

# Benefits Cliff Community Lab

*Addressing the Benefits Cliff*



# About Goodwill Industries of the Southern Piedmont

## Our Purpose

*Goodwill exists to help people see possibilities, seize opportunities and prosper.*

- 35+ retail stores and donation centers
- Goodwill Opportunity Campus
- Goodwill Construction Skills Training Center
- Career Centers in Mecklenburg and Gaston Counties.

## Our Vision

*We envision a community where equitable access to career opportunities is available for all.*

## Our Mission

*Goodwill builds pathways that help people pursue the life they want to achieve.*



# THE REALITY

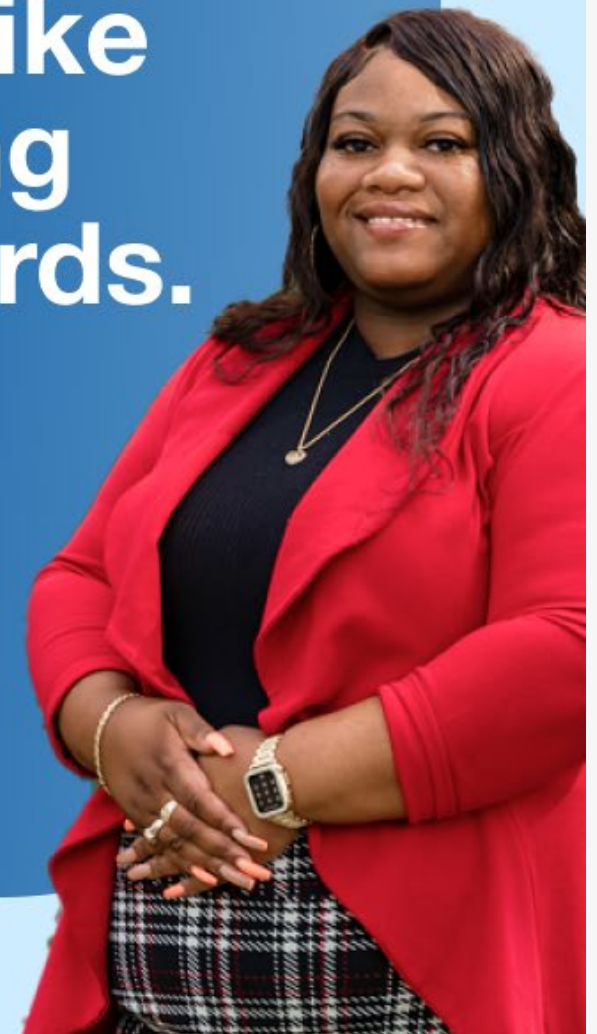
*We aim to provide solutions to the benefits cliff.*

- Our commitment to help people see possibilities, seize opportunities and prosper cannot be fully realized if our team members and members of our community who seek our services to improve their lives are impacted by the benefits cliff.

“

**The goal is to make enough money to not have to rely on the system, but it feels like I'm going backwards.**

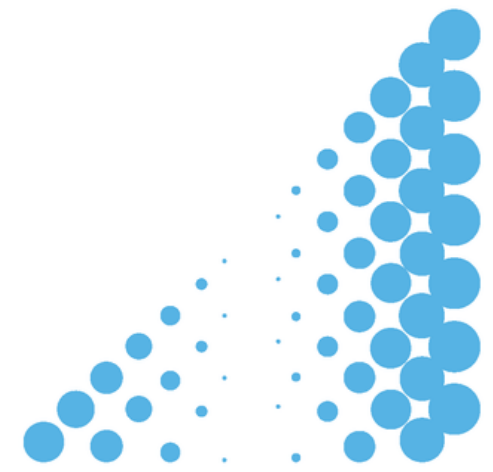
Rabian  
Littlejon



# Benefits cliff:

When a pay raise leaves you worse off financially.





# Benefits Cliff Community Lab

## Overview of our efforts to date:

- Established the Benefits Cliff Community Coalition.
- Built an informative microsite with various solutions.
- Partnered with Moore Van Allen to help advance our advocacy efforts (Spoke at the NC General Assembly and advocated for benefits cliff on Capitol Hill in 2024.)
- Joined the Beyond the Cliff coalition.
- Produced an impact video about the issue.
- Conducted an employer pilot leveraging the Atlanta Fed's CLIFF tool for employers and produced a white paper.

# OUR COALITION

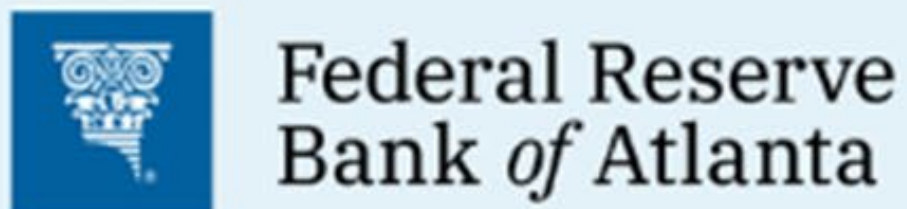
*Eliminating the benefits cliff all together*



United Way  
of Greater Charlotte



Now part of  ADVOCATEHEALTH



# OUR BENEFITS CLIFF MICROSITE

*An informative digital product provides resources on evidence-based practices, programs, and policies*



## **Improving economic mobility by mitigating the impacts of benefits cliffs**



# ADVOCACY PR CAMPAIGN

“ Goodwill is committed to building pathways that help people pursue the life they want to achieve, and we must find solutions to address the impact of benefits cliffs. Our hope is to help people remove as many barriers as possible so they can thrive.



