



Invest Atlanta (Incorporating WorkSource Atlanta)  
Economic Recovery and Mobility Plan

May 26, 2020



# Process To Date





# Key Questions for Data Gathering and Research

- What are the pathways to upward economic mobility?
- How are the pathways operating within Atlanta's economic system?
- Who are the pathways benefiting within Atlanta's economic system?
- How can the pathways be strengthened, or is there a need to create new pathways for people and neighborhoods who/that have been left behind?



# Stakeholder and Community Engagement Timeline



- City Council
- Select Invest Atlanta Staff
- Select Economic Mobility Steering Committee Members
  - Atlanta Technical College
  - Community Foundation of Greater Atlanta\*
  - Focused Community Strategies
  - Integral Group
  - Midtown Alliance
  - Partnership for Southern Equity\*
  - Russell Center for Innovation and Entrepreneurship\*

- Invest Atlanta Partners
- Atlanta Residents
- Small Businesses

- Select City of Atlanta Departments and Agencies
- Annie E. Casey Foundation\*
- Atlanta BeltLine
- Atlanta Committee for Progress
- Community Foundation for Greater Atlanta
- Federal Reserve
- Partnership for Southern Equity\*
- Russell Center for Innovation and Entrepreneurship\*
- United Way of Greater Atlanta

- Atlanta Residents
- Small Business Owners

*\*Engaged multiple times*



# Stakeholder Feedback/ Insights

## Relevant Stakeholder Feedback/ Insights

- The economic prosperity happening in the city is benefiting new migrants, rather than native Atlantans
- Atlanta needs to attract more middle-wage jobs
- The city should develop the skills of native Atlantans and prepare them for the growing industries of the future
- The city should take workforce training to the community (e.g. meet people at their level of need). Many workers deal struggle to participate in training/ education because of child care issues, lack of transit, and other challenges
- Support for entrepreneurs small business owners is critical to growing wealth and strengthening communities
- Access to capital is a challenge for many startups and small businesses. There's a lack of accessible financial services and resources (e.g. reputable banks that offer small business lending options)
- Many entrepreneurs needs technical training programs, such as how to write a business plan, manage cash flow, or best practices for running a business
- Many mid-sized business can't access to suitable resources and investment
- Women-owned businesses are an untapped resource
- For areas that cannot attract large businesses, the city should focus on building/ supporting neighborhood businesses (e.g. grocery stores, corner stores, and restaurants)
- The city should do more to incentivize developers to create affordable housing





# Upward Economic Mobility Pathways Framework



*Grey indicates the pathways Invest Atlanta is able to directly influence*



# The Plan's Objectives Address Key Findings

These plan's overarching objectives were derived from data findings and stakeholder feedback. These objectives seek to address the challenges and barriers that limit economic mobility in areas where Invest Atlanta and WorkSource Atlanta have influence.

**Objective 1: ("Creation of good jobs")** Retain, support and attract businesses from industry sectors that are producing good and promising jobs, which are accessible to residents from priority neighborhoods, and aligned with workforce development efforts

**Objective 2: ("Access to good jobs")** Train more residents from priority neighborhoods for good and promising jobs, help them progress their careers, or help them switch to a different opportunity in sectors with a large share of good and promising jobs

**Objective 3: ("Small businesses")** Support more startups and small businesses from priority neighborhoods to survive, adapt, grow and hire more employees

**Objective 4: ("Neighborhood investment")** Attract more investment into priority neighborhoods, which will reduce barriers and create access to economic opportunities for residents

**Objective 5: ("Affordable housing")** Incentivize and support the creation of more mixed-income housing, and new models of development; and help more residents from priority neighborhoods to become home buyer ready, purchase a home, or remain in their home



# The Plan's Objectives Address Key Findings

## Objective 1: Creation of good jobs

- **Pathways supported:** Overall Economic Growth; Job Wages, Benefits, and Character; Neighborhood Access to Employment; Workforce Capacity for/ Access to Employment

## Relevant Data Findings

- According to Brookings Institute's Opportunity Industries Framework, Atlanta ranks 17th out of the 100 largest MSAs in the United States in terms of providing good and promising jobs for those with a bachelor's degree. However, Atlanta ranks 76th in terms of providing "good and promising" jobs for those without at least a bachelor's degree
- 77% white adults and 23% of black adults have a bachelor's degree
- By 2025, 60% of jobs in Georgia will require some form of higher education. The sectors which create good jobs for people without college degrees will not grow much in the future (except construction and, to a lesser degree, logistics and information)
- Atlanta's northside and central neighborhoods have higher proximity to jobs than those in the west and south





# The Plan's Objectives Address Key Findings

## Objective 2: Access to good jobs

- **Pathways supported:** Workforce Capacity for/ Access to Employment; Neighborhood Access to Employment

