



# COVID Impact Update

**York County Economic Alliance**

April 2021



York County  
Economic  
Alliance



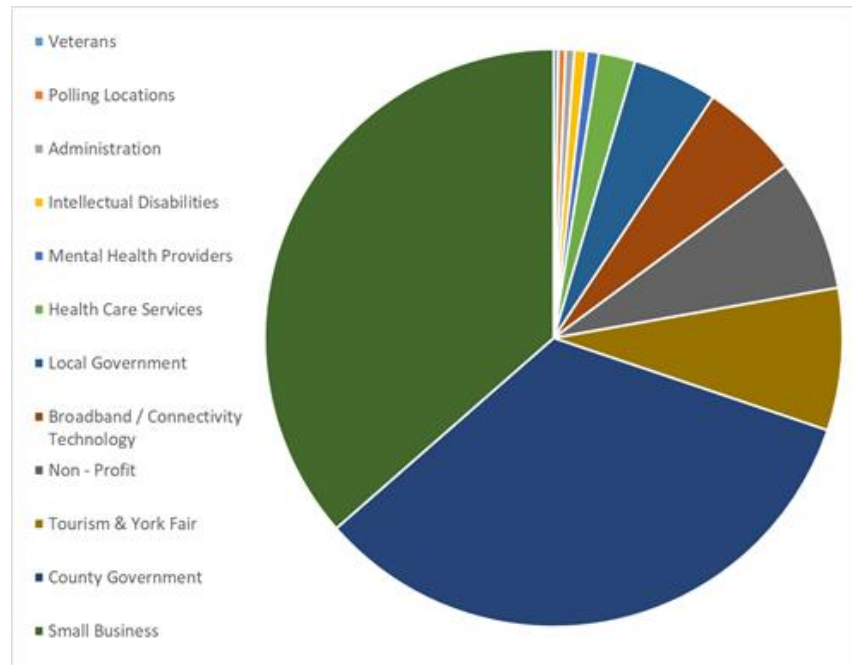
# Thanks to..



Funding for this research came from the York County COVID-19 Response Fund, administered by the York County Community Foundation and the United Way of York County.

# Context: 2020 Data and CARES

- In April 2020, Fourth Economy created a similar economic update and forecast for YCEA that projected COVID's impact on York County businesses, households, and institutions.
- The data informed the work of the YoCo Strong Recovery Task Force and the County's allocation of \$40.5M in CARES Act funds, including the way in which we prioritized \$16.5M in grants to businesses and non-profits.



# Context: 2021 Data and Rescue Act

- The American Rescue Act (ARA) is a \$1.9T stimulus plan that will ultimately provide direct allocations to York County (\$87M) and every municipality in the county. For example:
  - City of York (\$37M)
  - York Township (\$2.4M)
  - Wellsville Borough (\$25k)
- ARA will also distribute \$100s of billions through programs for K-12 schools, rental assistance, transportation, vaccine distribution, COVID testing and tracing, etc.
- Just as in 2020, we intend this data to help inform decisions about how funds are distributed and how we can structure advocacy efforts for policies that will benefit York County residents and businesses



## People

- Impacts on ALICE Households
- Social Service Needs
- Housing Impacts
- Unemployment & Labor Force Participation
- Child Care



## Business

- PPP Loans
- Consumer Spending Trends
- Industry Impacts - how have industries been impacted throughout the pandemic?



# People

# In This Section

- Impacts on ALICE Households
- Social Service Needs
- Housing Impacts
- Unemployment & Labor Force Participation
- Child Care

# ALICE Households, 2018

## Who is ALICE?

Asset Limited, Income Constrained, Employed



## ALICE Households

**ALICE households** earn more than the Federal Poverty Level, but less than the basic cost of living for the state. The “ALICE Threshold” is based on the “Household Survival Budget,” a measure that estimates the minimal cost of the six basic household necessities — housing, child care, food, transportation, health care, and a basic smartphone plan.



York  
County

55,692 | 32%

households in **York County**  
are ALICE households or  
households in poverty.



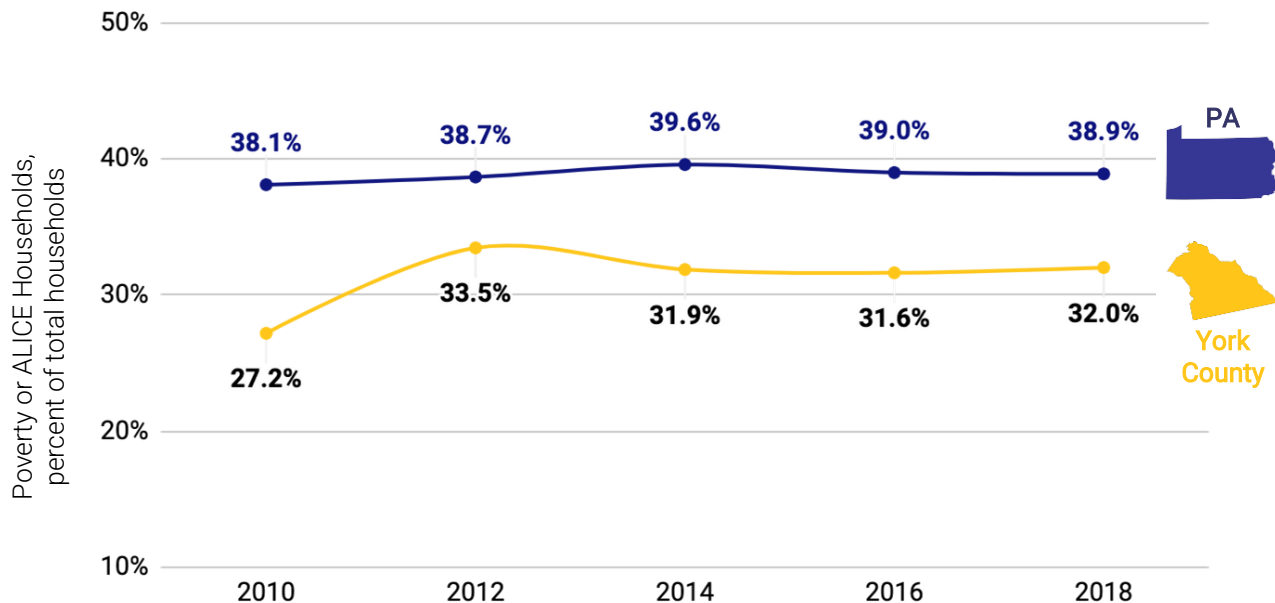
York  
City

10,631 | 64%

households in **York City**  
are ALICE households or  
households in poverty.



# ALICE Households, York County & Pennsylvania



While rates of economically vulnerable households in York County are consistently below the state average, **we can expect the number of ALICE households to increase** due to COVID-19-related job loss and hardship.

# ALICE Households

ALICE households are particularly vulnerable to the impacts of COVID-19



## ALICE Workers

Many ALICE workers are “essential,” facing COVID-19 exposure risks. Others are concentrated in industries seeing high levels of unemployment.



## ALICE Households with Children

Almost one in four families with children in the U.S. have income below the ALICE threshold. Lack of child care and internet access for remote learning are impacting these families.



## Black ALICE Households

Black ALICE households face higher rates of COVID-19 and lack of access to health care. They are also more likely to face financial hardship.



## ALICE Seniors

Half of seniors in the U.S. have income below the ALICE Threshold. They are more susceptible to COVID-19 and to social isolation.

# Housing Insecurity, Pennsylvania Households

44%

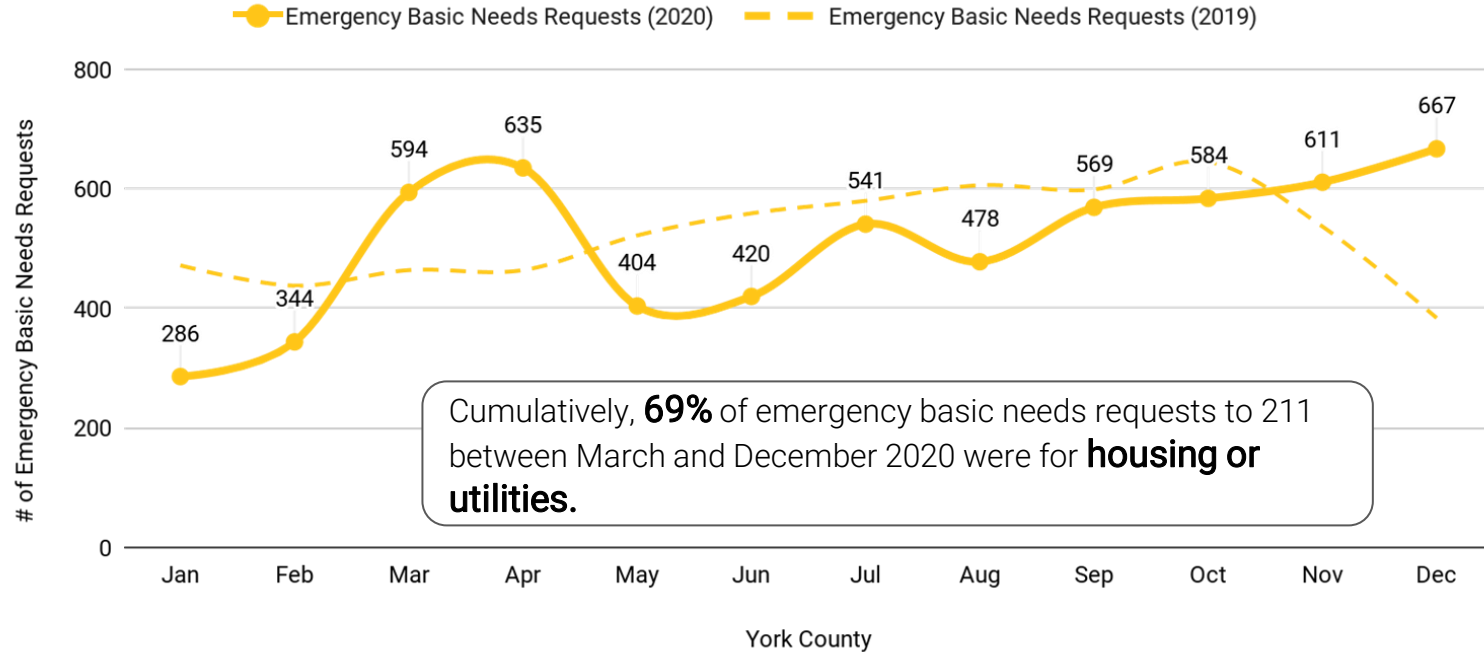
of ALICE households are more concerned about paying housing expenses than contracting COVID-19

Pennsylvanians continue to struggle to pay rent and mortgage payments. When moratoriums and protections expire, there may be an eviction and foreclosure crisis.

