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COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE
Report/Communication for Signature

Council File Number 97-0395-57

Committee Meeting Date 03-27-00

Council Date

COMMITTEE MEMBER	YES	NO	ABSENT
COUNCILMEMBER HERNANDEZ			
COUNCILMEMBER HOLDEN			
COUNCILMEMBER PACHECO			

Remarks

3/27 Refer to the Working Group (JD, CLA, CAO & CDD)

Miranda C. Paster, Legislative Assistant ★★★★ Telephone 485-5775

Refer to working Group

COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

SUGGESTED NOTIFICATION OF COUNCIL ACTION

Council File No. _____

- ☐ Council Member(s) _____
- ☐ Interested Department _____
- ☐ Mayor (with/without file) _____
- ☐ Chief Legislative Analyst _____
- ☐ City Administrative Officer _____
- ☐ Controller _____
- ☐ City Clerk _____
- ☐ Treasurer _____
- ☐ City Attorney (with / without file) _____
- ☐ General Services Department _____
- ☐ Department of Transportation _____
- ☐ City Planning Department _____
- ☐ Community Development Dept.(with file) - Contract Div. Attn:Raul Gonzales
- ☐ Community Redevelopment Agency _____
- ☐ Board of Public Works _____
- ☐ Private Industry Council _____
- ☐ _____
- ☐ _____
- ☐ _____

PLACE IN FILES

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J. MICHAEL CAREY
City Clerk

When making inquiries relative to this matter refer to File No.

CITY OF LOS ANGELES
CALIFORNIA



RICHARD J. RIORDAN
MAYOR

Office of the
CITY CLERK
Council and Public Services
Room 615, City Hall
Los Angeles, CA 90012
Council File Information - (213) 485-5703
General Information - (213) 485-5705

97-0395-S7

April 30, 1999

COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE

In accordance with Council Rules, communication from the CDD relative to the City's Response to Welfare Reform Original report dated December 18, 1997, was referred on April 28, 1999, to the COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE.

J. Michael Carey
City Clerk
amm

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PARKER C. ANDERSON
GENERAL MANAGER

CITY OF LOS ANGELES
CALIFORNIA

COMMUNITY DEVELOPMENT DEPARTMENT
215 W. 6TH STREET
LOS ANGELES, CA 90014

RICHARD J. RIORDAN
MAYOR

Council File No.:
Council District No.: All
Contact Persons & Extensions:
Steven M. Porter, X5-1617
Assistant General Manager
Robert Vilmur, X3-3679
Human Services & Neighborhood
Development Division

APR 2 1 1999

Honorable Richard J. Riordan
Mayor, City of Los Angeles
8th Floor, City Hall East

Los Angeles City Council
c/o City Clerk's Office
Room 615, City Hall East

Attention: June Lagmay, Legislative Coordinator

REPORT BACK ON THE CITY RESPONSE TO WELFARE REFORM ORIGINAL REPORT DATED DECEMBER 18, 1997

DEADLINE FOR ACTION: None.

RECOMMENDATIONS:

The General Manager, Community Development Department, respectfully requests that:

1. Your office review and approve this report back which is simultaneously being sent to the City Council for referral to and consideration by the appropriate City Council Committee and the City Council, and;

2. The City Council instruct the City Attorney's Office to work with the City Controller's Office to develop an ordinance allowing City employees to contribute to reducing hunger in our City. Such funds, gathered through a payroll deduction plan, would be administered by the Community Development Department (CDD) on a no cost basis and dedicated to a "Hunger and Food Securities Seed Grants Program." The Los Angeles Food Security and Hunger Partnership (LAFSHP) would manage this program.

COMNTY & ECON DEV

APR 27 1999

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NARRATIVE:

This document is a report back on seven (7) issues identified for follow-up and response by members of the Ad Hoc Committee on Welfare Reform at their July 24, 1998 meeting. A statement summarizing each issue is provided, followed by a response from the appropriate City Department.

Issue No. 1: Staff are to prepare and the Ad Hoc Committee will then consider the establishment of a City employee contribution procedure, or payroll deduction plan to assist "another City resident less fortunate than themselves". This will be in the form of a voluntary fund, administered by CDD, to channel such resources.

Staff response: CDD agrees with the recommendation made by the Committee Chair that a mechanism be established to allow concerned City employees to contribute funds to assist those less fortunate than themselves. CDD recommends that such funds be targeted toward reducing hunger, one of the most damaging and intractable problems confronting less fortunate Los Angeles residents.

In recent years, the UCLA School of Architecture and Urban Planning found (in *Seeds of Change: Strategies for Food Security in the Inner City*) that substantial hunger persisted in Los Angeles. Twenty-seven percent (27%) of the residents of a selected City neighborhood did not have enough money to buy food. The study also found that other factors which contributed to hunger included: (1) major food retailers abandoning inner city areas, (2) a commuter-versus-neighborhood-oriented mass transit system and, (3) that more than a third of the annual income of inner city residents is spent on food, while 12% is spent by residents of a typical middle class suburb.

Los Angeles Food Security and Hunger Partnership (LAFSHP).
The CDD recommends that the Los Angeles Food Security and Hunger Partnership be the recipient of Los Angeles City employee contributions. The LAFSHP is an 18 member advisory board to the City that was established in 1996 by the Mayor and City Council to analyze and develop strategies against hunger in the City. Funds provided to the LAFSHP by a city employee payroll deduction plan would be dedicated to a **"Hunger and Food Security Seed Grants Program."** The purpose of the Seed Grants Program would be to provide modest, but critical resources to fund new and innovative projects within presently operating organizations, or new organizations with innovative ideas. Two types of programs would be eligible for funding:

- **Food Assistance/Anti-Hunger programs** (e.g., foodbanks - including the L.A. Regional Foodbank - food pantries, and similar food delivery programs), and
- **Community Food Security/Community Food Empowerment programs** (e.g., farmers' markets in low-income communities, food access programs, community and school garden projects, etc.)

The determination to furnish small amounts of seed funding to a given organization would be decided by the LAFSHP. **There would be no overhead charges made by the CDD, or the LAFSHP for administering these funds.** Program performance reports would be required of all recipients. Funds use would also fall under the purview of CDD fiscal review and audit policy. The LAFSHP would also seek to identify matching funds for the seed grant program from foundations, industry trade groups and other interested organizations.

The CDD recommends that the LAFSHP Seed Grants Program described above be funded with designated city payroll deduction funds.

Issue No. 2: Who is the lead Department liaison to the County of Los Angeles on Welfare Reform matters?

Staff response: At a later point in the July 24, 1998 Special Committee meeting, the Committee moved and seconded the recommendation that the CDD function as a liaison to the County of Los Angeles and other entities on welfare reform matters. The CDD is the lead City Department on welfare reform matters. The CDD liaison coordinator is Steven M. Porter, Assistant General Manager. CDD is also a member of the City Department-wide Task Force on welfare reform and was instructed by the Mayor in November 1996 to take the lead in the development of a strategic and integrated plan on welfare reform on behalf of City residents.

Issue No. 3: Regarding transportation, what funds are currently available to address the transportation needs of City residents who will now be working (through the County CalWORKs Program and the City's WtW Program)?