**Christopher Jackson**  
President & CEO  
Goodwill Industries of the Southern Piedmont



“ If I accept this raise, I no longer can really afford to live.

Erika King

[Learn more](#)

“ I'm choosing to grow to be a better mother for my children, but do I take those chances, or do I prepare?



Rabian Littlejon



Provide for your family today, or build them a better tomorrow?

**Benefits cliffs force workers to choose.**




“ We are committed to promoting economic mobility for our 150,000 employees. We hope to guide policymakers in addressing benefits cliffs, which make it harder for families to rise out of poverty.



**Dr. Kinneil Coltman**  
EVP, Chief Community & Social Impact Officer  
Advocate Health



Now part of **ADVOCATE HEALTH**

*We brought greater awareness to the issue with a digital PR and communications campaign.*



**In North Carolina, a pay raise can actually set you back.**

[Learn more](#)

*The issue was featured in several local news outlets.*



## Atrium Health, Goodwill among Charlotte groups trying to solve 'benefits cliff' issue

Jul 5, 2023, 2:45pm EDT



Grant Baldwin Photography

Chris Jackson, CEO of Goodwill of the Southern Piedmont, is seen here welcoming shoppers to the nonprofit's 27th retail location.

Chris Jackson, the president and CEO at Goodwill Industries of the Southern Piedmont Inc., remembers when what is now known as the "benefits cliff" first came to his attention.

CITY & STATE

## Here's what you need to know about benefit cliffs, how they impact North Carolinians



Photo by Landis Mangum / The Daily Tar Heel

Benefit cliffs are when people lose government benefits after going up a little in income.

## Atlanta Fed develops tool to help workers avoid 'benefits cliff'

Jun 16, 2023, 7:58am EDT

*Editor's Note: This story reflects our coverage of adaptation within the hyper-competitive job market, a topic we will explore throughout this month. Our coverage culminates with a June 30 special section, "Faces of Georgia's changing workforce."*

When Sheria Brown thinks back to the Great Recession, she recalls "dark days."

She'd been laid off from her role as a disability claims examiner at MetLife. She went back to school to be a medical assistant — a position she thought would provide more flexibility. She had become a single parent of two daughters and the "sole supporter of the family."

Brown got a job at a doctor's office earning \$12 an hour, 20% more than her previous job out of school.

29 MAY 2023

**GOODWILL PARTNERS WITH LEADING ORGANIZATIONS FOR THE BENEFITS CLIFFS PROJECT**



Goodwill® Industries of the Southern Piedmont and Goodwill of North Georgia are partnering with the Federal Reserve Bank of Atlanta and Atrium Health to address benefits cliffs. They will conduct a 12-month pilot of the CLIFF Employer Tool, developed by the Federal Reserve Bank of Atlanta, to analyze the financial implications of raising wages for their employees. The tool is also a planning tool to help employees make the best decisions as they advance along their career. UNC Charlotte Urban Institute will be conducting an evaluation on the success and key learnings of the CLIFF Employer Tool.

# GOVERNMENT AFFAIRS

*We presented at the NC General Assembly to the EDGE Committee and advocated for benefits cliff on Capitol Hill.*



# BEYOND THE CLIFF COALITION



# BENEFITS CLIFF EMPLOYER PILOT HIGHLIGHTS



## Benefits Cliff Employer Pilot Program Evaluation Overview and Strategies for Employers

October, 2024 | White Paper

CLIFF Employer Tool helps employers analyze the financial implications of raising wages for their employees. Our goal was to inform workforce planning solutions and individual career growth.

