BACKGROUND
The Partnership on Economic Mobility between Poverty Solutions and the City of Detroit is a joint effort to identify and implement concrete, evidence-based strategies that significantly improve economic opportunity and reduce poverty in Detroit. Our role in this effort is to provide the City with real-time data and evidence-based research to help inform, implement, and evaluate City initiatives focused on economic mobility and poverty alleviation.

Detroit is the poorest big city in the country, with 35 percent of Detroiters living below the poverty line. In order to meaningfully reduce that rate, and lift tens of thousands of Detroiters out of poverty, City staff need real-time data that tells them what’s working and what’s not; evidence-based proposals for new ideas they might not otherwise consider; and an advocate for anti-poverty policies at the local, state, and federal level. Our goal is to play each of these roles for the City, as we join them in the broader goal of improving the lives of Detroiters.

OUR APPROACH
We provide the City with three major services:

1. Advise on evidence-based strategies to promote economic mobility;
2. Provide real-time data analysis and best-practice research to support the City’s implementation of economic mobility initiatives;
3. Evaluate the City’s efforts to see whether we’re truly moving the needle on poverty reduction and economic mobility. How we deliver these services can take many different forms, from faculty-led research projects, to data analysis and thought partnership provided by Poverty Solutions staff, to best-practice research and direct service provision by graduate research assistants from across the university.

Because our work is so focused on tangible, real-world results, each individual project we take on with our City partners is equally focused on informing programmatic, funding, or policy changes. Our research projects are action-oriented, with the primary purpose being to inform the work of our partners, not next year, but next week. We want to test new approaches to improving economic opportunity and alleviating poverty, as well as bring to bear established evidence-based practice. We don’t seek the perfect research question or randomized controlled trial, but will meet our City partners where they are, acting as a data “first responder” and helping them answer questions that are important to them and, ultimately, to the lives of Detroiters.

LOGISTICS
Poverty Solutions has dedicated up to $500,000 in annual funding to support the Partnership, which is spent on staffing, research grants, and operational support for various projects. We also raise philanthropic dollars to support strategic Partnership projects, such as our Fellows program (described below).

STAFFING
The Partnership is staffed by:

- **An Assistant Director**, who oversees all aspects of the Partnership, and is embedded in the Mayor’s office;
- **A Data and Policy Advisor**, who manages and executes data-intensive projects we take on with City departments, and provides evidence-based policy guidance;
- **A Data and Evaluation Manager**, who assists the Data and Policy Advisor and Assistant Director with data management, research design, and analysis and writing in Partnership projects;
- **A Community Engagement and Relationship Manager**, who works with community groups and other external partners to look for potential opportunities for collaboration between Poverty Solutions, the City, and community partners;
- **A Data and Policy Associate**, who contributes project management, analysis, and writing to Partnership projects.
The staff will likely continue to grow as we take on more Partnership projects, and will require additional capacity in data analysis and evaluation. The City often lacks the capacity to conduct meaningful analyses and rigorous evaluations of City initiatives. Therefore, the majority of the City’s needs center around the timely analysis of publicly available data, administrative City data, and new data we collect through original research; reviews of evidence-based research that can help inform City policy; and the translation of findings into practical policy applications. Our staffing is designed to meet these needs.

In addition to our core staff, we also employ a number of graduate students from across the university. Graduate students conduct literature reviews, compile data, and write research briefs that all go to support our larger projects. Their work greatly expands our capacity, while providing them with rich, action-oriented learning experiences.

**HOW WE IDENTIFY PARTNERSHIP PROJECTS**

The Assistant Director for the Partnership is embedded in the Mayor’s office, and is charged with identifying opportunities for the University of Michigan to enhance the City’s efforts around economic mobility. We find new projects in several different ways. First, we’ve established a short RFP process through which City staff can submit potential projects for us to take on, or simply identify questions that they run up against in their daily work but don’t have time to pursue. More often than not, however, we identify new projects through the relationships we’ve built with City staff, with projects emerging through informal conversation. We’ve found that City staff — consumed by the pressing needs of their daily work — often don’t have the chance to reflect on the broader questions that, if answered, could help them implement programs more effectively or deploy resources differently. We find that part of our role is to push them in their thinking about what’s possible, and identify opportunities for research that they may not have considered.

