

**Southeast Ohio Community Leaders' Action Plan for Regional Recovery
June 10, 2020**

The impact of the COVID-19 virus and resulting economic recession has been devastating for our region and greatly exacerbates challenges for communities that were already struggling. In this we are no different than other low-income communities, rural and urban. Many decades of racial and economic disadvantage have left both with high rates of poverty and chronic illness, limited educational attainment, and few good job prospects. Recent developments throughout our nation have only heightened awareness of this inequality and its negative consequences for our society. Several months ago, a group of community leaders from Southeast Ohio* came together to fashion a response to the crisis. **The attached document represents the identified immediate needs for our region, but these apply to all of Ohio's low-income neighborhoods, from rural Appalachia to our urban centers.**

State and federal intervention is critical to meet citizens' need for equitable access to healthcare, education, and economic opportunity. Without this help, the poverty-related problems of Southeast Ohio will grow worse, and demand for public services will overwhelm local capacity. The stage-one ideas outlined in this plan are interrelated and are advanced with an understanding that our first goal is to convince public officials that **the problems we describe are real, urgent, and require action.**

Most immediately, we recognize that many of Southeast Ohio's local governments and citizens – particularly vulnerable seniors and low-income children - are in desperate need and require immediate financial assistance. To respond to this urgent demand, we encourage utilizing Ohio's \$2.7B Budget Stabilization Fund and that State leaders allocate federal funding already received and advocate for more COVID-19 federal dollars. Importantly, we identify broadband as an essential 21st century utility necessary for work, education, telemedicine, economic development, and community vitality. **The issue of broadband access has taken on new urgency during this pandemic, as many Southeast Ohio families lack the ability to work, learn, or receive medical care from their homes.**

In addition, we have identified critical actions, including financial stabilization needed in the following key areas:

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| Broadband access | Healthcare |
| Economic and community development | Local government |
| Education and workforce development | Low-income families |

We are aware of the financial implications of these recommendations, and we will work to develop a staged approach to their achievement. **By acting swiftly, we can return financial stability to Southeast Ohio while addressing intensifying issues of equity and access that have long limited our region's ability to grow and prosper.**

*Participating community leaders are listed in Appendix A.

AFFORDABLE BROADBAND ACCESS NEEDS TO BE EXPANDED**

Lack of internet significantly inhibits Southeast Ohio's access to economic development, employment, education, and healthcare opportunities

As FDR recognized with electricity during the Great Depression, high-speed internet access has become a critical component of American life and prosperity. The digital divide in Appalachian Ohio limits adults' efforts to search for a job or work from home and children's ability to keep up in school or receive remote medical check-ups. Numerous assessments of local coverage have demonstrated the problem is vastly larger than the industry acknowledges, and that little progress is being made in solving it due to significant financial and legal challenges. The existing copper telecommunications infrastructure, much of it 50+ years old, cannot support high-speed broadband and, in many areas, no longer delivers reliable telephone service. Due to the low population densities, it is not possible for the private sector to achieve an acceptable return on investment without upfront and ongoing subsidies. Credible calculations show, however, that a staged approach combining a mix of policy actions, regulatory adjustments, direct capital expenditures, and provider incentives can bring high speed broadband to every Appalachian Ohio business and residence by 2025. The core elements of the policy are 1) providing sufficient, sustained state-level funding to maximize federal matching dollars, 2) permit use of existing electrical easements for fiber attachments on utility pole routes, 3) committing to fiber as the technology of choice, and 4) supporting non-traditional providers including power and telecommunications cooperatives.

