



CAMBRIDGE CITY COUNCIL

Marc C. McGovern
City Councillor

September 24, 2015

The Honorable Donna Lopez
City Clerk
City Hall
Cambridge, Ma 02139

Dear Madam Clerk:

Please place the enclosed report of the Mayor's Blue Ribbon Commission on Income Insecurity in Cambridge on the agenda for September 28th, 2015 under the heading on Communications and Reports from City Officers.

Sincerely,

Marc McGovern
City Councillor
Chair of the Income Insecurity Commission

Enclosure

Report of the Mayor's Blue Ribbon Commission on Income Insecurity in Cambridge



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Commission Members

Marc McGovern, *City Councillor, Chair*
Denise Simmons, *City Councillor, Co-Chair*
Arthur MacEwan, *UMASS*
Barbara Kibler, *Margaret Fuller Neighborhood House*
Brian Murphy, *Community Development Department*
Cliff Cook, *Community Development Department*
David Slaney, *Community Advisory Board on the Living Wage*
Elaine DeRosa, *Cambridge Economic Opportunity Committee*
Ellen Semonoff, *Department of Human Services*
Eva Martin Blythe, *YWCA*
Gail Sudore, *Solutions at Work*
Greg Russ, *Cambridge Housing Authority*
John Lindamood, *Cambridge Housing Authority*
Len Thomas, *Formerly of the Multi Service Center*
Mervan Osborne, *Cambridge School Committee*
Michael Delia, *East End House*
Phil Johnson, *Cambridge Community Foundation*
Renae Gray, *Community Activist*
Risa Mednick, *Transition House*
Robert Keller, *Community Development Department*
Sarah Kennedy, *Cambridge Chamber of Commerce*
Susan Mintz, *Community Development Department*
Tina Alu, *Cambridge Economic Opportunity Committee*

Mission Statement

The primary purpose of the Commission is to establish policy for the allocation of the appropriate City resources in ways that will alleviate the difficulty of individuals and families struggling with income insecurity.

A Letter from Councillor Marc McGovern

When people think of Cambridge they tend to think of our world class universities and leading biotech companies. What they don't think about is how many people in our community are truly struggling; struggling to pay their rent, struggling to put food on the table, and struggling to pay their bills. As startling as the results of the City's poverty study are, the results of the Income Insecurity Commission's work is even more so. We found that the gap between those who can meet their needs and those who struggle is even wider than we thought. For Cambridge to be the socially just community we want it to be, we need to address this gap with more urgency.

While we have made numerous recommendations in this report, the overarching recommendation is that we, as a city and as city leaders, need to make addressing income insecurity as a goal by providing the proper resources and attention it deserves. Cambridge is a wonderful city with many wonderful programs and initiatives. We are not, however, immune to the increasing economic divide that is ravaging our country. With the people, finances and determination Cambridge possesses as municipality and as a community, we will be able to tackle this issue in ways other municipalities cannot.

I would like to thank all of those who participated in creating this report, who attended our focus groups and who filled out the online survey. I would also like to thank all the support staff, including Annie Nagle from my office who was instrumental in the completion of this report. Finally, I would like to extend great thanks to Mayor David Maher and his office for recognizing this as an important issue and appointing this Commission.



Cambridge City Councilor

Chair of the Mayor's Commission on Income Insecurity

Introduction

In 2014 the Community Development Department issued a startling report on poverty rates in the city. Despite the wealth and innovation in our city, 11%, or approximately 8,000 people, were below the federal poverty line. In communities of color, these numbers were even higher: 30% for our Black residents and 20% for our Hispanic residents. The federal guidelines for poverty don't come close to what it costs to live in our city, which raises the question, "What does it really cost to live in Cambridge?" It was at that point that the Mayor's Commission on Income Insecurity was formed.

This Commission uses the term "Income Insecurity" as opposed to "Poverty". We define Income security as the amount of money it takes for a person or persons to meet their basic needs without government assistance. The choice of terms is important. Many municipal, state, and federal programs use the federal definition of poverty to determine who qualifies for support services, but those numbers do not adequately address the situation in Cambridge. There are many who earn more than the poverty guidelines but still struggle to pay bills and may be in need of assistance.

The Income Insecurity Commission, composed of city staff, elected officials, non-profit leaders, and community members, met ten times over several months to grapple with how income insecurity impacts our residents, what the city is doing to support those in need, and what gaps exist in city and non-profit services that should be addressed. The Commission then identified several areas that were most critical: Housing; Hunger; Wages and Employment; and Job Training and Education. We formed subcommittees to research several questions: what is the impact of being income insecure in these areas, what city services are available, what city services are missing, what recommendations should be made to address these areas in regards to each topic. We compiled city demographics on what it takes for persons to live in Cambridge service-free and then broke those numbers down by subgroups to give us a more accurate picture of how many in our community are truly struggling. In addition, we conducted focus groups at senior housing and public housing developments, as well as an online survey that yielded just under 400 responses.

We began by using the Crittendon Women's Union Economic Independence Calculator (appendix A). We then adjusted those figures to be a more accurate picture for Cambridge (appendix B) and then broke down that adjusted Cambridge figure into demographic subgroups. The results were:

Family size	Federal Poverty Guideline Annual Income	Cambridge Annual Income Security Standard ¹
1 person	\$11,270	\$51,000
2 persons	\$15,930	\$76,200
3 persons	\$20,090	\$83,100
4 persons	\$24,250	\$108,800

Demographic data showed:

Household size	% Income Under Federal Poverty Standard	% Income Under Cambridge Income Security Standard
1 adult	16%	54%
1 adult w/ 1 school aged child	25%	70%
1 adult w/ 1 preschool child	71%	90%
2 adults w/ 1 school aged child	7%	35%
2 adults w/ 1 school aged child and 1 preschool child	7%	54%

Race	% Income Under Federal Poverty Standard	% Income Under Cambridge Income Security Standard for Single Person Household
Asian	19%	29%
Black	23%	64%
Hispanic	26%	49%
White	11%	26%

As these numbers show, there are far more people in Cambridge who struggle to meet their basic needs than the Federal Poverty Guidelines suggest. It is the contention of the Income Insecurity Commission that we must assess our policies and services to determine what changes need to be made to address this more accurate picture of those in our community who are struggling.