Staff response: Two different kinds of funds having a bearing on transportation are available or are potentially available to City welfare reform program clients: (1) funds for City residents who are direct participants in the County CalWORKs Program and (2) funds for City residents who are participants in the City's WtW Program.

CalWORKs Program Transportation Funds

DPSS reports that all CalWORKs Program participants who are in training receive money for bus expenses or car mileage. Bus tokens are also provided for dependent children for their transport to and from child care services. Payment for reasonable parking fees is also paid. A comprehensive transportation plan, called the "Welfare-to-Work Transportation Inter-Agency Task Force Transportation Plan", covering all elements of the CalWORKs Program is presently being reviewed by the Los Angeles County Board of Supervisors. Staff will forward a synopsis of this report by addendum once this plan has been approved and/or provide an update on its status at the time of the Committee meeting.

Welfare-to-Work (WtW) Program Transportation Funds

The types of transportation services paid for by the City WtW Program funds are being determined via a CDD Workforce Development Division (WDD) Request for Proposal (RFP) process.

Round one of this RFP was released in November 1998 for the Welfare-to-Work Program and was targeted to existing City and other government contractors. The proposal required service providers to describe the type(s) of post-employment transportation services they would provide to the hardest-to-serve welfare recipients. Such transportation services could include bus tokens, taxi service, monthly bus passes and the use of shuttles and vans. Round one proposals were due in late December, 1998; final scores and recommendations were completed in March 1999 and submitted for approval to the Private Industry Council (PIC), Mayor and City Council.

Notwithstanding the results of this bid process, City WtW participants will be able to access the "TRANSTAR System." Accessible at their case manager's office, TRANSTAR will provide clients with an individually tailored, detailed transportation itinerary that will enable them to more easily get to and from home and work.

Issue No. 4: This issue centered around the methods to be employed by the Departments of Recreation & Parks, Building and Safety, Water and Power, the Community Development Department and the Los Angeles City Fire Department to monitor the effects of the CalWORKs Program on their Departments. These issues correspond to Recommendations 61-64 in the original CDD report. Staff responses follow the original recommendations.

- **Child care: Instruct the Department of Recreation and Parks and the CDD to develop methods to monitor possible reductions in child care client monthly payment rates and report.**

Department of Recreation and Parks

The Department of Recreation and Parks has determined that the CalWORKs program will have minimal impact on the ability of the Child Care Center Directors to collect fees at our licensed subsidized facilities. The Department's subsidized child care participants are low income working families whose family income falls below the State median income level. The Department of Recreation and Parks is not required to give priority to the CalWORKs participants in the General Child care program and the Latchkey program. Thus, few of our participating families are on welfare.

For our eight subsidized child care centers (one general child care and seven latchkey programs) the waiting list to enroll in the program is large enough that our Department has no problem filling slots by a family who drops from the program because of non-payment of fees.

The Department of Recreation and Parks is undertaking a Capital construction program that will increase our child care capacity in the Latchkey Program. To target Welfare to Work families we need an increase in State Title 5 subsidies administered by the State of California. With targeted programs and funding, welfare families could be guaranteed slots at our new facilities. Assistance has been requested of the Chief Legislative Analyst to contact Sacramento and either through legislation or by administrative action, seek to obtain more funding for the City of Los Angeles' center based programs, and our unlicensed year-round camps and afterschool clubs.

Should we receive funding for CALWORKs families, the Department will develop a tracking system and fee collection contingency plan at that time. A proactive program plan could be developed to help parents maintain their eligibility status in the CALWORKs program. This could be accomplished through on-going collaborations with the participating agencies in the CALWORKs program, and an exploration of how the Department could assist with maintaining the parent(s) eligibility. The Department, subject to the approval of the funding source, would develop a program income generating plan. The plan would generate funds to assist parents who are dropped from the CALWORKs program pay fees while in transition to other child care options.

Community Development Department

The CDD proposes to develop a method to monitor possible reductions in child care client monthly payment rates consistent with the following plan: Programs currently administered under the Human Services delivery system already require that clients who enter the programs meet poverty, very low, or low income requirements which are set forth by the Department of Labor (for CSBG) and by the Federal Housing and Urban Development Department (HUD) for Community Development Block Grant (CDBG) Funds. Presently, through initial assessments, client income and residency data are captured on forms administered by CDD (eq. the Participant Eligibility Form (FORM A) and CSBG Programmatic Data-Family Development Services/Demographic Report HSND-FDSDR (Rev. 3/98). However, there is at present, no available means for capturing data for those clients who may initially be assessed as recipients of TANF, but who later drop out of the system due to their inability to meet Cal-Works program performance standards. In order to capture the needed tracking information, CDD proposes to do the following:

1. That CDD recommend that the State of California Community Services Department amend its current CSBG Programmatic Data-Family Development

Services/Demographic Report to specifically capture and track those clients identified as TANF under the Cal-Works Program who have maintained children in child care, or after school care programs, but due to their failure to meet program performance goals, now have gaps in their benefits and may no longer meet agency requirements for enrollment in an educational institution, or who are currently working;

2. That CDD develop a separate form which would be used to track only those clients who are receiving child care and who are identified as TANF under the Cal-Works Program, making it easier for reporting purposes should such information be requested by internal and external entities; and

3. That CDD request all agencies submitting child care and afterschool care related proposals in the forthcoming RFP process be required to develop a contingency plan covering what steps would be taken to continue child care and after school services should payment gaps develop because CalWORKs program performance goals were not being met.

- **Residential Hazards: Instruct the Department of Building and Safety to explore a method for assessing residential unit overcrowding, increases in illegal garage housing, increases in the unauthorized use of vacant land and buildings and related nuisance increases, and report.**

The Department of Building and Safety has explored a method for assessing residential unit overcrowding, increases in illegal garage housing, increases in the unauthorized use of vacant land and buildings and related nuisance increases. The Department does not now have a data base with this specific type of information for the City as a whole; the data collected is limited to data on work in response to complaints received.

One option for capturing this information would be to survey the City to determine the current base situation and then after a given interval or at regular intervals, again survey the City. This approach would require a significant amount of additional resources to collect data, develop tracking systems, input data, and produce findings. In addition to the additional resources that this approach would require, there could be social concerns raised.

Another option would be to base the assessment of the impact on a relative change in the number of complaints received. This would require a comparison of such data at some regular point such as quarterly. A tracking system that would provide this type of information doesn't currently exist. The cost of developing such a system has been

estimated at approximately $250,000, plus the cost of 1-1/2 positions to develop the system. This project is not included in the 1999-2000 automation plan.

The Housing Department (The Housing Department was asked to provide information on inspecting multifamily dwellings for this report since they have recently taken on this responsibility.) has indicated that it does its multifamily dwelling inspections during the day time when most family members are at school or at work. Therefore, staff do not usually know how many people occupy a unit. The Housing Department indicates, however, that it is presently developing an excellent data base, for instance, from January 1, 1999 to March 30, 1999 the Housing department initially inspected 4,570 rental properties containing 53,061 rental units with a total of 29,016 reinspections. These 53,061 initial inspections revealed 167,484 deficiencies, 98,323 of which have been abated to date. This data base will be very useful in tracking increases in multi-family housing and related problems.

