

Beginning the End of Poverty In Saint Paul

LEGISLATIVE ADVISORY COMMITTEE ON POVERTY
PRELIMINARY REPORT
JULY 26, 2017

Committee Members

Tonya Draughn, Community Representative & Leading Individuals and Families Together
to End Poverty (LIFT)

Nona Ferguson, Vice President Economic Stability and Aging Services, Amherst H. Wilder
Foundation

Tracy Fischman, Executive Director, Prepare + Prosper

Edward G. Goetz, Professor, University of Minnesota

Dr. Clarence Hightower, Executive Director, Community Action Partnership of Ramsey & Washington County

Leslie Moore, Community Representative

Mary Beth Redmond, Community Representative

Ken Smith, President/CEO, District Energy St. Paul (Saint Paul Area Chamber of Commerce Representative)

Kaying Thao, Public Policy Advocate, Catholic Charities of Saint Paul and Minneapolis

Charge To Committee

Resolution 17-76:

RESOLVED that the City Council hereby appoints a Legislative Advisory Committee on Poverty, as per Section 3.01.8 of the City Charter, and to be charged with the duties to:

1. Examine and assess the causes of poverty in the City of Saint Paul;
2. Develop 3-5 policy recommendations aimed at lowering the city's 25% poverty rate and build health, wealth and stability; and
3. Produce a poverty reduction strategy which documents and that describes policy proposals in detail, explaining the process for implementation, and analyzing the challenges associated with implementation. The Legislative Advisory Committee on Poverty will report back to the City Council with recommendations by June 28, 2017.

Advisory Committee Work

- 7 committee sessions in 2017
- Research staff interviews with each of the committee members
- Literature review based on committee member input
- Presentations from guest experts

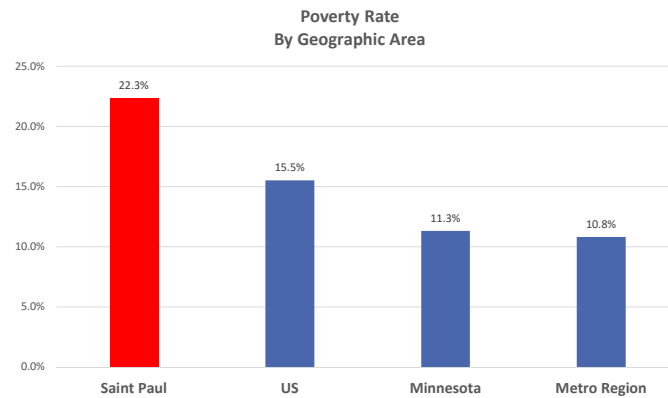
Federal Poverty Level

2016 US Poverty Thresholds – US Census Bureau				
Size of family unit	Related children under 18 years			
	None	One	Two	Three
One person (<65)	\$12,486			
One person (>65)	\$11,511			
Two people (<65)	\$16,072	\$16,543		
Two people (>65)	\$14,507	\$16,480		
Three people	\$18,774	\$19,318	\$19,337	
Four people	\$24,755	\$25,160	\$24,339	\$24,424
Five people	\$29,854	\$30,288	\$29,360	\$28,643

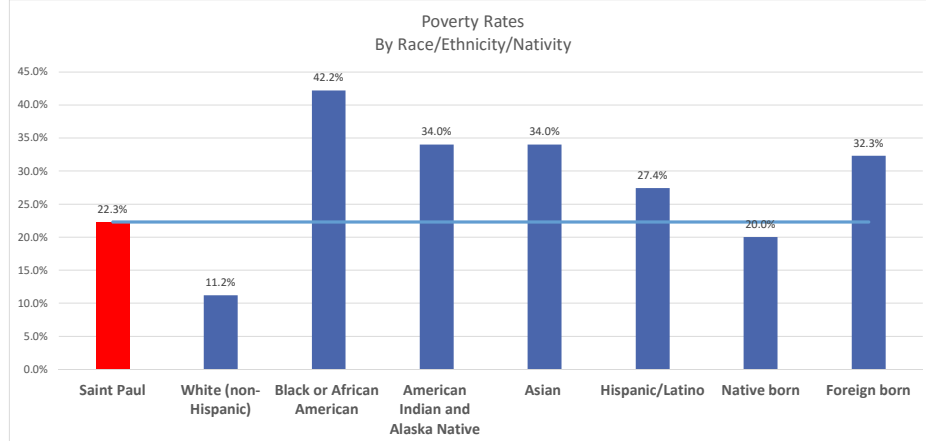
What Is Poverty?