### Findings

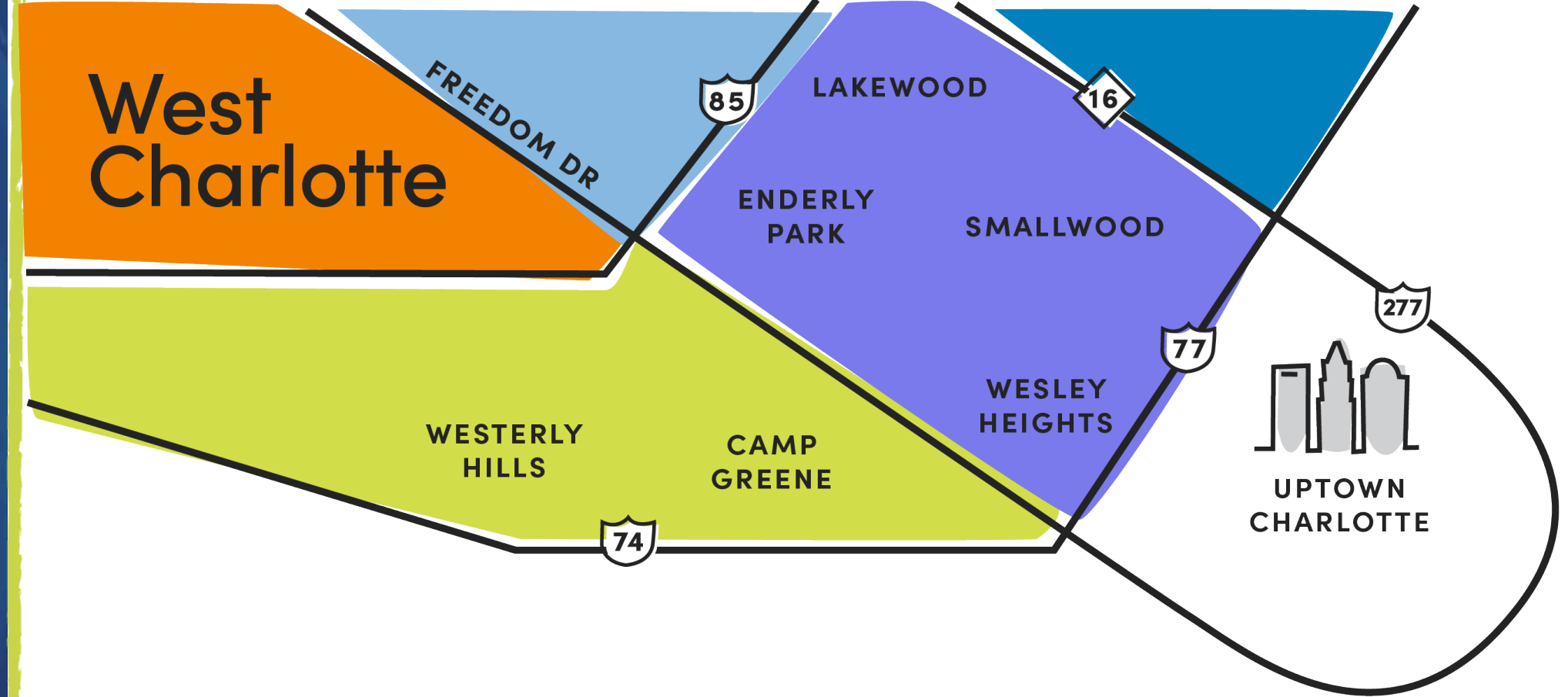
- 172 employees and job seekers participated in at least one CLIFF coaching session as part of the Pilot.
- Around 40% of employees and job seekers had personally experienced the benefits cliff due to annual pay raises, promotions, or employment changes.
- Despite losing public assistance benefits and gaining higher expenses, most participants would still accept a promotion or raise.
- Certain lower-wage workers are falling through the cracks.





**FREEDOM  
COMMUNITIES**

Freedom Communities was founded by business leaders in response to research showing that Charlotte ranked last among major U.S. cities for economic mobility.



## **We scale deep within a community**

Freedom Communities is place based operating in Charlotte's Freedom Drive Corridor located within the 28208 zip code.

