Moving on Up

Transportation and Economic Mobility

September 2018

About the Network for Southern Economic Mobility

Research from the Equality of Opportunity project has shown—over and over again—that the odds of upward economic mobility are worst for children born in the South. The region needs dramatically different patterns of upward mobility to be a place where widespread prosperity is possible. The Network for Southern Economic Mobility is a select group of Southern communities committed to increasing upward economic mobility for youth and young adults: Athens, GA, Chattanooga, TN, Greenville, SC, Jacksonville, FL, Little Rock, AR, Savannah, GA, and Spartanburg, SC. These communities are building cross-sector teams and regional peer-learning relationships to create an *infrastructure of opportunity* that aligns strategic investments and interventions that position youth and young adults for postsecondary credential completion and a rewarding career.

About Openfields

We would like to thank Openfields in Greenville, SC for their contributions to the development of and writing of this brief.
Openfields is a strategy and innovation consulting firm with experience in forecasting, strategic planning, organizational development, communications, and creative program design. We have developed strategic plans, innovation strategies, launched new initiatives, and provided leadership coaching to large corporations, universities, NPOs, philanthropies, as well as faith-based organizations. In our work, we consider a series of ideas and questions that shape not only the desired outcome, but also the people involved.

About MDC

MDC brings together foundations, nonprofits, and leaders from government, business and the grassroots to illuminate data that highlight deeply rooted Southern challenges and help them find systemic, community solutions. Our approach, developed over 50 years, uses research, consensus-building, and programs that connect education, employment, and economic security to help communities foster prosperity by creating an “Infrastructure of Opportunity”—the aligned systems and supports that can boost everyone, particularly those who’ve been left behind, to higher rungs on the economic ladder.

Introduction

A strong Southern infrastructure of opportunity—the systems, policies, and institutions that make upward economic mobility possible—requires strong leadership and political will along with a supportive community culture that believes and invests in improving local outcomes. The Network for Southern Economic Mobility (NSEM) is primarily focused on the critical components of that infrastructure that make up the talent development system: education that provides the foundation for and delivery of quality postsecondary credentials; workforce and talent development strategies that support employee entry and advancement and a strong local economy; and youth and employer engagement in the design of related strategies.

When we look at factors that impede or enable someone's movement through the talent development system, it turns out that economic mobility is more than a metaphor. Transportation directly affects four of the top five factors correlated with lower upward mobility in a study from the Equality of Opportunity Project: social capital, residential segregation, school quality, and income inequality.[1] In fact, shorter commute times are significantly associated with higher rates of mobility;[2] increasing low-income residents' access to more jobs through transportation investments can serve as an important regional economic development strategy.[3] Ease of movement within a community—or outside of it, as needed—often determines the relationships and resources individuals can acquire, as well as access to employment, health care, and nutritious food. While safety and access concerns are often invisible to those who have options other than public transit, limited routes and car-centric culture severely constrain flexibility and add an additional time burden to those without vehicles.

An infrastructure of opportunity must be undergirded by public infrastructure that enables access to education and employment opportunities—and the housing and health care that facilitates both. This brief summarizes recent research demonstrating the link between transportation and economic mobility, as well as highlighting efforts in Southern communities to improve access to improve economic outcomes.