- **Water and Power service cancellation: Instruct the Department of Water and Power to determine whether a method for assessing loss of fees, including service cancellation, can be associated with CalWORKs Program income loss, and report.**

DWP is presently replacing the Customer Information System (CIS) that has been in place for 25 years. During the transition period, the current information system will be maintained to meet operational requirements and updated only to address mandated work (e.g., rate changes). Customers who are or will be CalWORKs participants may or may not be registered as low income or lifeline rate customers, and therefore will not be readily identifiable. There is no current mechanism that would enable the Department to identify this customer group. A request will be made of the work team involved in bringing the new CIS on-line to determine if such identifiers can be created in the new system, which may be in place as early as mid-year 2000.

Members of the Ad Hoc Committee also requested that DWP notify the appropriate City Council member prior to disconnecting a CalWORKs participant for nonpayment of their utility bill. DWP's policy is to work with residential customers who have delinquent accounts to make suitable arrangements to have the bill paid within the customer's means. The Department's policy in protecting revenue has for sometime included assisting customers by making payment arrangements regarding past due accounts while keeping the customer's bills current. Customers not able to keep their original agreements are generally given other payment options as long as such options keep their past due accounts from increasing. This approach is employed when customers initiate contact with DWP. If normal delinquency processing occurs with no customer payment or feedback to address the delinquency, the service will be shut off. Insofar as notifying Council members of impending shut off of CalWORKs participants, the customer would

have to volunteer their status as a program participant after having exhausted their potential avenues of paying their bill. At that time, DWP would notify the appropriate Council office of the impending shut off.

- **Increases in emergency medical services: Instruct the Los Angeles City Fire Department to monitor potential increases in emergency medical services (EMS) responses and demands for emergency vehicles, and report.**

  An analysis has been performed to determine the potential impact of welfare reform upon the Los Angeles City Fire Department.

  This analysis included a review of the supplied literature, a survey of fire department emergency medical service (EMS), statistics, and conversations with Ms. Judy Weddle of the Los Angeles County Department of Social Services and Ms. Josie Marquez of the Los Angeles County Department of Community and Senior Services.

  It has been concluded that the three programs affected by welfare reform will have no discernable impact upon the Fire Department.

  The three programs reviewed were the following:
  (1) Food Stamps
  (2) SSI Benefits
  (3) CalWORKs

  This conclusion was based upon benefits being restored through welfare reform amendments or substitution of eliminated welfare benefits with benefits from other agencies. It was the Fire Department's original premise that there would be an increase in EMS incidents, given the decrease in medical aid provided to those individuals losing welfare benefits. However, this premise did not anticipate lost benefits being restored through other means. The analysis of Fire Department EMS statistics for the period covering the initial implementation of the new welfare reforms indicates a reduction of emergency medical service incidents. This survey confirms the conclusion that the new welfare reforms will have no significant impact upon the Fire Department. To ensure that current and future welfare reforms will remain consistent with this conclusion, the Fire Department will continue to monitor EMS incident statistics on an annual basis.

Issue No. 5: County of Los Angeles DPSS Caseload Characteristics Report covering Los Angeles City caseload - a request for a more legible copy by a member of the Committee.

Staff response: A copy of the then most current County Caseload Characteristics Report was forwarded to the requesting Councilperson following the July 1998 committee meeting.

For general information, immediately below is a comparison of Los Angeles City located DPSS caseload for the CalWORKs Program between December 1997 and December 1998.

DPSS Caseload Characteristics Report for the City of Los Angeles comparison between: December 1997 and December 1998

	CalWORKs Caseload December 1997	CalWORKs Caseload December 1998
Total Number	312,523	272,099
18 years and older		
#	85,654	73,063
%	27.4	26.85
# Female	70,579	60,523
% Female	82.4	82.8

Overall, there has been an approximate 13% (12.93%) drop in AFDC/CalWORKs caseload in the 12-month period between assessments. The proportion of residents within the population who are 18 years of age and older is very similar 27.4% vs. 26.85%) and the proportion of the above groups who are females is, again, remarkably similar (82.4% vs. 82.8%).

These December 1998 data also underscore the very high proportion of CalWORKs Program caseload who are 17 years of age and under - 73.15% and the very high proportion of the adult group, who are female (82.8%). This information has important implications for a range of City program and planning efforts.

Special Update on City of Los Angeles Food Stamp Recipients

The original December 18, 1997 Report on Welfare Reform indicated that when Federal Food Stamps were terminated for most legal immigrants on September 1, 1997, the County of Los Angeles Citizenship Assistance Campaign estimated that approximately 90,000 County (including 41,000 City) legal immigrant residents had lost food stamp access on that date. Subsequently, in May 1998, the California Food Security Monitoring Project released a study entitled the "Impact

of Legal Immigrant Food Stamp Cuts in Los Angeles and San Francisco." The study found significant levels of hunger and food insecurity among immigrants who had lost Food Stamp benefits. DPSS has since reported that this report helped substantiate the County's legislative efforts to restore Food Stamp benefits. The first action to redress this problem occurred in June 1998, when the President signed S. 1150, the Agricultural Research, Extension, and Education Reform Act of 1998 which restored federal Food Stamp benefits to two groups of legal immigrants lawfully residing in the United States on August 22, 1996: (1) children under 18 years of age, and (2) adults who were 65 years of age and older at that time. S. 1150 also extended the time refugees, asylees, deportees, Cuban, Haitian and Amerasian entrants can receive benefits from five to seven years after being admitted to the United States or granted such status. This federal restoration was effective on November 1, 1998.

The second action to redress this problem occurred in September 1998 when the State of California expanded state food stamp program eligibility to: (1) immigrants between the ages of 18 and 64, who were legally in the United States before August 22, 1996 and (2) immigrants who entered the United States after August 22, 1996 whose sponsor is deceased, disabled or abusive.

As a result of the combined federal and state legislative mitigation, Food Stamp eligibility has been restored to approximately 90% percent of the 90,000 legal immigrants in Los Angeles County who lost Food stamp benefits in September 1997. Those who remain ineligible consist primarily of adults who are not aided on CalWORKs and who do not meet the 32 hour per week work requirement for households with one adult member or the 35 hour per week work requirement for households with two or more adults.

Issue No. 6: Request that the Community Development Department obtain information from other large cities regarding welfare reform.

Staff response: Several large cities, particularly those in California because of a common state law, were contacted in order to obtain information on their experiences with welfare reform implementation. In California, substantive information was obtained from Sacramento and San Francisco and verbal information from San Diego. Via the U.S. Conference of Mayors and the League of Cities, summaries of several cities' early experiences with welfare reform were obtained. An additional report on State and local responses to restricting food stamp benefits was obtained from the General Accounting Office. Through the initiative of the City's Housing Authority, two studies based on two mid western cities which provide analysis on welfare reform and its impact on public housing were provided. Last and recently, a special Brookings Institution report entitled " The State of Welfare Reform Caseloads in America's Cities: 1999," was obtained.

Because of the volume of this information, only a preliminary review has been conducted to date by the CDD. The Brookings Institution Report is attached for your immediate reference (Attachment A). All materials that have been gathered are available for review.

