

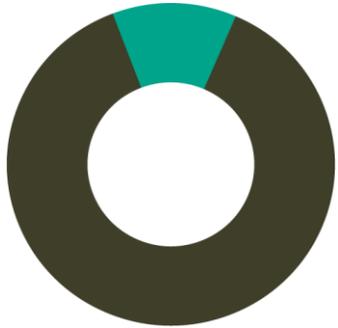


**Saint Paul** Minnesota  
*The most livable city in America*

# Office of Financial Empowerment

**Presentation to the Saint Paul City Council  
Organizational Committee  
May 15, 2019**

# A movement towards financial empowerment at the city-level...



**Cities for  
FINANCIAL  
EMPOWERMENT  
Fund**



**OFFICE OF  
FINANCIAL  
EMPOWERMENT**  
DENVER HUMAN RIGHTS &  
COMMUNITY PARTNERSHIPS



**SAN FRANCISCO  
OFFICE OF FINANCIAL  
EMPOWERMENT**



**Consumer Affairs**  
Office of Financial  
Empowerment

...across the nation



BankOn



# The City of Saint Paul's Office of Financial Empowerment

## Vision

An **economic democracy** that  
**shares prosperity** with  
all Saint Paul residents

# Emerging OFE Results Framework

1. Saint Paul residents achieve **financial health**
2. Saint Paul neighborhoods achieve **community wealth**
3. Saint Paul residents live in **stable, safe, and affordable communities**
4. Families with children living in Saint Paul have **a city that cares about their future**
5. Saint Paul community members are **engaged in public decision-making**

# How will we know if we're successful?

## Citywide indicators

- Wealth Building & Financial Health Indicators
- Job & Business Indicators
- Housing Indicators
- Education Indicators

See handout for a list of **emerging citywide indicators** that still need to be prioritized

# Emerging citywide indicators

## Income Inequality (2018)

Saint Paul  
5.8 : 1

Minneapolis  
5.2 : 1

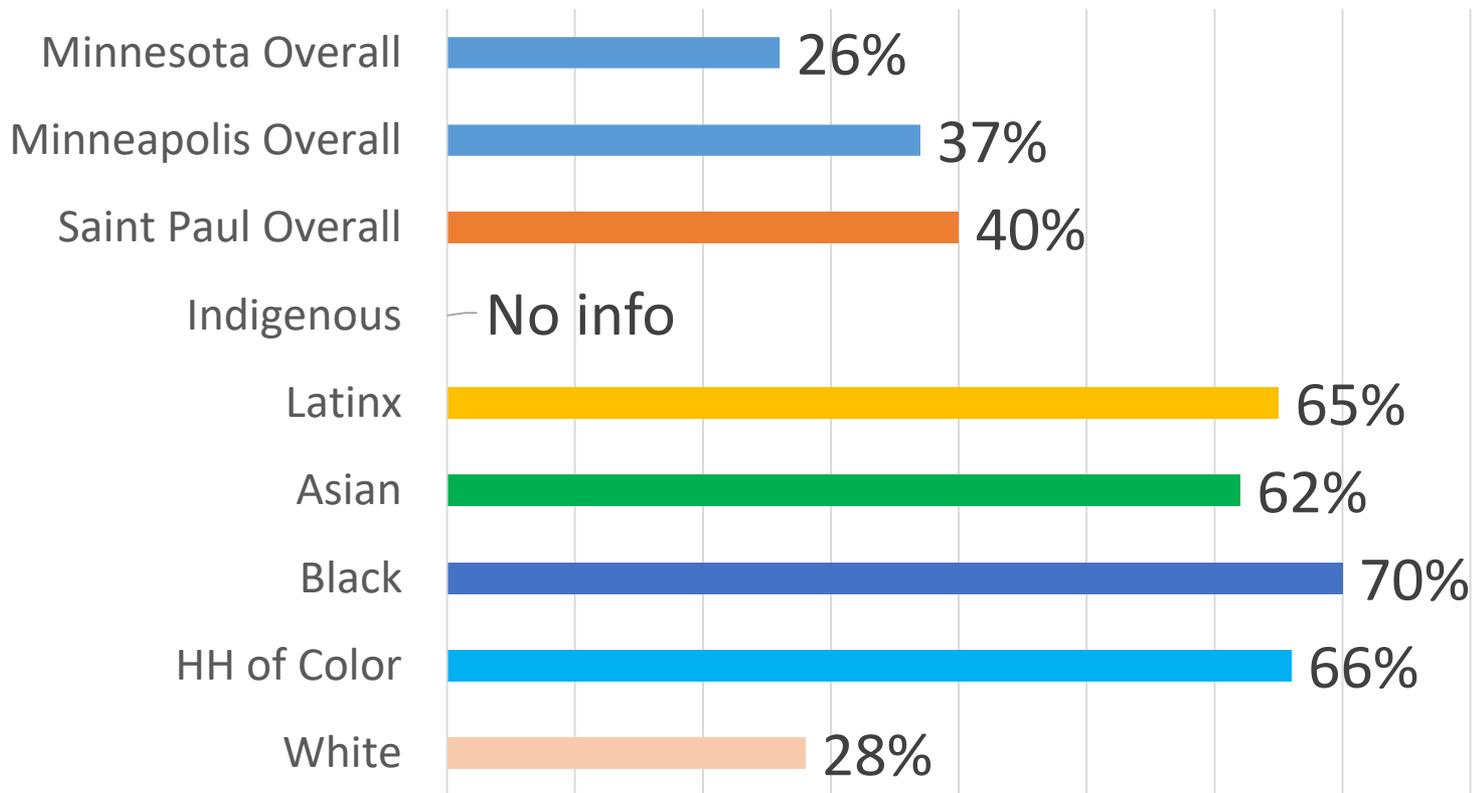
Minnesota  
4.21 : 1

*The top 25% of the City earns **5.8X** the income of the lowest 25% of City residents.*