## **People and place shape one another**

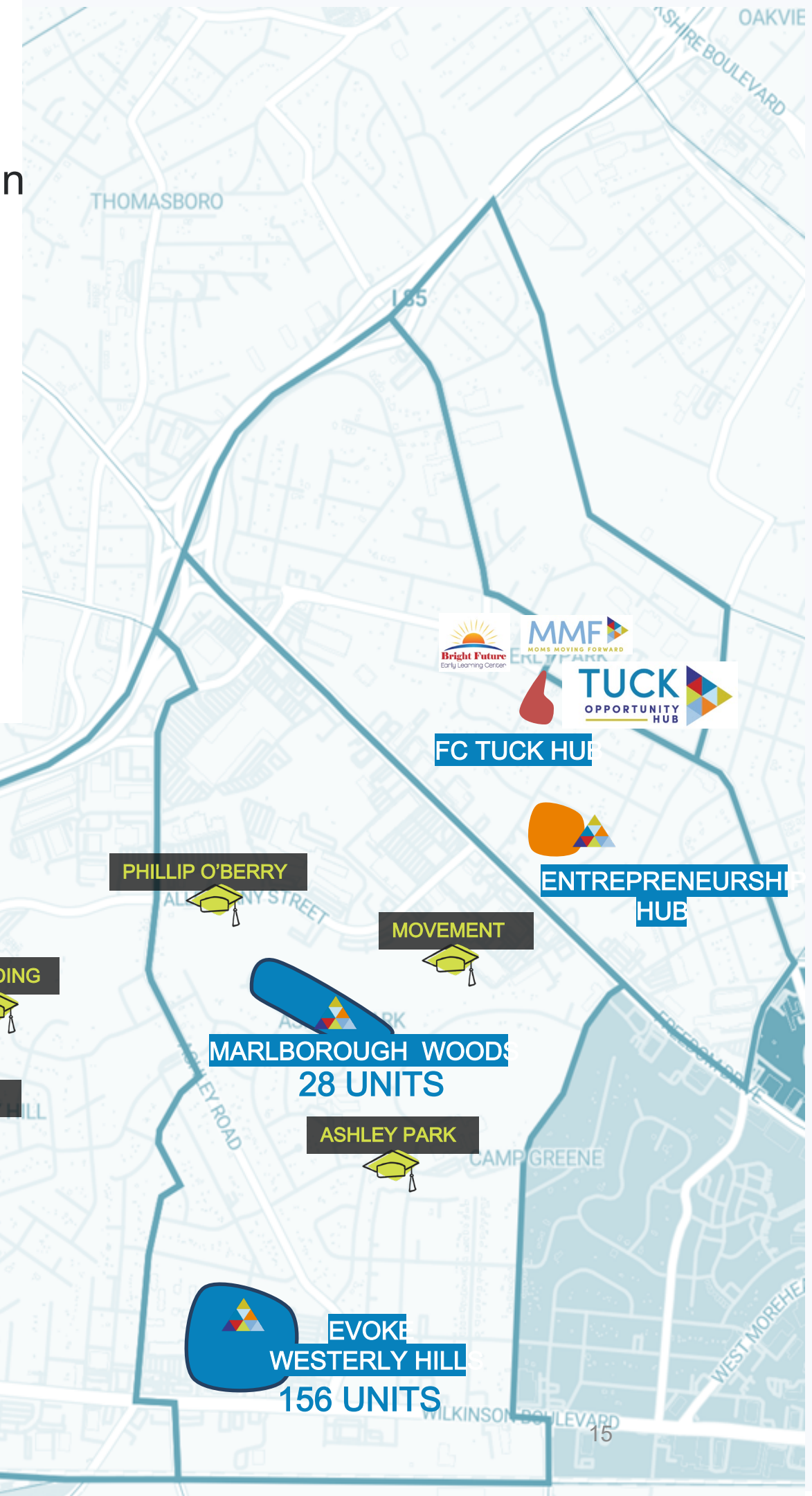
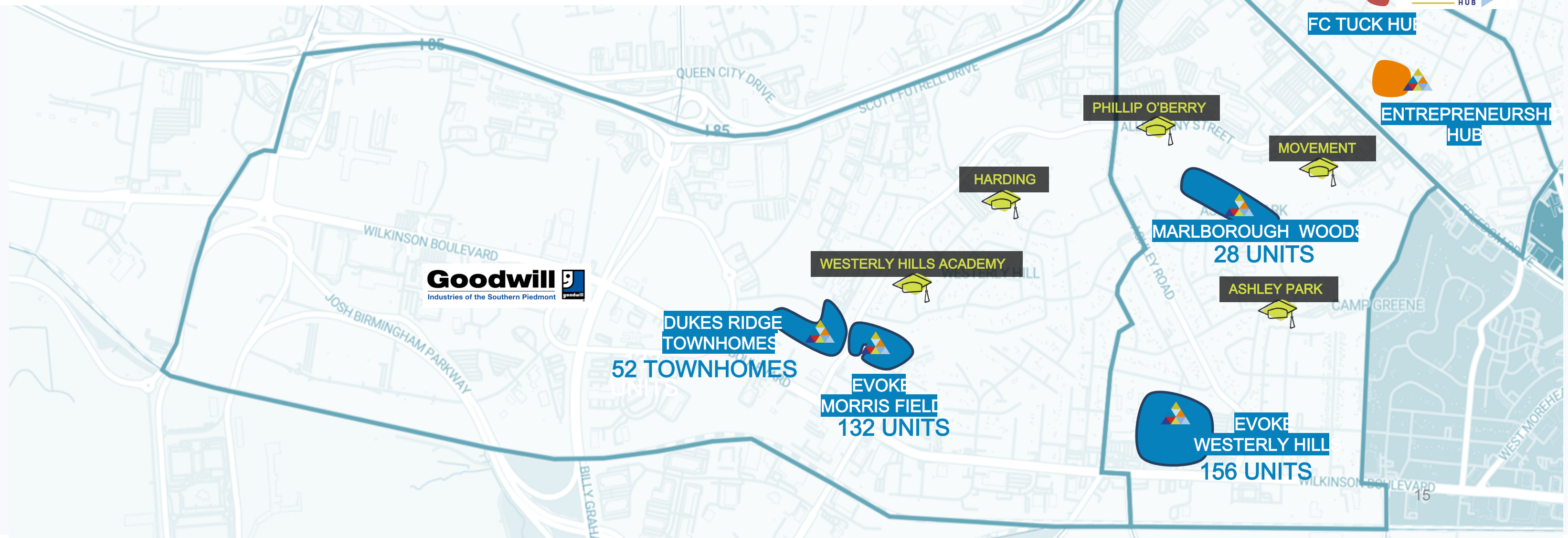
We integrate whole -family support with neighborhood -level investment to break cycles of poverty.

**A child's greatest predictor for upward mobility is the zip code he or she is born into.**

# INVESTMENT AREA

Freedom Communities focuses its work within Charlotte's Freedom -Wilkinson Corridor, one of the 6 Corridors of Opportunity identified by the City and the Mayor's Racial Equity Initiative for focused investment.

The United Way of Greater Charlotte named Freedom Communities as the "Community Quarterback" to coordinate the distribution of grant funds to meet community needs within the Freedom -Wilkinson Corridor.



# OUR FOCUS AREAS We invest in people and the community they call home

Not only are we involved in developing new affordable rental housing and creating low - income homeownership opportunities, but we also provide opportunities for people to secure better employment and higher wages and strengthen their families to realize their full potential.



**708 UNITS** of affordable rental housing in partnership with Crosland Southeast

**28 UNITS** preserved for affordable homeownership in partnership w/ Habitat

**52 UNITS** of affordable for-sale housing in partnership w/ True Homes

**2 UNITS** of transitional housing



**66 CHILDREN** ages 6 weeks to 3 years enrolled at Bright Future Early Learning Center

**16 JOBS** created at BFELC ranging from cooks to teachers to administration



**695 MOMS, DADS & CHILDREN** supported to date – 208 women and their 454 children across 14 cohorts of our Moms Moving Forward Program, 33 fathers through Kings Roundtable



**21 LOCAL BUSINESSES**

15 receive discounted rent and customized learning plans to grow their businesses. 6 coworking members.