Issue No. 7: That the City Department-wide technical group on Welfare Reform Impact include the Commission on the Status of Women.

Staff response: Both the City Commission on the Status of Women and the City Department on Disability have been included on the technical group since the July 24, 1998 committee meeting.

Prepared by:

ROBERT VILMUR, Deputy Director
HSND Planning Section

Reviewed by:

STEVEN M. PORTER
Assistant General Manager

Approved by:

PARKER C. ANDERSON
General Manager

PCA:SMP:rgv

c: City Attorney

Mayor.Welfare.Rpt

ATTACHMENT A

THE BROOKINGS INSTITUTION

CENTER ON URBAN AND METROPOLITAN POLICY
1775 MASSACHUSETTS AVENUE, N.W. WASHINGTON, D.C. 20036-2188
TELEPHONE: 202/797-6139 FAX: 202/797-2965

February 26, 1999

ır Friend,

Enclosed please find "The State of Welfare Caseloads in America's Cities: 1999," the Brookings ıter on Urban and Metropolitan Policy's latest examination of welfare trends in urban areas. Since its ɛption, the Brookings Urban Center has been concerned about how the 1996 federal welfare law ıld affect cities and urban neighborhoods. This report summarizes what the Center has learned about ɛload declines in urban areas. We expect to produce regular updates as new data becomes available.

The report confirms that welfare caseloads are rapidly declining in America's cities. From 1994 998, the county welfare rolls in 30 of the largest American cities declined by 35 percent. However, fare caseloads in urban counties are not shrinking as quickly as they are in their respective states, :ch leads to an increasing concentration of welfare recipients in urban areas. Between 1994 and 1998, counties that contain the thirty largest cities saw their share of the states' welfare burden rise from 45 ;3 percent. Thus, Baltimore is home to 13 percent of Maryland residents, but 56 percent of Maryland fare recipients. Philadelphia is where 12 percent of all Pennsylvanians, but 47 of Pennsylvanians on fare, live. Overall, the 30 urban counties in this study contain 20 percent of the total U.S. population nearly 40 percent of the nation's welfare population.

The report examines some of the reasons behind the trend toward increasing concentration of fare caseloads in urban areas. These include: regional differences; the effects of concentrated erty; and high unemployment rates. Finally, the report includes an outline of federal, state, regional local policy implications.

Welfare reform will succeed or fail at the local level. As states continue to hit their time limits remaining caseloads become harder to serve, national and state-level data becomes less and less ful for agencies and organizations trying to move people from welfare to work. More spatially ıiled data is needed to inform how and where states choose to spend their welfare funding. We think this report contributes to that pool of much-needed data. We hope you find it interesting and useful.

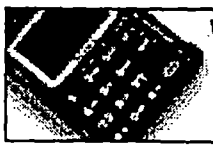
Sincerely,

Bruce Katz
Director and Senior Fellow

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February 19, 1999

Welfare Concentrated in Big Cities

A.P. INDEXES: TOP STORIES | NEWS | SPORTS | BUSINESS | TECHNOLOGY | ENTERTAINMENT

Filed at 1:40 a.m. EST

By The Associated Press

WASHINGTON (AP) -- With welfare rolls declining, the nation's largest and oldest urban areas are home to an increasing portion of the nation's welfare families.

It is an important trend for state officials, after four years of unprecedented reductions in welfare recipients, as they now focus on those who remain on the rolls. The cities also also home to a host of social problems including deep poverty and isolation from suburban jobs.

``This is ultimately where welfare reform succeeds or fails at the end of the day," said Bruce Katz of the Brookings Institution's Center on Urban and Metropolitan Policy, which released the study Thursday.

Welfare caseloads are dropping inside and outside of cities, but they are dropping most slowly in the nation's largest and oldest urban areas, particularly in the Northeast, Midwest and South, the study said.

``Caseload decline does not tell the whole story of welfare reform in America," the report said. ``The largest American cities are becoming home to a larger and larger share of the national welfare burden."

Researchers say that has implications for local, state and federal governments, suggesting they must develop new ways to get people in cities to jobs in the suburbs and must address the hard-core

Between 1994 and 1998, welfare rolls fell 35 percent in the counties that contain the nation's 30 largest cities. That compares with a 44 percent drop nationwide.

A third of the nation's welfare families lived in these counties in 1994. That rose to 40 percent by last year, but these counties are home to just 20 percent of the total population.

Philadelphia, for example, housed 38.5 percent of Pennsylvania's welfare population in 1994; in 1998, 47 percent of the state's welfare cases lived there.

The study found cities with a growing portion of the welfare population shared some characteristics: They were likely to be in the South, Northeast and Midwest; they were likely to have higher unemployment rates; and they were more likely to have high rates of concentrated poverty -- meaning areas where at least 40 percent of the people are poor.

Concentrated poverty is associated with a host of other problems that make it tough to get off welfare: illiteracy, drug and alcohol abuse, school dropouts, teen pregnancy and out-of-wedlock births.

Some state officials say they are trying to address the problems, most notably lack of transportation to get people to suburban jobs.

``There is no countywide transportation system'' in the Detroit area, said Karen Smith, spokeswoman for Michigan's welfare department. ``It is very difficult for people who do not own their own vehicles to get from where they live to where a job might exist.''

Detroit houses 48 percent of Michigan's welfare families, up from 42 percent in 1994.

In Maryland, 56 percent of welfare families live in Baltimore, up from 48 percent in 1994.

``The jobs are in the outlying counties, and we've got to create some kind of mechanism to get people out to where the jobs are,'' said Connie Tolbert, a policy specialist for Maryland.

But other states say they are not focusing on the cities in particular but are trying to serve all people who face unusual barriers to getting to work.

``We provide services uniformly across the state,'' said Patricia Harris-Morehead, spokeswoman for Tennessee's welfare department.

--14 saw their caseloads drop more slowly than their state's caseload.

--In six, the declines were about even with the state.

--In nine, welfare rolls fell faster in the city than in the rest of the state.

Washington, D.C., one of the 30 cities, is not in a state.



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Article 13 of 28
AN TRIB9905000342
SE NEWS
HD **STUDY FINDS URBAN AREAS LAG IN TRIMMING WELFARE CASES ILLINOIS AMONG WORST IN STATES FALTERING IN TASK TO CUT LOAD**
BY Merrill Goozner, Washington Bureau.

WC 525 Words
CC 3883 Characters

PD 02/19/1999
SN Chicago Tribune
ED NORTH SPORTS FINAL; N
PG Page 8
CY (Copyright 1999 by the Chicago Tribune)

LP **Welfare** caseloads in the nation's major urban counties have not fallen as quickly as their surrounding states, according to a report released Thursday.

Tight labor markets, while paring **welfare** rolls, have not drawn the hardest-to-employ into the workforce, the report suggested. Unless the trend is reversed, bigger cities will still have large dependent populations as they approach the aid-cutoff dates mandated by the federal **welfare** reform law.

TD The report's authors said states must begin adopting more creative policies for helping the hardest-to-employ to enter the workforce.