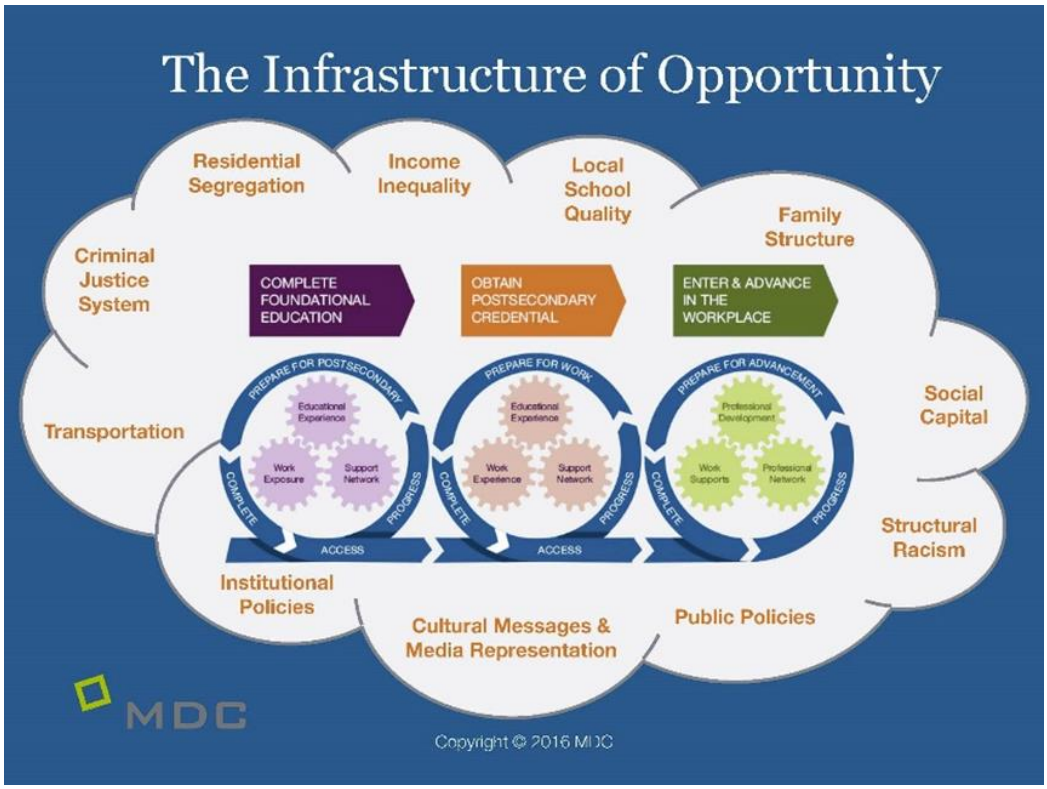
In 2014, MDC released *State of the South: Building an Infrastructure of Opportunity for the Next Generation.* The analysis includes state and regional data and calls on Southern communities to develop and implement purposeful policies and systemic practices to create an "infrastructure of opportunity" that bolsters prospects for 15-24-year-olds so they can achieve economic resilience as adults and a fulfilling social and civic life.

www.stateofthesouth.org

[1] Family structure is the fifth. Chetty, Raj, Nathaniel Hendren, Patrick Kline, & Emmanuel Saez. "Where is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States." *Quarterly Journal of Economics* 129(4): 1553-1623, 2014.
[2] Ibid.
[3] DeMaria, Kyle. (January, 2018). "Getting to Work on Time: Public Transit and Job Access in Northeastern Pennsylvania." *Federal Reserve Bank of Philadelphia.*

A Southern infrastructure of opportunity

An infrastructure of opportunity includes a talent development system that responds to other systems like criminal justice, health care, housing, transportation, not to mention mechanisms for civic participation as diverse as voting and the arts. These organizations all share an ecosystem of intersecting relationships, policies, and influences; that ecosystem may include allied public institutions, political or community culture, as well as economic forces beyond local control:



The intersections and influences must be acknowledged and addressed to make meaningful and lasting change in the practices that shape the education and employment opportunities that are essential for upward mobility. An effective infrastructure of opportunity ensures individuals are able to access and progress through the talent development system and end up better off than when they began. The Network for Southern Economic Mobility is committed to accelerating the necessary systems change to create a more equitable infrastructure of opportunity across the South because we can't have a society where only exceptions succeed—especially when the deck is often stacked against those who need upward mobility the most.

