

**OFFICE OF THE DEPUTY CAO
FOR
HUMAN SERVICES**

Mayor's Office of Community Wealth Building

Debra D. Gardner, Deputy Chief Administrative Officer
City Hall

900 E. Broad Street, 5th Floor, Ste 501

Richmond, VA 23219

Tel: (804) 646-5823 Fax: (804) 646-6035

www.richmondgov.com/HumanServices

Poverty Reduction as a Community Wealth Building Strategy

Thad Williamson, Ph.D., Director

Risha Berry, Ph.D., Project Management Analyst

Mayor's Office of Community Wealth Building

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POVERTY AND ECONOMIC NEED IN RICHMOND

Richmond

- 25.6% poverty rate
- \$40,496 median hh income
- 38.9% children in poverty

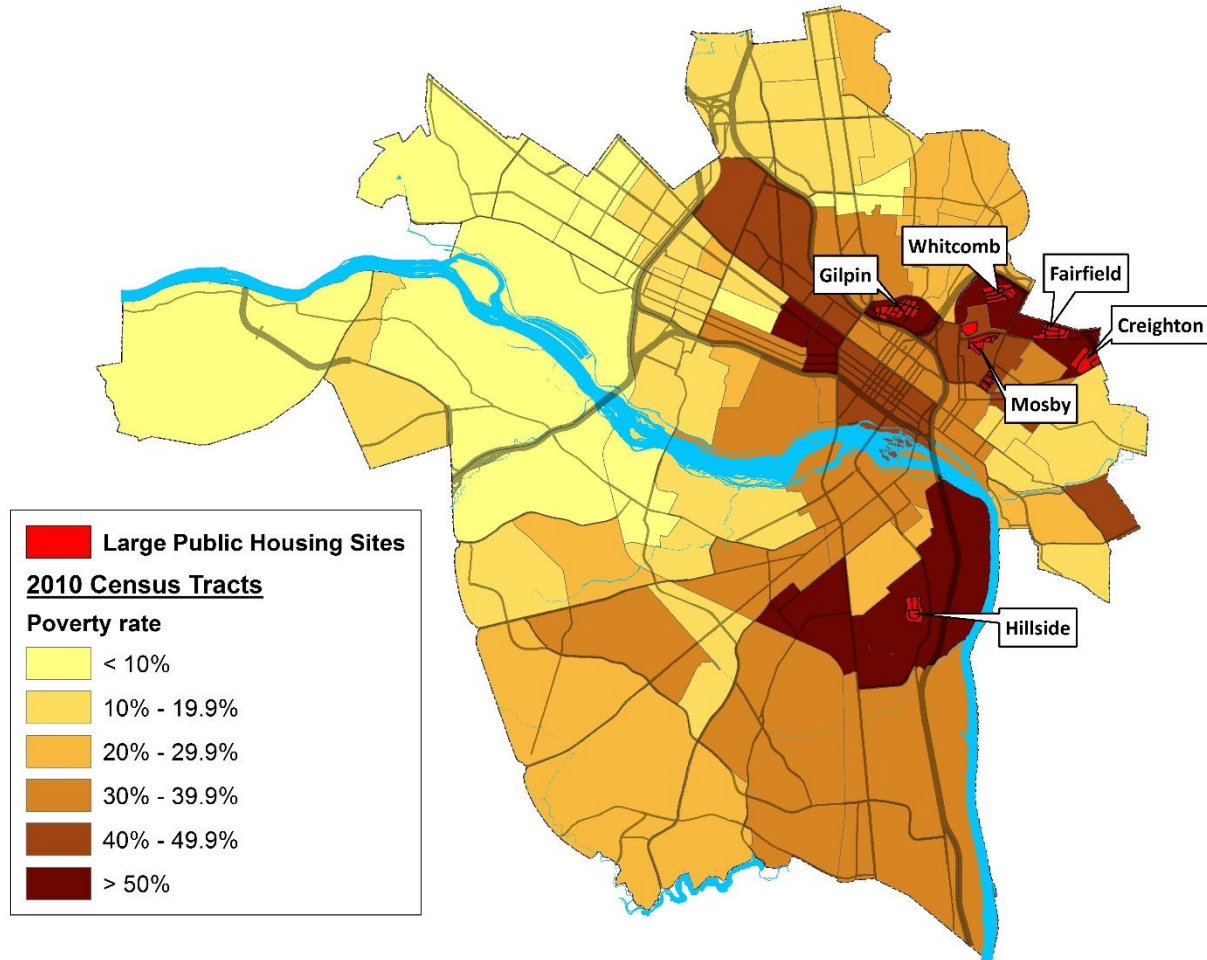
Virginia

- 11.3% poverty rate
- \$63,907 median hh income
- 14.9% children in poverty

- **Richmond metro area 85th nationally out of 100 largest metro areas in upward social mobility**
- **City of Richmond in bottom 2% of counties nationwide in upward wage mobility for low-income children**
- **Approximately 42,000 City residents in poverty apart from college students. 23.9k working age; 14.7k children; 3.4k elderly**