"The **welfare** population in many of these cities is intergenerational, with a whole set of issues that have to be dealt with," said Bruce Katz, director of the Center on Urban and Metropolitan Policy of the **Brookings** Institution, which issued the report.

The problems facing the hard-to-employ are well known, including a lack of basic math and reading skills, poor work habits, little job training and inadequate transportation to outer suburbs and other areas where most new jobs are being created.

State governments, often using federal grants, have developed programs to address these problems, but the programs are poorly coordinated and do not reach the people most in need, Katz said.

In part, that is because federal policies hamstring states' ability to target their subsidies, he said. "Block grants to states are being allocated on a per-capita basis and not to places with concentrated poverty," Katz said.

According to the report, **welfare** caseloads in the 19 states with the nation's 30 largest urbanized counties fell 43.5 percent, to 2.14 million, from 1994 to 1998. But in the cities themselves, the decline was 35.3 percent, to 1.1 million.

Over the four-year period, the urbanized counties' share of their states' total **welfare** caseload rose to 53 percent from 45 percent.

Illinois ranked near the bottom of the study in terms of overall caseload reduction, falling 31.7 percent to 169,379 families over the four-year period.

By contrast, Wisconsin reduced its **welfare** caseload by 83.9 percent, Indiana by 49.3 percent, Michigan by 46 percent and Ohio by 44.6 percent.

Cook County also lagged behind its urban Midwestern counterparts and cities around the country. The Cook County caseload fell 28.5 percent to 113,419 families over the four years, while the caseload in Wayne County, which includes Detroit, fell 39.1 percent; Milwaukee County fell 71.6 percent; Marion County, which includes Indianapolis, fell 50.1 percent; and Cuyahoga County, which includes Cleveland, fell 31.1 percent.

While Cook County did slightly better than New York City, which has the largest **welfare** population in the nation, it did significantly better than Los Angeles County, where the longer-lasting effects of the early 1990s recession caused **welfare** caseloads to fall only 18.1 percent between 1994 and 1998.

The Illinois **welfare** reform bill gave **welfare** recipients on the rolls as of July 1, 1997--and anyone going on what is now called Temporary Assistance for Needy Families--five years of eligibility over their lifetimes.

Mothers on **welfare** with older children are limited to two years of lifetime eligibility under the law.

According to B.J. Walker, director of community operations for the Illinois Department of Human Services, about 600 people have exhausted their limitations.

CENTER ON URBAN & METROPOLITAN POLICY
THE BROOKINGS INSTITUTION

The State of Welfare Caseloads in America's Cities: 1999

- **Welfare caseloads are rapidly declining in America's cities.** Between 1994 and 1998, the county welfare rolls in 30 of the largest American cities declined by 35 percent.
- **But these urban welfare rolls are shrinking more slowly than statewide caseloads.** The states that are home to these counties saw their welfare rolls decline by 44 percent between 1994 and 1998—a rate nearly 10 percentage points faster than the urban county reductions.
- At the same time, **state welfare caseloads are increasingly concentrated in urban areas.** Between 1994 and 1998, these counties saw their share of the states' welfare burden grow from 45 to 53 percent.
- **While these 30 urban counties make up 20 percent of the total U.S. population, they are home to nearly 40 percent of the nation's welfare population, up from 33 percent in 1994.**

"The largest American cities are becoming home to a larger and larger share of the national welfare burden."

THE IMPACT OF WELFARE REFORM IN THE 30 LARGEST U.S. CITIES

National welfare rolls are at their lowest levels in 30 years. Since 1993, the rolls have declined by 44 percent, to just under 8 million people. Many large cities and urban counties have also seen their welfare rolls decline significantly in the past few years. The importance of these declines should not be diminished, but caseload decline does not tell the whole story of welfare reform in America. The largest American cities are becoming home to a larger and larger share of the national welfare burden. In 1996, the urban counties containing the 30 largest cities were home to 20 percent of the total U.S. population; yet in August of 1998, these counties contained 39 percent of the nation's welfare cases, nearly double their share of the general population. This disparity has only worsened with the implementation of welfare reform. Just four years ago, these counties contained only 33 percent of U.S. welfare cases. Thus, while the absolute numbers are declining, the proportion of national welfare cases is rising in these urban counties, 6 percent since 1994 percentage points.

How is welfare reform playing out in cities? Why are these trends occurring? What is the proper policy response? In an attempt to answer these questions, the Brookings Center on Urban and Metropolitan Policy has been tracking welfare caseloads in some of America's largest cities since 1998 to determine the impact of welfare reform and other demographic trends on urban areas.[1] This survey does not explain where former recipients go when they leave the welfare rolls, nor does it describe the characteristics of the remaining caseload. It does, however, add a more precise spatial dimension to a discussion that frequently focuses

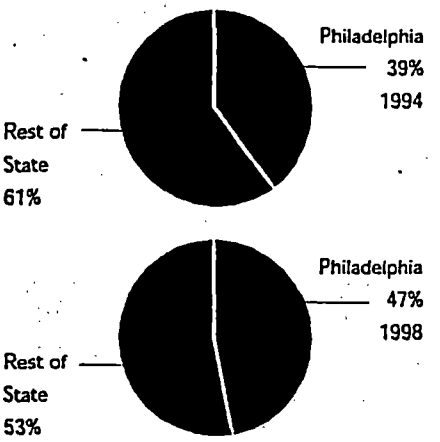
solely on national and state-level data and ignores the fact that welfare reform will succeed or fail at a local level. This discussion about welfare and cities is increasingly important, as more states hit their time limits and the cases remaining on the welfare rolls are increasingly difficult to serve. Brookings hopes to offer a clearer picture of how urban areas are faring in the current policy environment.

URBAN VS. STATE CASELOAD TRENDS

State welfare agencies provided annual welfare caseload data for 1990 through 1997 and monthly data for 1998 (January through August) for the thirty largest cities in the United States. (Data was collected for Washington, DC, but was excluded from the analysis because there is no corresponding state for comparison.) The1998 data used in the analyses is an eight-month average (January through August) of the caseload figures available at the time the survey was conducted. Because the counties have traditionally administered welfare programs, the welfare caseload data is principally county data, not city data. Baltimore (a city), New Orleans (a parish), and New York City (a city which contains 5 counties) are three major exceptions to this rule. In some areas, like Philadelphia and Denver, the county border is coterminous with the city border, and thus the county and city data are the same. In other areas, like Houston-Harris County and Columbus-Franklin County, the use of county data may distort city-specific trends with the inclusion of non-central city suburban jurisdictions. Faster caseload declines in suburban areas of the county might mask slower declines and higher caseload concentrations in the county's truly urban areas.

The welfare data was analyzed in two ways: (1) caseload concentration and (2) relative speed of decline.

Philadelphia Welfare Caseload 1994–1998



Concentration of Remaining Welfare Cases

The county's share of the state welfare caseload is the "caseload concentration" figure. In many places, state welfare cases have become more concentrated in urban counties- a phenomenon especially pronounced after the implementation of welfare reform.