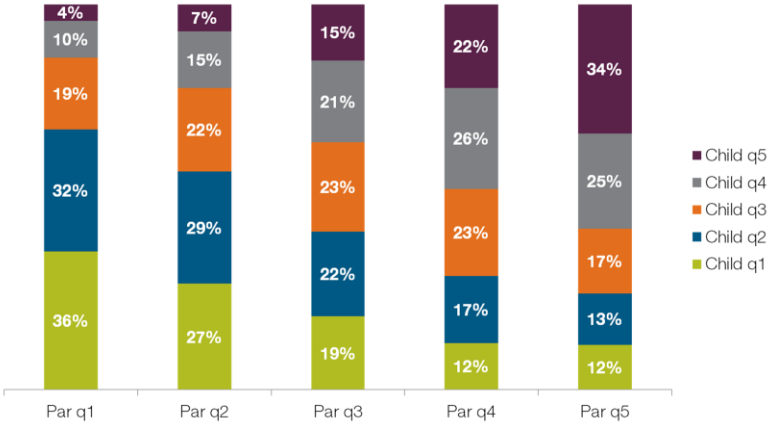
> Systems change is "shifting the conditions that are holding the problem in place."
>
> —Social Innovation Generation
> quoted in *The Water of Systems Change*[4]

[4] Kania, John, Mark Kramer, and Peter Senge. (June 2018) *The Water of Systems Change.* FSG.

Research informs action

Big data sets like the one in the Equality of Opportunity project reveal stunning patterns across the United States and in your county, your city, even your zip code. Sometimes these revelations confirm our suspicions; sometimes they counter conventional wisdom. But they can also overwhelm us, either instigating unsustainable efforts to tackle every issue at once or squelching energy for action, since the problem is so much bigger than we expected. But those big data and those odds also represent real people. If communities want to change the odds, we have to change the everyday experience of systems that influence those odds.

The big data on economic mobility: This chart represents the chances a child raised in a given quintile of the income distribution will move to another quintile as an adult. These data are from Spartanburg, S.C., an NSEM city, and representative of the "stickiness" at the bottom and top of the income distribution across the South.



Source: Equality of Opportunity Project

Exploring the links between the talent development system and an element of the surrounding "ecosystem," examining current research and the experience of institutions and individuals, can magnify a corner of the interconnected web of systems to show what it takes for people to attempt upward economic mobility within that web. Our goal is to add context that will help communities identify specific priorities that have the potential to change local policy and practice—and thus, the potential to improve local economic mobility odds and outcomes.

Such magnification may reveal that what's needed is not an exciting innovation; it may be that the basic infrastructure is missing for a particular population. Let's be honest: sometimes systems change may seem mundane. However, removing barriers that are "baked in" to policies, practice, and behaviors is key to improving the experience and outcomes for those who are not being served by the current system. This brief illuminates ways communities can respond to ecosystem factors while maintaining a focus on system-level change within talent development institutions. For example: improving public transit is not just about securing more bus stops, but highlighting for decision makers and investors how transit affects access to education and jobs across the community. The research included here can support local efforts for increased alignment and investment in an infrastructure of opportunity that works for all youth and young adults.

Driven by data: national research and regional trends

Access to public transportation is essential for the physical, economic, and social well-being of both individuals and their communities. Reliable transportation is required to get to school, jobs, healthcare, grocery stores, and the civic and social spaces where people participate in and contribute to their communities. Local residents fuel the infrastructure of neighborhoods and, without their contributions, any economic development strategy—for a person, family, or a municipality—is crippled. If not made equitably, transportation investments exacerbate inequities in economic outcomes. Therefore, any plan to improve public transit must pay careful attention to equity and how we support the least mobile—geographically and economically.