**THE DETROIT ECONOMIC MOBILITY FELLOWS**

In addition to and in service of our core partnership aims, we’ve recently launched the Detroit Economic Mobility Fellows program. Our goal in the Partnership is to provide the City with real-time data, research, and policy analysis that will inform their efforts to alleviate poverty and promote economic mobility. We see the fellowship program as an opportunity to strengthen this work, by providing a direct link to City departments through which we can greatly expand their ability to pursue key strategic objectives to enhance mobility and reduce poverty.

The fellowships are structured as two-year, full-time appointments for early-career master’s level professionals. Fellows work full time at City Hall or in high-impact CBOs, directly supervised by leaders at these sites on strategic initiatives that require expertise in research, data, and policy analysis. Fellows are placed on strategic projects that the department/CBO would not otherwise have the capacity to pursue, and are structured around achieving core economic mobility goals.

U-M manages the hiring of all fellows, is actively engaged in structuring their projects and goals, and coordinates significant professional development and training for the fellows in executing their large-scale, strategic projects. Each fellow is matched with a faculty mentor who provides topical expertise and insight, and is also placed within a broader support network of Poverty Solutions faculty, staff, and students, with access to U-M’s research and data infrastructure. Fellows participate in monthly cohort enrichment sessions to encourage cross-departmental/organization collaboration, and provide exposure to the latest research in particular fields. Finally, fellows inherently gain on-the-ground mentorship and oversight from government officials and practitioners with whom they work on a daily basis.

In order to hire a fellow, City departments and CBOs submit a proposal, outlining the strategic economic mobility objective that will be at the core of the fellow’s work and clearly delineating outcome metrics to track success.

We currently have three fellows placed, with plans to grow the program to a total of eight active fellows at any one time. We have an Affordable Housing Fellow working at the Housing and Revitalization Department (HRD) to support the implementation of a range of citywide affordable housing strategies including the development of a Single-Family Housing Plan; a Digital Inclusion Fellow, working at the Department of Innovation and Technology (DoIT) on the development of knowledge and best practices about access to broadband internet in Detroit; and a Homelessness Policy Fellow, who is also working at HRD, to bring leadership to the city’s efforts to end chronic homelessness by conducting research on the issue and coordinating with existing stakeholders to implement homelessness prevention and alleviation strategies citywide.

In addition to these fellowships, we anticipate placing fellows in the City’s Office of Workforce Development, Health Department, Parks and Recreation Department, Planning and Development Department, Department of Neighborhoods, Jobs and Economy Team, and other mayoral initiatives. The City works closely with...
a range of community organizations across Detroit where we can also imagine placing fellows.

A key step in reducing poverty in Detroit will be to build the capacity of City Government and community-based groups to pursue a mobility from poverty agenda, across systems and organizations. By providing needed capacity on strategic, collective action initiatives, we see the Detroit Economic Mobility Fellows program as an important piece of the puzzle in doing this work.

**CASE STUDIES**

Below are some examples of Partnership projects, categorized by the three broad buckets of services we provide the City through the Partnership:

**Advise City officials on evidence-based strategies to promote economic mobility**

*Big jobs initiative:* The goal of the partnership is to meaningfully reduce the number of Detroiters living in poverty. To do that, we need to dramatically increase the number of Detroiters working. This is a big challenge in Detroit, given that we have the lowest labor force participation rate of any large city in the country, and tens of thousands of Detroiters face multiple barriers to employment. City leaders are wrestling with this dilemma as well, given that the workforce system is operating at capacity and the economy is otherwise healthy.