Of the twenty-nine counties surveyed, fourteen saw their share of the state welfare burden increase over the past four years ("concentrating" counties). Eight counties' proportional welfare caseloads remained constant with less than one percent change ("stable" counties), and seven counties actually experienced a reduction in their shares of the state welfare rolls ("deconcentrating" counties). Milwaukee County contained the greatest absolute share of the state caseload, with 86 percent of Wisconsin's welfare rolls, while San Francisco County contained the smallest share, with a mere one percent of California's caseload. The greatest increase in state caseload concentration was also in Milwaukee County: its share of Wisconsin's caseload grew from 57 percent in 1994 to 86 percent in 1998. In the same period, Jacksonville-Duval County's share of Florida's welfare caseload was cut nearly in half, from 7.7 percent in 1994 to 4.3 percent in 1998—the largest decrease in concentration for the counties surveyed. (See Appendix A.)

Pace of Urban Caseload Declines

Brookings compared the urban counties' welfare caseload decline with the respective state's rate of decline. To determine the "relative speed of decline" between the counties and their states, this survey expressed the county caseload change (1994–1998) as a percentage of the state caseload change."

Of the twenty-nine counties examined, a majority (14) had rates of welfare caseload decline that lagged behind their respective states (the "slower" counties). Six counties (the "same" counties) experienced caseload declines at rates that were approximately the same as their respective states (that is, at rates 95 to 105 percent of the state rate). Nine counties' welfare rolls declined at rates faster than their respective states (the "faster" counties). The slowest jurisdiction surveyed (relative to its state) was El Paso County, where the welfare rolls declined 41 percent slower than the statewide rolls, or at 59 percent of Texas's rate of decline. The fastest county by far was San Jose-Santa Clara County where the county's welfare caseloads dropped 108 percent faster, or at 208 percent of California's. (See Appendix C.)

It is important to note that the differing state rates of caseload decline may distort the relative pace of the counties. California's relatively slow rate of declines (27 percent) makes most California counties—San Diego (29 percent), San Francisco (34 percent) and Santa Clara (44 percent) counties—"fast" in comparison."Conversely, the state of Wisconsin has experienced such dramatic caseload declines (87 percent) that Milwaukee County's hefty 72 percent decline in the number of families on welfare is "slow" in comparison. (For a list of absolute declines in these counties and states, see Appendix D.)

Not surprisingly, there is a great deal of overlap between the counties with increasing concentrations of state caseloads and those with slower rates of decline than their states. All of the "slower" counties except San Antonio-Bexar County were also experiencing an increase in their concentration

of the state welfare rolls. Conversely, all of the concentrating counties except for Portland-Multnomah County have experienced slower caseload decline than their respective states.

To illustrate, Memphis-Shelby County's rate of welfare caseload decline was 28 percent slower than Tennessee's statewide rate of decline. (The percentage declines for Shelby County and Tennessee were 33 and 49 percent, respectively.) Despite significant welfare caseload declines, Shelby County's rate of decline lagged behind the state's overall rate, and subsequently the county's share of Tennessee's caseload increased from 28 to 35 percent between 1994 and 1998. (Shelby County contains only 16 percent of Tennessee's general population.)

BEHIND THE TRENDS

What explains the diverse experiences of these urban counties with welfare reform? What trends are driving the divergent urban welfare caseload declines? A comparison of the welfare caseload trends with other social and economic indicators and regional trends suggests that several factors may be at work.

- **Urban areas with higher levels of concentrated poverty tend to have higher concentrations of state welfare caseloads.** The survey findings are consistent with what research has told us about concentrated poverty.[v] Concentrated poverty is associated with the social characteristics and activities that define the hard-to-serve welfare population: illiteracy, chronic unemployment, substance abuse, school dropout, and teenage pregnancy and out-of-wedlock births. Concentrated poverty is an urban phenomenon; thus data used in this analysis is for central cities.[vi] The counties with concentrating caseloads have significantly higher percentages of their populations living in high-poverty census tracts[vii] than the stable or deconcentrating counties. The fourteen concentrating counties averaged 15.4 percent of their populations living in these high-poverty neighborhoods. Portland, Los Angeles, Nashville, and Oklahoma City were outliers with relatively low rates of concentrated poverty (3.6, 5.8, 6.2 and 6.8 percent, respectively). The eight stable counties' concentrated poverty average was exactly half the rate of the concentrating counties—an average of 7.7 percent. The average concentrated poverty rate for the seven deconcentrating counties was 4.8 percent—roughly one-third of the concentrating counties' average. The two de-concentrating Texas counties (Houston-Harris County with 9.2 percent and Dallas County with 7.5 percent) had significantly higher concentrated poverty rates than the remaining de-concentrating and stable counties. The national concentrated poverty average for all central cities is 9.8 percent, and the average for the thirty largest U.S. cities (including Washington, DC) examined in this survey was 10.1 percent. (See Appendix A for concentrated poverty rates.)

- **Older cities in the South, Northeast, and Midwest tend to have increasing shares of state welfare rolls.** There are some exceptions: Jacksonville-Duval County, Boston-Suffolk County, Columbus-Franklin County and Indianapolis-Marion County.[viii] Welfare rolls in the Southwestern and Western counties were generally declining either faster than or at the same rate as their respective states. The exceptions to this trend were two counties that encompass relatively poor Southwestern cities—El Paso County and Oklahoma County—and Los Angeles County and Portland-Multnomah County in the West. The West and Southwest counties may simply be large enough that when aggregated data is used, any central city effect in caseload reduction and concentration is distorted and minimized. The Southern, Northeastern, and Midwestern counties may encompass a smaller "buffer zone" of non-central-city population, and thus proportionately more of the city caseload and its trends are reflected in the county-level data.

- **Unemployment rates are higher in cities where caseloads are concentrating.** Central city unemployment rates[ix] (August 1998) for the concentrating counties averaged 6.3 percent, while the stable and deconcentrating counties averaged 3.6 and 3.7 percent respectively. El Paso County (10.1 percent) and Baltimore city (9.8 percent) had the dubious honor of having the highest unemployment rates. Nashville-Davidson County and Indianapolis-Marion County had the lowest rate, with only 2.4 percent unemployment in those counties (data was unavailable for these central cities). The central city with the lowest unemployment was Columbus (2.8 percent). Average unemployment nationally for August 1998 was 4.5 percent. Central city unemployment rates may be even higher when looking at the specific neighborhoods or populations most impacted by welfare reform.[x] (See Appendix A for August 1998 unemployment rates.)

POLICY IMPLICATIONS

These findings have important policy implications for the way that federal, state and local leaders effectively implement welfare reform, particularly in communities where welfare recipients are most concentrated.

FEDERAL IMPLICATIONS

- **Provide flexible funding to cities.** The federal government should take steps to ensure that urban areas—the counties that currently administer welfare and the cities themselves—aren't the losers in the devolution game. Under TANF (the 1996 welfare reform law), federal funding for welfare is block-granted to states with few guidelines on subsequent allocations to localities. One

federal program is specially targeted at cities: the Department of Labor's Welfare-to-Work grants. Some states like Ohio turned down this additional funding citing constraining federal rules and regulations. The Administration should eliminate unnecessary restrictions on funding to maximize states' and cities' flexibility and innovation as well as accountability. The expansion of eligibility in the Administration's proposed reauthorization of the Welfare-to-Work grants is a good start.