We preserve and build

**AFFORDABLE HOUSING**



We invest in

**EARLY EDUCATION**



We support

**FAMILY STABILITY**



We invest in

**SMALL BUSINESS GROWTH**



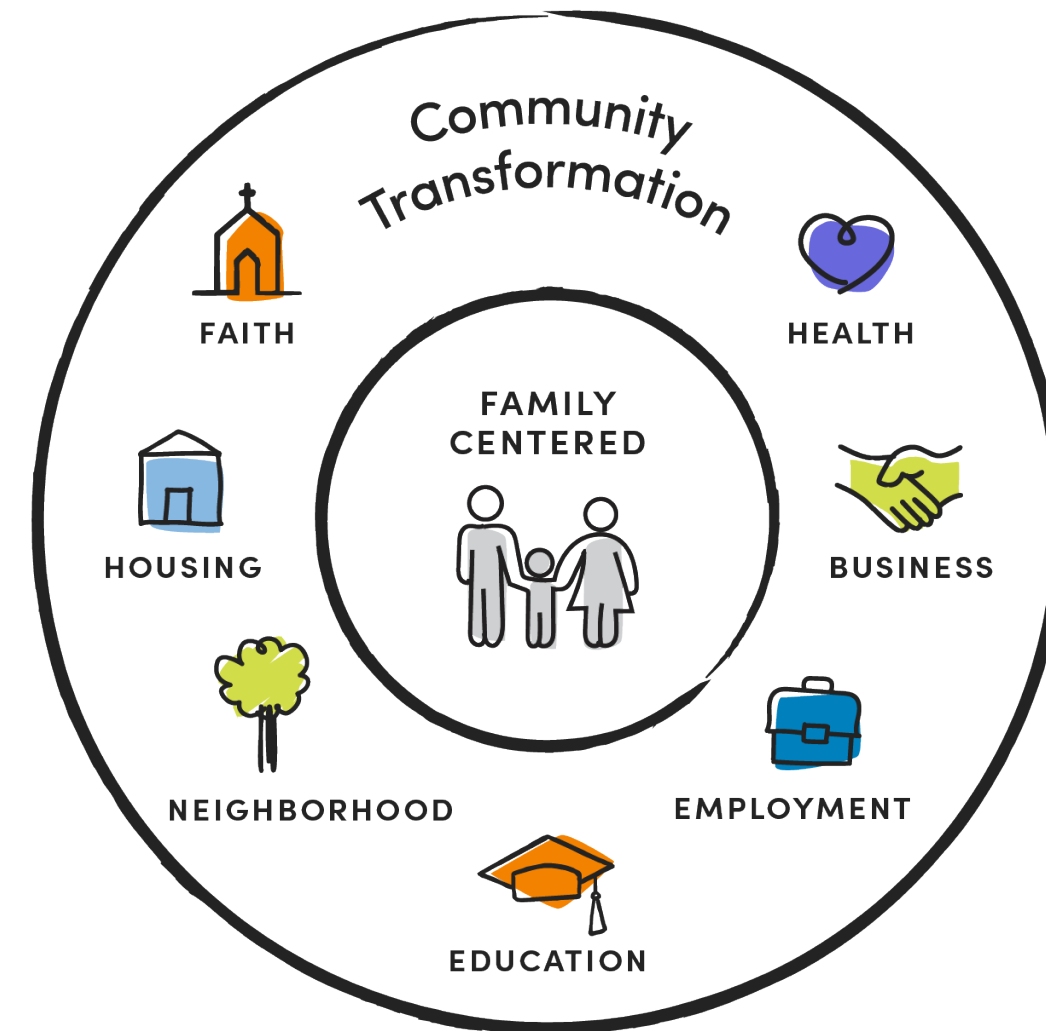
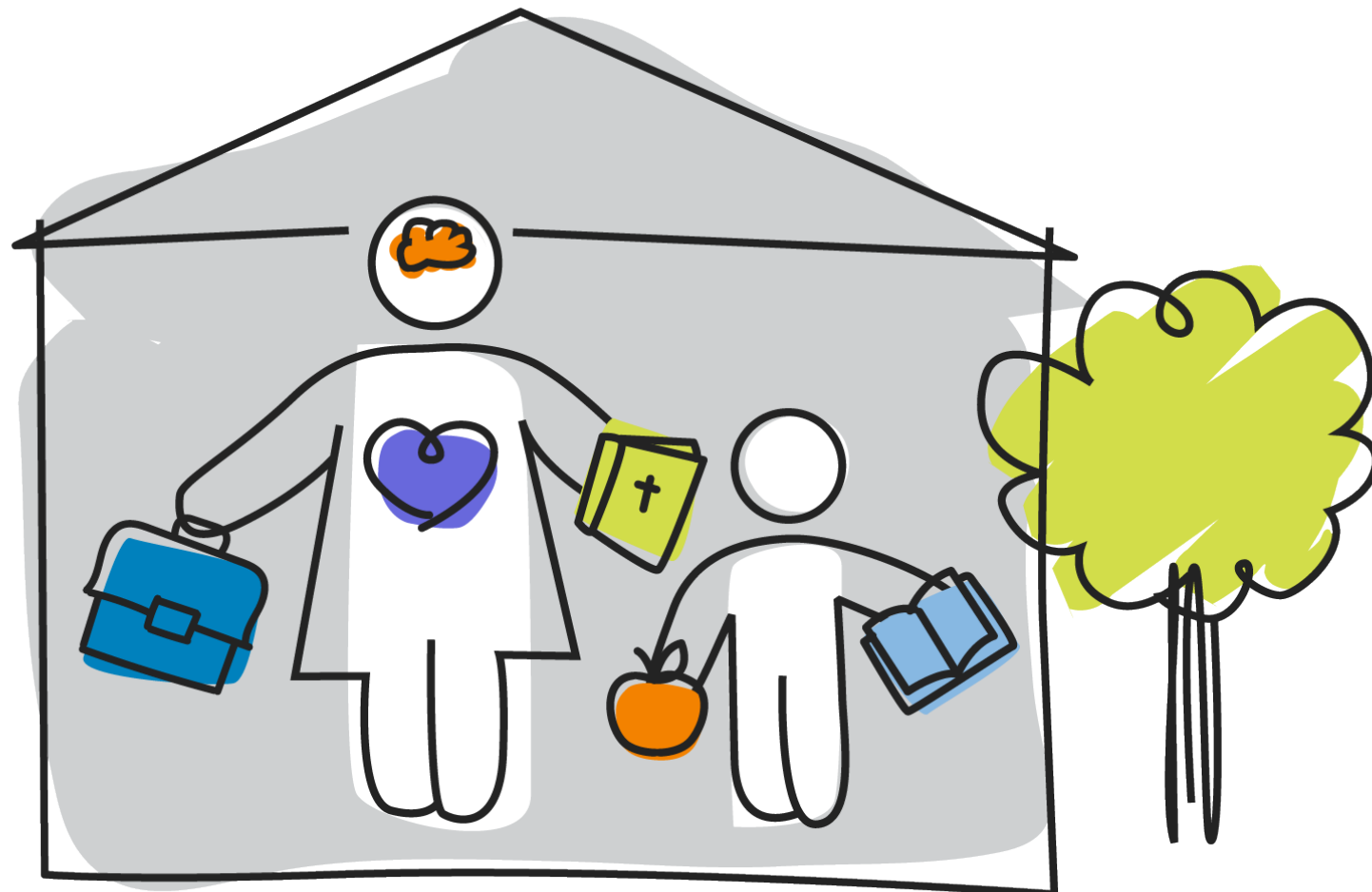
**OUR IMPACT SINCE 2020**