### Relevant Data Findings

- There is a north/ south division in the city between residents earning high wages (\$3,333/month or more) residing in Northern Atlanta and those earning low wages (\$1,250/month or less) living in Southern Atlanta
- The unemployment rate for black residents is 11% higher than for white residents – this is not limited to residents with lower skills
- African American workers have a higher rate of job displacement compared to other segments of the US population. This is in part due to the higher representation of Black workers in occupations that are likely to be most affected by automation (e.g., office support, food services, production work). They are also underrepresented in occupations that are most resistant to automation. Re-skilling and new skilling workers prone to automation would help to allow workers to switch careers and transition into those less at risk for future job loss



# The Plan's Objectives Address Key Findings

## Objective 3: Small businesses

- **Pathways supported:** Equitable Economic Growth; Job Wages, Benefits, and Character; Entrepreneurship and Small Business Growth and Retention; Neighborhood Access to Employment; Workforce Capacity for/ Access to Employment

### Relevant Data Findings

- Atlanta ranks highly as a “small business friendly” city with more black-owned small businesses and more female-owned businesses per capita than its peers. However, according to the most recent Survey of Business Owners, Atlanta’s black-owned businesses account for 8% of total businesses, compared to 68% of businesses owned by white Atlantans
- According to the Prosperity Now report, Black owned businesses in Atlanta were valued at \$58,085, while white owned businesses were valued at \$658,264. Of the Black-owned businesses that have paid employees in Atlanta, the average business has 7.9 employees compared to an average of 10.3 employees across peers
- Only 56% of businesses that were open as of 2014 were still in business in 2018. Each year, 2,767 businesses closed on average in Atlanta between 2015 and 2018 and the vast majority were businesses with 0 or 1 employee. While the rates are similar for surrounding counties and the MSA, they are not consistent with the national trends
- Over half the closures of small businesses are business services, marketing design and publishing, and local real estate and construction. Local retail is also seeing substantial losses. The closures are taking place across the city and are not concentrated in particular NPUs



# The Plan's Objectives Address Key Findings

## Objective 4: Neighborhood investment

- **Pathways supported:** Job Wages, Benefits, and Character; Neighborhood Access to Employment; Workforce Capacity for/ Access to Employment; Asset/Wealth Building and Financial Management

### Relevant Data Findings

- The south and west-central parts of the city in particular lack middle and high wage jobs, both on an absolute number and percentage basis. The north/east side of the city is home to the bulk of the middle and high wage jobs
- The largest concentrations of small businesses in Atlanta are in NPUs B, E and M, although small businesses also have a presence in the other NPUs
- A 2014 report published in Atlanta Magazine noted that there were over half a million people living in Atlanta without access to a grocery store (per the USDA's definition), which can serve as an economic and workforce development tool
- South and west NPUs have higher violent crime rates than overall city rates, which are already high compared to all peer cities, except Chicago. High violent crime rates may be a barrier to both talent and business attraction in neighborhoods where it is more prevalent (especially southern neighborhoods)



# The Plan's Objectives Address Key Findings

## Objective 5: Affordable housing

- **Pathways supported:** Workforce Housing Stability; Asset/Wealth Building and Financial Management; Neighborhood Access to Employment

## Relevant Data Findings

- The homeownership rates among black households in Atlanta is 8% lower than the citywide homeownership rate, and 21% lower than the homeownership rate among white households in Atlanta
- Homes in the city's southern neighborhoods have substantially lower home values versus homes in the north of the city
- There are higher incidences of code violations and lead paint exposure risk in south Atlanta. Code issues are especially prevalent in the cluster of neighborhoods running from Bankhead and Chattahoochee to Lakewood Heights
- Home equity and home mortgages are an important source of capital to start and expand business. Given the racial disparity in homeownership rates and home values, black entrepreneurs often have less capital to leverage, resulting in disparities in the number of black owned businesses
- 39% of households and 50% of renters are cost/ rent burdened; those earning less than \$40k a year are most impacted
- 10% of newly built apartments rent for less than \$1000 per month. The maximum rent a median black household can afford is \$746 per month
- In several neighborhoods in the south, including portions of NPU P, Q, R, H, I, J, K, S, and T, the eviction rate is significantly higher than the citywide eviction rate (5.1%), which is also higher than the national average



# The COVID-19 Crisis Will Impact the Plan

## How will the plan change as a result of the COVID-19 Epidemic?

- While no one can yet predict what the full economic impact from the pandemic will be on Atlanta, the city is unlikely to escape a recession
- The city will need to respond to a recession by seeking to stimulate local demand and supporting the most vulnerable. A recession is also likely to exacerbate existing inequality challenges, which will make tackling economic mobility even more important
- We are currently revisiting the strategies/ actions which were being developed to tackle economic mobility challenges to make sure they will address current COVID-19-related challenges, open up economic mobility pathways and support economic recovery
- We are also revisiting the timing and scale of the actions, to align with the likely phases of the crisis, as well as to take account of Federal support and funding