¹ Income levels derived from Crittendon Women's Union Economic Independence Calculator figures adjusted for median market rate asking rents. 2-person household average of one adult with a preschool age child and one adult with school age child, 3-person household assume two adults and one school age child, and 4-person household assumes two adults, one school age child and one preschool age child.

Intergenerational Aspects

While there is some debate among researchers that economic mobility and economic success can be accurately predicted by measuring factors from the formative years in a child's life, there is no question that the present effects of income insecurity are felt by all those within a household, and there is real potential for the struggles to have lasting influence later in life.

It is safe to say that, statistically speaking, those born into deep poverty are most likely to be poor adults and those born into wealth are most likely to be wealthy adults, but, overall, tracing the intergenerational effects of income insecurity is harder to do. There is no clear picture of what income insecurity looks like, as costs of living vary widely and shift over time. Further, the symptoms of income insecurity manifest differently depending on the decisions made by the household and its membership. Whether it is choosing between paying the electric bill or putting food on the table or working extra hours instead of helping kids with homework, income insecurity has lasting effects on family members. Another example is those families that include elderly members have a lower income per capita but receive the benefit of that person's time and experience. Where income insecurity often means parents work longer hours or more jobs, leaving less time for interaction with children, an elderly family member provides an extra caretaker for children.

Often, the income insecure find putting food on the table to be a daily struggle. Poor nourishment can lead to chronic illness in adults and children, limiting their ability to work and thrive both in the present and later in life. Studies show that hungry children underperform in school, affecting achievement and future opportunities.

Another intergenerational aspect of income insecurity is its potential for disrupting family and community ties. In particular, the lack of affordable housing opportunities presents difficulties for Cambridge residents. Adult children raised in Cambridge are often unable to afford housing in the same community in which their family resides. This situation can prevent children from forming their own households in Cambridge, where they can better retain close ties to family and the community in which they were raised.

Focus Groups

We can look at income insecurity through numbers and statistics, but the reality of it is much more personal. These are people living paycheck to paycheck, striving to put away a little bit of savings. These are people who live one or two paychecks away from poverty. Often, due to the cost of living in Cambridge, these are people who need the help of services, but whose assets are such that they do not qualify so they choose between lights and food. These are people who would suffer irreparable loss if faced with a catastrophic event that other members of the community have the means from which to recover. A health shock or the loss of a primary vehicle, for instance, can cause inability to work, in turn causing the loss of housing, inability to access food, and changes in the availability and support of family members. This Commission conducted five focus groups and circulated a survey in order to discover more personal data from those dealing with these issues on a day to day basis.

During the focus groups, residents of Cambridge discussed specific issues with which they contend; many cited the cost of internet as an issue. Internet is increasingly becoming a necessity given its prolific use. More and more, schools, organizations and companies are communicating with employees and consumers via email. Jobs are advertised online and often nowhere else, lists and descriptions of resources are available online, as are applications for the same. Cambridge has only one cable company and many cite Comcast's prices as being too high to reasonably pay. Residents also stated concerns about the recent rise in the cost of electricity. For families of limited means, the rise of utility costs diminish other budgeted areas like food, clothing, medicine or rent.

The cost and availability of necessities was cited by many residents as an area of concern. There is a real inability to access affordable food in certain neighborhoods in that there is a lack of ready access to food pantries and lower-cost grocery store chains. Residents stated that a Market Basket or other affordable grocery store in the city would be a great change to their access to food. Similarly, residents stated that access to affordable department stores, like a Target or Kmart, would be a positive change. Other necessities, namely medication and other healthcare were also issues raised by a few focus group members.

Housing is always a concern to those struggling with income insecurity. Many residents related frustration with the way income is calculated for the purposes of housing assistance. Some cited the inclusion of income from older children living at home as problematic, given that their income is often earmarked for education or child support and the rent-paying parents do not receive any of their income. Others stated that the use of gross income figures over net income figures caused their rent to be too high. One woman stated concern over renting-to-own her home in that, because of the way the program is set up, her children would receive no benefit from her efforts if she died. Finally, many residents worry that improving their situation will cause them to lose their subsidized housing. In Cambridge, one can only be at the rent ceiling for four years before he or she is forced out of low-income housing. Residents stated that they were afraid to go to school or apply for better jobs because what they gain in income would not cover the gap of what they lost in subsidy.