*Ratio of the annual household income of households in the top income quintile to households in the bottom income quintile*

# Emerging citywide indicators

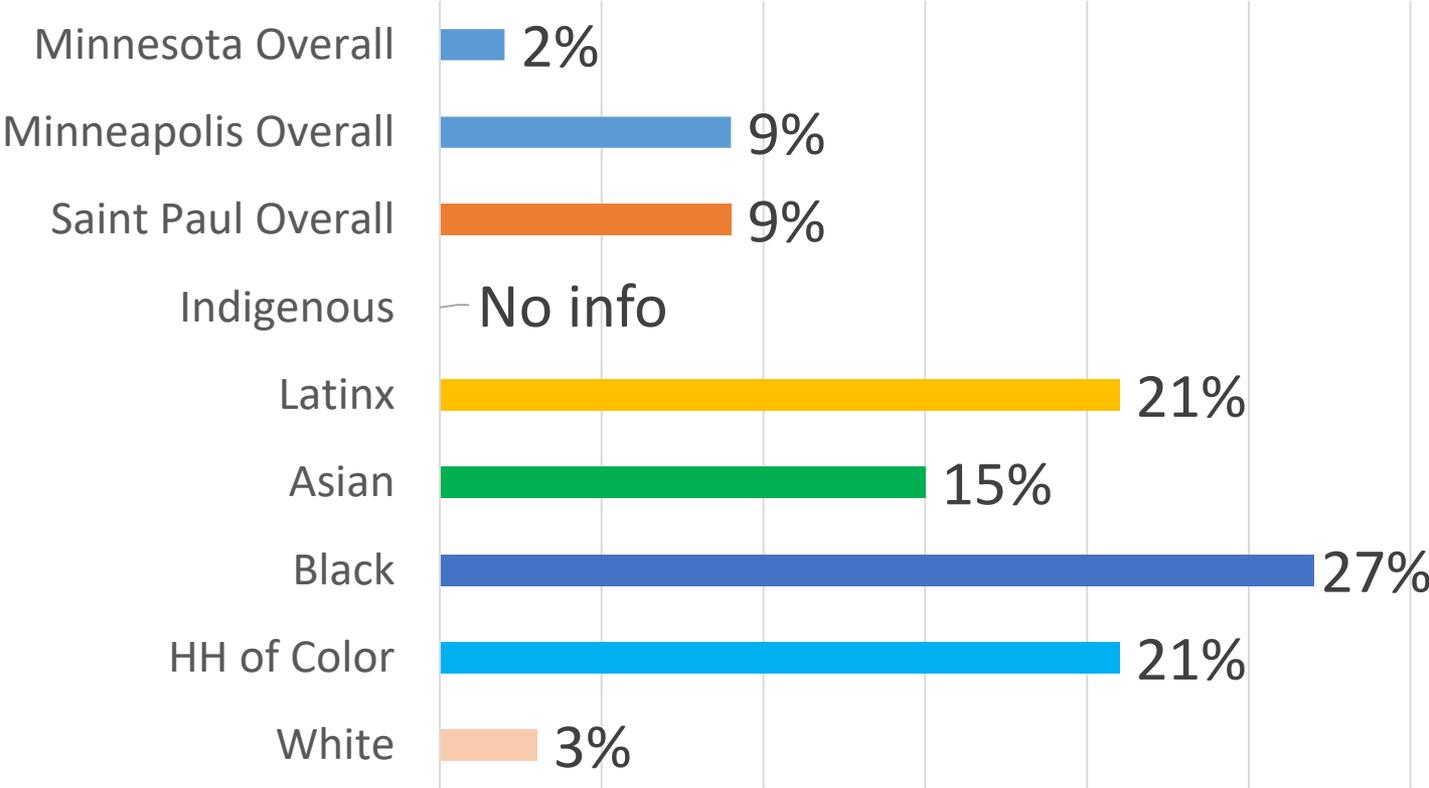
## Liquid Asset Poverty Rate (2018)



*Percentage of households without sufficient liquid assets to subsist at the poverty level for three months in the absence of income*