POVERTY BY CENSUS TRACT, RICHMOND VA

Percentage of Households with Annual Income Below the Poverty Threshold, By Census Tract



data source: American Community Survey, 2009 - 2013 5-Year Estimates (U.S. Census Bureau)

EAST END TRANSFORMATION PROCESS



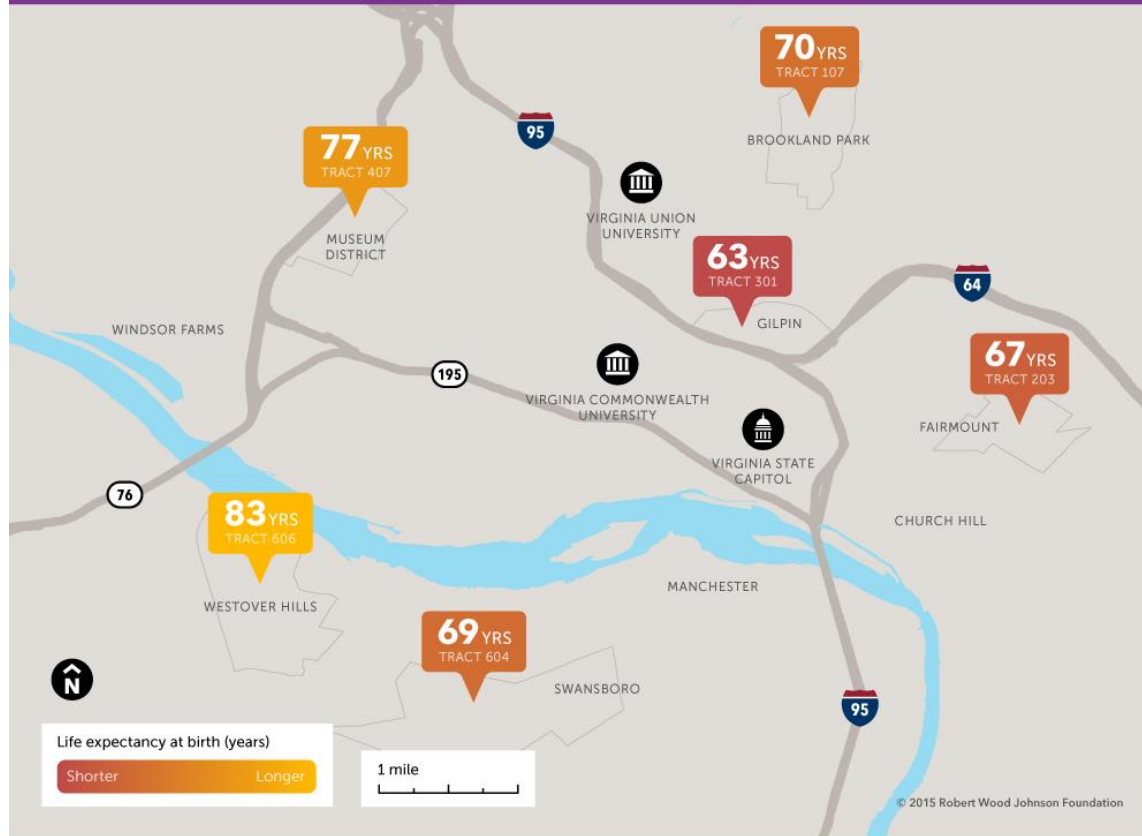
HEALTH DISPARITIES TRACK WEALTH DISPARITIES

RICHMOND, VIRGINIA

Short Distances to Large Gaps in Health

Follow the discussion

#CloseHealthGaps

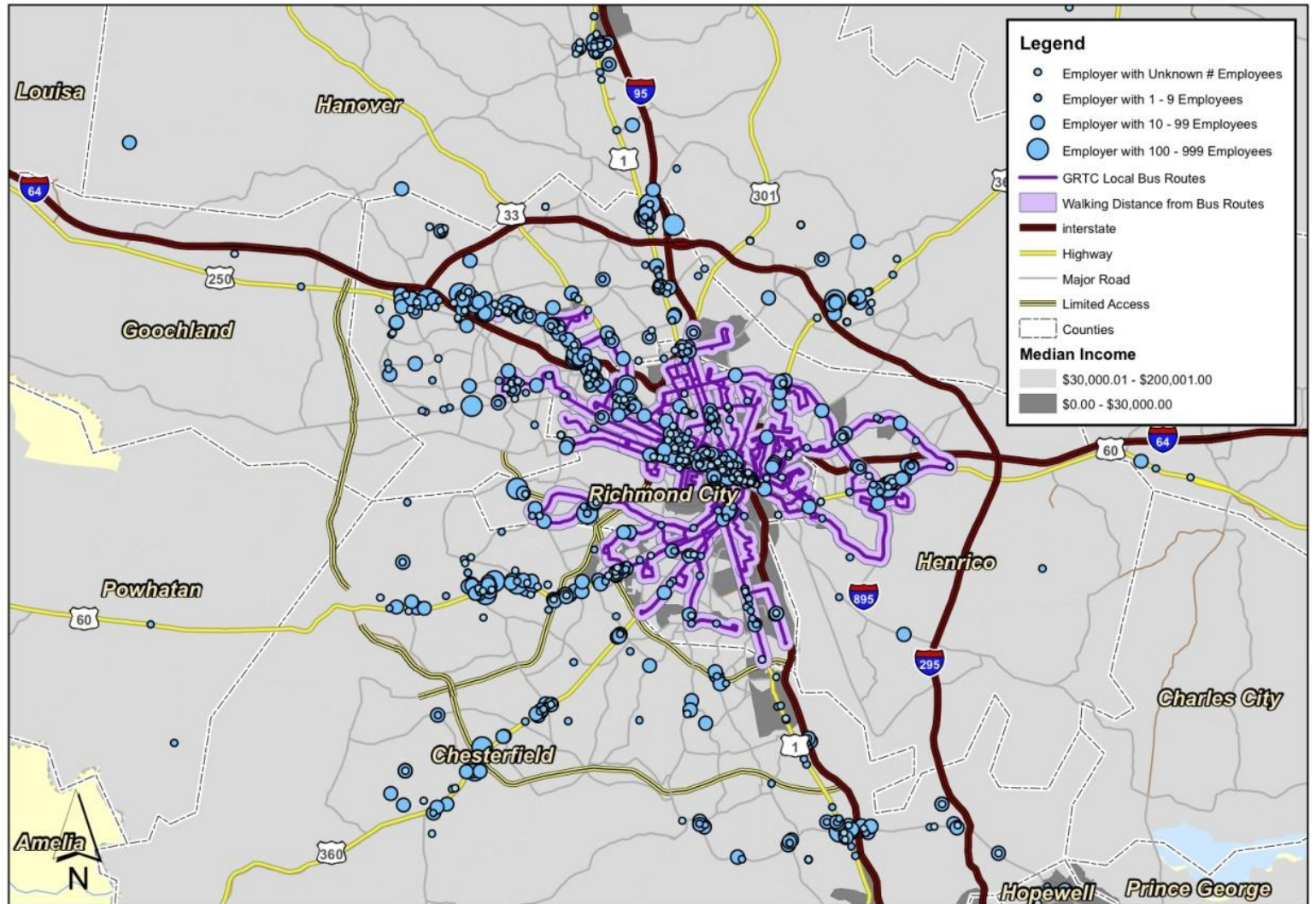


EDUCATIONAL SEGREGATION

- **Overall RPS Demographics (Pre-K – 12), 2013-14**
- 23,775 total students
- 18,521 economically disadvantaged (**77.9%**)
- 18,616 African-American (non-Hispanic) (**78.3%**)
- 2,281 White (non-Hispanic) (**9.6%**)
- 2,369 Hispanic (any race) (**10.0%**)

REGIONAL ECONOMY WITHOUT REGIONAL TRANSIT

Entry Level Job Locations in the Richmond Region
With Low Income Census Block Groups and Public Transportation Availability



Source: GRTC Transit System Planning Dept.
Greater Richmond Partnership
November 2008

0 1.5 3 6 Miles

SEVEN MAJOR BACKGROUND FACTORS

- National trend of rising inequality since 1970s
- Decline of manufacturing and employment prospects for blue-collar Americans
- Housing segregation
- Educational segregation
- Evolution of regional economy without regional transportation
- The Virginia Rules: Unique structure of local government
- Weakened family structure

ASKING THE RIGHT QUESTION

- The right question as City policymakers is not “what should society as a whole do about poverty?” So much of what could or should be done lies outside of our immediate control or influence.
- The question *we* should be focused on is “What can *we* as a City and community do to alter these trends?”