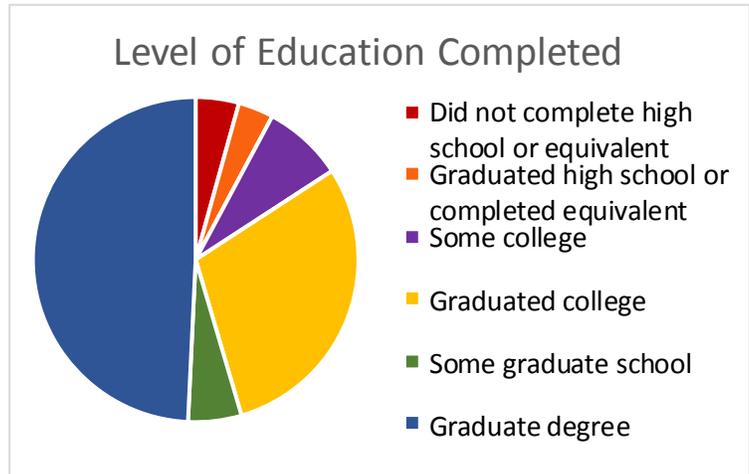
The last main category that residents cited as an area that would be helpful centers on school-aged children. Some residents stated that financial assistance for after-school and extracurricular activities, including summer camps would be an incredible help. Some residents stated that some areas don't have school bus access, causing stress related to working less in order to supervise the children coming and going from school and the conflict of school hours with work hours.

Policy Recommendations

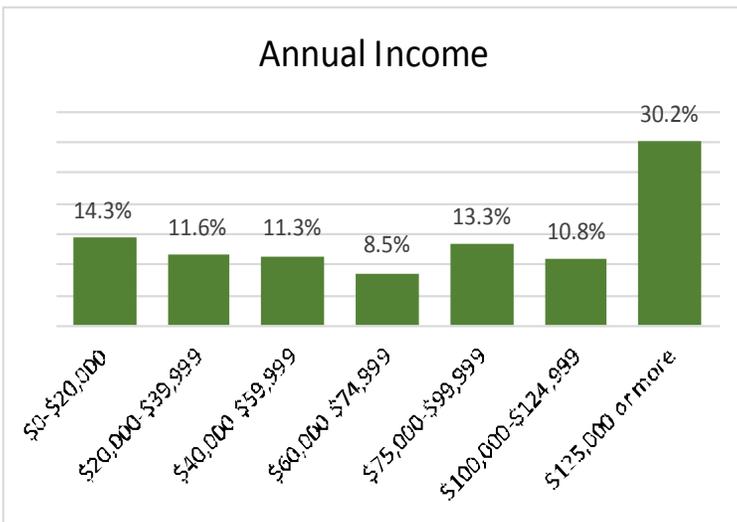
1. Encourage and support the Cambridge Housing Authority to provide free wireless internet access in all of their housing developments.
2. Encourage developers, when providing ground-level retail space, to explore bringing affordable markets to neighborhoods.
3. Continue to evaluate and move toward bringing high quality, affordable early childhood education to Cambridge and look at expanding out-of-school time opportunities.

Survey

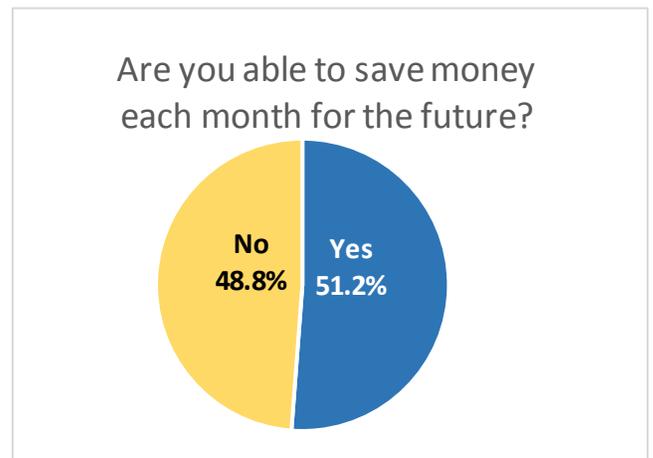
In its effort to discover how residents felt about their income security in Cambridge, the Commission circulated a 17 question survey asking residents to self-report some of their income and spending. The overwhelming majority, a combined 84%, of the 410 responders have a college degree or higher; 49% have a graduate degree. Approximately 54% of responders have a household income of \$75,000 per year; 30% make \$120,000 or more. Despite an overwhelmingly high level of education and an annual income level most would consider substantial, 18.5% of respondents stated that they felt unable to pay their monthly expenses on time every month.



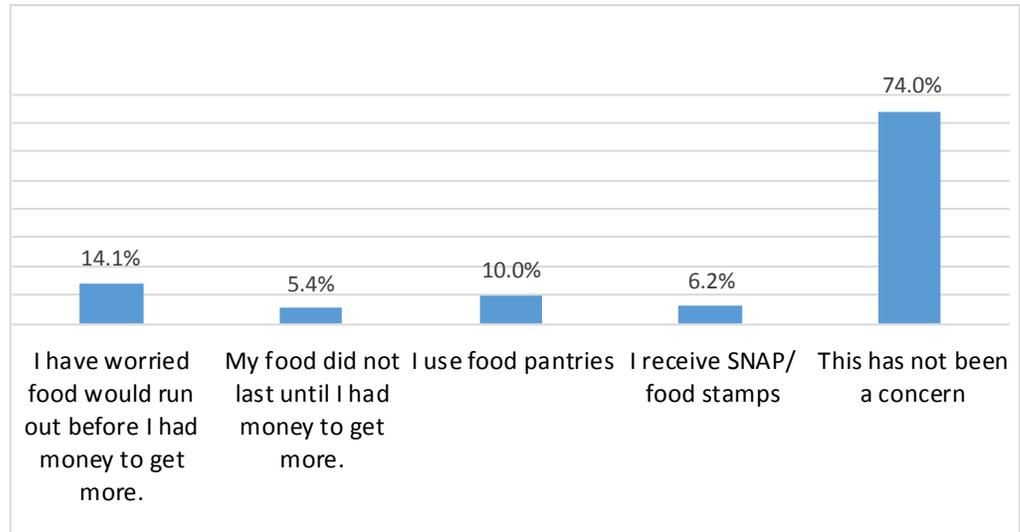
Several of the survey questions asked about the ability to purchase necessities each month. 14% stated that, within the past 12 months, they have worried about whether their food would last until they had enough money to buy more and 5.4% stated that within this last 12 months, they had at least one situation in which they ran out of food before they had enough money to buy more. 10% stated they utilize food pantries and 6% reported that they receive SNAP benefits. Approximately 15% stated they cannot purchase necessities like medicine and personal care. The concern about providing for self and family in the immediate moment leaves no hope for the creation of an emergency fund or nest egg.