# Emerging citywide indicators

## Unbanked (2018)

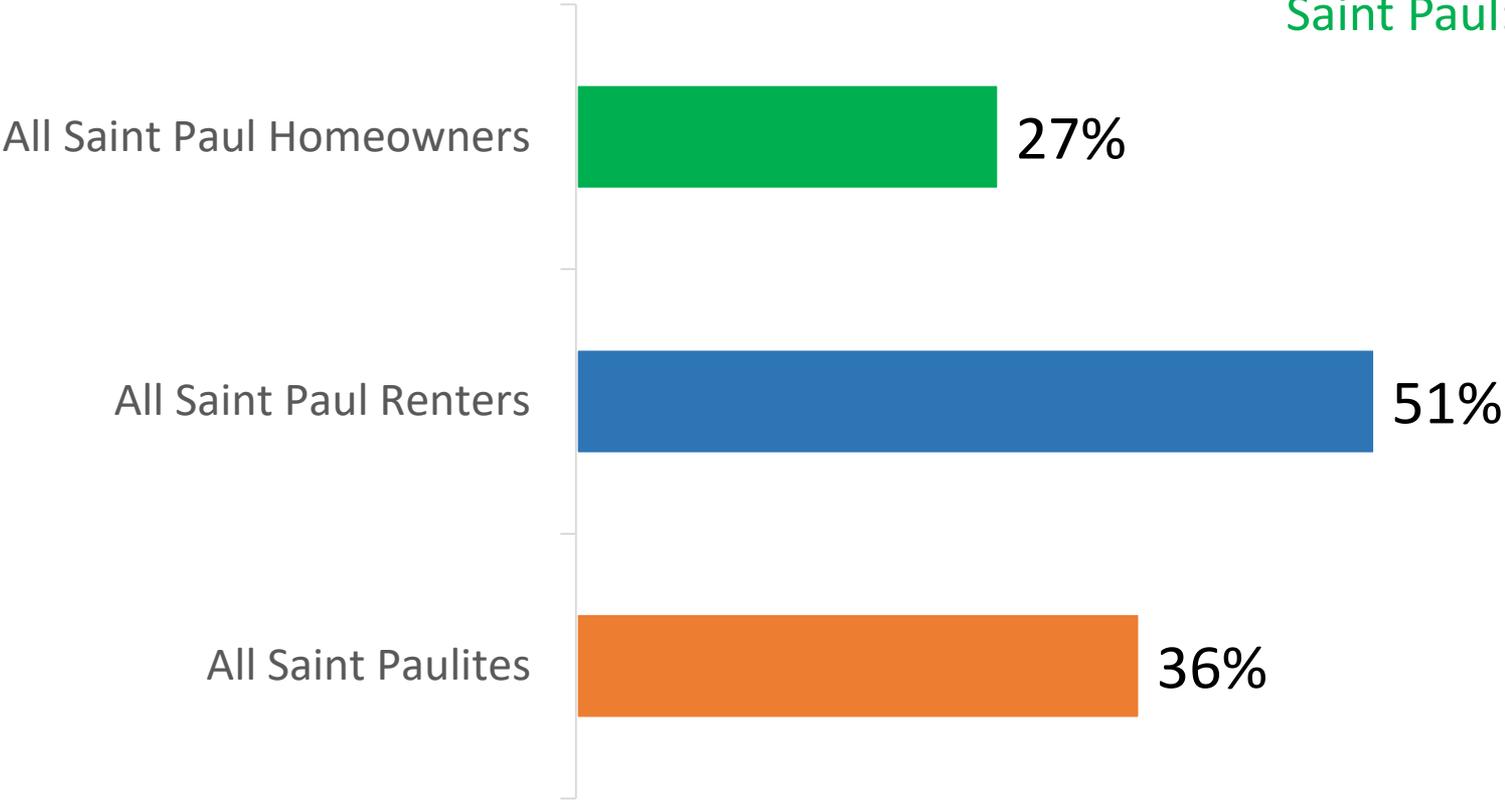


*Percentage of households with neither a checking nor savings account*

# Emerging citywide indicators

## Cost-Burdened Households (2018)

Median Rent  
Saint Paul: \$901



Cost burdened is the number of households who spend 30% or more of their income on their monthly rent or mortgage. Source: American Community Survey

# Sometimes our system designs are experienced like this...



# Or this...



Or this...



# Who are we designing for? Who is at the table designing? How are we designing?



# Who? OFE Community Council

A governing body for OFE that centers the experiences of residents to guide priority setting and co-design strategy levers

Applications released in early summer

Beyond the OFE governing body, the OFE is committed to:

- Human-centered design principles
- Hosting forums elevating community conversation and dialogue
- Radical hospitality

# How? OFE Strategy Levers

We need to **hold the complexity of issues** by implementing a mix of strategies to move any citywide indicator:



# Today's highlights

## College Bound SAINT PAUL

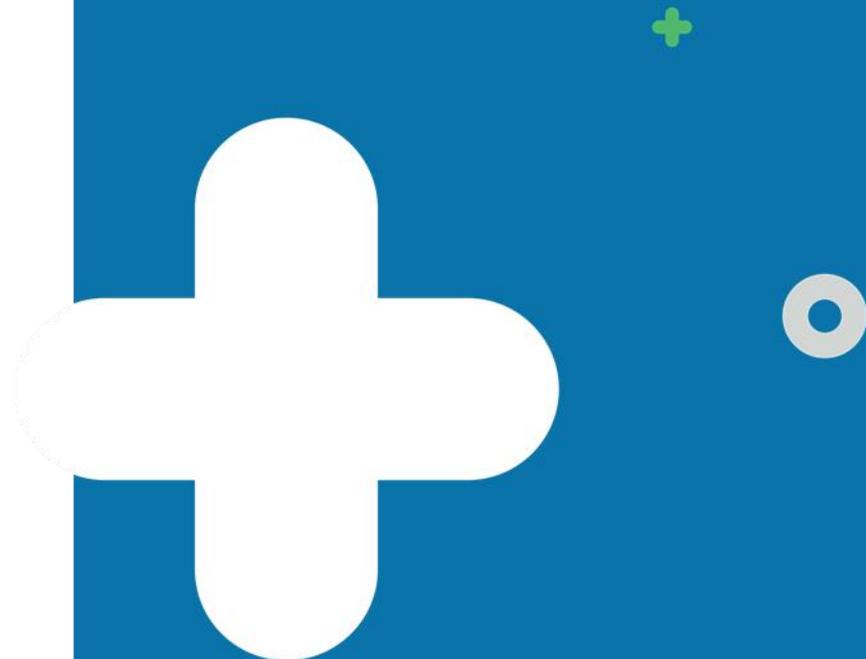
*Pathways for Every Child,  
Family and Future.*



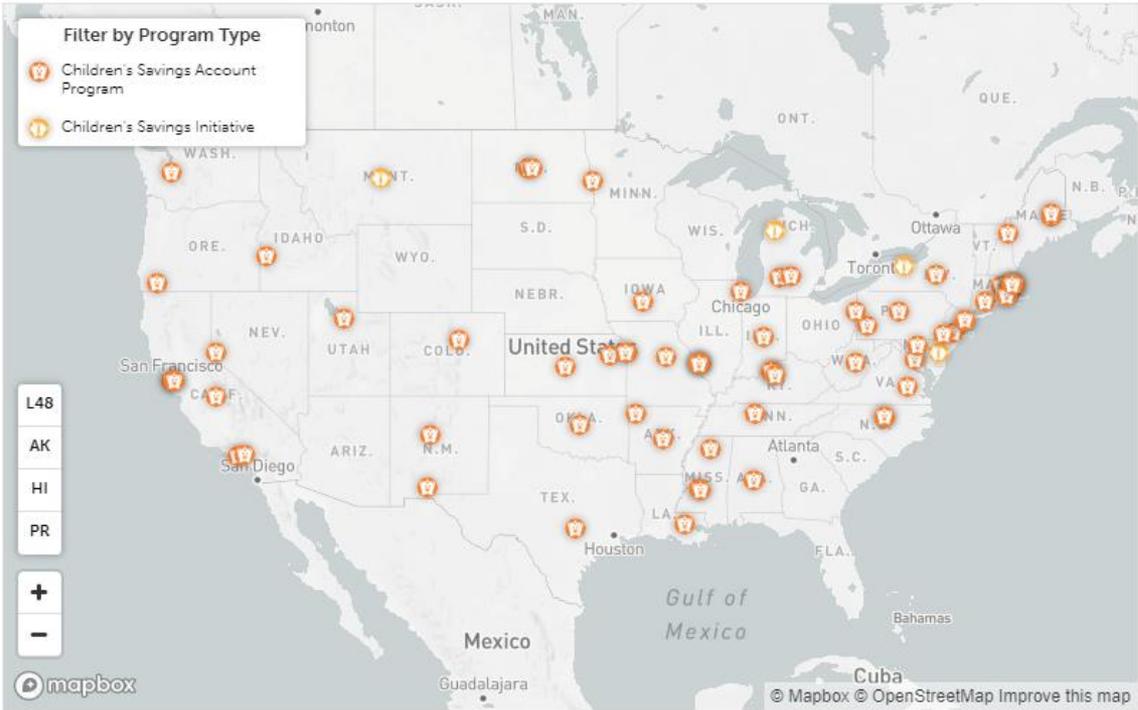
# College Bound

SAINT PAUL

*Pathways for Every Child,  
Family and Future.*



# National Landscape



**CSAs BY THE NUMBERS** As of the end of 2018

<b>65</b> PROGRAMS SERVED	<b>457,000</b> CHILDREN IN	<b>34</b> STATES AND DC
---------------------------	----------------------------	-------------------------

CollegeBound Saint Paul will be the first city-wide program starting at birth

# Background on CSA Programs

- + What are College Savings Accounts (CSA)?
- + How Do CSAs Work?
- + What Benefits Do CSAs Have?



## OPEN ACCOUNT

Accounts—opened as early as birth or kindergarten—are seeded with initial deposits.



## GROW SAVINGS

Accounts grow through family contributions and incentives, such as savings matches.



## ATTEND COLLEGE/ TRAINING

Savings help pay for postsecondary education.