# WHY HOLISTIC?

We earn our income from the jobs we work, and our income determines the housing we can afford. The housing we can afford impacts the neighborhoods we can afford to live in. The neighborhoods we live in determine the schools our children are zoned for, and the schools our children are zoned for impact the quality of education they receive. The quality of education they receive impacts the type of jobs they qualify for.

## EVERYTHING IS CONNECTED!

Focusing in one area allows us to work holistically with families in the areas of housing, education, employment, and health and wellness.

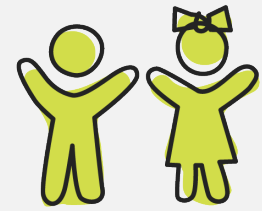


We call ourselves the “connective tissue” knitting together a range of resources to serve families holistically.

We don't need to provide every single service – but we need to know who does so we can connect our families.

Parents need childcare to go to work.

The average annual cost of infant care in Mecklenburg County is \$14,000/year per child



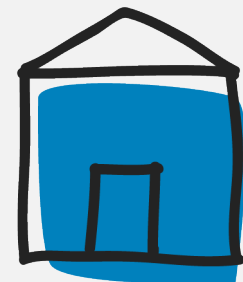
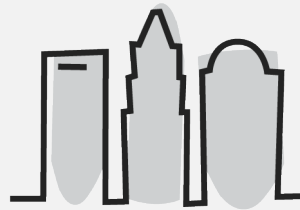
1 Kid = \$14,000 /year  
2 Kids = \$28,000 /year

A single mother of 2 children can earn up to \$26.27/an hour (\$54,640/year) and qualify for a childcare voucher to pay tuition for a daycare slot.



\$26.27/hr

Today, one needs to earn at least \$35.08 an hour (\$72,966/year) to afford a 2-bedroom apartment in Charlotte - Mecklenburg\*



\$35.08/ hr

2 bedrooms

*\*50% of rental households are cost-burdened*

If she does well at work, gets promoted and makes even 1 cent more, she loses 100% of her childcare vouchers, and now cannot cover the incremental cost in childcare.



Housing + Family Stability

SHE CANNOT AFFORD TO TAKE A RAISE, BUT SHE CAN'T AFFORD NOT TO.