## Are the data findings still relevant?

- The COVID-19 crisis is likely to impact disadvantaged and minority communities hard, which will exacerbate existing inequality challenges. These are the same communities which face the biggest economic mobility barriers
- Invest Atlanta will, therefore, use the data findings to better target and focus its recession recovery efforts



# Next Steps

## Action Items

- Design and prioritize the actions to both reduce economic mobility and support economic recovery
  - Create a phased approach, in anticipation of business reopening, economic downturn and recovery
  - Align programming with actions of other city agencies, departments, and external partners
- Set ambitious output and outcome focused KPIs, as well as shorter-term lead indicators
- Publish strategy
- Implementation, oversight, and reporting

## Important Dates

- June 23, 2020: CDHS presentation on the plan's strategies and metrics
- July 14, 2020: CDHS presentation on the full plan
- August 17, 2020: Adoption of the plan at Full Council



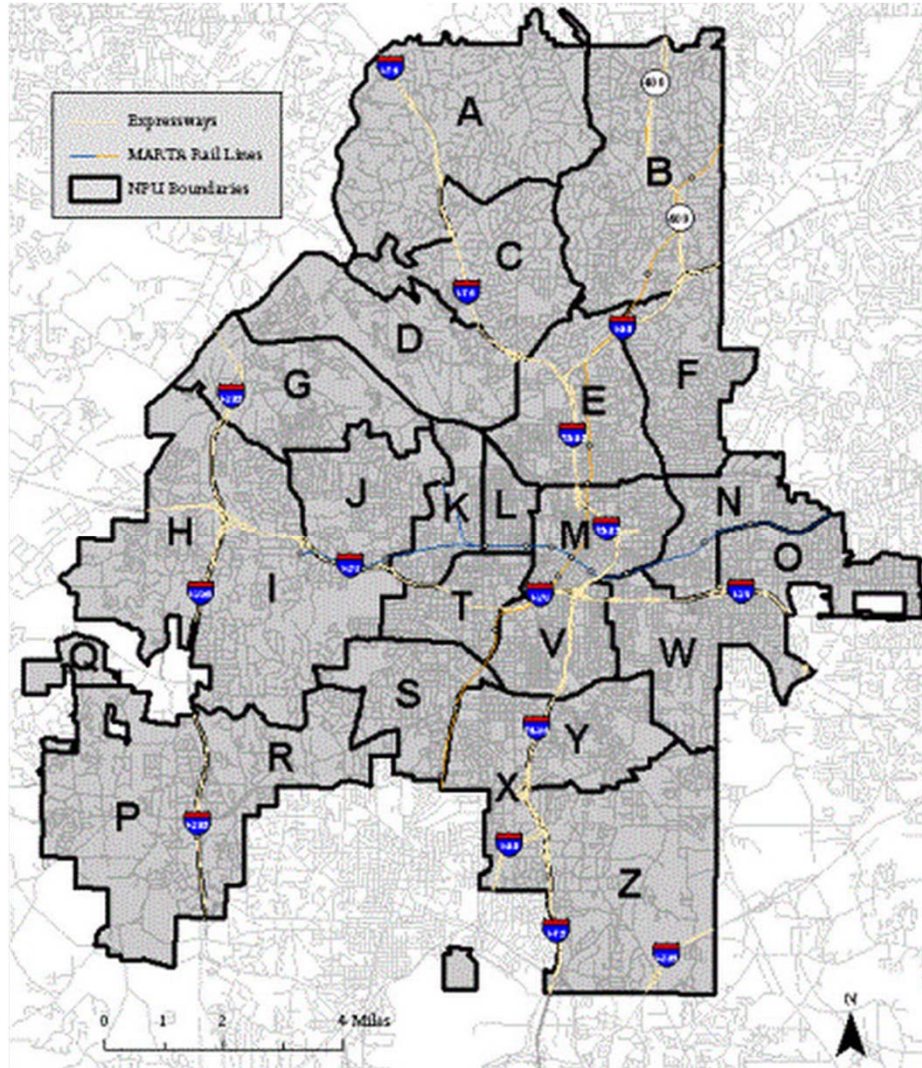


Questions?