Source: United Way of PA's August 2020 COVID-19 Impact Survey,

# 211 Emergency Basic Needs Requests

## York County

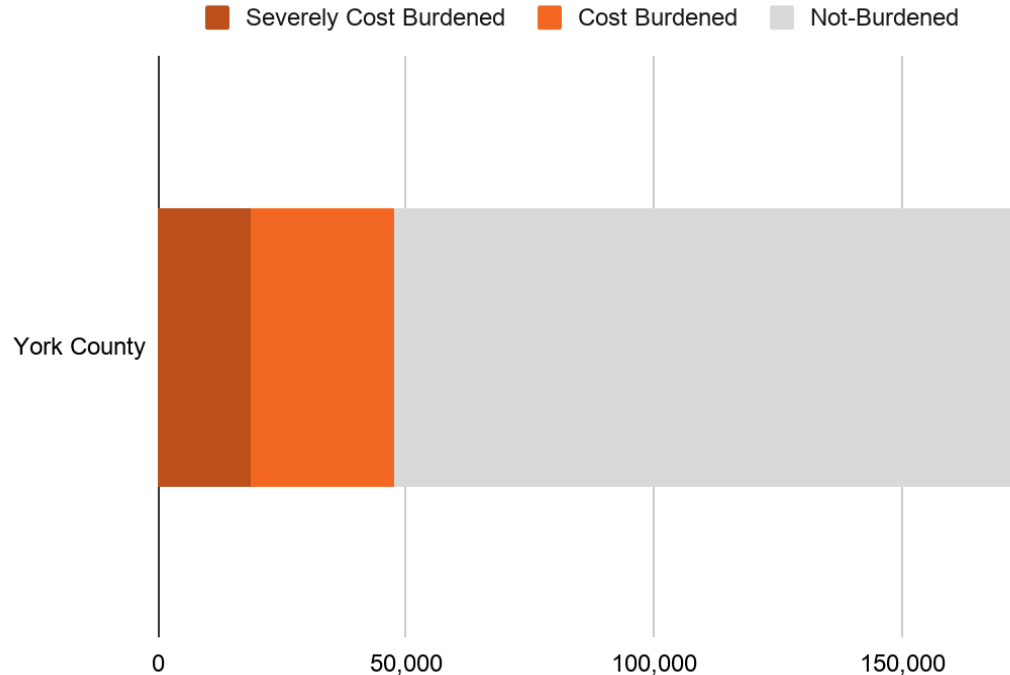


Emergency basic needs requests to 211 in York County peaked in April of 2020, and experienced another steep increase at the end of the year.

**Requests were 74% higher in December 2020 than December 2019.**

What were the pre-COVID-19 strains in the housing system?

# Cost Burdened Households



Pre-pandemic, across York County there were:

**18,861**

**Severely Cost Burdened Households**

Paying 50% or more of their income on housing costs.

**47,412**

**Cost Burdened Households**

Paying 30% or more of their income on housing costs. Across the county, more than 1 in 4 households is cost burdened, including nearly 1 in 2 renter households.

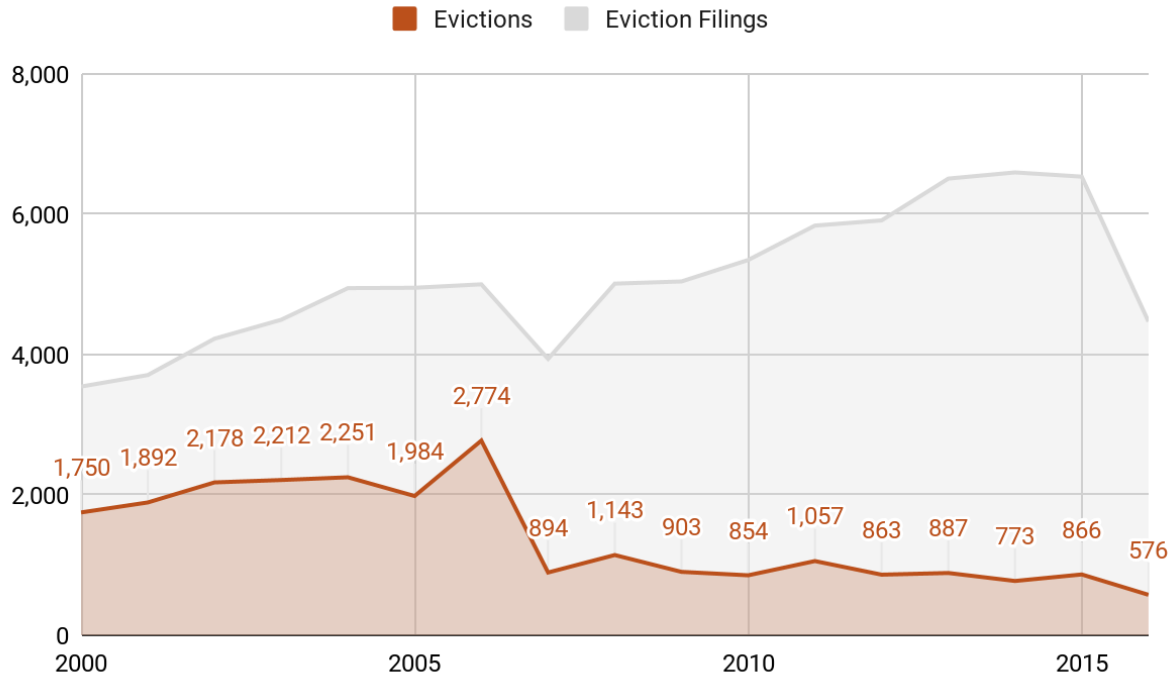
# Cost Burdened Households

	Severely Cost Burdened Households	(%)	Cost Burdened Households	(%)	Not-Burdened Households	(%)	Total Households
York County	18,861	11%	47,412	27%	124,997	73%	172,409
Renters	9,035	21%	19,914	46%	23,396	54%	43,310
Owners	9,826	8%	27,498	21%	101,601	79%	129,099

## Key Takeaway: Cost Burdened Households

Across the county, more than 1 in 4 households is cost burdened, including nearly 1 in 2 renter households.

# Historical Evictions



Pre-pandemic, across York County there were:

**882**

## Evictions

Based on a ten-year average of most recent data available, 2007 to 2016. Evictions were at a high in 2006 and dropped to their lowest historical levels in 2016.

**5,520**

## Eviction Filings

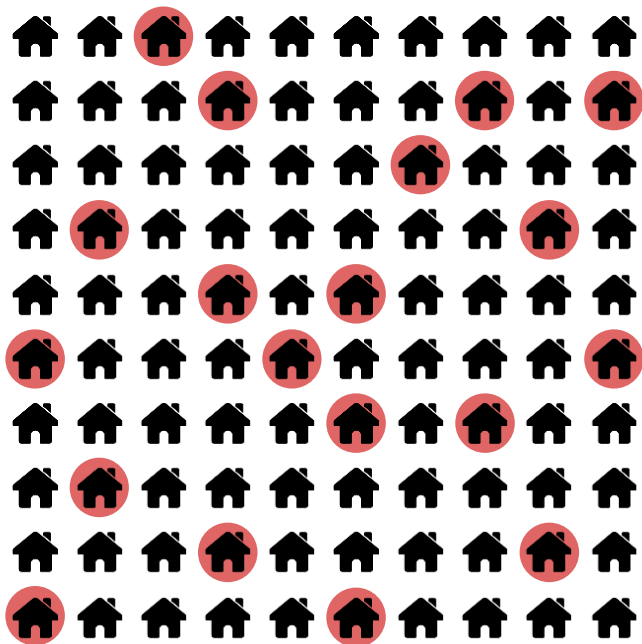
Based on a ten-year average of most recent data available, 2007 to 2016.



What has the pandemic's impact been on back rent and mortgage payments?

# Renters behind on payments

Are you currently caught up on rental payment?



## 8,000

Estimated number of York County  
Renter Households behind in payments

As of March 1, 2021, 18.5% of renter households nationally were behind on their payments. If this rate holds true for York County, 8,000 renter households would be behind on their payments.

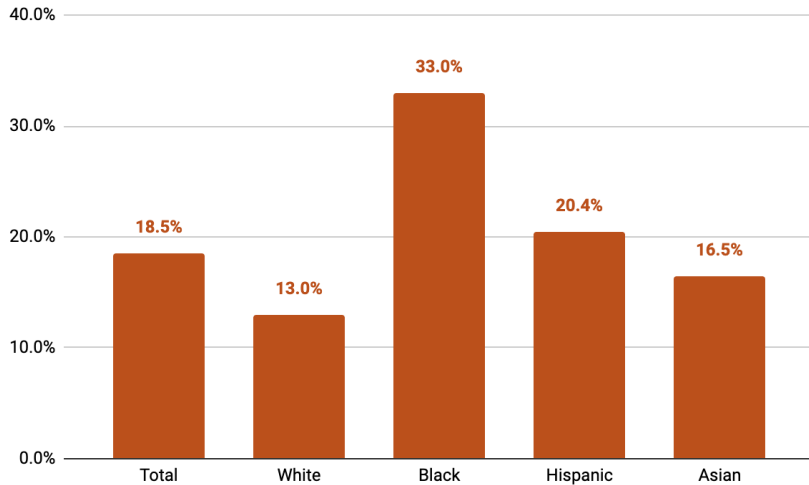
Back rent estimates range from \$1,740 per household (National Council of State Housing Agencies) to \$5,586 (Parrott and Zandi) or \$6,039 (Federal Reserve Bank of Philadelphia). These back payments represent 2 to 4 months rent for the typical renter household with back payments.

# Disparities across households

Are you currently caught up on rental payment?