GUIDING FRAMEWORK: WHY COMMUNITY WEALTH BUILDING?

- Positive emphasis on capitalizing on what we have and positive assets and potential of people
- Emphasis on Neighborhoods *and* people
- Developing employment, entrepreneurial, and ownership opportunities with broad-based benefits
- Encompasses **human capital, social capital, physical capital, and financial capital**

EDUCATION

- *The most promising engine of social mobility for children in low-income families is education. Strengthening the educational pipeline from birth to college or career, involves reducing high dropout rates and increasing the proportion of graduates going into college or into a promising career track.*
- *Giving our children the best opportunity to succeed is the responsibility of the entire community.*

BRIEF OVERVIEW OF THEORETICAL FRAMEWORK

- Poverty is usually defined as an economic condition involving inadequate resources. Official government measures of poverty are based on household income.
- But poverty also can be considered as a question of **human development**. Persons living in or near poverty have multiple, overlapping disadvantages that inhibit the development and exercise of capabilities. In short, poverty restricts people from being all they can be--to the detriment of the entire community.

THE CRITICAL LINK BETWEEN POVERTY AND EDUCATION, I

- Persons with higher levels of educational attainment are dramatically less likely to experience prolonged poverty. Poverty rate by education level in RVA:
 - 36.6% - adults with less than a high school diploma
 - 21.5% - adults with high school diploma or equivalent
 - 15.1% - adults with some college
 - 6.4% - adults with college degrees.
- Communities with higher educational levels and a better prepared, more skilled work force will be more successful in attracting and incubating quality economic development and job opportunities.

THE CRITICAL LINK BETWEEN POVERTY AND EDUCATION, II

- At the same time, the prevalence of high levels of poverty make achieving positive educational outcomes more challenging.
- **Individual child:** low-income children often exposed to less language-rich environment, inhibiting learning, while also experiencing heightened stress and greater risks of adverse experiences triggering developmental delays.
- **Classroom:** more challenging to teach successfully in classrooms with higher proportion of children experiencing consequences of poverty.
- **Systemic:** more difficult to attract, develop and retain high-quality teachers and principals in more challenging environments.

BEYOND EXCUSES: PAVING A WAY FORWARD FOR RICHMOND

- Despite these challenges, there are examples of communities with high levels of child poverty that have made strong educational progress.
- Honest recognition of obstacles does not mean making excuses for failures. It rather means forging a realistic strategy for dealing with and overcoming the obstacles, whether at the individual, classroom, neighborhood, or community level.

TOWARD AN INTEGRATED STRATEGY FOR TACKLING POVERTY & IMPROVING EDUCATION

- The Mayor's Anti-Poverty Commission Report calls for the development of a strong cradle-to-career (or college) pathway, with the goal of assuring all children in Richmond, no matter income level, attain the skills, developmental opportunities, and credentials required to become self-sufficient adults.
- Richmond Public Schools, as the Commission Report stresses, are the most critical piece of this puzzle. RPS bears primary responsibility for curriculum development, staff development, governance and administration.

