USC Price
Sol Price School of Public Policy

**Innovating to End
Urban Poverty Conference**

March 27 & 28, 2014
University of Southern California

**Panel 7: Foundation panel
Summary**

Panelists
Robert Greenstein, President, The Center on Budget and Policy Priorities
Terri Ludwig, President and CEO; Chair, Enterprise Community Partners, Inc.
Patrick McCarthy, President and CEO, The Annie E. Casey Foundation
Raphael Bostic, Professor and Director, USC Bedrosian Center on Governance

Next Steps on Poverty: Opportunities and Threats
Considerations
- Poverty rate has fallen significantly since the 1960s under the "anchored" supplemental poverty measure, which counts cash income plus non-cash benefits, reflects the net impact of the tax system, subtracts certain expenses from income, and uses a poverty line based on today's cost of certain necessities adjusted back from inflation. The official poverty measure counts cash income only and uses the official poverty line.
- The safety net cut the poverty rate nearly in half in 2012: from about 29% to 16% for all ages, and from nearly 30% to 18% for youth under the age of 18. Safety net programs keep millions out of poverty.
- As the early food stamp program was rolled out, county by county, children's life course improved (e.g., low-income babies born in counties that offered food stamps in the 1960s and 1970s grew up healthier and more likely to finish high school. There was also a decrease in the number of cases of heart disease and obesity in adult outcomes for disadvantaged children when food stamps became available).

A lot of progress, but still a long way to go
- Disparities emerge early (e.g., at age 24 months, low-income toddlers score lower than middle- and high-income toddlers on: receptive language, expressive vocabulary, listening/comprehension, and early counting/quantitative skills).
- Children raised at the bottom of the income scale likely remain there as adults.
- Tuition has far outpaced income growth, especially for low-income households.
- States have cut higher education funding deeply in recent years.
- Long-term unemployment remains near historic highs.
- Places where we can make progress at federal, state, and local levels: necessary conditions for children's success (e.g., housing assistance, EITC, home visiting, etc.); education gap (e.g., early education and postsecondary access and success); labor market (e.g., economic growth, address lack of jobs for less educated workers, etc.); Medicaid expansion; immigration reform.

To End Urban Poverty, Start with Housing

The problem

- 19+ million families cannot reach the first rung on the ladder (e.g., 610,000 people are homeless on a given night; 10.9 million renters and 7.5 million homeowners are paying more than half of their monthly income on housing).
- When a family is homeless, they are: more likely to have a developmental delay, or a mental or physical health problem; are less likely to graduate from high school.
- When a family is in unstable housing, they are: more likely to suffer from excessive stress, depression, or another mental problem; less likely to perform well in school.

Enterprise Community Partners' solutions

- Provide homes that are: affordable to low-income families; available in markets where the supply gap is growing; healthy, well designed, and sustainable; connected to jobs, health care, good schools, and transit.
- The Enterprise model: connecting capital (harness investment capital to build healthy and sustainable communities); transforming policy (engage government to create and enhance policies that strengthen community development investment); innovating solutions (put ideas into action to create stronger, thriving communities).

Enterprise's goal: end housing insecurity in the U.S.

- Step 1: Protect and expand public programs that work (e.g., tax reform, budget negotiations, and housing finance reform).
- Step 2: Develop new tools to spur investment (e.g., new funds to attract retail and institutional investors to affordable housing; social impact bonds and other pay-for-success models).
- Step 3: Build capacity in the public and private sectors (e.g., public agencies and developers; enterprise advisory services; HUD's National Resource Network).
- Step 4: develop the next generation of public policies (e.g., respond to demographic changes and future needs; encourage public-private partnership, including impact investing; break down silos to more efficiently invest in strong, connected communities).
- Step 5: Elevate housing on the national agenda (e.g., engage new stakeholders; focus on shared goals; study the social and economic returns on housing investments).

Lessons Learned

Bad systems trump good programs

- The way our systems work at the state level and local level either opens doors to opportunity or they can close doors to opportunity.
- When people are designing important programs and policies, not enough attention is paid to how the administrative apparatus will actually work at the state and local level to deliver the goods and achieve the intentions that are being set forth.

Stairway to scale

- Early stage: develop, innovate, pilots.
- Proof of concept: test and improve; build evidence.
- Replicate to tipping point: demonstrate feasibility and fidelity in different locations; multi-site initiatives; training; organizational growth.

- Broad expansion: market change; systems improvement; policy change; campaign and movement building; advocacy; "wholesale" through networks.
- Move the needle: for larger and larger populations (neighborhood → city → state → nation); data monitoring; continuous improvement; ongoing advocacy.

Wrap-Up Comments

- We have heard many issues throughout the conference, issues about how we get broad, continuous, and deeply engaged multi-sectoral participation; the important role of the private sector; the important role of a general economy and income support to make change real.
- We heard a lot about institutions and systems. We heard about tax systems, program structures, and incentives.
- There was a lot of discussion about the tension between practitioners and researchers and how to find the sweet spot where we can communicate, work together and advance each other's interest so that we can be mutually reinforcing.
- There was also a lot of discussion about perseverance and the long-term nature of what we are talking about, and the reality that change takes time and butts up against political realities and patience. We need to figure out how to make sure that our efforts can span the fluctuations that happen in other spaces in important ways.

Next Steps

- There are many things that we can lift up, and part of what our challenge is in moving forward is to distill this down into something that is clear, transparent and actionable.
- Over the next couple of weeks and months, we are going to work to do that and develop some action plans and communication approaches and ultimately, disseminate and communicate.
- Get the word out and be as precise and specific as possible, because many people want to do things, but they do not know what to do. A network allows us to reach far more people.
- We need to keep talking about these things. We need to keep working together to figure out what to do and then we need to start doing things as well.