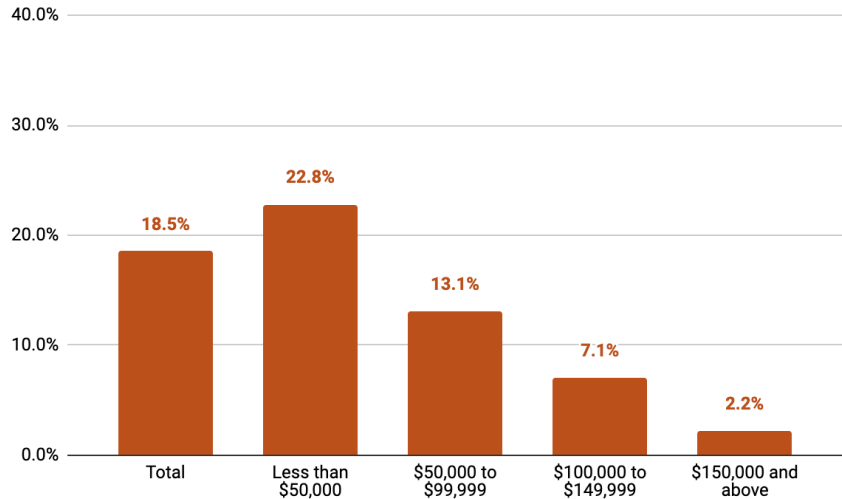
## Rental Payment by Race & Ethnicity:

% Not Caught up, Missed or Delayed Payment



## Rental Payment by Household Income:

% Not Caught up, Missed or Delayed Payment

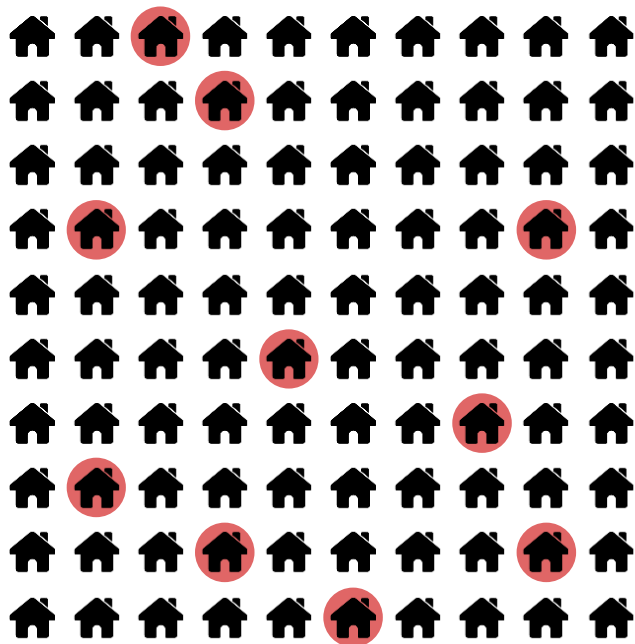


Source: Census Household Pulse Survey | February 17 – March 1, 2021

Note: U.S. values used because of non-disclosed data at state level.

# Owners behind on payments

In the past month, did you miss or delay payment on your mortgage?



## 13,300

Estimated number of York County  
Owner Households behind in payments

As of March 1, 2021, 10.3% of owner households nationally were behind on their payments. If this rate holds true for York County, 13,300 owner households would be behind on their payments.

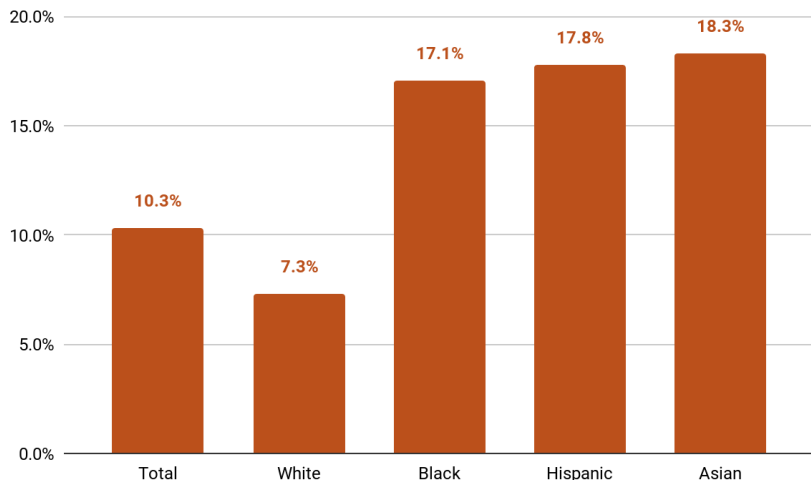
National delinquency rates peaked in May 2020 and the number of newly delinquent loans that are 30 or 60 days delinquent has been improving. However, as of December 2020, “the number of serious delinquencies, loans that are 90 or more days past due, had far exceeded pre-pandemic levels at 2.15 million, up 400 percent from December 2019.” (Urban Institute)

# Disparities across households

In the past month, did you miss or delay payment on your mortgage?

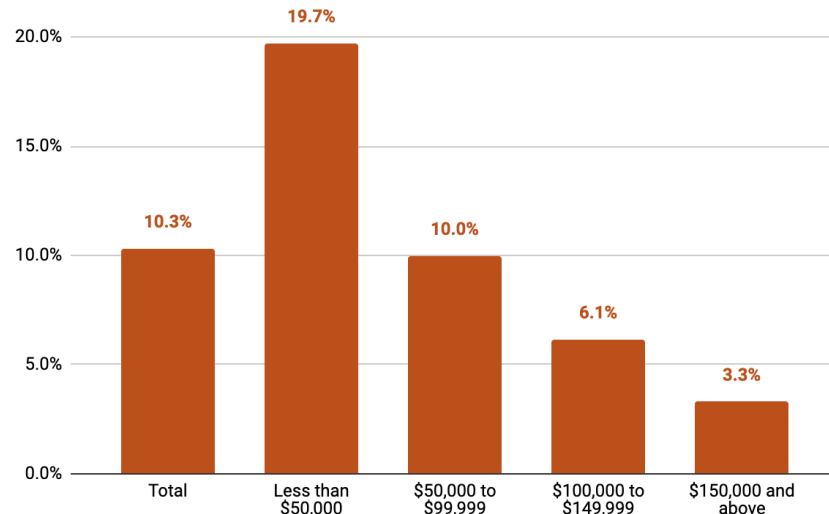
## Mortgage Payment by Race & Ethnicity:

% Not Caught up, Missed or Delayed Payment



## Mortgage Payment by Household Income:

% Not Caught up, Missed or Delayed Payment



Source: Census Household Pulse Survey | February 17 – March 1, 2021

Note: U.S. values used because of non-disclosed data at state level.

How has COVID-19 impacted the region's workforce?

# Unemployment Rate

Unemployment rates have been lower in York County than the state.



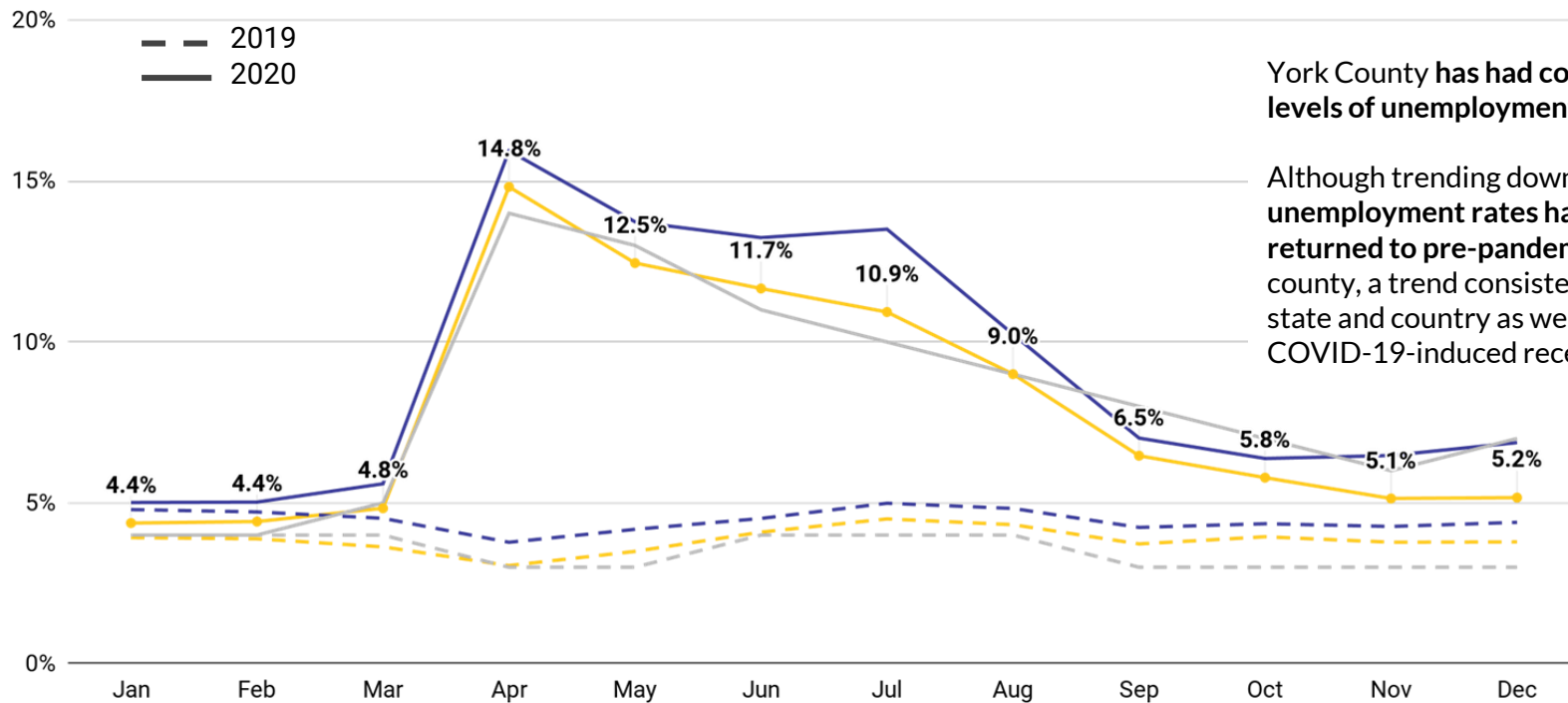
York  
County



PA



US

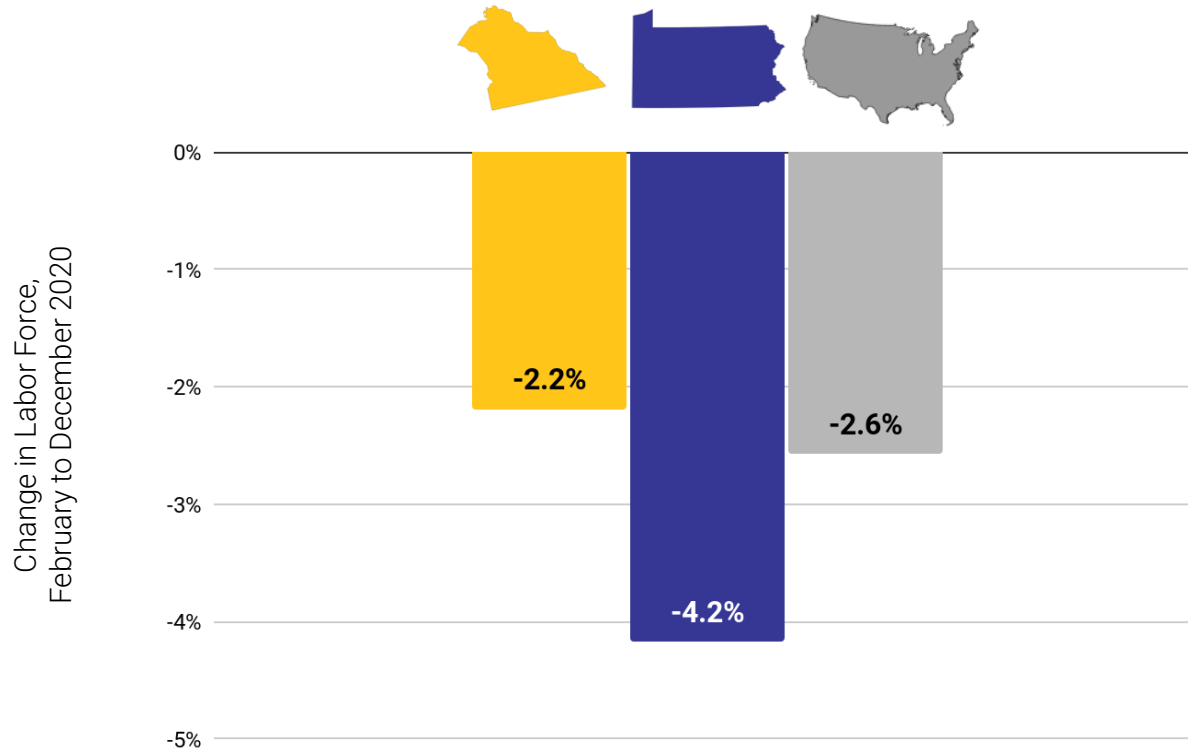


York County has had consistently lower levels of unemployment than the state.