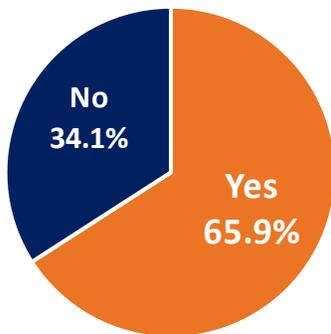
48.8% of respondents stated that they cannot save money at the end of each month. This places those respondents at significant risk of falling into poverty if faced with a major financial downturn.



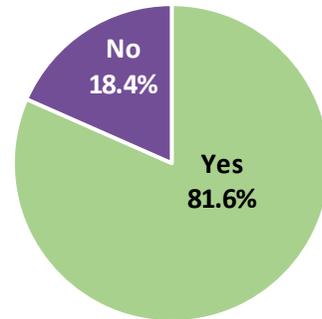
This chart shows that 19.5% of those who responded to this survey, a large portion of whom make \$100,000 each year, have significant concerns regarding food insecurity.



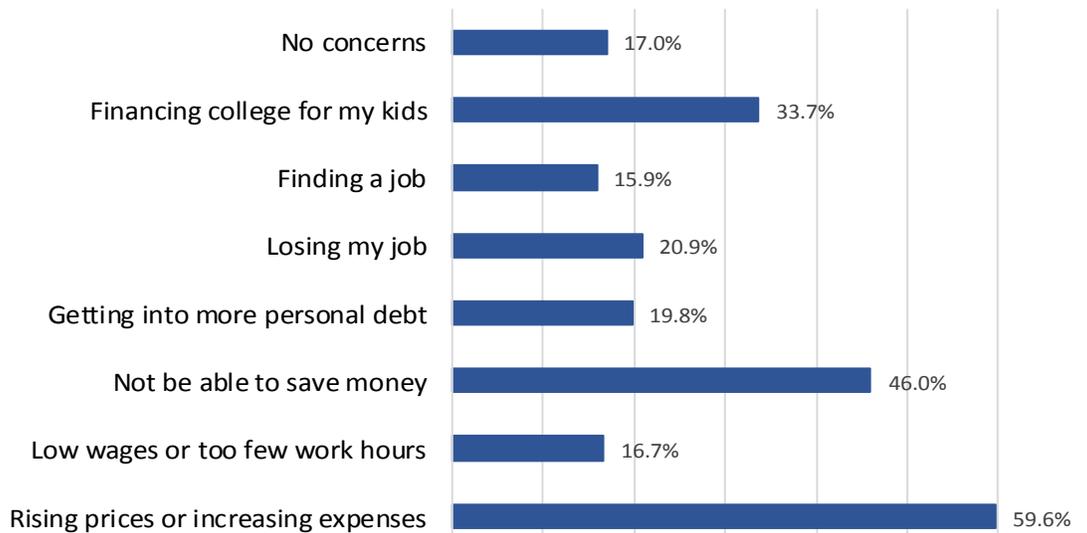
If eligible, would you access assistance programs?



Are you able to pay your monthly expenses on time each month?



What are your concerns about your financial future?



Housing

The cost of housing is typically the largest expense for individuals and families. The high cost of housing creates a burden for many on the income ladder in Cambridge, ranging from those in poverty to middle income households. The problem impacts both renters and homeowners. A high housing cost burden greatly exacerbates all aspects of Income Insecurity, as a greater proportion of wages are needed for housing, increasing the chance that other essential household and life expenses are deprioritized in order to meet the necessity of maintaining housing. High housing costs present a particularly daunting impediment to homeless and individuals and families at-risk of homelessness, slowing or preventing altogether their transition into permanent housing.

The Cambridge housing market is known for its very high costs, relative not only to the region or metro area, but also to its own recent past. The 2014 median market rate sales price of a single family home was \$1,200,000, \$937,000 for a two family home, and \$575,000 for a condominium. These figures are all 50% to 100% greater than those from 2004. By way of comparison, the Consumer Price Index rose by 23% over the same period.

According to a March 2014 survey of Boston.com and Craigslist.com, the median monthly rents sought for market rate Cambridge apartments were \$2,300 for a one bedroom unit, \$2,838 for a two bedroom unit, and \$3,435 for a three bedroom unit. Compared to 2004 these asking rents are 50% to 70% greater than those from 2004. What should also be pointed out, however, is that from 1995 to 2004, in the decade following the loss of rent-control, the City's rental stock was decreased by 4,000 units, or almost 10%, due to condominium conversion, causing rents to jump by over 75%. In the last three years, the City has added roughly 1200 new units which has led to a decrease of 8% on rents for one bedroom apartments.

Existing Housing Services

Given the historic high housing costs in the City, affordable housing has long been a priority for the City. The City has an array of programs and services designed to promote and preserve the socio-economic diversity of the community. The City in partnership with other local housing providers creates, finances, facilitates, promotes and offers affordable housing and housing assistance to very low, low, moderate, and middle-income residents.