Rollin' in the Deep South

The social and economic disparities in the South aggravate the negative effect of poor transportation infrastructure. Improving access to the talent development system is not solely a concern of those furthest from opportunity. Creating conditions for thriving among all residents helps both low-income neighborhoods and the larger regions in which they live. Communities with more inclusive economies have the most significant increases in economic growth, innovation, entrepreneurship, and the number of skilled workers available in the labor market, while others suffer from poorer economic growth and productivity, higher crime and incarceration rates, and larger health costs.[5,6] Making investments to support local resident progress through the talent development system reduces the costs of recruiting talent from elsewhere and, over time, creates a more responsive labor force ready to meet the changing needs of local employers. Although this is, to some extent, a "chicken and egg" problem, in which growth begets investment and vice versa, improving transportation is a place to begin, investing in ways that expand rather than limit economic growth[7] instead of displacing vulnerable people into new pockets of disadvantage in other communities or neighborhoods.

Three Southern cities were among the top 10 municipalities with the greatest gains in transportation accessibility from 2016-17: Austin, Charlotte, and Orlando. However, there were no Southern cities in the top 10 for transit-accessible jobs.

Source: Center for Transportation Studies
University of Minnesota
Access Across America: Transit 2017

[5] Bell, Alex, Raj Chetty, Xavier Jaravel, Neviana Petkova, and John Van Reenen. (December, 2017). "Who Becomes an Inventory in America? The Importance of Exposure to Innovation." Equality of Opportunity Project.
[6] Parilla, Joseph. (9/28/17). "Opportunity for Growth: How Reducing Barriers to Economic Inclusion Can Benefit Workers, Firms, and Local Economies."
[7] Bernstein, Jared. (2013). "The Impact of Inequality on Growth." *Center for American Progress.*

The case for connection

A large body of research links transportation access to health, well-being, and overall prosperity. Residents with greater access to public or private transit have access to more jobs,[8,9,10] are less likely to live in neighborhoods with high-poverty and unemployment,[11] and can more easily access healthcare.[12] People also are more likely to attend college and earn more as adults if they move out of a high-poverty community as children.[13] A recent literature review examining the link between transportation and economic opportunity highlights ways in which low-income residents are significantly affected by poor transportation systems:

- Low-income neighborhoods are disproportionately exposed to transportation-related air pollution
- Residents in these communities spend a greater share of their income on transportation costs than residents in middle- and high-income neighborhoods
- Residents in these communities are more affected by transportation changes because they are more likely to live farther away from their jobs and rely more heavily on public transit. [14]

Because it establishes connections among neighborhoods, transportation infrastructure has far-reaching effects. One study, conducted in Columbus, Ohio, found that the infrastructure conditions of adjacent neighborhoods, such as the number of bus stops and street junctions per square mile, were more closely associated with greater job accessibility than the conditions in one's own neighborhood. Closing gaps among neighborhoods, then, has the potential to connect people to opportunities and create conditions for more wide-spread economic security and prosperity.

Models for public and private investment

Despite clear benefits to improving access to reliable transportation, public investments continue to decline. Federal investment as a percentage of transportation budgets has declined from 1 percent to 0.5 percent over the past 30 years, which leaves states to pick up the slack. Local governments fund, on average, 75 percent of transportation budgets, primarily in the form of taxes and fees, while federal grants and other sources contribute only about 25 percent.[15] In some ways, there are

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[8] Chatman, Daniel G. and Robert B. Noland. (2014). "Transit Service, Physical Agglomeration and Productivity in US Metropolitan Areas." *Urban Studies 51*(5):917-937.
[9] Kaufman, Sarah M., Mitchell L. Moss, Jorge Hernandez, and Justin Tyndall. (2015). "Mobility, Economic Opportunity and New York City Neighborhoods." *Rudin Center*.
[10] DeMaria, Kyle. (2018). "Getting to Work on Time: Public Transit and Job Access in Northeastern Pennsylvania." *Federal Reserve Bank of Philadelphia*
[11] Urban Institute. (2014). "Driving to Opportunity: Understanding the Links among Transportation Access, Residential Outcomes, and Economic Opportunity for Housing Voucher Recipients."
[12] Cronk, Imran. (August 9, 2015). "The Transportation Barrier." *The Atlantic*.
[13] Chetty, Raj, Nathaniel Hendren, and Lawrence F. Katz. (2015). "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment." *NBER working paper*.
[14] Creger, Hana, Joel Espino, Alvaro S. Sanchez. (March 21, 2018). "Mobility Equity Framework: How to Make Transportation Work for People." The Greenlining Institute.
[15] Tomer, Adie and Joseph Kane. "Localities will Deliver the Next Wave of Transportation Investment." The Brookings Institution. January 2018.