Although trending downwards, unemployment rates have still not returned to pre-pandemic levels in the county, a trend consistent across the state and country as we enter a potential COVID-19-induced recession.

# Labor Force Participation

From February 2020 to December 2020, York County experienced a decline in the labor force that was not as steep as the state or the nation.



**The labor force in York County declined 2.2% between February and December 2020, with 5,200 people exiting the workforce.**

The decline is less severe than either the state or the nation.



# Women's Labor Force Participation, Nationally



We expect disproportionate impacts for women in the region, like those we're seeing nationally...

275,000 women left the labor force in January, leaving women's labor force participation rate at 57% (vs. 69.7% for men). Before the pandemic, the last time women's labor force participation rate was this low was in 1988.

# Impacts on Mothers & Parents

"Almost

**1 million  
mothers**

have left the  
workforce — with  
Black mothers,  
Hispanic mothers and  
single mothers among  
the hardest hit."

Source: [NY Times](#)

For Pennsylvania families  
with average incomes  
below the basic  
household "survival  
budget,"

**64%**

report reducing their  
hours or leaving a job to  
take care of their children  
during the pandemic.

Source: United Way of PA's August  
2020 COVID-19 Impact Survey, "Survival  
budget" = \$69,648 for a family of four.

Child care needs are a  
significant driver of  
women and parents  
exiting the labor force.

# Nationally, Many Working Parents are Unlikely to Return to Work

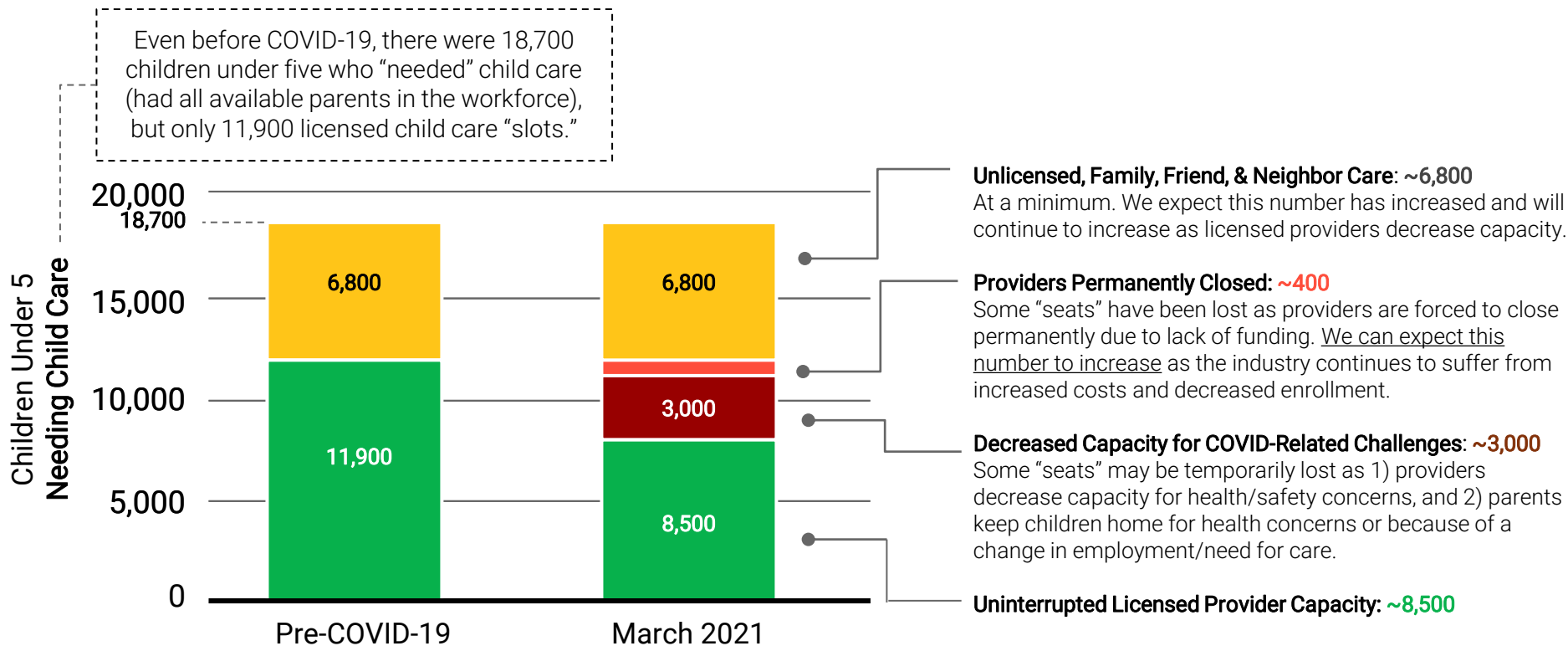
National survey data from the US Chamber Foundation indicates that **13% of working parents are unsure or unlikely to return to their previous work situation.** 50% of parents who have not yet returned to work cite child care as the a reason.

Women, single parents, and low-income parents were more likely to cite child care as a reason they were unable to return to work.

Gaps in child care are a driving factor for many working parents, especially mothers, exiting the labor force.

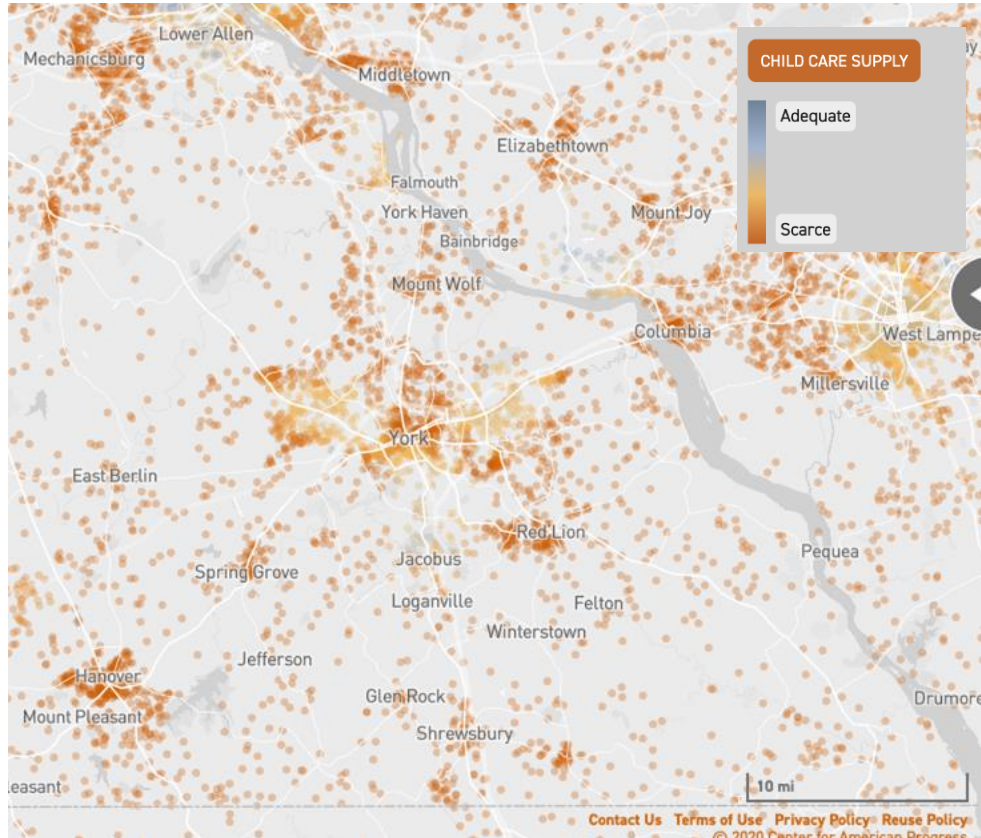
# COVID-19's Impacts on Child Care in York County

COVID-19 is causing dips in already limited licensed child care capacity.



# Child Care Deserts, York County

Access to child care is not the same in all areas of the county.



Orange dots indicate where, even pre-COVID-19, there were “child care deserts” in the area—shortages in child care care supply for families who needed it.

Provider closures due to COVID-19 financial stressors will exacerbate the inadequate supply, particularly in areas that are already underserved.

Check out the interactive map [here](#).

# What Works?

Strategies to help support and strengthen the child care infrastructure.



## Advocate for Increased Public Funding

Beyond what is in place to temporarily sustain the industry, we need increased funding for the sector. Stable public dollars will ensure a stable child care system.



## Engage the Business Community

Businesses benefit from implementing family-friendly policies. Companies that offer child care assistance see [employee absences decrease by up to 30% and turnover decline by as much as 60%.](#)



## Elevate the Early Childhood Workforce

Nationally, [40% of child care workers are women of color](#) and [53% are on some form of public assistance.](#) Increased wages and professional growth opportunities for these essential workers can increase recruitment and retention in the field.



## Support Small Businesses and Home-Based Providers

Home-based providers are a critical and resilient part of the early childhood landscape, with unique needs that must be addressed.



# Business



# In This Section

- PPP Loans
- Consumer Spending Trends
- Industry Impacts - how have industries been impacted throughout the pandemic?

# \$558m

in Federal PPP funds.

The dollar amount per employee in York County was less than the state or the nation, perhaps due in part to the industry mix of the region: large concentrations of workers in manufacturing and health care.

PPP only supported a **small fraction** of small business needs.

It was designed to support payrolls, but small businesses within restaurant and retail have large non-payroll expenses.

## Consumer Spending

Negative Impact:

- ✗ Restaurants
- ✗ Retail
- ✗ Personal Services

Positive Impact:

- ✓ Spending on Goods

## Negative Industry Impacts



### *Lower Impact*

- Manufacturing
- Health Care

### *Higher Impact*

- Accomodation
- Food
- Retail Trade
- Arts & Entertainment
- Recreation

How has the Paycheck Protection Program (PPP) supported businesses in York County?