# Appendix





# NPU Map



# Quantitative Analysis - Selected Data Sources

## Federal Government

- American Community Survey and Decennial Census
- Longitudinal Employer Household Dynamics
- BLS County/ ZIP code Business Patterns
- BLS Quarterly Census of Employment and Wages
- US Dept of Housing & Urban Development
- Census Survey of Business Owners/Entrepreneurs
- National Center for Education Statistics – IPEDS
- Department of Labor Occupational Information Network (O\*NET)

## Other National Public

- Brookings Institution Opportunity Industries
- Indiana University Kelley School of Business Innovation 2.0
- Opportunity Atlas
- Center for American Entrepreneurship

## State of Georgia

- State School and District Performance

## Proprietary

- JobsEQ
- PolicyMap
- ESRI
- Burning Glass

## Atlanta Regional Commission

- Population/ economic forecasts
- Regional Centers of Employment
- NPU demographic/ economic tabulations
- Regional Economic Cluster and Competitive Analysis

## City of Atlanta

- Office of Revenue Business Registrations
- Spatial boundary files (e.g. NPU's, TADs)

## Invest Atlanta

- Grant/ Investment program data



# Steering Committee Interview Questions

## Enterprise/ APD Urban Questions:

- Tell us about your organization, its mission, goals and how your role in the community can help inform our approach in supporting inclusive economic development and an economic mobility strategy.
- Can you share with us reports, studies or other framing documents that your organization has produced that align with our economic development and mobility strategy?
- In what ways can the economic mobility strategy either complement or pick up where your organization leaves off in advancing economic mobility or opportunity?
- Where can we fill any gaps?
- What do you believe are opportunities that we can leverage to move the economic mobility needle forward in Atlanta (targeting neighborhoods in most need)?
- What organizations are already servicing these needs that IA can partner with that they are not partnering with now?
- Viewing the pathways diagram below, what current partners do you think are most important to each economic mobility pathway?
- If you had to choose to focus the results of this work on one economic mobility pathway that would serve the greatest need and impact the most partners, what would it be? (why would that be?)
- What/Who are the most important untapped partners or partnerships that IA should engage to move the economic mobility needle forward?
- How does your organization work to address racial and economic disparities in the city?
- What current policies that you're aware of either complement or impede progress in economic opportunity, equity or outcomes for residents and businesses?
- What would Atlanta look like if this strategy were successful?
- What would need to be different or change in Atlanta to achieve what you just described?



## Invest Atlanta Staff Interview Questions

- What is the strategic direction of Invest Atlanta? How is it changing? How is it staying the same?
- What do you think Invest Atlanta does well? What are your biggest challenges as an organization, in your opinion?
- Who are Invest Atlanta's strongest collaborators?
- How does Invest Atlanta engage with diverse stakeholders/communities across the city?
- What would Atlanta look like if this strategy were successful? What would need to be different or change in Atlanta to achieve what you just described?
- From your perspective, what efforts in Atlanta are important for driving that change?
- In your opinion, what role should Invest Atlanta play? What can Invest Atlanta control? What can Invest Atlanta influence?
- Is it currently able to play that role? If not, what would need to change in order for it to better play that role?
- How does Invest Atlanta work to address racial and economic disparities in the city?
- What current policies either complement or impede your progress toward creating economic opportunities & equitable outcomes for residents and businesses?
- Please describe the programmatic activities you are responsible for and how they function.
- What are the desired impacts of your work? How do you measure success? What data do you track in order to understand your impact?
- What are priorities for your department right now?
- Do you have priority sectors you engage with? How about priority neighborhoods/areas of the city?
- Who are your partners and/or beneficiaries?
- How do you approach outreach to potential partners/beneficiaries?
- What funding sources does your organization draw from to promote and support the objectives you've mentioned?
- Who else should we speak to, internally and externally, to better understand Invest Atlanta's role, impact, etc.?





## Focus Group Questions

### Residents

- What skills would you want to gain to allow you to obtain better employment?
- Do you have access to affordable child care services?
- Do you have access to transportation services?
- What type of transportation do you use to get to work?
- Are there strong supportive organizations in your neighborhood that provide:
  - Education?
  - Training/Workforce Readiness?
  - Small Business Support?
  - Other social services (housing, health, services for returning citizens)?
- Who are these organizations?
- What is your total household income?
- What is your gender?
- What is your age group? Race? Ethnicity?



# Focus Group Questions

## Community Partners/ Businesses

- Which neighborhood is your business located in?
- Is your business... growing, surviving, or declining? Why?
- In which commercial center is your business located?
- Does your small business provide services to Invest Atlanta?
- WorkSource Atlanta?
- City of Atlanta?
- Why or why not?
- What are the biggest opportunities for your small business to supply to large, local buyers?
- What is your perception?
- Ease of doing business: How would you rate the ease of doing business with the City of Atlanta, including customer service, obtaining land permits, zoning, etc.?
- In what council district is your business located?
- How many years has your business operated in the city of Atlanta?
- Has your company received any type of support from Invest Atlanta?
- Do you own or lease your current business location?
- Approximately, what was your company's gross revenue for the previous fiscal year?
- How much capital will your company need to raise or borrow in the next 1 to 2 years?
- What is your total combined household income?
- Do you currently own or rent your home?
- What is your age group? Race? Ethnicity?