## GRADUATE

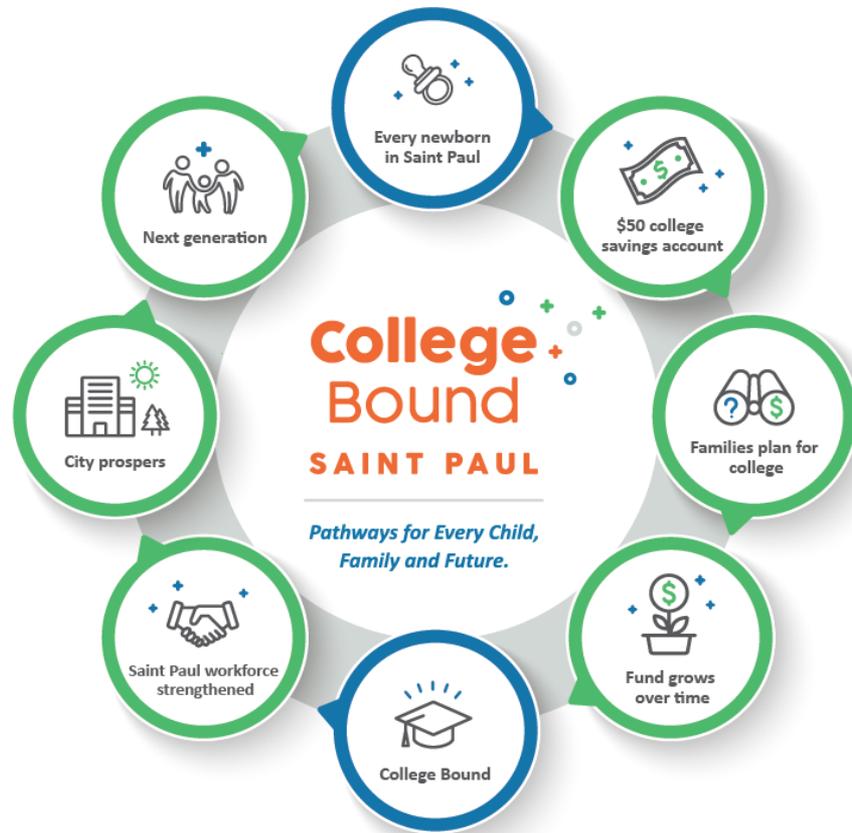
Children with a college account with \$500 or less are 4x more likely to graduate.

## Impact of CSA Programs

- + Increases college attendance and graduation
- + Boosts parent's expectations
- + Improves social-emotional development in children
- + Improves maternal mental health

# Why CollegeBound Saint Paul?

- + Financial Insecurity In Saint Paul
- + Educational Opportunity Gap in Saint Paul
- + How the CSA Program Can Benefit the City



CollegeBound  
SAINT PAUL

*Pathways for Every Child, Family and Future.*

# Program Design Process

- + CSA Task Force
  - + Subcommittee Structure
  - + Technical Assistance Provider
- + Grasstops Engagement
- + Community Engagement



Grasstops Stakeholder Focus Group



Last Task Force Meeting

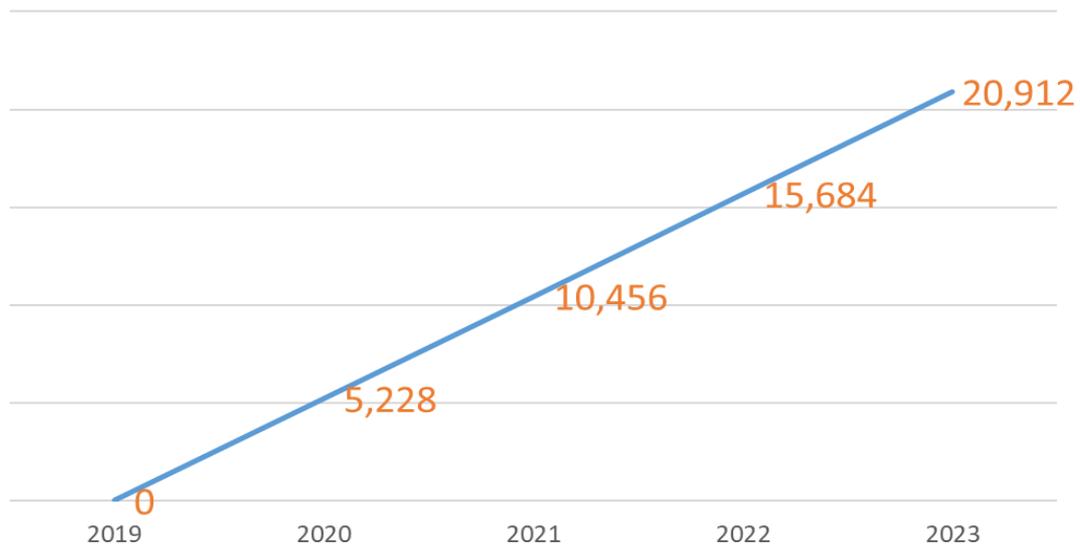


Community Engagement Event  
at YWCA

# Program Vision & Values

- + College Bound Saint Paul will illuminate a pathway to a brighter future for both our families and the city.
- + **Every child born in the city after January 1, 2020** will receive a college savings account with a \$50 seed deposit to help all students and their families plan for post-secondary education.