# PPP Funding

4,566 entities in York  
County are estimated to  
have received PPP funding  
totaling approximately  
**\$557.9 Million.**

For Comparison:

## State



168,065 total loans  
\$20.4 Billion total funding

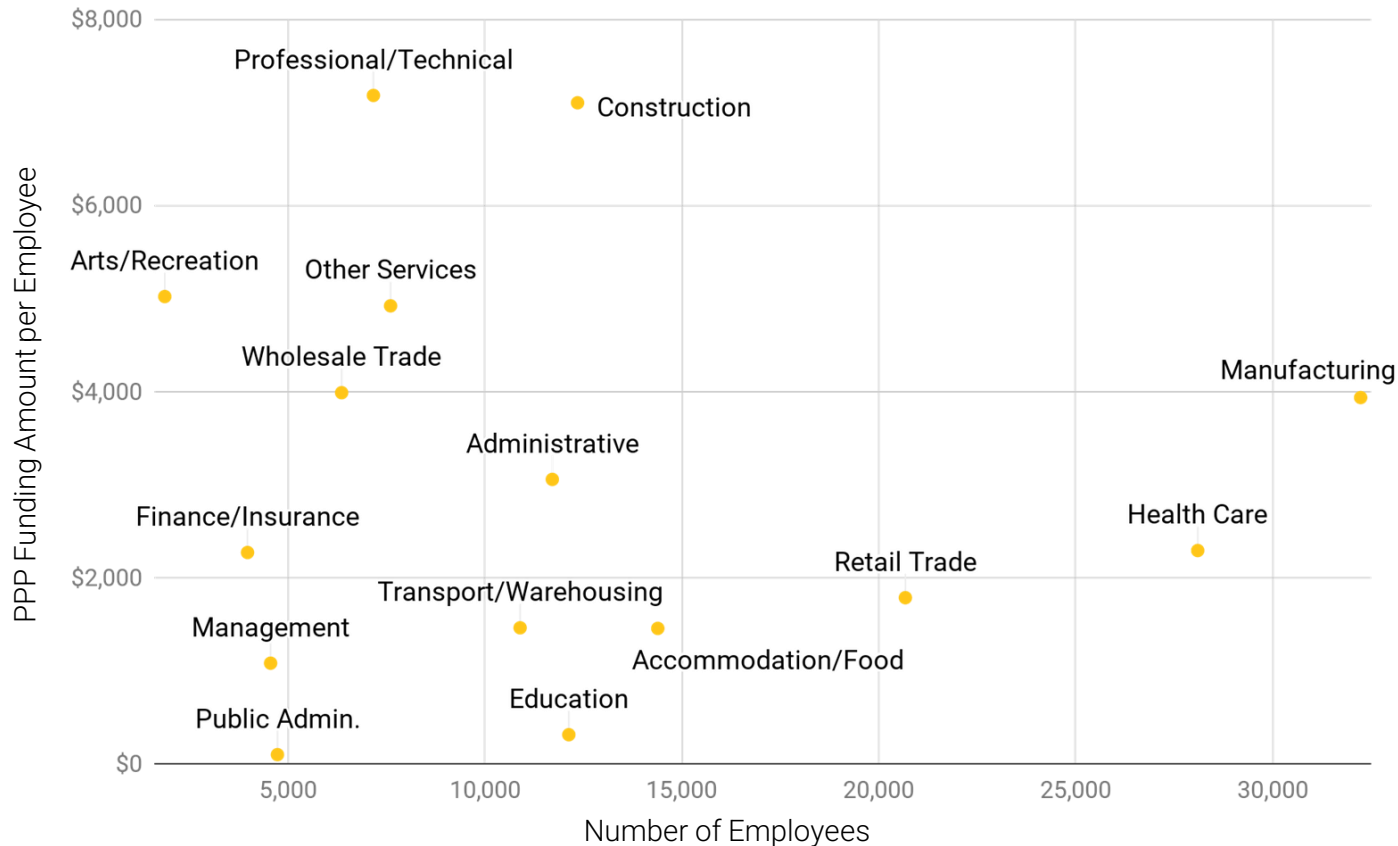
## National



4,969,215 total loans  
\$513.7 Billion total funding

# PPP Funding, York County

PPP Funding per Employee by Total Number of Employees

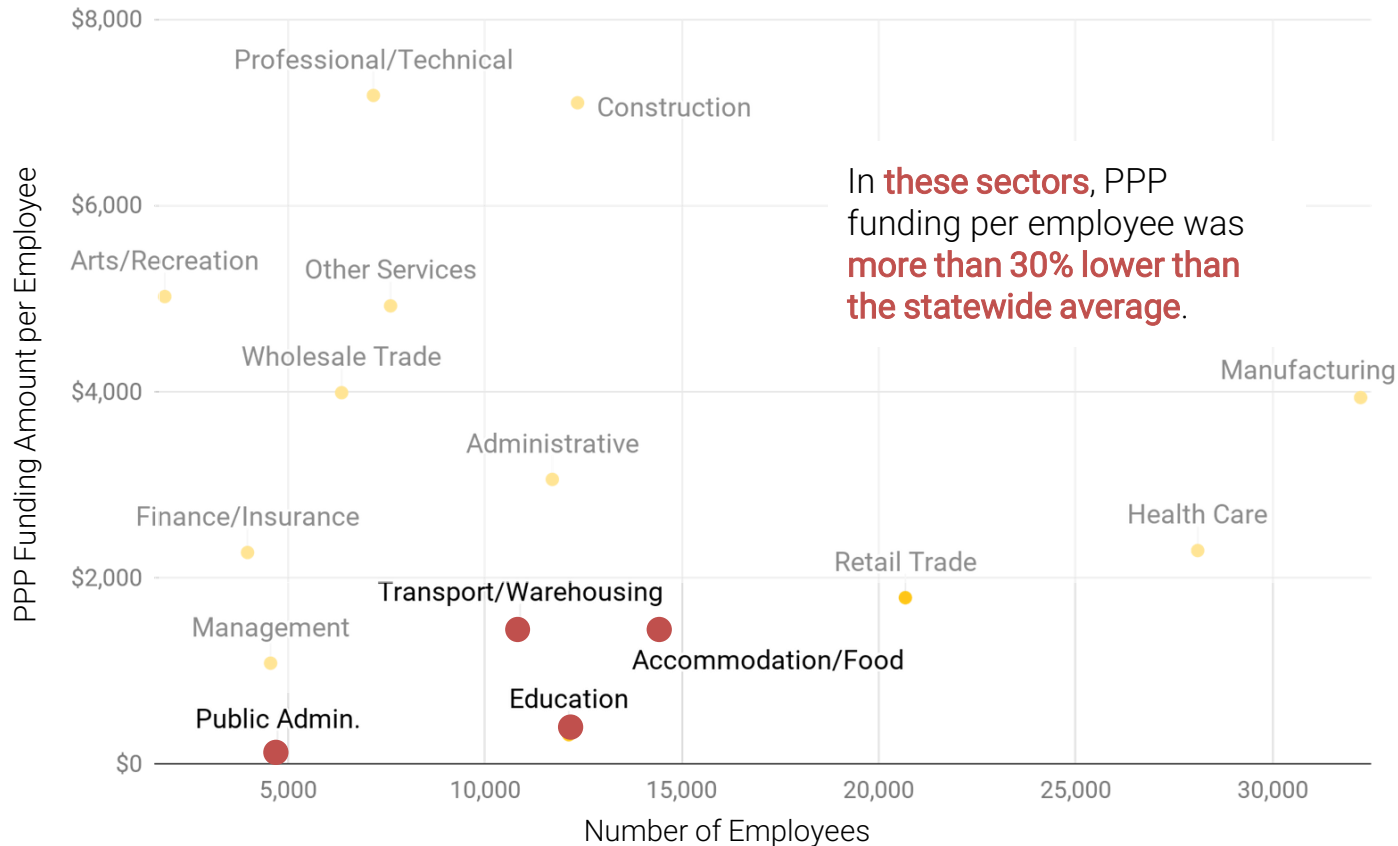


While the majority of the region's employment is in Manufacturing, Health Care, and Retail; the Professional/Technical and Construction sectors received the highest amount of PPP funding per employee.

Sources: All Employees: US Census LEHD, 2018 annual averages | PPP Funding Amounts: U.S. Small Business Administration (SBA). Note: due to potential data distortion, Mining, Agriculture, Utilities, and Information are not pictured here.

# PPP Funding, York County

PPP Funding per Employee by Total Number of Employees

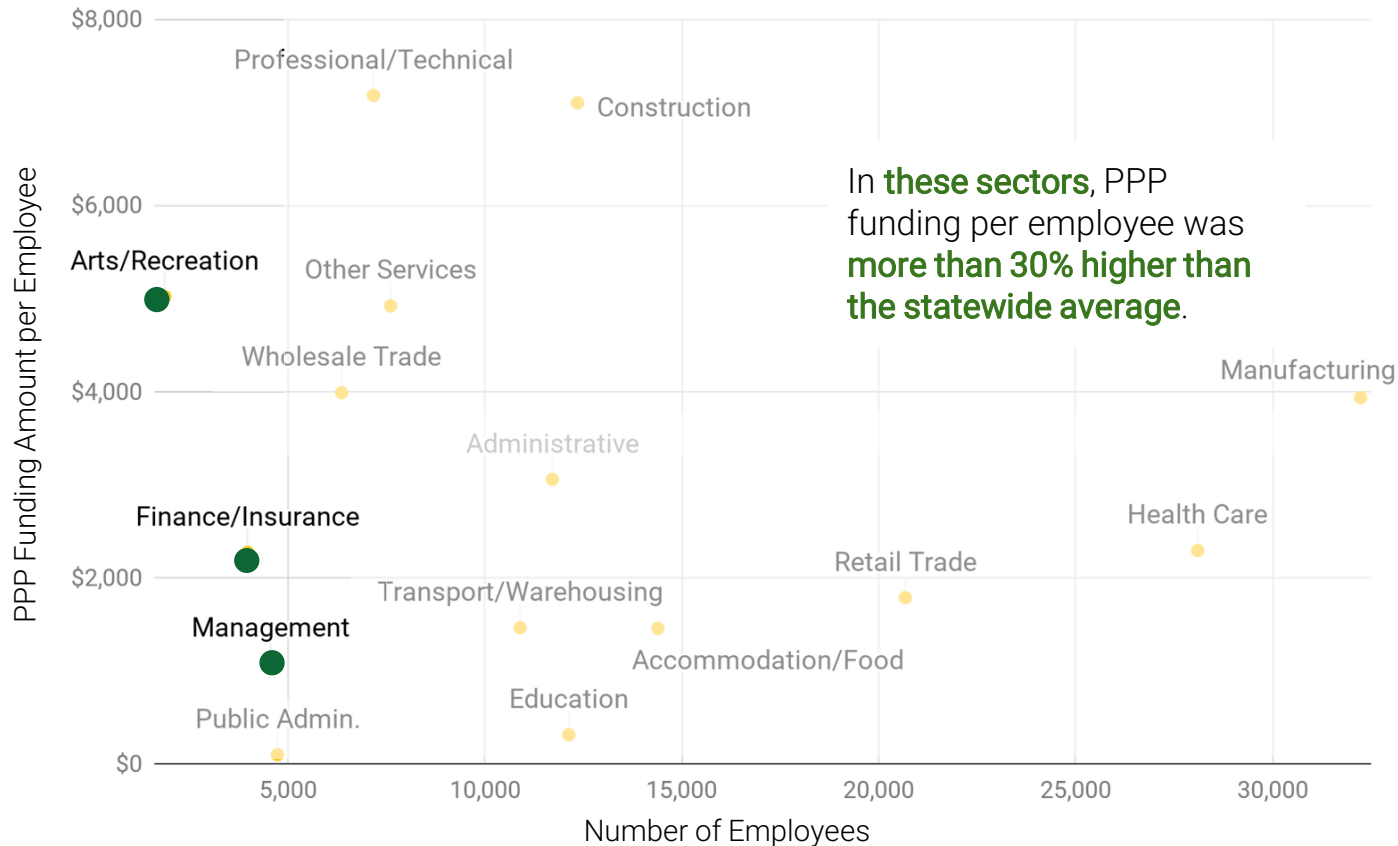


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# PPP Funding, York County

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Sources: All Employees: US Census LEHD, 2018 annual averages | PPP Funding Amounts: U.S. Small Business Administration (SBA). Note: due to potential data distortion, Mining, Agriculture, Utilities, and Information are not pictured here.