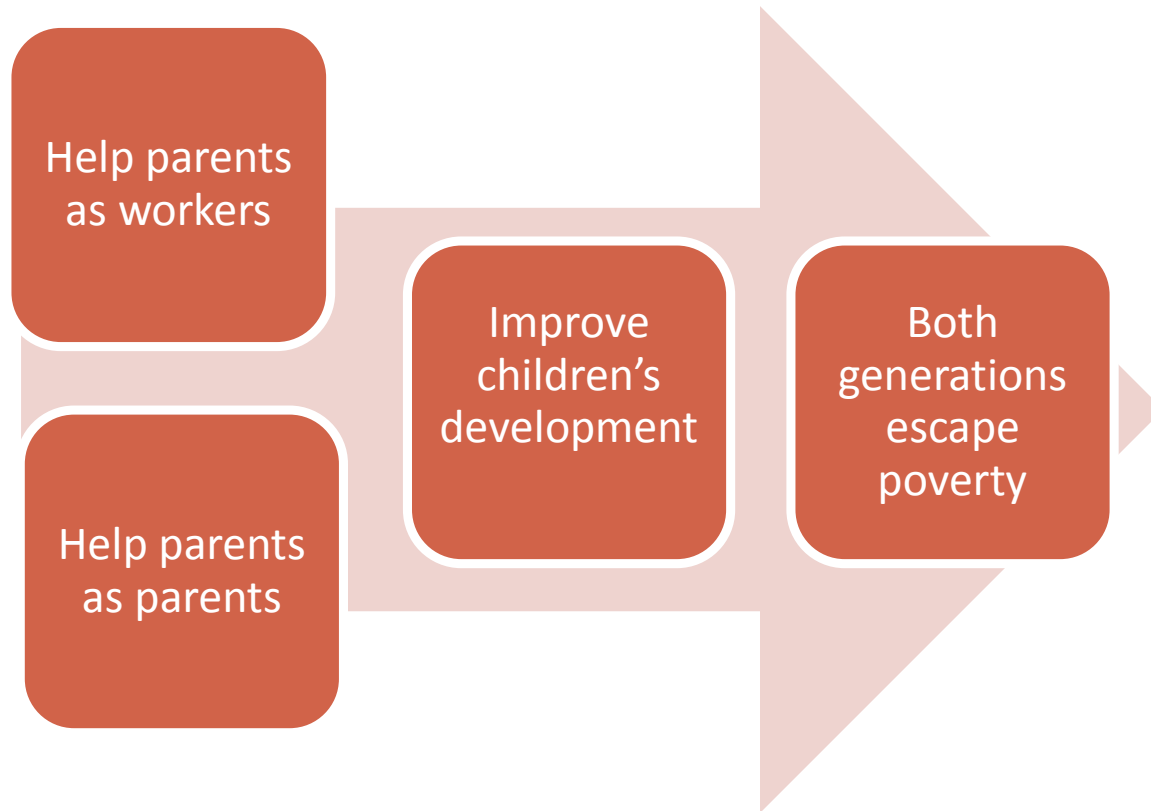
AN INTEGRATED STRATEGY FOR TACKLING POVERTY AND IMPROVING EDUCATION, II

- The City and community as a whole also have a critical role to play in contributing to educational success (beyond funding RPS) in five key areas:
 1. Bolstering quality employment opportunities to reduce the poverty rate, strengthen families, and reduce stress experienced by children
 2. Improving neighborhood environments
 3. Programming and opportunities for children and youth in out-of-school time
 4. Strengthening parents and families to facilitate positive child development in the earliest years (0-5)
 5. Maximizing access to post-secondary career and college opportunities.

“TWO-GENERATION” STRATEGY

- Both common sense and academic research stress the critical, indispensable role of parents and parenting in child development.
- To improve the prospects of children growing up in poverty, we must at the same time improve prospects and economic stability for as many parents as we can.
- At the heart of the City’s poverty reduction strategy is the Center for Workforce Innovation, which connects job seekers to quality employment opportunities and provides training. The program now provides comprehensive family-based wrap-around services to participants in the BLISS program.

TWO-GENERATION PATHWAY



Schmit, S., Matthews, H., & Golden, O. (2014). *Thriving Children, Successful Parents: A Two-Generation Approach To Policy*. Washington, DC: Center for Law and Social Policy.

THE PATHWAY OUT OF POVERTY

| In Crisis | → At Risk | → Safe | → Stable | → Thriving |
|--|--|--|---|---|
| <ul style="list-style-type: none"> • No Income or assets • No skills or credentials • Homeless or unstable housing • No or unreliable transportation or child care. • Safety and mental health risks are high • Addictions and/or Legal Problems | <ul style="list-style-type: none"> • Seeking job or temp/seasonal job or other legal income • Temporary or transitional housing • Transportation and child care available, but not affordable or reliable • Seeking GED or vocational training | <ul style="list-style-type: none"> • Employed in semi-stable job • Housing is stable and is affordable (maybe with subsidy) • Transportation and child care are generally reliable and affordable • Has high school diploma, GED, or vocational training | <ul style="list-style-type: none"> • Permanent & stable job paying living wage • Housing is stable & and is affordable without subsidy • Transportation and child care are reliable and affordable • Career & educational plan in place; active & on-going learning | <ul style="list-style-type: none"> • Permanent, stable employment sufficient to build assets • Housing is permanent & affordable without subsidy • Transportation and child care are reliable and affordable • Implementing education and career plan |

MAYOR'S OFFICE OF COMMUNITY WEALTH BUILDING: INITIATIVES