- **Coordinate funding streams.** The implementation of the Workforce Investment Act of 1998 is another important piece of the welfare puzzle. The new job training block grant to states should compliment welfare-to-work efforts by enhancing access to education, training, and employment across jurisdictional boundaries. This way, city residents can connect to regional opportunities and overcome the social and spatial isolation associated with concentrated poverty.

STATE IMPLICATIONS

- **Invest in innovation.** Large TANF surpluses ($3 billion from last year alone) pose a dilemma for most state policymakers. With shrinking welfare rolls and excess federal funding, many are torn between pumping money into programs now or saving the reserves for a "rainy day" when the economy worsens and caseloads increase. However, this either-or, spend-or-save dichotomy is misleading. Investments in social policy innovations now could save states money in the long run, if poverty is reduced along with dependence on public assistance.

- **Account for concentrated poverty.** States should also re-examine their allocation formulas as welfare cases continue to accumulate in urban areas. Additional funding—in excess of a per capita allocation—may be necessary to compensate for the higher cost of concentrated poverty.

- **Respond to the urban challenge.** For political reasons, states may have difficulty relating to their primary "welfare reservoirs"—places that contain a quarter or more of the state caseload. Over the past four years, nearly 80 percent (11/14) of counties with increasing concentrations of their state's welfare rolls contained one-quarter or more of their state's caseload. Of the counties where state caseloads did not become more concentrated (and either remained the same or decreased) only 13 percent (2/15) contained more than 25 percent of the state caseload. States need to recognize the magnitude of the multiple challenges converging in large cities—concentrated poverty, population and job loss, and bloated bureaucracies. The urban welfare problem is qualitatively different from the suburban problem and therefore requires uniquely tailored solutions.

LOCAL & REGIONAL IMPLICATIONS

- **Understand the hardest-to-serve.** Local governments should understand the barriers facing the families who remain on welfare in order to help them become self-sufficient. Cities and counties also need to start thinking beyond welfare—the pool of people who may cycle back onto public assistance in the event of a recession, as well as those who are prevented from receiving benefits due to time limits.

- **Think regionally.** Urban jurisdictions must connect to their larger metropolitan areas. Welfare recipients need not be trapped in job-poor jurisdictions because of bureaucratic fragmentation. Welfare and workforce programs should coordinate across parochial boundaries to connect low-income central city residents with metropolitan employment and training opportunities.

- **Leverage existing neighborhood institutions.** Community institutions—both faith-based and secular—tend to focus principally on the production and preservation of affordable housing. They could play a useful role in helping welfare recipients make the transition to work (e.g. recruiting, connecting to suburban employers). A number of CDCs, for example, have begun to make these job linkages and provide job supports.

- **Achieve transportation equity.** Cities and urban counties should strive to make low-income transportation strategies an integral part of the mainstream transportation system. In many areas, urban transportation systems have failed to connect low-income central city residents to the metropolitan labor market. As the Department of Transportation implements the Job Access portion of the new highway legislation, communities should leverage this short-term funding opportunity to expand or streamline existing transit services and explore a range of non-transit solutions like subsidized car ownership for welfare recipients. This kind of innovation will help bridge the gap between central city workers and suburban jobs.

- **Build a sophisticated information network.** Local jurisdictions need a basic understanding of the demographic and economic dimensions of their region. Identifying the regional job centers, the neighborhoods where the bulk of the region's welfare recipients live, and the adequacy of transit lines that connect the two are crucial steps in designing programs that will help people move closer to self-sufficiency and reduce welfare caseloads in the process. Comprehensive mapping and analysis of the Cleveland area led to legislative changes in transit routes to better connect low-income central city residents to entry-level jobs out in the suburbs.

APPENDIX A: COUNTY PERCENTAGE OF STATE WELFARE CASELOAD & TOTAL POPULATION WITH CENTRAL CITY CONCENTRATED POVERTY & UNEMPLOYMENT RATES

JURISDICTION	PERCENT OF STATE CASELOAD 1994	PERCENT OF STATE CASELOAD 1998	CASELOAD TREND 1994–98	PERCENT CONC. POVERTY: CENTRAL CITY 1990	PERCENT UNEMPLOYMENT: CENTRAL CITY 8/98 *=county data	PERCENT OF TOTAL STATE POPULATION 1996
Milwaukee Co.	56.6%	85.9%	+	20.6%	5.5%	17.9%
New York City	68.0%	69.5%	+	12.9%	7.3%	40.7%
Cook Co. (Chicago)	64.0%	67.0%	+	13.2%	5.5%	43.0%
Baltimore City	48.3%	56.2%	+	13.7%	9.8%	13.3%
Wayne Co. (Detroit)	42.4%	47.9%	+	32.3%	6.3%	21.0%
Philadelphia Co.	38.5%	47.4%	+	13.8%	5.9%	12.3%
Los Angeles Co.	34.4%	35.6%	+	5.8%	7.5%	28.7%
Shelby Co. (Memphis)	28.4%	35.1%	+	21.2%	4.8%	16.3%
Orleans Parish (New Orleans)	27.9%	29.0%	+	29.0%	6.7%	11.0%
Oklahoma Co.	25.2%	28.5%	+	6.8%	3.5%	19.1%
Multnomah Co. (Portland)	24.2%	25.2%	+	3.6%	5.1%	19.5%
Cuyahoga Co. (Cleveland)	19.4%	24.2%	+	19.9%	7.9%	12.6%
Davidson Co. (Nashville)	13.2%	14.5%	+	6.2%	2.4%*	10.1%
El Paso Co.	5.1%	6.6%	+	16.0%	10.1%	3.6%
Marion Co. (Indianapolis)	22.1%	21.8%	=	3.2%	2.4%*	14.0%
Suffolk Co. (Boston)	21.5%	21.3%	=	3.9%	3.2%	10.6%
Franklin Co. (Columbus)	10.6%	10.2%	=	10.5%	2.8%	9.1%
Bexar Co. (San Antonio)	8.1%	8.7%	=	16.3%	4.4%	6.9%
San Diego Co.	7.4%	6.7%	=	3.2%	3.9%	8.3%
Tarrant Co. (Fort Worth)	5.0%	4.3%	=	4.9%	4.5%	6.8%
Travis Co. (Austin)	2.6%	2.5%	=	5.8%	3.2%	3.6%
San Francisco Co.	1.5%	1.2%	=	1.7%	4.0%	2.3%
Maricopa Co. (Phoenix)	54.0%	51.0%	-	4.5%	3.2%	58.9%
Denver Co.	27.4%	24.2%	-	4.9%	3.5%	13.0%
King Co. (Seattle)	23.8%	21.7%	-	3.6%	3.3%	29.3%
Harris Co. (Houston)	19.7%	14.4%	-	9.2%	5.2%	16.4%
Dallas Co.	11.1%	10.1%	-	7.5%	4.4%	10.5%
Duval Co. (Jacksonville)	7.7%	4.3%	-	4.2%	2.5%*	5.0%
Santa Clara Co. (San Jose)	3.5%	2.5%	-	0.0%	4.1%	5.0%