# Inequities in PPP Lending

A December 2020 analysis by the National Community Reinvestment Coalition found that, on average:

Neighborhoods in low-income areas received **a third as many PPP loans**, and **less than a quarter of the PPP loan amounts**, as wealthy neighborhoods.

&

Neighborhoods of color received significantly **fewer, and lower amounts of PPP loans**.



**How have shifts in consumer spending impacted businesses nationally?**

# Shifts in Consumer Spending

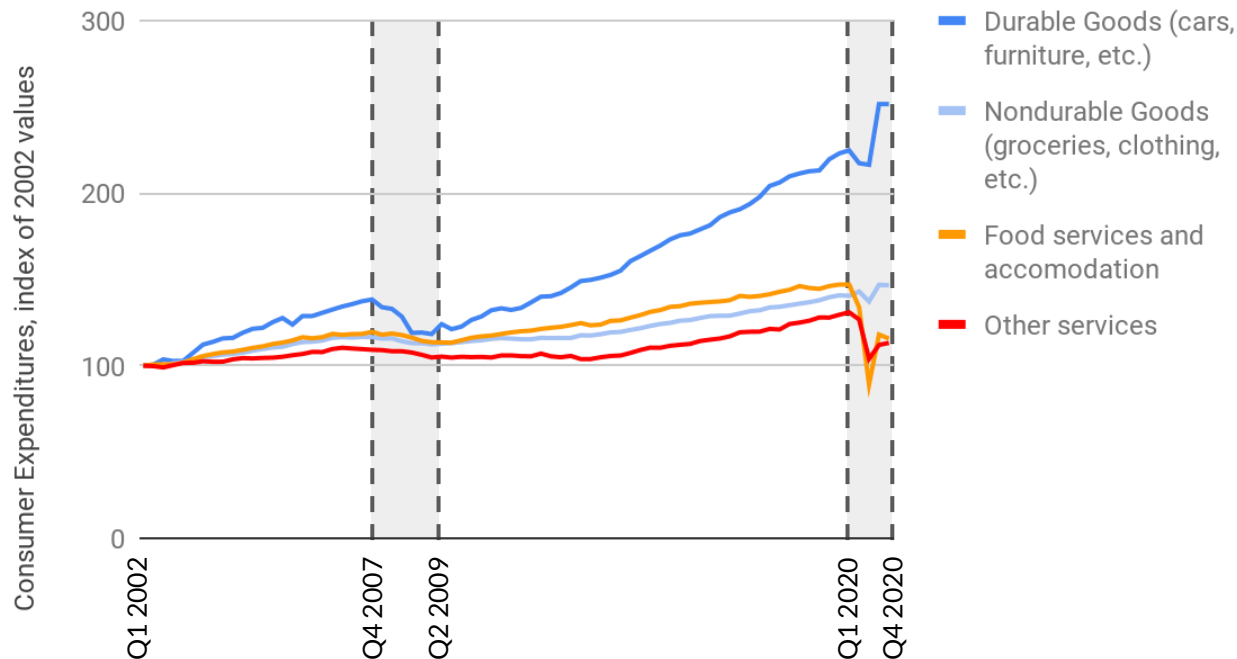
The pandemic has shifted consumer spending away from services and to consumer goods.

Spending on food services and accommodation fell by 39% in the early pandemic and by late 2020 spending was down 20% compared to pre-pandemic levels.

Spending on other services like laundry and personal care was down 21% in the early pandemic and by late 2020 remained down 14%.

By late 2020, spending on goods reached all time high.

## Consumer Spending



Source: Bureau of Economic Analysis, Table 2.3.6. Real Personal Consumption Expenditures by Major Type

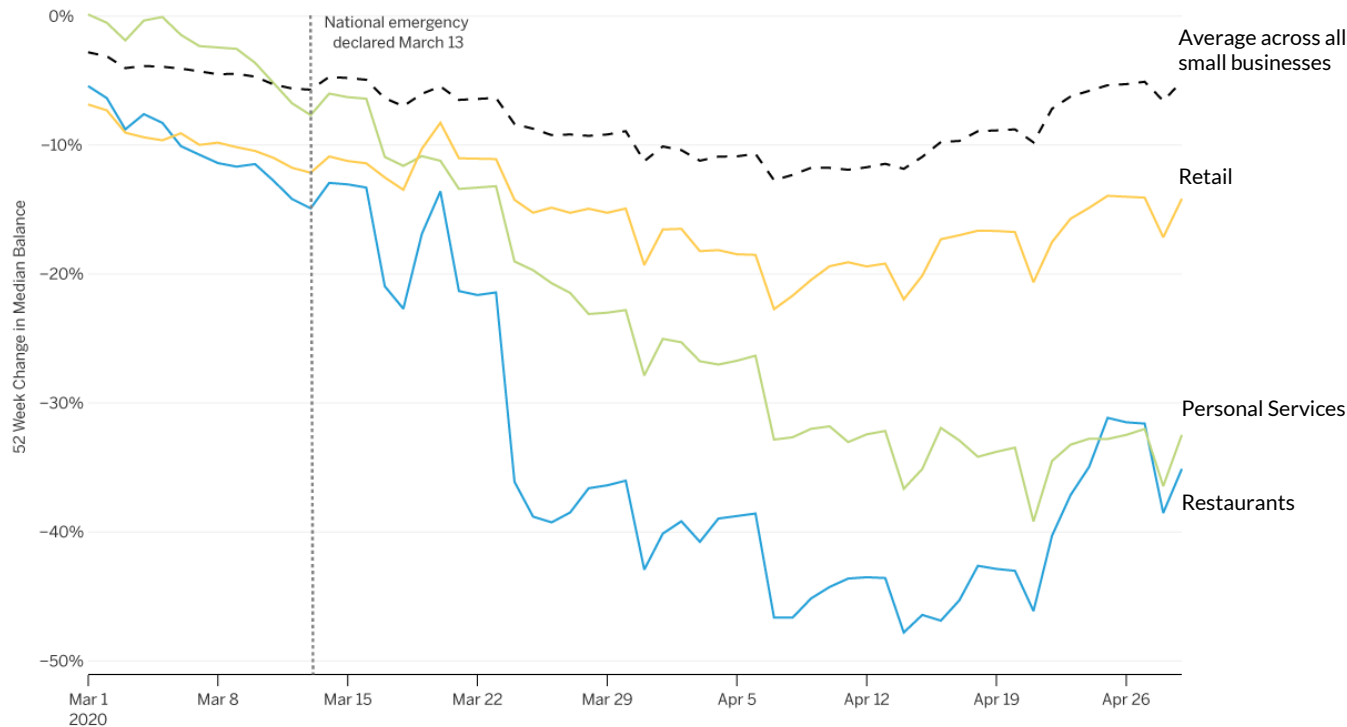
# Shifts in Consumer Spending

## An Early Snapshot

Small businesses were especially impacted by changing consumer spending habits.

**Early in the pandemic**, cash balances of small businesses declined across industries, with wide variation in the severity.

Compared to pre-pandemic levels, bank balances of small businesses within **restaurants, retail, and personal services** were especially hard hit.



Source: JPMorgan Chase Institute

# Industry Impact Summary

## Pre-Pandemic Conditions

- **Economically Vulnerable Workers**  
Part-time workers or workers earning under \$40K were vulnerable to employment impacts before the start of the pandemic. Early in the pandemic, part-time and lower wage employees are often the first to be furloughed or let go.

## Early Pandemic Impacts

- **Affected by Closure Order**  
Government closure orders shuttered businesses. Industries with high concentrations of workers who are non-essential and non-remote were most impacted by the closure orders.
- **Impact of PPP Funding**  
PPP funding was designed to support payrolls. Businesses in industries in which payroll is a smaller share of expenses may have large non-payroll expenses, such as inventory or commercial leases. For them, a program supporting payroll may have provided a relatively small fraction of what they needed to sustain their business.

## Ongoing Pandemic Impacts

- **Shift to Remote Work**  
Some industries were more able to pivot and shift to remote work, while others remained in-person.
- **Unemployment**  
By early 2021, national data showed disproportionate unemployment impacts depending on industry.
- **Shift in Consumer Spending**  
Consumers shifted spending away from restaurants and services and to goods like groceries, clothing, furniture, and cars. The food service and accommodations industry was especially affected, with consumer spending down 39% in the early pandemic and 20% by late 2020, compared to pre-pandemic levels. Spending on other services like laundry and personal care services was down by 14% by late 2020.

# Industry Impact Summary

▲ **Most impacted** by the COVID-19 pandemic

▼ **Least impacted** by the COVID-19 pandemic

	Workers (2019)	Economically Vulnerable Workers (Part-time or earning under \$40K)	Affected by Closure Order (Non-essential, non-remote workers)	Impact of PPP Funding (Portion of operating expenses covered by PPP)	Shift to Remote (Ability to work remotely)	Unemployment (National unemployment, Jan 2021)	Shift in Consumer Spending (Based off of consumer expenditure data)
Accommodation & Food	14,446						Negative
Arts, Ent., & Rec.	2,072						Negative
Retail Trade	20,205						Mixed
Administrative & Waste	12,229						
Construction	11,885						
Agriculture	488						
Transportation & Warehousing	10,679						
Wholesale Trade	6,469						
Manufacturing	33,004						
Real Estate	1,665						
Other Services	7,213						Negative
Mining	234						
Information	1,405						
Education	10,821						
Management	4,219						
Health Care & Social Asst.	27,403						
Public Admin.	4,484						
Utilities	1,367						
Finance & Insurance	3,918						
Professional & Technical	6,932						

## 20%

Of the region's workers are employed in the three **most impacted** industries Including Accommodation & Food, Arts, Ent., & Rec, and Retail Trade. These industries represent **36,700 workers**.

