

The Poverty Forum: Community Factors

Reducing Poverty

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Area: Community Factors – Reducing Poverty

Issue: Addressing poverty requires a holistic, comprehensive, multifaceted approach.

Problem:

Poverty cannot be addressed in isolation of the larger economy. We must have solutions that create opportunity for all, in addition to programs that seek to alleviate poverty.

- A strategy to address poverty needs to be both people-based *and* place-based, creating communities of opportunity and providing services to people in poverty.
- Children and adults require supports and services tailored to each population. Poverty's effects are multi-generational; solutions must address the specific needs of those throughout the age spectrum.
- Federal, state, and local programs serving the poor operate in silos and suffer from extensive fragmentation. States and localities need flexibility, planning support, access to certified best practices, and additional resources to expand and accelerate successful interventions.

Solutions:

- The nation's legacy of poverty is long and complex, but one thing is clear: place matters. Where we live affects access to transportation, to jobs, to good schools, to resources such as grocery stores, banks and parks, and to enriching amenities such as cultural institutions. Strengthening neighborhoods by investing in parks, public transit, and schools benefits disinvested communities as well as cities and regions.
- The old paradigm of addressing children's needs is siloed into a multitude of programs using people-based OR place-based approaches for specific purposes. Arcane, bureaucratic rules create barriers for integrated programmatic solutions to poverty and to targeting a range of programs to specific children. Furthermore, there are layers of regulations preventing the targeted use of funds and the establishment of needed linkages. Given the significance of the childhood poverty problem, we must create a place-based, comprehensive, crosscutting anti-poverty program that can reach poor children and their families to improve outcomes from birth through college. The Harlem Children's Zone® (HCZ®) is a pioneering, nonprofit, community-based organization that works to break the cycle of poverty by enhancing the quality of life for children and families in Central

Harlem, one of the nation's most devastated neighborhoods. Over the past decade, HCZ has been building a new paradigm intended to overcome the limits of traditional approaches by systematically coordinating related areas of children and family services and community building. HCZ's success underscores the need for any federal effort to eradicate child poverty to be multifaceted. Ending poverty in this country requires more than a single approach or policy solution. It requires aiming for one common goal—creating communities with conditions that maximize children's opportunities for success.

- To overcome the fragmentation of our current social services framework, this paper proposes a Community Social Services Integration Program that would provide states and local governments, on a demonstration basis, with enhanced authority and resources to identify key challenges facing impoverished communities, develop integrated plans for reducing the severity of those problems, and, based on performance, to qualify for enhanced federal funding to expand and accelerate successful anti-poverty programs.

Policy Recommendations:

- 1) Create two million new “Opportunity” housing vouchers. People want to live where they have direct access to high-quality schools, employment opportunities, and social networks. Increasing housing vouchers that can allow more families to live in communities rich with opportunity will be a big step toward improving outcomes for children.ⁱ
- 2) Connect disadvantaged and disconnected youth with school and work. In 2005 nearly 1.7 million poor youth ages 16 to 24 were out of school and out of work. The Congress is considering a series of funding decisions as part of the economic recovery legislation that would expand YouthBuild, strengthen the Job Corps program and provide up to \$1.2 billion for summer youth employment. The Forum strongly endorses these proposals and calls for the formation of public-private partnerships that will expand work opportunities for youth. In particular, the Forum encourages the Obama Administration and business and industry groups like the U.S. Chamber of Commerce, the National Association of Manufacturers, the National Federation of Independent Businesses and others to develop new and innovative partnerships to link youth and young adults to work and work experiences that will create new avenues for disconnected youth to join and advance in the workforce.
- 3) Simplify and expand Pell Grants and make higher education accessible to residents of each state. While education can be a great leveler, too often the poorest children and workers in this country have the fewest opportunities for education.ⁱⁱ High-quality, universally accessible education—from early childhood through post-secondary—is essential to increase opportunity and mobility. In today's competitive workforce, it has become increasingly difficult to secure a good job without a post-secondary education. Higher education must be made affordable for low-income individuals, and Pell Grants play a critical role in creating access to such an education for poor youth.ⁱⁱⁱ

- 4) Community Empowerment and Services Integration: The Poverty Forum proposes a comprehensive plan to empower communities in improving planning and coordination of human and social services programs. The plan includes the following steps and elements:

Establishment of Community Empowerment and Services Integration Grants (CESIG). The federal government should establish a new categorical grant program that would provide planning funds to state/local partnerships targeted at developing plans for problem identification and program integration. Under these grants, awardees would identify high-poverty regions within states and conduct assessments of the key issues that the local community believes must be solved in order to successfully reduce wide-spread, multi-generational poverty for the entire region. The state/local applicant would have to demonstrate that their remediation and integration plan is based both on rigorous data analysis and community consultation process that will support positive implementation and outcomes. Plans developed under these grants would include benchmarking and data collection related to specific goals to help measure whether the plan is progressing toward its proposed objectives.

