serve as a model and be replicated.
3. **Deepen employer support.** Small businesses could benefit from more County-level support. Creating mentorship programs, providing technical assistance, and partnering on work-based learning initiatives are all investments in the community at-large and could strengthen the relationship between employers and social service agencies.



4. **Invest in job growth.** Continue to support the Northern Waterfront Economic Development Initiative Strategic Action Plan and energy-transition job training programs that will promote growing and evolving industries and keep residents locally employed.
5. **Expand part-time work.** Identify opportunities for part-time work within the County as a response to the needs of caregivers and in an effort to keep women in the workforce.
6. **Focus on equity.** Consider utilizing the Office of Racial Equity and Social Justice to examine racial disparities in local industry sectors and make recommendations on strengthening pipelines to employment for marginalized residents.
7. **Support financial literacy and access.** Research shows that many businesses were unsure, uncomfortable, or unsuccessful in accessing Paycheck Protection Program loans because they lacked a strong relationship with a financial institution. This was supported by the small business focus group participants who emphasized a lack of trust in government loans being forgiven. The Task Force also discussed how debt and limited savings can be a barrier to mobility and increase vulnerability to homelessness. Partnering with organizations to ensure clients served by Contra Costa County have access to products and services intended to deepen financial inclusion would ensure that more Contra Costa County residents have the tools they need to participate in the financial system. The County could also ensure its employees also have access to these products and services and take a more active role in encouraging direct deposit for County employees.
8. **Expand options for financing housing.** Consider using some of the newly created Housing Trust Fund dollars for grants or interest-free loans for down payment assistance to enable homeownership in communities with a history of housing discrimination and/or redlining as a way to address racial inequality.
9. **Preserve affordable housing.** Consider using some of the newly created Housing Trust Fund dollars to assist in the preservation of affordable housing and opportunities for collective ownership.
10. **Invest in data collection.** Invest in the creation of a data library for Contra Costa County reports and presentations. A searchable database that combines the collective research of County departments and agencies would be of benefit to the County and its community partners.



For more information,
please visit:
ccpartnership.org/taskforce

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