Projected # of newborns enrolled in CollegeBound Saint Paul



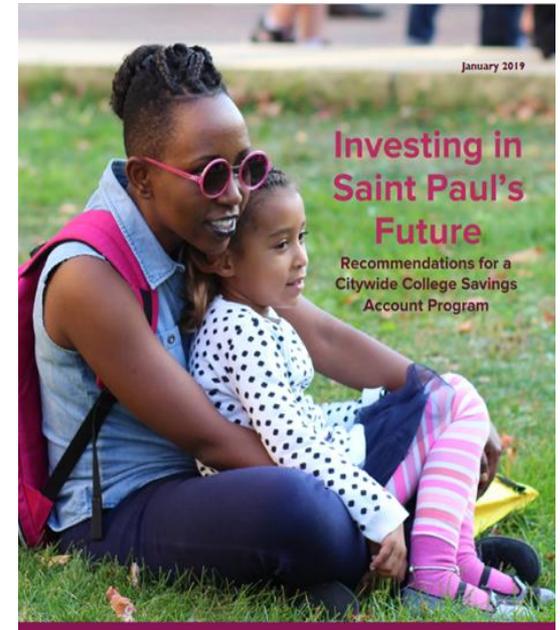


## Values

- + Accessible
- + Equitable
- + Sustainable

## Program Design Recommendations

- + Universal, Inclusive Eligibility
- + Automatic Enrollment
- + Program Funds are Safeguarded
- + Seed Money to Jumpstart Savings
- + Bonuses to Build Savings
- + Flexible Use of Funds



City of Saint Paul  
Minnesota  
Mayor Melvin Carter



PROSPERITY  
**NOW**

# Program Administration

- + Management & Staffing
- + On-going Community Input & Engagement
- + Account Management/Information System
- + Communications & Marketing

**CollegeBound**  
SAINT PAUL

*Pathways for Every Child, Family and Future.*

# CollegeBound Saint Paul Impacts

## Outcomes at the participant and community levels

### Short-term Outcomes

#### Participant Level

- Higher % of families savings for children's post-secondary education
- More connections to early childhood screening and services
- Higher % of families using wraparound services and financial capability resources

#### Community Level

- Engagement of families across all demographic groups, with a particular emphasis on under-resourced communities
- There is increased cross-sector collaboration
- Community wide buy-in to engage in and support the CSA program through philanthropy and/or partnerships

### Long-term Outcomes

#### Participant-level

- The % of Saint Paul's youth enrolling in and completing postsecondary education increases
- Young adults have the skills and education needed to succeed in Saint Paul's future economy

#### Community-level

- Gaps in postsecondary educational attainment by race and income narrow among city residents
- Disparities in employment rates and income by race narrow among city residents
- More young adults remain in and/or return to Saint Paul and contribute to the city's economy

# Family Outreach, Engagement, & Financial Capability

- + Enrollment – Opt-ins
- + Participant Engagement
  - + Bonuses
- + Financial Capacity Services
- + College Access Programs
- + Ambassadors & Champions