CREATION AND PRESERVATION OF AFFORDABLE HOUSING

Since its adoption in 2001, the City has always allocated the maximum of 80% of Community Preservation Act funding to the Affordable Housing Trust to finance the creation and preservation of affordable housing. Wherever possible, such rental and homeownership housing is made permanently affordable, built in areas throughout the city, and developed with particular emphasis on creating units of appropriate size for families with children. The City works closely with the Cambridge Housing Authority and community-based non-profit housing developers to achieve its goals.

The City has used CPA funds to assist more than 1,600 affordable rental and homeownership units. CPA funds are used to:

- preserve affordability of housing subject to expiring affordability restrictions;
- acquire and rehab existing residential buildings;
- create affordable housing through new construction;
- convert non-residential buildings to housing;
- acquire condominium units to create affordable homes;

CPA funding for housing development and preservation is supplemented by funds generated by the City's Incentive Zoning requirements, which require that non-residential developers seeking certain special permits make funding contributions to the Affordable Housing Trust to mitigate the impact of increased demand for affordable housing from new non-residential development. The City recently completed a study which recommended expanding the incentive zoning requirements and increasing the contribution rate. These recommendations have been broadly endorsed and form the basis of zoning changes now being considered by the City Council.

INCLUSIONARY HOUSING

The City also has a very successful Inclusionary Housing Program; more than 800 affordable units have been created or are now under construction. Inclusionary units are located in privately-owned mixed-income communities and are required in all new developments of 10 or more units or larger throughout the city. In FY2015 more than 120 new households were housed through CDD in rental units created under the inclusionary program. The City has commissioned a study to examine the inclusionary housing requirements and recommend changes to strengthen the program.

HOMEOWNERSHIP PROGRAMS

The City offers a comprehensive homebuyer education program and homebuyer counseling to first-time homebuyers. City funding is offered to write down market purchase prices by up to 40% and to assist with downpayment and closing costs for income-eligible buyers earning up to 100% of median income. The City also manages and offers to eligible buyers available homes from the more than 500 affordable homes created with City assistance.

The City uses Federal CDBG funding to offer low-interest and deferred financing to income-eligible homeowners for needed home repairs and renovations to help retain and stabilize eligible owner-occupants and condominiums and small rental properties.

Housing Services Gaps

The Housing Subcommittee identified several gaps in the Cambridge and regional housing market, which the City is currently attempting to address or might address in the future:

- Total housing supply both within Cambridge and regionally does not meet demand for housing;
- Market lacks adequate incentives to produce affordable housing for all but upper income households who can pay market costs;
- Lack of new supply of units for families with children. Few units with two or more bedrooms are in private development pipeline, focusing demand for larger units on the existing stock where families can be out-competed by groups of roommates;
- Gap between subsidized housing that is affordable to low and moderate-income households and available market housing leaves middle-income households with few options;
- The Cambridge Housing Authority's transition to RAD program/Section 8 subsidies may result in families whose members lack legal immigrant status losing housing. This appears especially problematic in light of Cambridge being a sanctuary city;
- Temporary Rental Subsidies for homeless families do not provide a long term housing solution and prevent families from reentering the shelter system when the subsidies expire;
- A shortage of housing for Special Populations, such as homeless individuals moving out of emergency shelters and transitional programs.

Housing Policy Recommendations

1. Maintain the 80/10/10 allocation of CPA funds.
2. Update the Inclusionary Zoning Ordinance to reflect the demands and dynamics of the current housing market and its impact on the need for affordable units.
3. Update the Incentive Zoning Ordinance to require increased monetary housing contributions from new commercial developments to be used to address the impact of this development on the demand for affordable units.
4. Develop and implement strategies to increase the number of larger units (i.e. 2 and 3 BR) in the affordable and overall housing stock.
5. Support zoning policies that increase total supply of housing, and especially policies which encourage the development of new all-affordable developments.
6. Target programs and services at the Special Populations most affected by the high cost of housing.

Homelessness

Housing is a fundamental component of the foundation upon which lives are built, and lack of stable housing creates insecurity and instability in all aspects of a family's or individual's life. Nationwide, homelessness has increased since the 1980s as a result of numerous converging issues: decreases in affordable housing and increases in foreclosures; wages and public assistance not keeping pace with rising housing costs and cost of living, partially due to job loss and/or underemployment and subsequent debt; and closures of psychiatric institutions without creation of adequate community-based housing and services². The most recently published Annual Homeless Assessment Report to Congress (AHAR) documents that in the United States on a single night in January 2014, 578,424 people were experiencing homelessness, including 177,373 unsheltered persons and 401,051 sheltered persons. The report also shows that homelessness is concentrated in several states and large cities – about one in five persons experiencing homelessness stays in New York City or Los Angeles, and 50 percent of people experiencing homelessness were counted in California, New York, Florida, Texas, and Massachusetts (compared to about 35 percent of Americans residing in these states³).

On February 25, 2015, volunteers, homeless services providers, and staff from the Department of Human Service Programs conducted the annual Point-in-Time (PIT) count of persons experiencing homelessness, which includes individuals and families staying in emergency shelters and transitional housing programs, and an overnight count of unsheltered individuals. The census found 464 persons in Cambridge experiencing homelessness that evening. Single people (338 individuals) made up the highest percentage (73%) of the total count. Of those 338 individuals, 206 were in emergency shelters, 100 were in transitional housing and 32 were unsheltered. The remaining 126 persons were residing in families and made up 27% of the count (50 families total). Of those 50 families, 26 were in emergency shelters and 24 were in transitional housing.