Immediate Recommendations:

1. **Reject overstatement of broadband availability in carrier "477" filings:** Federal officials should be urged to encourage the FCC to abandon consideration of telecom providers' overstatements of broadband availability in "477" filings, the blanket acceptance of which has already removed large swaths of Appalachian Ohio from service expansion.
2. **Support the entry of non-traditional providers such as power and telecommunications cooperatives.**
3. **Expand staffing for Ohio's Broadband Office:** Additional expertise is needed in the areas of 1) existing federal funding programs, including the Rural Digital Opportunity Fund (RDOF) and 2) Ohio's telecom industry and associated regulations, to ensure that the state's actions complement and amplify federal and private investments.
4. **Allow for shared easements:** Time and expense for expanding access will be decreased by expanding existing power easements to include attachment of fiber-optic cables.
5. **Promote property tax waivers:** Waivers on new broadband infrastructure would improve deployment economies and may count as match for some sources of outside funding.
6. **Create an Appalachian Ohio Broadband Authority,** funded through general revenue or new bonding authority, to provide at least \$50 million per year in state match, subsidies and direct investment in fiber-intensive broadband infrastructure until the policy goal is achieved.

These recommendations are consistent with and build upon the State of Ohio's strategic broadband plan. Additional broadband policy recommendations available at: <https://buckeyehills.org/broadband>.

****Please note these areas of critical concern are listed alphabetically, not in order of importance.**

ECONOMIC AND COMMUNITY RECOVERY REQUIRES SMART INVESTMENT

COVID-19 is devastating Southeast Ohio's already-struggling economy

Ohio's gross state product has already declined 28% due to COVID-19, and the U.S. economy is expected to decline 8%-13% for the year. Unemployment is expected to reach 20% or more, and recovery will take at least three years. Southeast Ohio is likely to be hit particularly hard due to its long history of economic struggle, large number of small businesses, and high percentage of jobs in impacted industries.

Immediate Recommendations:

1. **Help businesses recover and grow:** Although the SBA Paycheck Protection Program has been an impressive response by the federal government, experts predict it may not be adequate to meet all the demands of businesses for cash flow help. We encourage Congress to be prepared to act quickly on another PPP appropriation if needed.
2. **Expand childcare options:** The return to work is critical to reviving families and our economy. We appreciate steps the DeWine administration has taken to allow some daycare centers to open and recognize this is as the kind of regulatory flexibility necessary during this unprecedented crisis.
3. **Fund and expand reimbursement options for healthcare providers:** Healthcare is a huge part of the region's economy, with rural hospitals and healthcare systems among the largest employers. COVID-19 has caused increased staffing needs in some departments, and dramatic revenue declines in others, resulting in simultaneous staffing shortages and furloughs. State and federal leaders should ensure funding is available to financially stabilize this critical sector, build out capacity, and expand reimbursement for virtual visits.
4. **Assist Ohio businesses to access high-quality personal protective equipment (PPE):** Safe operating standards require face masks or shields, plastic barriers, frequent use of alcohol-based sanitizers, thermometers, gloves, etc. Unfortunately, it can be a challenge for businesses and customers to source adequate PPE. We anticipate the newly announced PPE grant program will provide significant assistance and look forward to the State assisting businesses to understand the help available, identify reputable vendors, etc.

Long-Term Recommendations

1. **Expand broadband access:** As mentioned above, Southeast Ohio lags behind in broadband infrastructure. A recent study found 75% of our geography lacks broadband at the minimum 25/3 mbps speed. Expanding broadband should be treated as an essential public utility and be addressed as a national priority like the rural electrification effort.
2. **Continue to help close the philanthropy gap:** With 9 times fewer philanthropic dollars per capita than the rest of Ohio, Southeast Ohio's citizens struggle to support and sustain locally led community development efforts. Further efforts to reduce this gap are vital to ensure the region can advance sustainable transformations and achieve its full potential.
3. **Support for regional planning, infrastructure, and pursuit of stimulus funding:** Southeastern Ohio communities lack adequate infrastructure, planning, and regional development resources. The need for a robust regional approach is increasingly critical as we try to diversify our economy to be more reflective of the growing knowledge-based economy and be attractive to knowledge-based workers that our region competes so hard to grow, retain and attract.
4. **Continued collaboration with strategic (public and private) economic development partners,** including Jobs Ohio, OhioSE and API, to advance effective economic development strategies for Southeast Ohio. Importantly, these strategies include Ohio SE's collaboratively developed 2019 Regional Prosperity Plan.