Citing decades of research on subsidized employment programs and promising literature around the benefits of wraparound supports provided by success coaches, Poverty Solutions staff is working with the Office of Workforce Development to develop a proposal to help re-engage the thousands of Detroiters not currently participating in the labor market. In this case, we’re not simply conducting research or developing experiments, but actively seeking to craft policy in partnership with City staff, leaning on evidence-based research.

As a result of this work, the Office of Workforce Development has been exploring what a subsidized employment scheme could look like in Detroit; we plan to continue to be intimately involved in this effort as we seek to ensure that its implementation is aligned with evidence-based best practice.

*Helping the City measure economic mobility:* The City is currently implementing an ambitious effort to make sizable investments in 10 neighborhoods across the City, paired with investments in affordable housing. The goal is to make the type of investments in amenities and public services that will attract and retain residents [while ensuring that long-term residents won’t be displaced if housing costs increase] creating the type of dense, economically integrated neighborhoods that promote economic mobility.

However, the City had no framework in place to measure whether or not they were achieving their ultimate goal of improving the lives of long-term residents, and creating economically integrated neighborhoods. Therefore, we took on the role of helping the City think through how to measure the impact of these investments on residents’ economic opportunity and economic mobility. This includes creating neighborhood-level dashboards of indicators of economic opportunity, tracking improvements in the neighborhood conditions that the literature finds are characteristic of economically mobile places, and conducting neighborhood-level surveys to ask residents directly about their perceptions of economic opportunity, their quality of life, and their priorities for change.

Our work has put in place the infrastructure to enable us to measure the impact of an ambitious citywide effort on the people living in the targeted neighborhoods, rather than simply focusing on the physical infrastructure of those neighborhoods.

**Provide real-time data analysis and best-practice research**

*Preserving affordable housing in Detroit:* As in most cities, the dominant form of regulated affordable housing in Detroit is in properties developed through Low-Income Housing Tax Credits (LIHTC). When a property is developed through LIHTC, the developer/owner commits to maintaining a certain level of affordability in a share of the units in the development, for at least 15 years. In developing markets, this means that when a property hits year 15, it’s possible for the owner to sell the property and/or convert it to market-rate prices, pricing out low-income families from quality neighborhoods. In more depressed markets, at year 15 properties are at greater risk for neglect and disrepair, with little recourse for capital improvements. Knowing which properties are at risk, what types of risk they face, and potential solutions for preserving quality, affordable housing is critically important.

Poverty Solutions provided a grant to faculty from U-M’s Taubman College of Architecture and Urban Planning to compile and analyze data on all properties in Detroit developed with a Low-Income Housing Tax Credit. U-M faculty tracked down accurate data on all LIHTC properties, analyzed the properties based on different risk types, and then mapped the properties to assess the relative risk of development or disrepair.
U-M faculty completed the initial analysis, helping to inform the City’s goal of preserving 10,000 affordable units between 2018 and 2022. But beyond that initial engagement, this project launched a deep partnership between the City’s Housing and Revitalization Department (HRD) and Poverty Solutions staff, as we have worked in a variety of ways to inform the City’s work in the preservation of affordable housing. Graduate research assistants from Taubman and U-M’s Gerald R. Ford School of Public Policy are conducting research on national models for prioritizing the preservation of affordable housing, as HRD develops its own preservation plan. We’re also using research assistants to help the City learn more about the non-regulated multi-family properties in the City, and better understand where there might be “naturally occurring affordable housing” in the city that might be a target for preservation.

Reforming the property tax relief process: Over the past few years, thousands of Detroit homes have been foreclosed, with the vast amount of foreclosures owing to property tax delinquency. The property tax foreclosure crisis emerged due to the confluence of two factors: chronic overassessment of the value of single-family homes in the city, combined with the highest poverty rate of any big city in the country, together leaving thousands of households in the City unable to pay inflated property tax bills. While there is a provision in state law that enables low-income families to apply for a poverty tax exemption (PTE), which exempts them from paying property taxes, this provision is underutilized.