The most visible form of homelessness – and perhaps poverty – in Cambridge is found in the unsheltered population of persons experiencing homelessness – those sleeping and living on streets, sidewalks, cars, parking garages and other places not meant for human habitation. The population of individuals and families living in shelters and transitional housing is less visible, but greater in number than those living in unsheltered situations. Additionally, there are large numbers of households at risk of homelessness or experiencing a housing crisis who may be housed but at risk of losing housing if supportive services end, others may be a paycheck or two away from losing housing due to eviction, and others might be temporarily staying with family and friends (“doubled up”).

Within these broad categories – unsheltered, sheltered, and at risk of homelessness – several subpopulations exist, each with special needs: persons fleeing domestic violence, veterans, unaccompanied youth, families with children, seniors, and persons with disabling conditions such as mental illness, chronic health conditions, substance use issues, physical disabilities, developmental disabilities, etc. Homelessness manifests in many ways, and pathways into and out of homelessness or a housing crisis may be different for different populations, but universally, the solution to homelessness includes stable, safe, affordable housing.

² United States Interagency Council on Homelessness. 2015. *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness [as amended in 2015]*.

³ U.S. Department of Housing and Urban Development. 2015. *2014 Annual Homeless Assessment Report*.

Existing Services

Existing homeless services can be thought of in two broad categories: non-residential or supportive services such as street outreach, daytime shelters, and case management; and residential services such as shelter, transitional and permanent housing. The following table gives a summary of the different types of homeless-dedicated residential services available:

RESIDENTIAL SERVICES	UNITS FOR INDIVIDUALS	UNITS FOR FAMILIES	UNITS FOR INDIVIDUALS OR FAMILIES
Emergency Shelter			
Year-round beds (including overflow)	232	25	8
Seasonal beds	40		
Transitional Housing	83	21	9
Permanent Supportive Housing	311	20	25

Supportive services are crucial to all aspects of addressing homelessness in Cambridge. This broad category includes any non-residential service that supports persons experiencing a housing crisis or trying to maintain stability in housing. The following table provides a very high level overview of homeless-dedicated supportive services:

SUPPORTIVE SERVICES	DESCRIPTION
Street Outreach	Outreach teams canvas the city on foot or by van to identify and engage unsheltered persons and help connect them to shelter, medical services, meals and other services. Two projects currently provide 7 days of coverage and almost 100 hours of outreach per week.
Drop-in (daytime shelter)	The City has 3 low threshold drop-in programs that serve unsheltered and sheltered persons, offer clinical and case management services, and access to basic needs including food, clothing, phones and showers. Additionally, overnight shelters such as Salvation Army and the Emergency Services Center offer daytime drop-in services.
Prevention	The Multi-Service Center (MSC) offers a range of prevention-related assistance, including case management, referral for legal assistance and mediation services to help prevent evictions, and help accessing special funds that can pay rental arrearages to prevent eviction, or help cover up-front costs of moving to a new apartment.
Rapid Rehousing	The MSC also offers limited financial assistance coupled with stabilization services for people moving out of emergency shelters into permanent housing.
Other Supportive Services	This broad category includes specialized services such as housing search, legal services and money-management. Many of these services can be accessed through the MSC or through nonprofit providers in the City. Additionally, the City has a dedicated mobile case management project that sends case managers to emergency shelters to meet with clients directly.

Delivery and Gaps of Delivery of Existing Services

The U.S. Department of Housing and Urban Development (HUD) has developed metrics for communities to use to help determine unmet needs for different housing types. According to HUD metrics, Cambridge has demand for Permanent Supportive Housing beds that exceeds current supply. According to one tool, Cambridge has an unmet need for new 130 Permanent Supportive Housing units dedicated for chronically homeless individuals; a second tool estimates that the City needs to add 167 new Permanent Supportive Housing units for formerly homeless individuals and families. Adding new units, particularly units that fall within HUD's Fair Market Rent (FMR) limits, is a significant challenge in Cambridge's high rental market.

Another critical component to addressing homelessness in Cambridge is the need for supportive services – both for persons currently experiencing a housing crisis and for those trying to maintain or stabilize in housing. Federal funding cuts have resulted in recent losses of supportive service programming in the City, including the closure of a daytime drop-in center and an adult education project for persons experiencing homelessness; a downsizing of a representative payee project that helps disabled persons manage their fixed income; and the need for nonprofits to cover costs for stabilization case management services that used to be funded by Federal grants. If current trends continue related to federal funding priorities, crucial supportive services, such as street outreach and daytime shelters, may be at risk for budget cuts.

Policy Recommendations

1. Support or implement the recommendations of the Cambridge Strategic Action Plan on Homelessness. The Cambridge CoC in concert with City departments (DHSP, CDD & CDPH) is currently in the midst of an intensive community planning process related to homelessness, with support from a national consulting firm. This work will culminate in September 2015 when a charrette on homelessness in Cambridge will be held. This community process and associated report will inform the Strategic Action Plan.
2. Dedicate City resources to fund vital supportive services to individuals and families who are currently homeless.
3. Support expansion of new Permanent Supportive Housing units for the homeless by providing cash match to augment HUD CoC funds. CoC awards are based on Fair Market Rent (FMR) and this only supports 50-70% of the cost of the average rental unit in Cambridge.
4. The City should consider adding street workers to assist the Cambridge Police Outreach workers in identifying support services for the homeless population

Hunger

Access to food can be the difference between a healthy life and a life of chronic illness, especially for vulnerable populations like elders and children. Even in a city like Cambridge, there are seniors, adults, and families with children who face hunger every day. Many individuals and families in Cambridge have to make the difficult decision between paying rent and utilities and putting food on the table each day. Hunger is not just a problem for those in poverty.