# Public – Private - Nonprofit Partnerships



SAINT PAUL children's collaborative



STINSON



BREMER BANK



## INDIGENOUS ROOTS



TIWAHE FOUNDATION

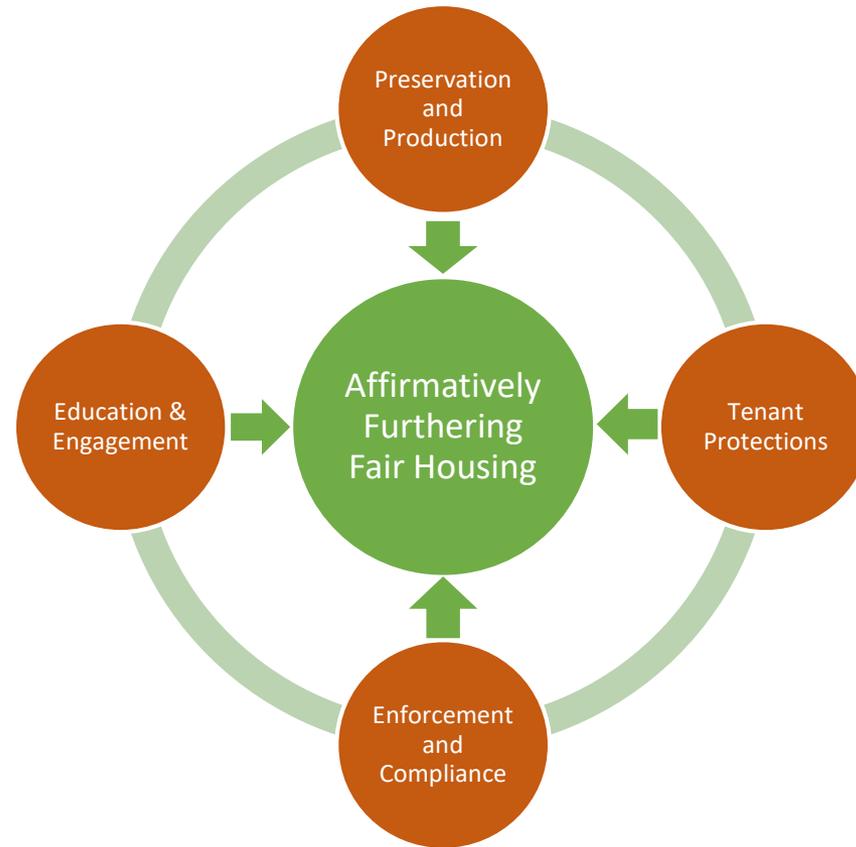
FATHER PROJECT



BUILDING UNBREAKABLE BONDS



# Fair Housing & the City of Saint Paul



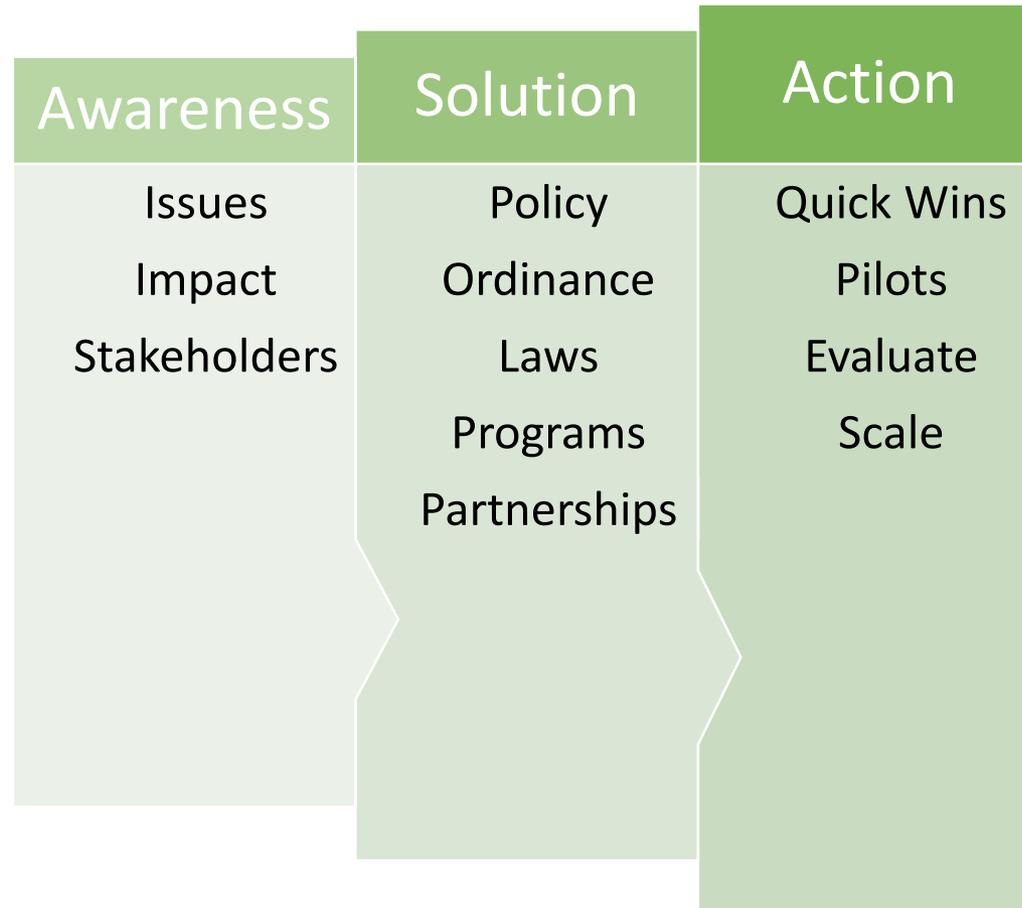
St. Paul's Fair Housing work group has its work cut out for it



## Fair Housing Work Group

Status update and policy and program options in response to Resolution 17-2064.