## 33%

Of the region's workers are employed in the seven **least impacted** industries Including Education, Management, Health Care & Social Asst., Public Admin., Utilities, Finance & Insurance, Professional & Technical. These industries represent **59,100 workers**.



# Infrastructure

# In This Section

- Communications Infrastructure Impacts
- Housing Impacts
- Municipal Finance

# What We've Seen:

- Around 60,500 workers in the county have the ability to work remotely. And across the county, internet speed allows for remote work. However, speed in some parts of the county, especially in rural areas lags.
- Before the pandemic, more than 1 in 4 households was cost burdened, including nearly 1 in 2 renter households.
- Based on historical data, there is an expected backlog of 800+ renter evictions and 5,000+ eviction filings due to the eviction moratorium.
- An estimated 8,000 renter households and 13,300 owner households are behind on payments.
- Municipal finances will be impacted, with estimated losses from \$11.9 M to \$48.1 M for the 68 municipalities in York County. Of the 68 municipalities, 4 to 8 might face a cash insolvency warning in 2021 without additional assistance.



# Remote Ready

Before COVID-19 upended workplace norms, around 3% of U.S. workers teleworked on a regular basis. COVID-related impacts have forced employers to rethink the ability to work from distance and shift large segments of the workforce to remote work.

The Bureau of Labor Statistics estimates that 42 million workers, representing 29% of the U.S. workforce could work at home. Estimates from the BLS are tabulated by industry based on the survey question, “As part of your main job, can you work at home?”

For further reading:

- [BLS Job Flexibilities and Work Schedule data](#)
- [Measurement Lab Internet Speed data](#)

Source: BLS Job Flexibilities and Work Schedule data, 2017-2018  
Measurement Lab Internet Speed data, 2020

Two important indicators of Remote Readiness:

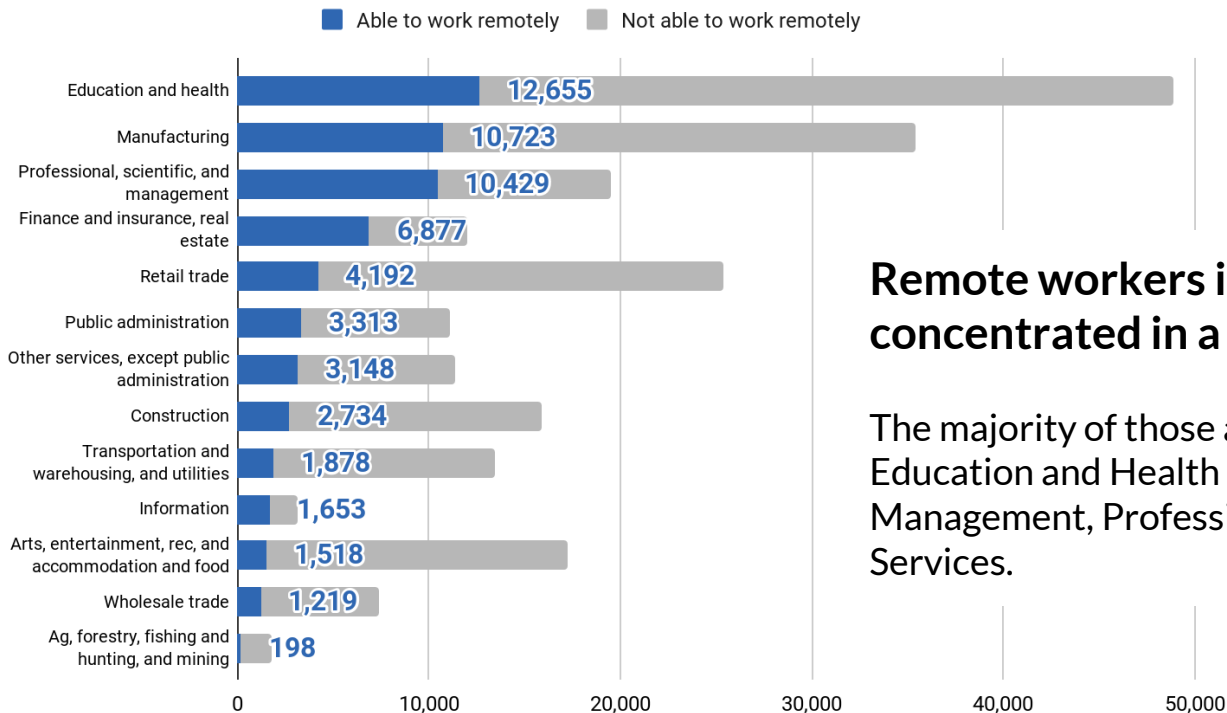
## 1. Remote-Able Workforce

- **Workers who could work at home:** based on job flexibility and work schedule data from the Bureau of Labor Statistics

## 2. Broadband Infrastructure

- **Internet speed data:** does deployed broadband infrastructure allow for remote work?

# Ability to Work Remotely by Industry

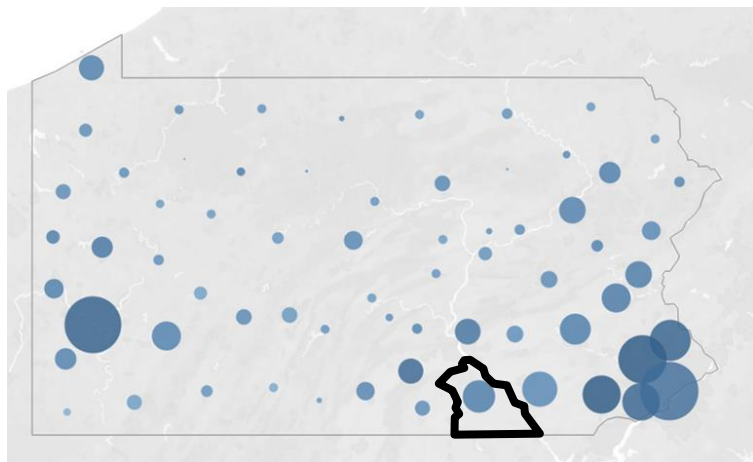


**Remote workers in the county are concentrated in a handful of industries.**

The majority of those able to work remotely work in Education and Health Care; Manufacturing; and Management, Professional, Scientific, and Technical Services.

# Remote Work Ability

Map: Number of Workers Able to Work Remotely



Number of Workers Able to Work Remotely







Many workers in the region are able to work remotely.

York County has an estimated **60,500 workers who are able to work remotely**.

Additionally, the region is in close proximity to the 616,500 workers who live in counties within 50-miles and hold jobs that allow for remote work.

# Broadband Infrastructure

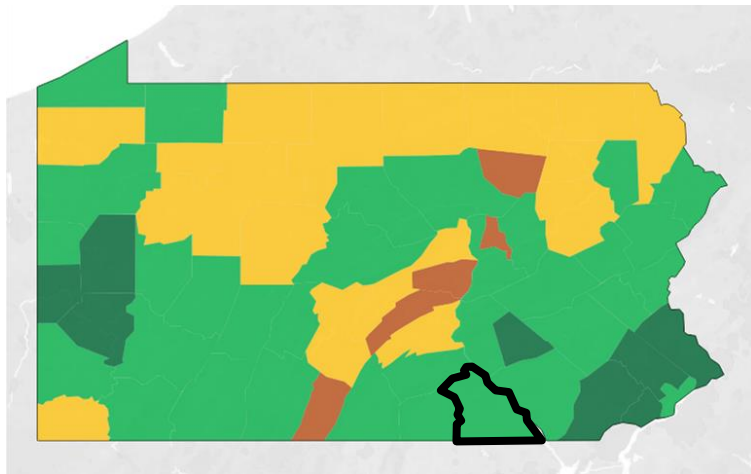
## Remote Work requires reliable high speed internet

	Download (Mbps)	Upload (Mbps)
 High speed connection for 3–4 people	50+	5+
 High speed internet (FCC definition)	25+	3+
 Work from home minimum	10+	1+
 Too slow for remote work	under 10	under 1

Download speed is the most important factor for online work. Download speed affects web browsing and how well your connection receives video from other people on the call. Upload speed affects how well your connection can send your video stream to others and upload data and other files.

# Broadband Infrastructure

## Map: Median download and upload speed



- **High speed connection for 3–4 people:** 50+ Mbps down / 5+ Mbps up
- **High speed internet (FCC definition):** 25+ Mbps down / 3+ Mbps up
- **Work from home minimum:** 10+ Mbps down / 1+ Mbps up
- **Too slow for remote work:** under 10 Mbps down / 1 Mbps up

Overall, median internet speed in York County is high.

For a typical user, median internet speed meets the FCC definition of high speed internet.



46.5 Mbps/down 5.8 Mbps/up

# Broadband Infrastructure

## Map: Median download and upload speed by ZIP



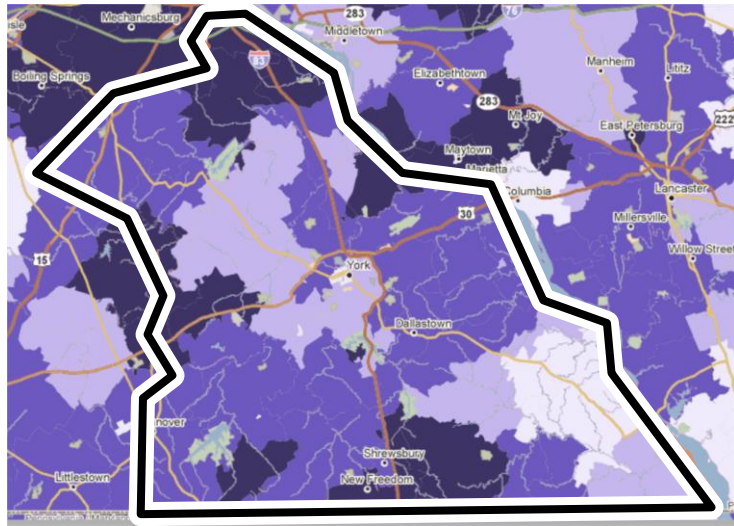
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- **Too slow for remote work:** under 10 Mbps down / 1 Mbps up

However, internet speed lags in some areas of the county.

Some areas in York County do not have fast enough internet to support a high speed internet connection or remote work.

# Broadband Infrastructure

**Map: Percent of households with a subscription to any type of broadband internet by ZIP**



Percent Households with Any Broadband Internet

- 85% or more
- 80% to 84.9%
- 75% to 79.9%
- 74.9% or less

In most cases, broadband subscriptions data from the Census corresponds to real time internet speed data

Again, we see some areas in York County without lower levels of broadband subscriptions. Many of these places show up as having low median internet speed for the typical user.