benefits to local control of transportation infrastructure; local governments better understand the complex needs of their communities. However, state oversight can limit local flexibility through decisions about block-grant distribution and restricting municipalities' ability to raise taxes and levy fees.

While the use of public-private partnerships (PPP) has grown and can relieve the financial burden on local budgets, such partnerships are constrained by state-level policy and regulations. Also, the research is unclear whether these partnerships have resulted in significantly improved economies or better economic mobility. For example, a Virginia study showed that private investment in a highway project did save public dollars (i.e., alleviated tax burden), but more available public dollars does not ensure that those savings will be distributed equitably or reinvested in ways that improve economic security and mobility.

A mobility lens for transportation planning

Transportation planning is a complex process that doesn't always give adequate attention to the effects of inequity—or opportunities to increase equity. Some argue that planning processes often focus too narrowly on speed, travel time, and traffic congestion, ignoring other important considerations that would impact the long-term sustainability of infrastructure and design, including the typical user, where they are going, and what modes they choose to get there.[16]

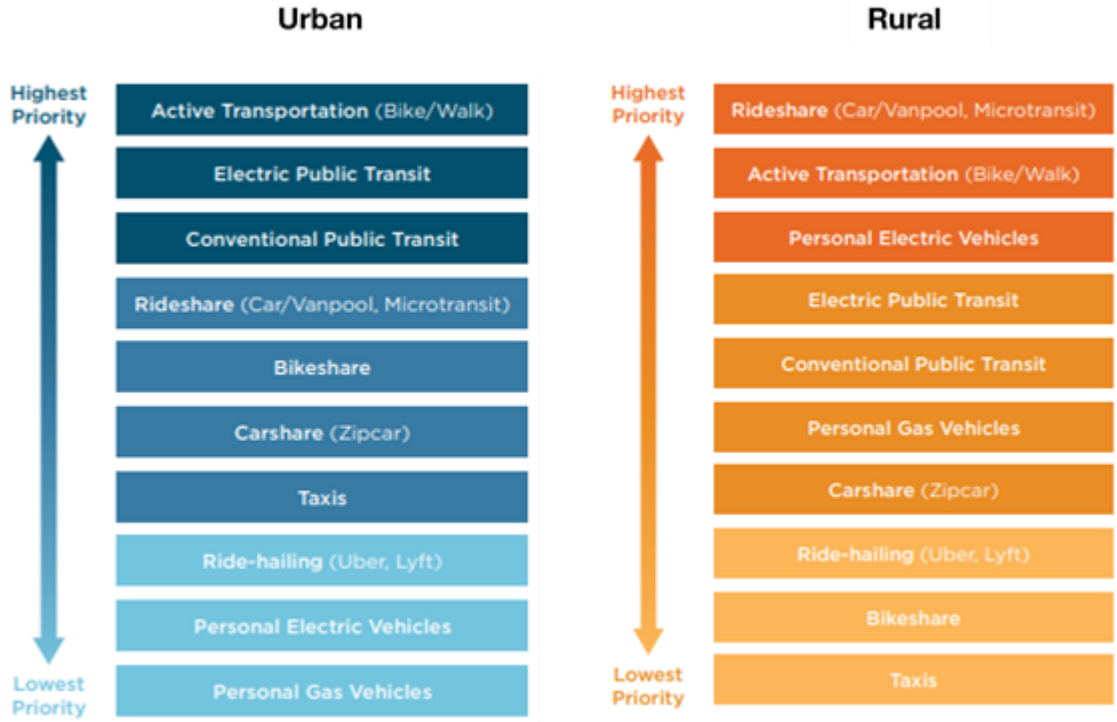
A new report from the Greenlining Institute proposes an equity lens for transportation planning, including a three-step process to guide the redesign of transportation systems to work better for all residents, with particular attention to social and economic barriers to opportunity. In addition to conducting a community needs assessment and incorporating a diverse set of voices in the decision-making process (e.g., through a participatory budgeting format), the Institute recommends using an equity analysis that reviews barriers to physical mobility and opportunity in the community. This analysis should focus on three goals, each with a proposed set of indicators:

Goal	Indicators
Increase access to mobility	affordability, accessibility, efficiency, reliability, and safety of transportation options
Reduce air pollution	environmental conditions within the community and their impact on health
Enhance economic opportunity	social and economic conditions that impede or support progress through the talent development system

The data to carry out such analyses are accessible through local institutions (e.g., department of transportation, housing authority) and through publicly available data (e.g., National County Health Rankings, U.S. Census). A mobility equity analysis may reveal similar disparities but can require different solutions based on population density and local resources.

[16] Venter, Christo. "Developing a Common Narrative on urban Accessibility: A Transportation Perspective." January 11, 2017. Brookings.

A Greenlining Institute comparison of an urban vs. rural prioritization of active transportation systems reveals the myriad strategies communities could take to improve transportation. The urban area might rely more heavily on bicycles and walking and deprioritize personal vehicles, while a rural community may prioritize rideshare options and deprioritize taxis.



On the road: local efforts

Sometimes seeing another community's struggles and success, starts and stops, wins and losses, can spark ideas and provide the cover and courage to risk taking on your own local challenges. We offer two snapshots of Southern municipalities that are beginning to grapple with improving transportation: what can you learn from their experiences?

Greenville, SC

Greenville, South Carolina, is experiencing transportation challenges on two fronts. Public transit has long been inadequate to meet the needs of Greenville's workforce. Operational hours that don't serve second and third shift workers and frequencies that bring buses around just once an hour mean that only those without any other transportation options regularly use Greenville's public transit system, Greenlink. At the same time, traffic congestion in the region is a top complaint of residents. This congestion is a result of Greenville's growth in jobs, commerce, population, and sprawling growth pattern. Diverse stakeholders are coming together to improve both.

Greenlink has a vision for expansion, and for the first time in decades, community leaders are rallying around the system to consider increased investment. Early in 2018, the transit system created a master plan for the next four years that includes expansion of hours, addition of Sunday service, 30-minute frequencies, and route addition. Accomplishing this plan will require greater financial support. A local foundation, Piedmont Health Foundation, has identified public transit as a focus area; a recent report commissioned by the Foundation showed that Greenlink receives far

less local government investment than any system in cities of similar size in the Southeast.[17] City and county council members are taking notice and discussing how to increase their appropriations for Greenlink.

While the city and county are focusing more on transit, other area stakeholders are realizing that transit's ability to serve residents is limited by sprawling development patterns and congestion. These patterns have been especially challenging for the city's lowest-income families and workers, with transportation regularly identified as one of the largest challenges to access and maintaining stable, well-paying employment. Ten at the Top—a regional collaboration of government, business, nonprofits, and other sectors in South Carolina's Upstate—recently convened a partnership called Connecting Our Future to address transit-oriented development.[18] The partnership's early strategies acknowledge the interconnectedness of land use, built infrastructure—including roads, sidewalks, rails, and trails—and transit. Partners know that increasing the number of workers who use transit can fill job vacancies *and* remove vehicles from the roads, allowing freight to move more easily, two key needs for local manufacturers. Building affordable housing near transit stops and employment sites helps residents save money and build wealth and gets much-needed workers into open jobs.