The Greater Boston Food Bank notes that the high numbers of residents struggling with food insecurity has “less to do with food – there’s plenty of food available – and more to do with economic and political obstacles. Wage-driven income stagnation is a critical cause of the growth of extreme income inequality both nationally and here in Massachusetts, where a pattern where the top one percent of households now capture the overwhelming majority of all income growth. If economic growth over the past three decades had translated into proportionate income growth for low, middle, and high income households – rather than disproportionately benefitting the highest income households – then low and middle income families today would have real incomes \$10,000 to \$15,000 a year higher, on average.

According to Project Bread, over 375,600 households statewide struggle with food insecurity. Over sixteen percent of children experience food insecurity. In 2011, 8.3% of seniors over the age of 60 were identified to be food insecure, twice the rate from 2001. According to Children’s Health Watch, young children and mothers in food insecure families, are twice as likely to be in fair or poor child health and at risk for developmental delays; two and a half times more likely to be in fair or poor maternal health; and nearly four times as likely to experience maternal depressive symptoms. According to studies conducted by the Center on the Developing Child at Harvard University, hungry children ages 0-3 years cannot learn as much, as fast, or as well because chronic under nutrition harms their cognitive development during this critical period of rapid brain growth.

The Third National Health and Nutrition Examination Survey examined associations between household food sufficiency and children’s health, school performance and psychosocial functioning and found food insufficiency was associated with a higher prevalence of fair or poor health, and iron deficiency, and with greater likelihood of experiencing stomachaches, headaches and colds in 1-5 year olds. Another found that 6-11 year old children in food insufficient families had lower arithmetic scores, and more likely to have repeated a grade. Many of these problems can result in children’s greater absenteeism, that can lead to suspensions, school truancy and dropping out.

Food insecurity that creates poor educational outcomes leads to limited employment opportunities and lost wages over the life span keeping a whole next generation of children in poverty. The studies of lost wages due to limited education attainment are staggering. A high school graduate can experience a median annual salary of \$27,384 vs. a non-graduate median annual salary of \$20,506, totaling lost wages over the lifetime of over \$200,000.

A recent study shows that 47% of those at risk for hunger in eastern Massachusetts earn too much to be eligible for SNAP benefits. Those that are eligible encounter major bureaucratic barriers to accessing benefits. Massachusetts has experienced a 12% decline in SNAP enrollment due to software errors resulting in automatic denials of benefits, requiring hours of intervention to correct the error

Approximately 3000, or 46%, of Cambridge’s school children qualify for free and reduced lunches and, thousands of Cambridge individuals and families are accessing food through Cambridge pantries.

Existing Services

The city of Cambridge provides funding to purchase food, especially fresh produce for distribution through the Cambridge Food Pantry Network. Everyone is eligible to utilize the pantries.

The Network pantries are:

Cambridge Senior Center 806 Massachusetts Avenue	East End House 105 Spring Street	Margaret Fuller House 71 Cherry Street
Cambridgeport Baptist Church 459 Putnam Avenue	Mass Avenue Baptist Church 146 Hampshire Street	Zinberg Clinic Food Pantry The Cambridge Hospital 1493 Cambridge Street
CEOC Food Pantry 11 Inman Street	St. Paul's AME Food Pantry 85 Bishop Allen Drive	Food For Free Home Delivery Program 11 Inman Street

Policy Recommendations

1. To support greater access to nutritious food for families with children, establish food pantries in public elementary and upper schools, targeting those with the highest number of children receiving free or reduced lunches, to facilitate greater accessibility to city purchased nutritious food when parents are picking up their children.
2. Given the current difficulty in Massachusetts for those who are eligible to apply for and access SNAP benefits due to computer system problems, provide individuals and families with comprehensive SNAP enrollment advocacy and follow-up to insure that all those who are eligible are receiving benefits.
3. Provide special SNAP enrollment advocacy and follow-up to seniors, targeting those living in Cambridge Housing Authority senior developments and other subsidized housing developments to insure that seniors are aware of and taking advantage of the special eligibility requirements that enable them to increase their SNAP benefits.
4. With the expansion of pantry sites and the increased amount of food that the city is purchasing for distribution through its pantry system, with the help of the business community and educational institutions, the city should provide funding to offset the cost of transporting the food to pantry sites as none of the pantries receive funding to pay for transporting food.
5. The Cambridge Public Schools currently use the Federal Income Guidelines to determine which students receive free or reduced breakfast/lunch. As stated previously in the report, that means that a family of 4, for example, needs to earn less than \$24,250 to qualify for reduced breakfast/lunch and less than \$31,525 annually to qualify for free breakfast/lunch. This report, however, shows that a family of 4 needs to earn \$108,800 annually to meet their minimum needs. This is a huge gap in service. We recommend first that the Cambridge Public Schools should do away with the Reduced category and second, that the Cambridge Public Schools should use the income definitions provided in this report to determine eligibility for free breakfast and lunch. We recognize that the Federal Income Guidelines are used in the Controlled Choice SES balancing of schools, and could still be used for that purpose.

Income and Employment

Unemployment, underemployment, and low wages are all self-evident causes of income insecurity. Many Cambridge residents are unable to find work and many others are locked in to minimum wage jobs that preclude any measure of economic security. It is difficult to measure accurately the extent of unemployment and the number of low-wage jobs in Cambridge; the scope of these problems is indicated by the statistic that in 2014, about 350 adult Cambridge residents requested job search assistance from the Office of Workforce Development. Further, the mean hourly wage in metropolitan Boston for the following non-supervisory jobs in 2013 was \$14.87 for a security guard, \$14.99 for a custodian, and \$11.37 for a food service worker, all which include unionized workers, and \$10.47 for a worker in retail, which does not include unionized workers. The starting wages for these positions were \$2.00 to \$4.00 lower per hour.