The Forum is particularly concerned about the needs of children and youth and the imperative to improve coordination around the programs that serve them. To address these particular populations, the Forum believes the federal government should, as part of the broader integration and empowerment effort, set aside a portion of the funds allocated for these grants to communities that choose to focus their efforts on children and youth. This effort would be based on the success of the Harlem Children's Zone®, (HCZ®) a pioneering, nonprofit, community-based organization that works to break the cycle of poverty for children and families in Central Harlem. HCZ's success underscores the need for any federal effort to eradicate child poverty to be multifaceted.

The overall mission and purpose of Promise Neighborhoods should be to provide poor children and youth up to age 24 with every possible chance to succeed through the development of high quality, comprehensive, coordinated, neighborhood-based programs for children, youth, young adults, and parents, combined with efforts to rebuild the fabric of the community.

Establishment of a Lead National Organization (LNO) to Provide Technical Assistance to CESIG. The federal government should select a LNO responsible for providing research support, data collection and analysis and technical assistance to planning grant recipients as they undertake their investigation and formulate remediation plans. The LNO would be responsible for linking to relevant national resources (e.g. universities, government agencies, think-tanks and other relevant institutions) to tap knowledge, expertise and effective models.

Establishment of Waivers to Facilitate CESIG Implementation. State/local coalitions that successfully develop integration and remediation plans would be eligible to apply to the federal government for a waiver that would permit them to realign funding between formula and block grant funding streams to support innovative programs targeted toward reducing the problems identified under the planning grants. For instance, if the

community identified K-12 educational reform as a key to its success, it would be permitted to move funding from Workforce Investment Act (or any of the other identified funding streams) activities to support the remediation plan. Waivers would be approved for a limited period and would be contingent on the ability of the state/local coalition's ability to demonstrate progress toward the identified goals. It is important to note that the waivers would not provide exemptions from federal civil rights, environmental protection or employment/work safety laws and regulations.

Establishment of a Community Empowerment Trust Fund. A key aspect of the planning grant and waivers is the rewarding of successful interventions. Under our current paradigm, communities experiencing success at reducing poverty are often "punished" as state governments shift resources toward more needy areas. To compensate for this effect, state/local coalitions and regions that demonstrate success in achieving their community remediation goals would be eligible for additional federal funding to support the expansion and acceleration of their programs and practices. Additional funds would also be available if the state or locality showed that it had increased the non-federal resources (either tax dollars or philanthropic contributions) being applied to the coalition's implementation plan.

Political Outlook:

Unlike previous efforts to provide states with flexibility around social services funding streams, the additional monies envisioned under this plan should allay concerns that the waivers will be a cover for further reductions in the overall level of federal support provided to states and localities. The plan also provides an incentive to states and localities to increase their own contributions and to seek support from foundations and other private sources to expand and intensify services for the poor. The proposed waivers and funding would be time- and performance-bound so that should the demonstration have negative effects on community well-being, the proposed waivers would be subject to review, suspension or cancellation.

The plan is also consistent with conservative principles relating to federalism and encouraging states and localities to assume greater responsibility for anti-poverty programming. The additional funding envisioned for planning grants would be relatively nominal and additional funding for services would be contingent upon states and localities ability to demonstrate positive results through rigorous evaluation of program outcomes.

ⁱ Center for American Progress Task Force on Poverty, *From Poverty to Prosperity: A National Strategy to Cut Poverty in Half* (Washington, DC: Center for American Progress, 2007).

ⁱⁱ Isabel Sawhill and Sara McLanahan, "Introducing the Issue, Opportunity in America," *Future of Children* 16(2):(Fall 2006).

ⁱⁱⁱ Center for American Progress Task Force on Poverty, *From Poverty to Prosperity: A National Strategy to Cut Poverty in Half* (Washington, DC: Center for American Progress, 2007).