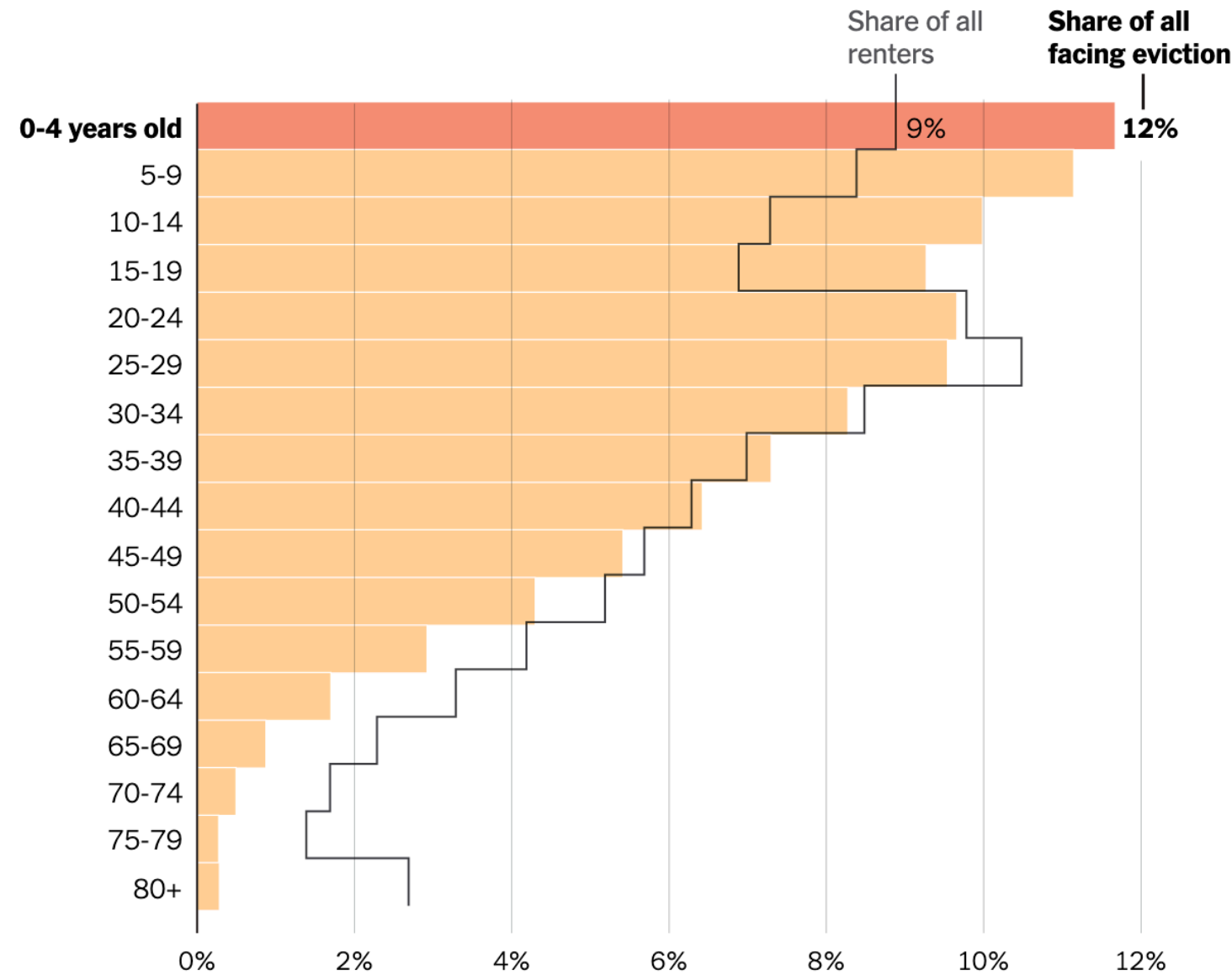
**TheUpshot**

# The Americans Most Threatened by Eviction: Young Children

## Young Children Make Up the Largest Group Facing Eviction

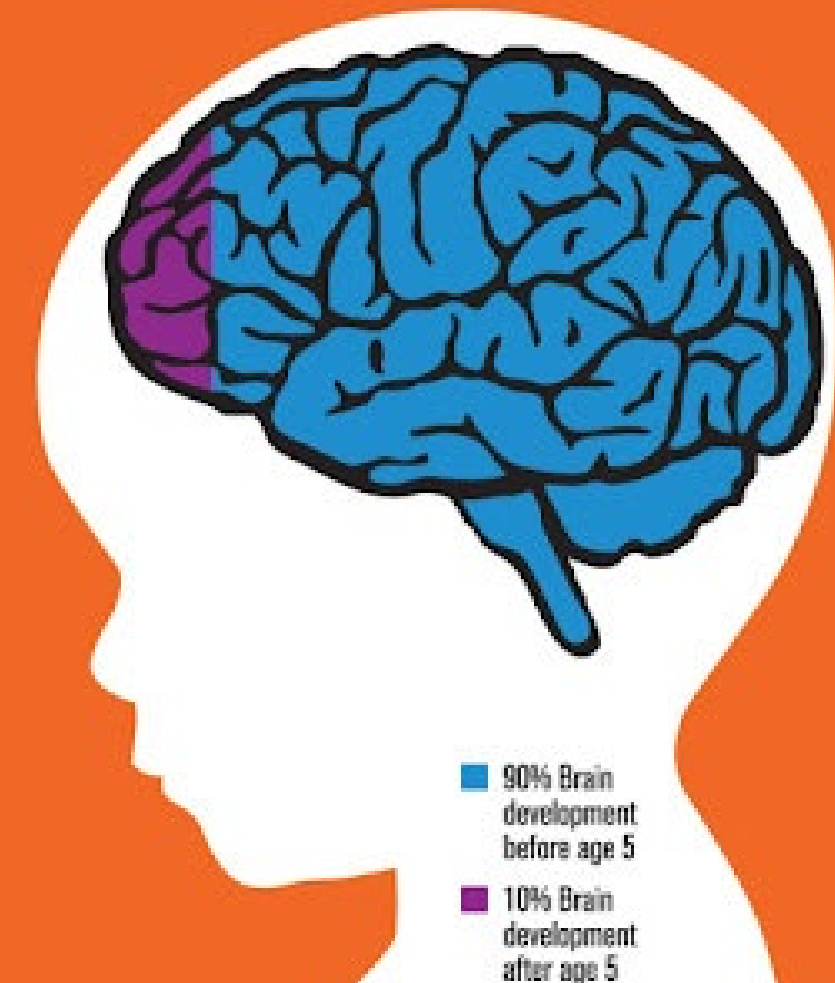
Children under 5 make up 9 percent of those living in rentals but 12 percent of those affected by an eviction filing each year.