EDUCATION AND WORKFORCE DEVELOPMENT PROGRAMS MUST BE ENHANCED, NOT CUT

Southeast Ohio children struggle to succeed due to high poverty rates, school funding disparities, lack of transportation, inadequate internet access, and the opioid epidemic

The long-term poverty of Southeast Ohio contributes to ongoing educational disparity and a workforce under-prepared for many 21st century jobs. Because schools continue to be overly reliant on property taxes, low-income communities struggle to maintain school buildings, invest in new curriculum and technology, or attract qualified instructors, particularly in STEM fields. These limitations are further exacerbated by inadequate internet coverage and lack of transportation. This has presented a particular challenge during the COVID-19 crisis as many children throughout southeast Ohio lack the broadband access necessary to participate in online classes at home and other sources of internet access (such as libraries) are now closed. Finally, lack of economic opportunity and pervasive hopelessness have contributed to increases in substance abuse, domestic violence, and suicide, resulting in more Southeast Ohio children starting kindergarten with delayed language skills, behavioral health issues and/or a history of trauma.

Recommendations:

Expand broadband access: As mentioned earlier in this document, increased access to affordable high-speed internet is critical to ensuring Southeast Ohio children and their parents are able to continue to learn and work, both during this pandemic and after.

Provide universal access to Pre-K education: A lack of adequate preparation for kindergarten has been shown to have a direct impact on future success in school and employment. A relatively small investment of funds to ensure all Southeast Ohio children are prepared to start school and receive additional intervention if needed can be expected to result in significant improvements in educational attainment and future productivity.

Scale up successful career training programs: Community partnerships among schools and local employers, such as the Building Bridges to Careers program, have shown considerable success in encouraging students to pursue careers, particularly in the STEM fields. All Southeast Ohio teens would benefit from access to this type of local mentorship and interning.

Expand access to behavioral health, mental health, and substance abuse treatment services: Southeast Ohio lacks adequate treatment providers and facilities in each of these areas, particularly for those on Medicaid or Medicare. By providing increased access to care, we have a chance to interrupt cycles of trauma, in which the children of those struggling with mental health and addiction manifest behavioral problems in school that, left untreated, may result in their children being raised under similar circumstances. Several Ohio districts are exploring strategies for integrating these services in schools.

Stabilize and reform Ohio's system for funding K-12 education: All children in Ohio deserve equal access to a high-quality public education. This can best be achieved by establishing a system of school funding less reliant on property taxes.

Stabilize funding for public higher education: High-quality, affordable community colleges and public universities are critical for Southeast Ohio's workforce to remain competitive in the coming decades. In addition, these institutions bring in significant external funding and create much-needed employment opportunities. This system needs an infusion of resources to adapt to recent demographic shifts, new instructional modalities, and now COVID-19.

LOCAL GOVERNMENTS REQUIRE SUBSTANTIAL EMERGENCY FUNDING TO PREVENT LOSS OF CRITICAL SERVICES

Southeast Ohio municipalities are expecting declines in tax revenue of up to 60%

Local income taxes are a significant portion of municipal revenue in Ohio, and this has increased over the past 10 years due to the elimination of the tangible personal property tax, estate tax and an overall reduction in local government funding. Because of historically low wages, Southeast Ohio's income tax revenues generate less income than in the rest of the state. Many municipalities had already increased taxes and cut expenses to cover the cost of essential services. The COVID-19 crisis has simultaneously amplified the need for essential services (police, fire, EMS, sanitation) and caused a sharp decline in income tax, sales tax, and other local tax revenues. Estimates of income tax revenue losses alone range from 10% to 60%. Further, because local government is among the largest employers in most rural areas, there is a compounding effect in which cuts to local government further erode income tax revenue. Yet, the federal CARES Act failed to include flexible, direct subsidies for the vast majority of Ohio's municipalities.

Recommendations:

Provide major additional support for local governments: To continue to maintain essential services, Southeast Ohio municipalities will need significant financial assistance, including direct infusion of flexible funds from the state that can be leveraged to obtain additional federal dollars. One of the hurdles we have always faced is identification of required local matching funds – sometimes in excess of 50% of a total projects' costs. CARES Act funding focuses exclusively on COVID-19 response and recovery. Municipalities have broader investment needs linked to:

- increasing access to **healthcare**
- addressing **economic development** challenges
- improving mobility and **transportation** options
- improving, upgrading, and expanding **public infrastructure** (water, sewer, housing, broadband)

Federal programs designed to meet these needs have not been 'replaced' by the CARES Act and will remain important vehicles to provide local governments access to funding for investment and improvements for their communities.

