

Monday February 17th

Testimony of Lakeshore CAP, Inc. of Wisconsin in support of the Wisconsin Opportunity Act

Senate Bill 467 & Assembly Bill 508

Submitted to the Members of the Senate Committee on Local
Government, Small Business, Tourism and Workforce Development & the
Assembly Committee on Housing and Real Estate

About

Lakeshore CAP's mission is to promote economic and personal self-sufficiency and well-being of low to moderate income persons and families through service program, advocacy, community education and resource development in Door, Kewaunee, Manitowoc and Sheboygan counties, and to enable and empower persons, parents and families through voluntary prevention education and support programs.

Lakeshore CAP began its work in 1966 and every day works to live out our mission. We serve over 3000 individuals annually providing crisis services such as food and housing to prevention and education services such as evidence based home visiting to at-risk families and skills enhancement through post-secondary education of low income households.

Issue & Response

Lakeshore CAP recently completed our tri-annual Community Needs Assessment that gathers input from low income community members as well as other community stakeholders. The needs assessment is a rather extensive project. However the long and the short of it is, low income persons that are working but cannot afford to live and those that are unable to work or unemployed identified transportation and childcare barriers. When you pair the quantitative and qualitative data from low-income participants with the United Way Asset Limited Income Constrained and Employed (ALICE) data, this is no surprise. In Lakeshore CAP's 4 county area, the average hourly income needed to survive by covering all necessary household expenses in a 2 adult household with 1 preschooler and 1 infant is \$29.94. This means that if both adults are working fulltime they each need to be averaging \$14.97/hour. The majority of jobs paying \$15/hour and higher require post-secondary education of all types. The fastest and most economical way of attaining an education that can support a household is through education in the trades and certificate degrees in high demand areas. To assist households in moving out of poverty, Lakeshore CAP operates the Skills Enhancement program that helps low to moderate income households pay for schooling for shorter term, high demand jobs.

Safe, affordable housing is also a need that our agency sees daily. We average over 60 households on our Coordinated Entry Prioritization list that we hold for our 4-county area. This is a list of

persons and households that are staying in shelters or places not meant for habitation who are prioritized based on vulnerability, how likely they are to die on the streets if they remain under the stress of homelessness. Lakeshore CAP has funds to provide case management and housing assistance to a number of these households annually, but one of our greatest struggles is locating safe, affordable rental housing. The number of low-income subsidized units in our communities is limited and the average rent is significantly greater than 30% of most of our participants' income. For example, if we use the rule of thumb that households should not pay more than 30% of their income towards rent and utilities, a single parent of 1 child who earns \$10/hour full-time can pay no more than \$520/month for a 2 bedroom apartment that includes utilities. A quick search for a 2 bedroom apartment in Sheboygan resulted in the cheapest apartment being \$805/month and does not include heat or electric.

Many of the families and individuals we work with are also struggling with transportation barriers. We have had people drop out of state assistance programs designed to get them out of poverty, due to lack of transportation. One example is a very determined mother we were working with who was receiving W-2 assistance that had a work search requirement. She had a preschool age child and a baby. Because the buses run so infrequently in our area she was unable to get her oldest child on to the school bus, drop her baby off at childcare using the city bus, get to her appointments, and back home to get her school age child off the bus after completing the standard half day of school. She wanted to complete the program and find success through employment, but simply couldn't due to lack of timely public transportation. There are also numerous stories of individuals willing to work 2nd and 3rd shift jobs but because buses stop running by 8pm and even earlier on weekends, they cannot take a higher paying shift that would improve their household's finances. In these circumstances, safe affordable childcare is also an impossible barrier.

Providing a hand up to those struggling and supporting those in crisis is economically and morally the right thing to do. Take for example a single mom who came to our agency seeking educational assistance. She took advantage of our Skills Enhancement program and attained her CNA. Upon completion of her CNA certificate she was hired by a local health care provider where she then took advantage of the educational assistance they had and started nursing school. As she was working and going to school she decided she wanted to live in a more affordable home and took advantage of Lakeshore CAP's Home Buyer Education and First Time Home Buyer assistance programs where she learned about the challenges and rewards of homeownership and was also eligible to receive down-payment assistance. Because our First Time Home Buyer Program is always looking to provide as much support as possible we work hard to 'stack' as much support as a person is eligible for which allows for more successful outcomes. This particular mom was also selected as a Habitat for Humanity home. Between her down payment assistance through our agency and her sweat equity and low interest loan for her Habitat house, she became a home owner with a significant amount of equity in her home at the time of purchase. And she is on track to graduate as an RN soon. A relatively small amount of time and money was invested into a single mother who went from receiving benefits to now being an employed home owner who is paying income and property taxes and no longer in need of financial assistance. This story won't end with mom, her children have seen her succeed in school and now have a role model to follow.

Comments on Legislation

By supporting the Wisconsin Opportunities Act, Wisconsin will become stronger person-by-person and family-by-family. Communities will be able to provide assistance to more homeless persons, providing them with initial shelter, case management, and short-term financial assistance as they move into their own apartments. When people have a place to call their own, they can better focus on the issues at hand such as employment, education and long term housing goals. For households with affected children, this investment reaches beyond what can be measured. Stable housing can mean a consistent school where positive supportive connections are made with teachers and peers. A child's education is enhanced when a school knows the individual personalities of the children it is serving and can support them in their education far better than when working with children who inconsistently attend school or move from school to school. When parents are less stressed about personal finances they are better able to attend to their children's needs as well.

The Skills Enhancement program is doing wonderful, long lasting work. Once a person has their education, no one can take that from them. Wages increase and the overall well-being of households increases as household income increases. The worries of paying for necessities diminishes and households can focus on building a future that does not include applying for State and Federal assistance. In expanding this program the opportunity is given to provide more households with the opportunity to move to self-sufficiency.

Transportation in rural areas has been a struggle for many for a very long time. By increasing access to public transportation the opportunity increases for those that use it to work additional shifts and better paying jobs.

When looking at the return on the investment that the Wisconsin Opportunities Act and other anti-poverty efforts make, it makes sense to invest in such programs. By providing support to households during a crisis and working with those trying so desperately to work their way out of poverty, a relatively small investment on the front end in the form of educational or housing assistance pays off over and over throughout the years. As households find success they no longer need Food Share, subsidized housing, or W-2 support. As their situation improves they are investing in their local economy by paying rent and making more purchases that they can now afford. Investing in the Wisconsin Opportunities Act is truly an opportunity for the State of Wisconsin to improve the circumstances of many for years and years to come.