About a quarter of Black babies and toddlers in rental households face the threat of eviction in a typical year, a new study says, and all children are disproportionately at risk.



Source: "A Comprehensive Demographic Profile of the United States Evicted Population," by researchers at Princeton, Rutgers and the U.S. Census Bureau • Note: Data covers 2007-2016.

**90%**  
of a child's brain  
development  
happens  
before age 5

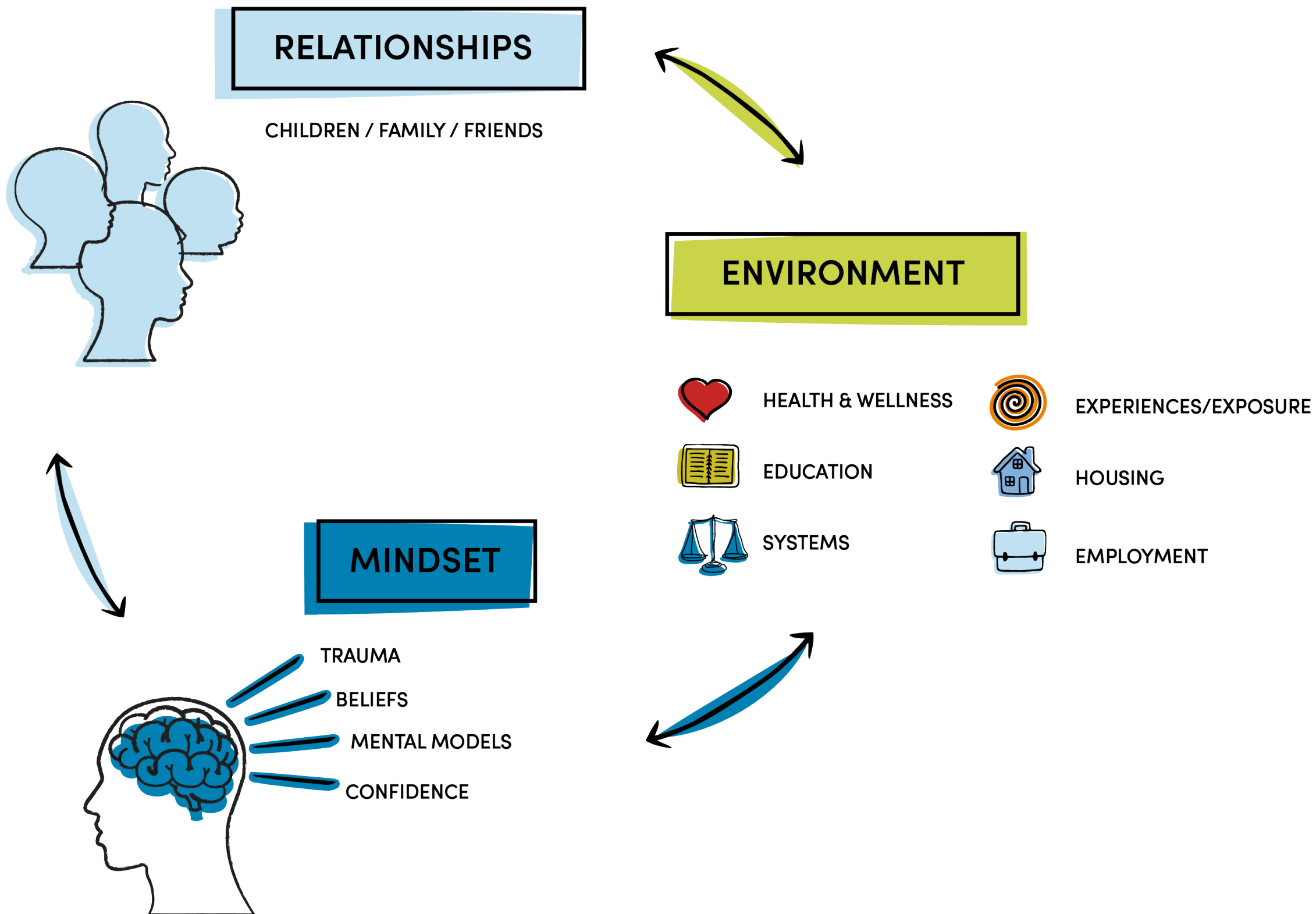


Source: Harvard Center for the Developing Child



## WE CAN'T DO THIS ALONE

We depend on partners to help with this work. Organizations and individuals from the private sector, public sector, faith and nonprofit communities must all be engaged to drive meaningful progress on the social issues our families face. Innovative solutions that result from the expertise of multiple stakeholders yield the greatest results.



# Recommendations to Make Work “Work”

## Recommendations for how we should address benefits cliffs:

Create better and more innovative policy solutions that help to mitigate the impacts of benefits cliffs.

Need policy champions within the NC General Assembly

Need the voice of the business community to create the business case for greater urgency to address benefits cliffs.

Educational opportunities and workforce training opportunities that creates pathways to higher wages that hurdle benefits cliffs.

Be dissatisfied until we remove barriers that prohibit individuals and families from experiencing their full potential.

# IMPACT QUESTION



How can you go back to your community and use your influence to advocate for creative solutions to address benefits cliffs?

How can you use your curiosity to learn how benefits cliffs are impacting individuals and families in your community?

THANK YOU



March 2025