LOW-INCOME FAMILIES NEED EMERGENCY FINANCIAL ASSISTANCE TO PAY FOR FOOD, RENT, AND OTHER BASIC NEEDS DURING THIS ECONOMIC SHUT-DOWN

Those living in poverty are being hurt most by COVID-19

Residents of Southeast Ohio have long had higher rates of poverty, unemployment, and low-wage work. The percentage of children living in poverty exceeds 30% in many counties in our region, compared to an average of 20% statewide. As funding for the public safety net has been reduced, these families have increasingly struggled to cover the costs of housing, food, transportation, and healthcare. COVID-19 has further exacerbated these challenges as those living in poverty are more likely to lose their jobs, be unable to work from home, live in overcrowded housing, and lack the ability to follow hygiene and distancing recommendations. This increases the risk of outbreaks, limits families' capacity to strive for self-sufficiency, and contributes to higher rates of childhood hunger, low educational attainment, homelessness, domestic violence, suicide, and substance abuse. We have a limited window of time in which to access additional federal funding to address these pressing needs.

Recommendations:

1. **Provide access to water and personal hygiene products:** Some low-income families in our region have limited access to water, either because they are homeless or live in a camper, van, or other housing that lacks running water. Many residents struggle to obtain hygiene products that cannot be purchased with SNAP benefits. Given that running water and soap are essential to preventing the spread of disease, strategies should be developed to address these needs.
2. **Provide quarantine options for the homeless and underhoused:** Local government officials report struggling to develop a plan for housing and caring for people who have or who have been exposed to COVID-19, but lack the ability to quarantine at home. This may be because they are homeless, live in over-crowded conditions, or share their home with someone who is vulnerable (such as an elderly relative or someone with a chronic health condition).
3. **Expand access to childcare:** As mentioned above, safe, affordable childcare is critical to Southeast Ohio's return to work. However, overly burdensome rules and low reimbursement rates have led to a steep decline in childcare access for Southeast Ohio parents over the last decade. This could be addressed by expanding the in-home childcare aide program (as a safe and affordable alternative to center-based care), increasing these aides' pay to \$13 an hour, and raising childcare reimbursement rates for our region as a "hard to serve" area.
4. **Increase support for behavioral health services:** Social distancing and the economic recession has increased stress among teens and other at-risk populations. Increased support for behavioral health services can ensure these groups receive interventions known to minimize the risk of mental health crises, substance abuse, and suicide. Increased residential treatment and higher reimbursement rates for drug screening and therapy are also recommended.
5. **Review the minimum wage:** COVID-19 has shown that nurse aides, store clerks and maintenance staff are essential to our wellbeing and should be compensated accordingly. The current minimum wage of \$8.55 per hour is less than \$18,000 a year, low enough that a single parent with one child working full time still qualifies for SNAP (food stamps).
6. **Increase public benefits:** SNAP benefits are calculated based on the amount required to provide 75% of a family's food needs for the month; Ohio Works First benefits average \$200 a month per person; and SSI payments are set at 75% of poverty. Increasing these would improve quality of life for Ohio's most vulnerable residents – children, the elderly, and those with disabilities – while also providing immediate, local economic stimulus. Other areas in need of additional support include child welfare, transportation, affordable housing, and job training.

PUBLIC HEALTH SYSTEMS REQUIRE A COORDINATED APPROACH

Poverty, inadequate access to healthcare, chronic illness, and a greater proportion of older residents increase Southeast Ohio's COVID-19 risk

Southeast Ohio can expect high rates of serious illness and death when a COVID-19 outbreak occurs, due to having greater proportions of residents who are age 65 and older and/or have one or more underlying health conditions. These residents are already more likely to become sick and die from chronic disease compared to the rest of the state. Poor health habits and diseases of despair (smoking, diabetes, alcoholism, drug use and suicide), insufficient access to care, and fragmented care delivery systems contribute to the disparity. Further, poverty, poor transportation and relatively high housing costs create barriers to economic sustainability, leading to a cycle of economic decline and poor health.