Transportation infrastructure and travel patterns took years to develop, so making changes to both will take time. But leaders and community groups in Greenville are taking steps to reconsider how people, goods, and services move in the region and how to best create an infrastructure of opportunity for all residents.

Cleveland County, NC

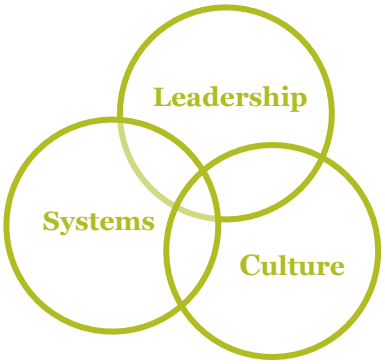
The Partnership for Community Prosperity, a community collaborative in Cleveland County, North Carolina, wanted to improve transportation options in their rural community to help residents reach critical services for education, employment, nutrition, and health. Given population density and potential ridership, a bus line wasn't an option, but the county established a fare-free 20 passenger van running along a pre-set route to the library, community college, social service agencies, grocery store, primary care provider, hospital, behavioral health center, health department, and Walmart.

The West End Reach Transit route was born out of the Partnership for Community Prosperity's focus on long-term community health improvement. The community in the area served by the route, the west side of Shelby, N.C., was involved in identifying the need for additional transportation options. As Chris Gash, community coordinator for the Partnership, recounted, the community "identified transportation as a problem … came up with the solution, … and identified the vital stops on the route."[19]

The new route is funded through the county, a health care company providing care in the area, Partners Behavioral Health Management, and the HealthCare Foundation of Cleveland County. The West End Reach transit route is as an example how a collaborative of key leaders and organizations can engage community members to identify a need, a solution, and secure the coordination and resources to execute it.

[17] Piedmont Health Foundation. Winter Report 2017. *Greenlink Operations.* www.piedmonthealthfoundation.org
[18] www.tenatthetop.org
[19] www.partnersbhm.org/new-transportation-route-for-cleveland-county

Acting at the systems level



Improved economic mobility outcomes require action at the intersection of systems, leadership, and culture. When evaluating where to invest time and action, it's important to remember that **community habits, attitudes, and values influence the appetite for change and shape individual and system behavior.** The institutions that make up the talent development system—and those that support it, like the transportation infrastructure—are part of **systems that are perfectly designed to get the results they produce.** In order to see change in those systems, **leaders must act to close the gap between current reality and the desired future.**

If you would like to explore how transportation challenges affect your talent development system, the following resources provide recommendations and examples. As you do, consider these questions: How do the recommendations call you and others in your community to engage these issues differently? What relationships and leadership do you need to develop to address the challenges your community faces? Where are the points of influence that offer the greatest promise to shift how systems work to advance mobility for youth and young adults?

Mobility Equity Framework
The Greenlining Institute: greenlining.org
The framework is built on key cultural components such as the prioritization of social equity, or "the fair and just distribution of societal benefits and burdens" among other cultural components. It also touches on leadership changes that can facilitate equity in transportation. The appendix includes resources highlighting community examples and tools for assessing equity, measuring indicators, performance measures, and more.

All Transportation is Local: A Field Guide for City Leaders and
Inclusive Transit: Advancing Equity through Improved Access and Opportunity
Transit Center: transitcenter.org
The Transit Center is a national foundation supporting research and transportation reform and is a rich resource for approaching transportation improvement from the perspective of city leaders. The *Field Guide* is an in-depth look at transportation for elected officials who may be new to the related challenges. *Inclusive Transit* provides guidance and examples of how to influence leadership, systems, and local culture to improve physical and economic mobility.

Transportation Equity Caucus
Policy Link: equitycaucus.org
This website links to resources, blogs, webinars, events, and more for those interested in equity in transportation. The resources are broken down in seven categories including labor and employment, community development, and "public transportation."