# Strategy Development



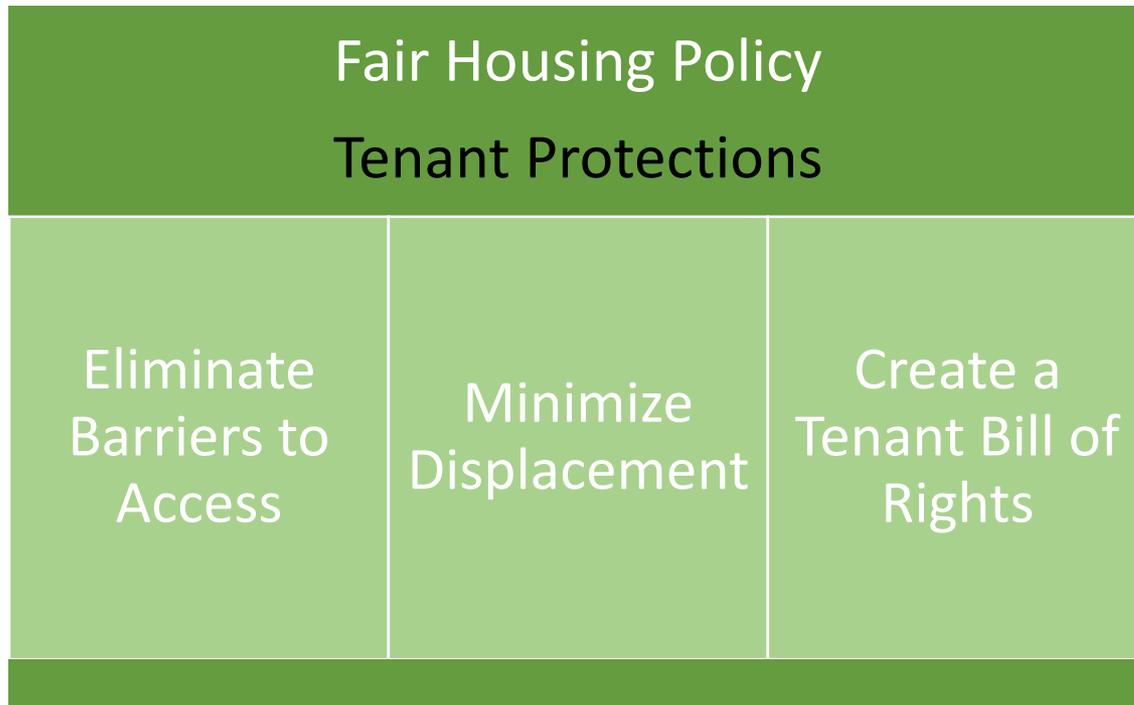
# Strategy Coordination



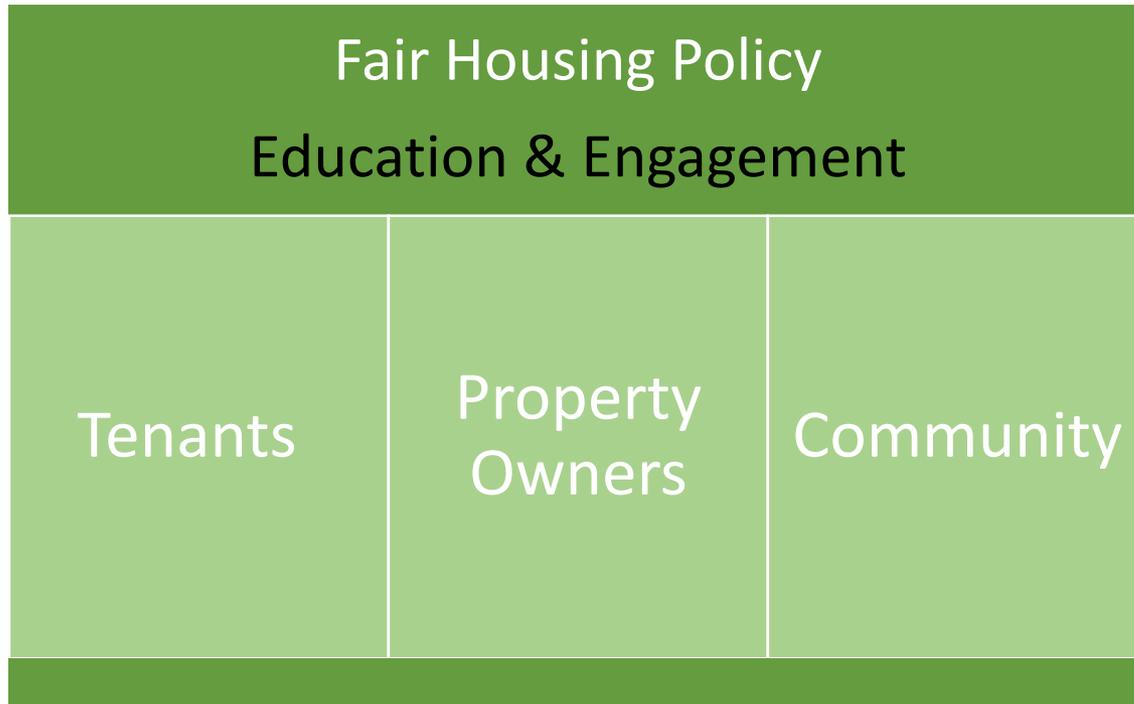
# Fair Housing & the City of Saint Paul



# Fair Housing & the City of Saint Paul



# Fair Housing & the City of Saint Paul



# Fair Housing & the City of Saint Paul



# 2019 Priorities



**Saint Paul** Minnesota  
*The most livable city in America*





**JPMORGAN  
CHASE & CO.**

- ❖ Assess fines and fees structures across the City
- ❖ Identify new ways to reduce inequities in how fines and fees are imposed and where possible remedy unfair ordinances and collections practices
- ❖ Make program or policy changes that lead to a new collections model for the city, connecting residents who are in debt with services that improve their financial health.

# What else is emerging for OFE?

- Scale free tax clinics citywide in 2020 - \$12-15 million unclaimed tax refunds each year (EITC)
- Scale financial capability programming
- Define citywide cooperative economies strategy
- Support rollout of citywide \$15 minimum wage increase

# Contact us

## **Muneer Karcher-Ramos**

Director, Office of Financial Empowerment

651-266-6220

[muneer.karcher-ramos@ci.stpaul.mn.us](mailto:muneer.karcher-ramos@ci.stpaul.mn.us)

## **Kirstin Burch**

Fair Housing Coordinator

651-266-6228

[Kirstin.Burch@ci.stpaul.mn.us](mailto:Kirstin.Burch@ci.stpaul.mn.us)

## **Ikram Koliso**

College Savings Account Program Manager

651-266-8838

[ikram.koliso@ci.stpaul.mn.us](mailto:ikram.koliso@ci.stpaul.mn.us)