Recommendations:

- 1. Establish a Southeast Ohio Healthcare Council** to perform the following functions:
 - **Advocate for regional resources**, particularly in a crisis. The council could advocate for **testing supplies and PPE** in the present crisis and strategic regional investments in preventive, infectious disease, and chronic care strategies in the longer term.
 - **Track and maintain an inventory of critical supplies** in the region and assess what stockpile and deployment strategies are appropriate to SE Ohio, prioritizing congregate facilities.
 - Coordinate a SE Ohio version of a **Medical Response Corps (MRC) that could rapidly deploy** professionals and volunteers to areas in crisis or with surge needs for anything from infectious disease to disaster support.
 - **Coordinate existing resources** through common use of care coordinators or community health workers who can act as care extenders and patient referral facilitators. Care coordinators could also provide vital links to congregate living facilities.
 - **Plan and implement regional community health assessments (CHAs)**, community health improvement plans (CHIPs) and community health needs assessments (CHNAs).
 - **Provide a chronic disease epidemiologist (epi)**. An emergency response epidemiology strategy already exists through the Ohio Department of Health and does not need to be duplicated. A separate chronic disease epi could, however, **assist local health departments and providers with surveillance and intervention strategies, including testing and contact tracing**.
- 2. Increase broadband access in Southeast Ohio:** As previously discussed, telemedicine and communications with local emergency medical teams are critical to improving healthcare access, but unavailable in most of SE Ohio due to limited broadband availability.
- 3. Target medical research and consumables manufacturing as an economic development strategy for Southeast Ohio:** COVID-19 has drawn attention to domestic medical supply access as a security issue. Locating production facilities in Southeast Ohio would make products available domestically, reduce reliance on foreign supply chains, and generate much-needed employment opportunities.
- 4. Invest in rural health systems, data collection and analytics:** As mentioned above, rural health systems are struggling to remain financially viable during this crisis. In addition to needing additional support to maintain adequate rural healthcare access, local hospitals and caregivers face unique needs and problems. However, much of the data available for rural communities is collected infrequently and/or extrapolated from data in urban areas. Establishing a rural healthcare data collection and analytics center would enhance regional knowledge, improve care, and facilitate future planning and response.

Appendix A: Participating Community Leaders

These recommendations grew out of a series of conversations and consultations with a wide array of content experts in the fields of health, education, economic development, and local government, including:

Cara Dingus Brook, CEO, **Foundation for Appalachian Ohio**

Glenda Bumgarner, Senior Director of External Engagement, **JobsOhio**

Misty Cromwell, Executive Director, **Mental Health Recovery and Services Board (Noble, Coshocton, Morgan, Perry, and Muskingum)**

Luke Feeney, **Mayor, Chillicothe**

Jack Frech, Director, **Athens County Job and Family Services** (retired)

Anne Goon, Health Commissioner, **Marietta/Belpre Health Department**

Orman Hall, **City Council, Lancaster**

Kelly Hatas, Director, **Hocking, Athens, and Perry Community Action (HAPCAP)**

Charlie Hudson, **Business Owner and Mayor, Wellston**

Mike Jacoby, President, **Ohio Southeast Economic Development**

Tom Johnson, **Mayor, Somerset**

Stacy Kramer, Director, **Southeast Ohio Regional Wellness at Nationwide Children's Hospital**

Neill Lane, Chief Strategy Officer, **Stirling Ultracold**

Dan Leffingwell, Superintendent, **Noble Local Schools**

Amista Lipot, Executive Director, **Mayors' Partnership for Progress**

Gilbert Liu, Medical Director, Partners for Kids, **Nationwide Children's Hospital**

Steve Patterson, **Mayor, Athens**

Debbie Phillips, CEO, **Rural Action**

Linda Supplee, Population Health Strategist, **Genesis Healthcare**

Megan Wanczyk, Vice President of Communications and Programs, **Foundation for Appalachian Ohio**

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