# Broadband Infrastructure

**Map: Percent of households with a subscription to any type of broadband internet by Census Tract**



Percent Households with Any Broadband Internet

- 85% or more
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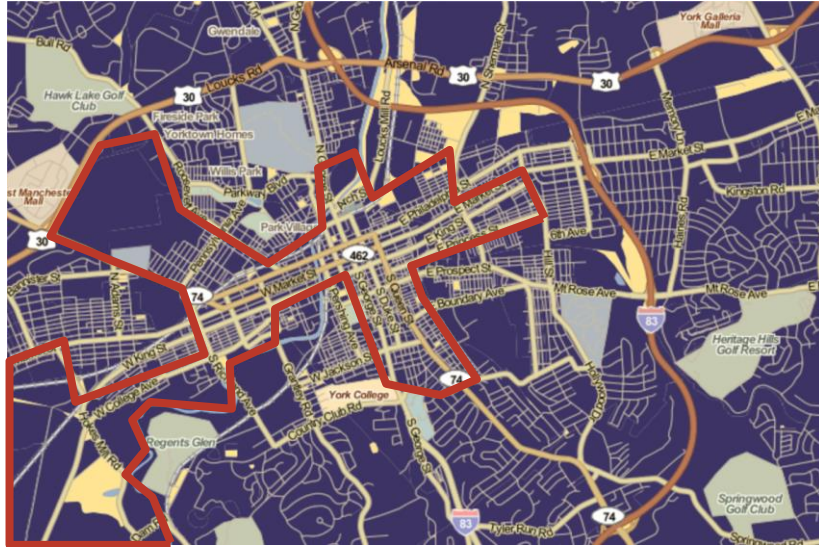
Zooming in -- we know that in some places, access to broadband internet remains an issue.

For example, in the City of York, broadband access is strong in some neighborhoods, but lacking in others.



# Broadband Infrastructure

## Map: Availability of residential wired broadband internet access in 2018



Wired Broadband Access (Residential)

- Broadband Available
- Not Available
- Insufficient Data

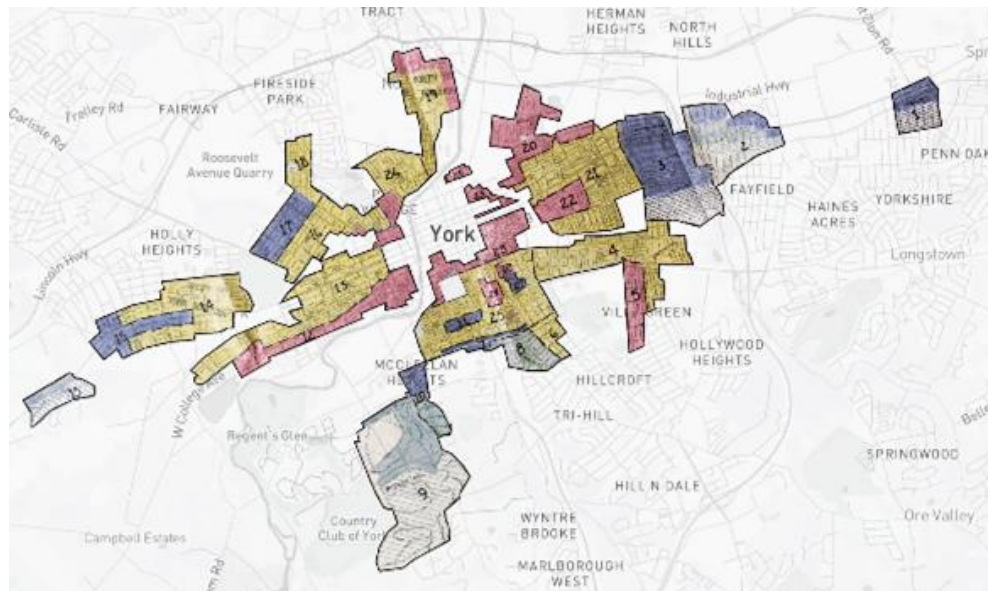
... even though Broadband is  
“available” according to the FCC

...

Treat FCC maps of broadband availability with  
skepticism -- they don't match conditions on  
the ground.

# Digital Redlining

**Map: Availability of residential wired broadband internet access in 2018**



Home Owners' Loan Corporation Grade

- A - "Best"
- B - "Still Desirable"
- C - "Definitely Declining"
- D - "Hazardous"

How does internet access relate to historic redlining maps?

Are places with historic disinvestment -- those that received low grades through the Home Owners' Loan Corporation -- experiencing digital redlining?

# Remote Work Summary

	Able to Work Remote	Percent Able to Work Remote	Download (Mbit/s)	Upload (Mbit/s)	Down/Up Category
York County	60,537	27.2%	46.5	5.8	■ High speed internet (FCC definition): 25+ Mbps down / 3+ Mbps up

## Takeaways

- The median internet connection speed in York County meets the FCC definition of high speed internet, but may not be fast enough to support multiple high-speed connections for families who have multiple workers at home and school children in remote learning.
- Some areas in York County -- especially rural areas -- do not have fast enough internet to support a high speed internet connection or remote work.
- Access to broadband remains an issue for many York County residents, especially those who live in areas with historic disinvestment.

Source: BLS Job Flexibilities and Work Schedule data, 2017-2018  
Measurement Lab Internet Speed data, 2020  
Census American Community Survey, 2015-2019

How has COVID-19 impacted  
municipal finances?

# Projecting COVID Losses

In 2020, CMS organized an expert panel of approximately ten municipal managers who were asked to estimate the **percent reduction** they expected to see in each major municipal revenue source. Because the length of the emerging crisis was impossible to know, the panel estimated losses under **low, medium, and high loss** scenarios. The average estimates from the panel are presented in the adjacent table.

Different municipalities may see impacts from different revenue sources. For example, residential and rural communities tend to rely more heavily on **property and earned income taxes**, while those with many employers, downtown business districts, or theaters and ballparks rely on **business taxes, parking revenues, and amusement taxes**, respectively.

	Low Loss	Medium Loss	High Loss
Property Tax %	3%	7%	13%
Earned Income %	9%	14%	28%
Realty Transfer %	7%	11%	18%
Local Services %	6%	14%	20%
Business Tax %	10%	20%	30%
Amusement %	15%	25%	50%
Sales Tax %	8%	17%	21%
Parking Revenue %	10%	20%	40%
Other Revenue %	2%	8%	12%

# Predicted Impacts in York County

Total revenue loss estimates,  
across 68 municipalities:

**\$11.9 M**

to

**\$48.1 M**

Municipalities facing a cash  
insolvency warning in 2020 &  
2021 in York county:

**4 to 8**

# American Rescue Plan Funds

Funding from the American Rescue Plan may help to stabilize municipalities that need support.

- **Allowable uses of ARP funding** include defraying costs incurred, replacing revenue, or mitigating negative economic impacts sustained as result of the COVID-19 public health emergency.
- The money will be **distributed in two portions**: 1) within 60 days of March 11; 2) at least a year after the first. Communities have until Dec. 31, 2024 to spend the stimulus money.
- While this funding may continue to help many municipalities avoid fiscal distress in the immediate-term, it is meant to stabilize and fill gaps related to COVID-19 expenses. **We may still see fiscal challenges in 2022, 2023, and into 2024** due to declining revenues and other risk factors.

**\$87 M** to York County

**\$37.7 M** to York City

# Major Takeaways

- In April 2020, YCEA said COVID would cause an economic crisis. This has proved true. Our 2020 estimates and projections of impact came to fruition, with the worst impacts mitigated by federal, state, and local interventions. Nonetheless, COVID significantly impacted many York County businesses and those impacts are ongoing and potentially long lasting. **This is still a crisis.**
- Federal funding helped thousands of businesses, but even a substantial level of federal investment was not adequate to addressing need.
  - In particular, PPP was not well suited to helping small businesses or businesses with low payroll costs compared to other expenses.
- There were also significant inequities in the distribution of federal funds.
  - Low-income neighborhoods and neighborhoods of color received fewer PPP loans on average
- Municipalities may not have seen direct impacts from COVID, but that does not mean they may not experience trickle down effects through loss of revenue.
  - This means municipalities must be very strategic with use of ARA funds



- Women are leaving the workforce at historic rates. This is especially true of mothers and those in the ALICE population, in which 64% of households reported reduced working hours.
- Inadequate access to childcare is a driver of workforce disruptions and women leaving the workforce. In York County, up to 3,500 “seats” are unavailable for childcare, temporarily or permanently
- There is a housing burden crisis, with 8,000 renters and 12,300 homeowners behind on payments and potentially facing eviction or foreclosure as moratoriums are lifted.
  - Black, Hispanic, and ALICE households are particularly impacted
  - While there is substantial federal assistance available to renters, there are limited resources available to mortgage holders
- York County had consistently lower unemployment increase and labor force decline rates than the rest of the state, but the rate is still significantly higher than pre-pandemic and impacts some sectors more than others.
  - 20% or 36,700 workers are in three industries that continue to be most impacted by COVID across various metrics
    - Accommodation and Food
    - Arts, Entertainment, Recreation
    - Retail trade

# ARA funds and other local funding should support

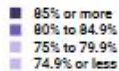
- A multi-million dollar grant program for businesses and non-profits, prioritizing:
  - historically-disadvantaged owners and small businesses
  - hospitality, food and retail sectors
  - non-profits serving vulnerable populations and the hospitality, arts, and recreation sectors
- Entities that build the capacity of historically-disadvantaged business owners to access state and federal relief programs and other opportunities
- Childcare providers and organizations coordinating child care, including home-based providers, and the childcare workforce
- Organizations directly supporting the ALICE population and those living in poverty, which have been at the confluence of numerous negative impacts from COVID and are experiencing disparities in the recovery
- Homeowners behind on mortgage payments to match the significant aid to renters
- Workforce development providers helping young people, women, and the unemployed enter the workforce

# ARA funds and other local funding should support

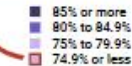
- This list is not all-inclusive. For example, we recommend those distributing ARA funding prioritize countywide broadband access and implementation of the YoCo Fiber strategy to help address the digital divide in York County



Percent Households with Any Broadband Internet



Percent Households with Any Broadband Internet



# What comes next?

- YCEA will continue to share this data with the public and target audiences in the coming weeks
- The YoCo Strong Recovery Task Force will update its recommendations to the County Commissioners on the use of the county's American Rescue Act Funds
- Other funders and entities are encouraged to use this data to inform their allocations
- YCEA and its partners will provide technical assistance to municipalities seeking guidance on the use of their ARA funds
- (Keep an eye on multi-trillion dollar transportation bill legislation!)
- Future updates about ARA or other funding opportunities will come through YCEA's Prepared York newsletters and website: [www.PreparedYork.com](http://www.PreparedYork.com)

Thank you!