Poverty Solutions funded the research of U-M faculty and graduate students who studied the obstacles that poor Detroit residents faced in learning about and obtaining a poverty tax exemption. They found that though an estimated 40,000 households in the City likely qualify for the exemption, less than 15 percent of those households successfully apply for the exemption each year. They also conducted 100 in-depth interviews with potential PTE applicants, to identify barriers to awareness and successful application.

U-M researchers then worked with City Council and the City’s Board of Review to codify changes to the PTE application process based around the barriers they identified, including mailing the application to homes assessed under a certain value, streamlining the application itself, and providing an abbreviated application for certain populations.

Evaluate the City’s economic mobility initiatives

Evaluating workforce providers: Every year, millions of dollars flow through the City’s workforce system to a range of workforce training providers, but the City often doesn’t get reliable and timely analysis on the outcomes of participants who receive training. Getting this data is critical so that we can direct dollars toward those trainings and providers that are helping Detroiters access good-paying jobs.

Poverty Solutions staff is engaged with the City’s Office of Workforce Development and the City’s workforce agency, Detroit Employment Solutions Corporation, to produce a standardized report card for all Detroit workforce training providers, helping the Office of Workforce Development and the Detroit Employment Solutions Corporation better allocate funding to the most effective trainings and providers.

Evaluation of low cost homeownership programs: Detroit’s home foreclosure crisis has impacted thousands of families and hundreds of neighborhoods across the City. In 2015 over 6,000 owner-occupied homes in Detroit entered foreclosure, and while that number has dropped considerably since, there are still tens of thousands of homes at risk of property-tax foreclosure, with homeowners behind on their property taxes. Tax foreclosures have been incredibly destabilizing to Detroit neighborhoods, with the properties being auctioned off, often to remote speculators who let the properties deteriorate, contributing to increased disrepair in many of Detroit’s already blighted neighborhoods.

In an effort to keep homes out of the tax auction and improve neighborhood stability, Poverty Solutions, together with the City of Detroit, Quicken Loans, and the United Community Housing Coalition, helped establish a program by which renters living in properties facing foreclosure in 2017 were offered a low-cost pathway to homeownership. U-M faculty from the Taubman College of Architecture and Urban Planning worked with community partners to evaluate the program, assessing the housing stability of residents participating in the program over time.

The results of this first study identified the need for funding to support critical home repairs, which have the potential to substantially increase a family’s odds of attaining housing stability. Partners in this work have structured a program to give residents access to grants and loans to help make these crucial home repairs, and Poverty Solutions is structuring a follow-up study to measure the impact of this additional program on residents’ housing stability.
PARTNERSHIP SUCCESSES, AREAS FOR GROWTH

A key early success has been demonstrating our value and commitment to City staff and leadership. We’ve done this largely by being responsive to City needs. As mentioned at the outset, what perhaps differentiates Poverty Solutions from other research initiatives across the country is that we’re not only looking for the perfect randomized controlled trial or well-designed research question, but instead are eager to work with partners using whatever data and questions they bring to the table, helping them better understand their work, and looking for opportunities to bring evidence-based practice to bear. This style of working is well suited to City government, where City staff needs real-time data and analysis to help inform their work.

Going forward, however, we need to think bigger. City leadership has made it clear to us that part of our charge is to bring big ideas and innovative solutions to the table that can truly move the needle on poverty reduction and economic well-being, in the poorest big city in the country. We will continue to be responsive to City needs and provide the timely data and analysis that helps us achieve dozens of small wins that can help to improve the lives of thousands of Detroiters. But looking ahead, we also want to focus more of our efforts on pushing the collective thinking of a range of stakeholders — the City, philanthropy, business community, nonprofits – about what’s possible in producing large, transformational wins, as we seek to improve the economic well-being of tens of thousands of Detroiters.