Existing Services

EMPLOYMENT OPPORTUNITIES

Cambridge currently has a number of occupational training, employment preparation, and job placement services, see Employment and Job Training section. The City also tries to create employment opportunities both through public sector hiring and by implementing a number of policies designed to encourage private sector employers to locate in Cambridge.

WAGES

In 1999, Cambridge adopted a Living Wage Ordinance the purpose of which was to “assure that employees of the City of Cambridge and employees of City contractors, subcontractors, and beneficiaries of tax abatements, loans, grants, subsidies, and other assistance provided by the City earn an hourly wage that is needed to support a family of four.” The Living Wage rate is currently \$14.95 per hour, and is indexed to inflation. The primary beneficiaries of the Living Wage Ordinance have been and continue to be direct employees of the City.

Delivery and Gaps of Delivery of Existing Services

The Income and Employment Subcommittee has identified several gaps in the employment and wage arena which the City may wish to address in the future:

EMPLOYMENT OPPORTUNITIES

The City currently has few effective mechanisms or programs to encourage private sector employers in Cambridge to give any kind of hiring preference to Cambridge residents.

WAGES

- Very few private sector employees benefit from the Living Wage Ordinance. Most employers are not covered by the ordinance at all and those few who are, due to contracts with the City or the receipt of financial benefits from the City, generally pay their employees well above the Living Wage rate.
- The minimum wage in Cambridge is set by state law at \$9.00 per hour, rising to \$10.00 per hour in 2016 and \$11.00 per hour in 2017. The City cannot increase the minimum wage. For the most part, custodial, security, retail, and food service jobs in Cambridge, especially entry-level and non-union jobs in those categories, pay at or near the minimum wage and well below the current Living Wage rate of \$14.95 per hour.

Policy Recommendations

1. The Income Insecurity Commission is pleased that the Housing Committee of the City Council accepted our recommendation to initiate a new Nexus Study that will look at requiring commercial businesses subject to the City's Incentive Zoning Ordinance to obey the City's Living Wage Ordinance and evaluate if the Incentive Zoning Ordinance can also require these industries to employ a certain percentage of Cambridge residents. We recommend that this study be initiated immediately.
2. That the City Administration work with the Cambridge Chamber of Commerce, Cambridge Local First and the Living Wage Ordinance Committee to develop a voluntary decal program where local businesses willing to comply with the City's Living Wage Ordinance, receive a decal and publicity for being a good employer.

Education and Job Training

As the Cambridge economy and commercial sector continue to grow, it is essential that the City keep pace by providing residents with opportunities for job training and advancement. This will ensure residents are prepared to be employed and able to maintain employment in Cambridge. In comparison with other communities in the commonwealth, Cambridge has some of the most comprehensive and wide-ranging job training programs. The City has a responsibility to expand on these as the population and job opportunities continue to grow in tandem.

EDUCATION AND EMPLOYMENT PREPARATION AND PLACEMENT PROGRAMS FOR YOUTH

- Work Force Program
- Mayor’s Youth Summer Employment Program
- Just-a-Start YouthBuild, Teenwork, and Career Connections
- CRLS – Rindge School of the Technical Arts
- Year Up

INDUSTRY-SPECIFIC TRAINING

- JAS Biomedical Careers Program

TRANSITIONAL JOBS PROGRAMS

- Cambridge Works Program

Delivery and Gaps of Delivery of Existing Services

The Education and Job Training Subcommittee has identified several gaps in the Cambridge housing market, which the City is currently attempting to address or which it might address in the future:

- There is potential to expand on the HAS Biomedical Careers program model to enhance connections in the following fields, many of which are accessible without a BA:
 - *Healthcare Practitioners and Technical Occupations* such as Licensed Practical and Licensed Vocational Nurses; Emergency Medical Technicians and Paramedics; Medical and Clinical Lab Technologists, Radiologic Technologists; Pharmacy Technicians, etc.
 - *Computer and Mathematical Occupations* such as Software Developers; Computer Support Specialists; Database Administrators; etc.
 - *Production Occupations* such as Electrical and Electronic Equipment Assemblers; Packaging and Filling Machine Operators; Inspectors and Sorters; etc.

Policy Recommendations

1. Support youth employment preparation and placement programs through enhanced public awareness of the City's Cambridge Challenge.
2. Build capacity of JAS Biomedical Careers Program, including targeted marketing and additional outreach strategies to recruit qualified applicants.
3. Develop new basic training and certification career ladders in the areas of healthcare, computer support, and production occupations including built-in wrap-around services to assist with auxiliary costs like childcare and transportation. Develop partnerships with local educational institutions and relevant agencies, such as the Red Cross and a hospital for the healthcare certification model.
4. Cultivate a 'learn-and-earn' model by brokering partnerships between local industry and schools to deliver on-site work-based learning environments.
5. Support capacity building at the City's Cambridge Employment Program to increase support for adult public housing residents.
6. Support Cambridge Works model with additional staffing including a staff social worker and mentors to assist clients throughout short-term job placements.
7. Support the work being done regarding STEAM education and job training.

In Closing

This report clearly shows that many in our community are struggling with income insecurity. Many of these residents are working in stable jobs and have an income that would allow greater stability in other parts of the state and the country. These income insecurity numbers are even higher in populations of color and seniors.

Our hope is that the City Council and the City Administration will use this information as a living document to make changes and improvements to policies and programs to cast a wider net to support the thousands in our community who struggle with income insecurity.

Resources and Reading

These were not relied upon in the making of the report but is a collection of resources brought to the attention of the Commission by its members as related reading.

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