APPENDIX B: WELFARE CASES IN COUNTIES & STATES SURVEYED

YEAR	WELFARE CASES IN 29 COUNTIES	WELFARE CASES IN 19 STATES	COUNTIES' CONCENTRATION OF STATE CASES
1994	1,674,452	3,720,928	45.0%
1998	1,113,889	2,121,815	52.5%
% Declines 94-98	33.5%	43.0%	-

APPENDIX C: RELATIVE SPEED* OF WELFARE CASELOAD DECLINE, 1994-1998 (*COUNTY CASELOAD DECLINE EXPRESSED AS A PERCENTAGE OF STATE DECLINE)

SLOWER (< 95% of State Rate)		SAME (95%-105% of State Rate)		FASTER (> 105% of State Rate)	
El Paso Co.	58.9%	Multnomah Co. (Portland)	97.0%	Denver Co.	110.8%
Philadelphia Co.	59.5%	Marion Co. (Indianapolis)	101.6%	Dallas Co.	112.7%
Cuyahoga Co. (Cleveland)	69.7%	Suffolk Co. (Boston)	101.8%	Tarrant Co. (Fort Worth)	118.5%
Shelby Co. (Memphis)	71.7%	Travis Co. (Austin)	102.9%	King Co. (Seattle)	126.6%
Baltimore city	79.7%	Franklin Co. (Columbus)	104.5%	Duval Co. (Jacksonville)	137.3%
Wayne Co. (Detroit)	85.0%	Maricopa Co. (Phoenix)	104.9%	San Diego Co.	137.6%
Milwaukee Co.	85.3%			Harris Co. (Houston)	138.4%
Los Angeles Co.	86.2%			San Francisco Co.	163.8%
Oklahoma Co.	86.7%			Santa Clara Co. (San Jose)	208.1%
Davidson Co. (Nashville)	87.7%				
Bexar Co. (San Antonio)	89.3%				
Cook Co. (Chicago)	89.9%				
New York City	94.2%				
New Orleans Parish	94.6%				

APPENDIX D: ACTUAL STATE & COUNTY CASELOADS & PERCENT DECLINES

STATE	NUMBER OF WELFARE FAMILIES 1998	PERCENT REDUCTION SINCE 1994	JURISDICTION IN STATE	NUMBER OF WELFARE FAMILIES 1998	PERCENT REDUCTION SINCE 1994
WISCONSIN	12,241	83.9%	Milwaukee County	10,519	71.6%
OREGON	18,770	55.5%	Multnomah County (Portland)	4,729	54.2%
FLORIDA	105,705	54.2%	Duval County (Jacksonville)	4,549	74.4%
COLORADO	20,234	51.9%	Denver County	4,904	57.4%
INDIANA	34,975	49.3%	Marion County (Indianapolis)	7,609	50.1%
OKLAHOMA	23,607	48.3%	Oklahoma County	6,728	43.1%
ARIZONA	37,677	46.7%	Maricopa County (Phoenix)	16,886	55.7%
MICHIGAN	120,715	46.0%	Wayne County (Detroit)	57,791	39.1%
TENNESSEE	57,517	45.6%	Davidson County (Nashville)	8,351	40.0%
			Shelby County (Memphis)	20,188	32.7%
OHIO	136,558	44.6%	Cuyahoga County (Cleveland)	33,003	31.1%
			Franklin County (Columbus)	13,972	46.6%
MARYLAND	124,577	44.4%	Baltimore City	69,962	35.4%
LOUISIANA	47,875	42.9%	Orleans Parish (New Orleans)	13,904	40.5%
TEXAS	163,271	41.1%	Bexar County (San Antonio)	14,252	36.7%
			Dallas County	16,458	46.3%
			El Paso County	10,784	24.2%
			Harris County (Houston)	23,543	56.9%
			Tarrant County (Fort Worth)	7,031	49.3%
			Travis County (Austin)	4,125	42.3%
MASSACHUSETTS	65,098	39.3%	Suffolk County (Boston)	13,880	40.0%
PENNSYLVANIA	133,145	36.3%	Philadelphia County	63,053	21.6%
ILLINOIS	169,379	31.7%	Cook County (Chicago)	113,419	28.5%
NEW YORK	332,390	27.6%	New York City	230,942	26.0%
WASHINGTON	76,823	25.3%	King County (Seattle)	16,682	31.9%
CALIFORNIA	709,898	21.0%	Los Angeles County	252,646	18.1%
			San Diego County	47,562	28.9%
			San Francisco County	8,590	34.4%
			Santa Clara County (San Jose)	17,827	43.7%

ENDNOTES

i In May 1998, Brookings released "The State of Welfare Caseloads in America's Cities," a predecessor to this report. That study looked at 23 jurisdictions in all, and when possible, both city and county-level data were examined. These 23 jurisdictions were selected randomly, but had a heavy Northeastern orientation. This report broadens the survey to examine the 30 largest cities in America. Thus, no generalizations or comparisons can be made between the two studies. The earlier report is available in Adobe Acrobat format at http://www.brookings.edu/ES/Urban/welfarekate.pdf .

ii To illustrate, if State A's caseload declines by 4 percent and City A's caseload by 2 percent, there is a two percentage point difference in absolute decline, but City A's rate of decline is 50 percent (or 2/4) of the State's. If State B's caseload declines by 40 percent and City B's by 38 percent, there is also a 2 percentage point difference, but City B's rate of decline is 95 percent (or 38/40) of the State's.

iii Thus, the "relative speed of decline" analysis is useful to gauge a county's pace relative to its own state- not to gauge a county's pace relative to other counties outside that same state.

iv Concentrated poverty data is from the 1990 Census and was analyzed by the U.S. Department of Housing and Urban Development in January 1998.

v El Paso is a notable exception to this rule. The central city concentrated poverty rate in El Paso is 16 percent, yet the suburban concentrated poverty rate is an astonishing 53.7 percent.

vi "High-poverty" census tracts are defined by the Census as those tracts with 40 percent or more of the population in poverty.

vii The Columbus/Indianapolis exceptions are especially interesting, as these two Midwestern cities are "elastic" cities (to use David Rusk's term). That is, they are able, either through city-county consolidation or annexation, to expand beyond their original boundaries and acquire new land and population. It is uncommon for Midwestern cities to be "elastic." The aggregation of suburban and urban populations within these city/county borders may mask increased welfare caseload concentrations in the "core" central city, and help explain the stable caseload shares in these two counties.

viii Central city unemployment data is for August 1998, and is not seasonally adjusted. Bureau of Labor Statistics website: http://stats.bls.gov/ lauhome.htm.

ix Jared Bernstein, *Low-Wage Labor Market Indicators by City and State: The Constraints Facing Welfare Reform, Economic Policy Institute Working Paper No. 118* (October 1997).

x High poverty cities spend more per capita on primary poverty functions (like welfare and health care), and also spend more per capita on other public functions (like education, sanitation, and police services) than do cities with low poverty. "The effect of poverty is large, $27.75 in other expenditures per capita per additional percentage point in the city's poverty rate." Janet Rothenberg Pack. *Poverty and Urban Public Expenditures.* URBAN STUDIES, vol.35, no.11, page 2009 (1998).

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