- Committee relied on the federal, income-based definition
- Poverty rate for Saint Paul is 22.3% (based on 2011-2015 Census Bureau estimate)
- Objective definition of poverty supplemented by experiential description that includes a state of **desperation**, **marginalization** and **deprivation**

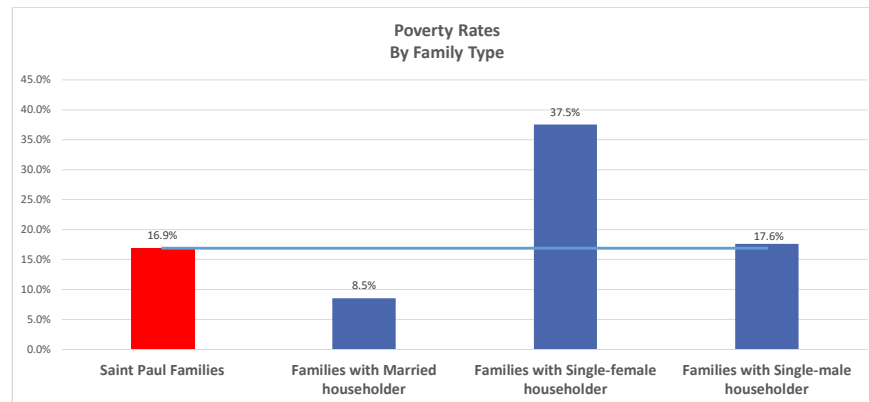
Who is in Poverty?



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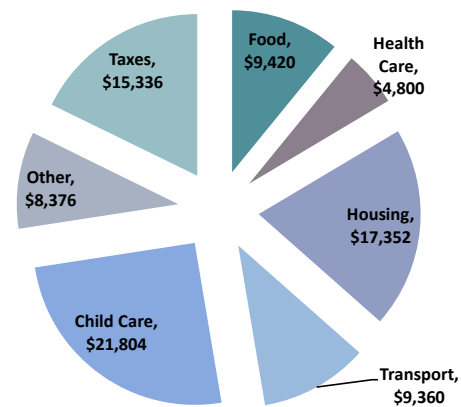


Who is in Poverty?



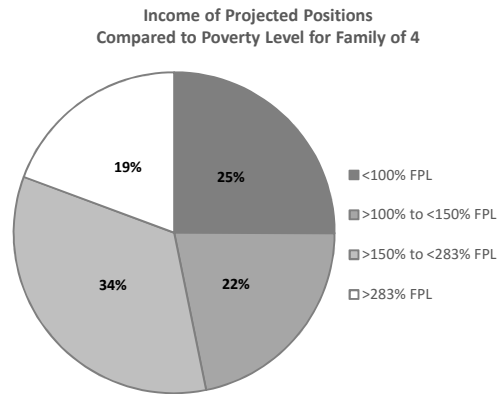
Cost of Living 1 Full-time Worker with 2 Children

- \$42/hour to reach \$86,447/year cost of living
- ~\$10/hour poverty level - family of 3 or \$20,420/year
- Family in poverty min. shortfall to cost of living: 76%



Income of Projected Positions

- Federal Poverty Level for single-parent household of 4: **\$24,424**
- Average wage for top 5 jobs with most projected openings in next 10 years: **\$20,620**
- Household income necessary to not qualify for any major forms of public assistance: **\$69,120**



Poverty and Local Government

- City role is limited compared to federal, state and county jurisdictions
- Direct-but-narrow and indirect-but-broad roles across service areas
- Key convener of public-private partnerships

Committee Values

The committee's work is animated by the following values and principles:

- Dignity
- Empathy
- Connectivity
- Family

Recommendations

- ❖ Workforce Development
- ❖ Economic Well-Being
- ❖ Criminal Justice
- ❖ Social & Community Supports
- ❖ Housing

Recommendations

Workforce Development: *Programs and regulatory structures ensure jobs support stable families and communities.*

- Review Ramsey County Workforce Solution program community outcomes for Saint Paul and assess best arrangement for Saint Paul residents. ☆
- Consider measures, including ordinance changes related to minimum wage and fair scheduling ordinances that mitigate the “cliff effect” for low-income workers. ★
- Consider measures, including ordinance changes, related to scheduling work hours.
- Convene a public-private partnership to address the stigma of arrest and conviction records and incarceration among employers. ★

Recommendations

Economic Well-Being: *Programs and regulatory structures ensure that people retain their income and assets.*

- Consider financial service ordinances that provide protection to consumers. ★
- Consider human rights ordinances that provide consumer and employee protections.
- Work with partners to create lending and pooling programs to manage costs related to transportation.
- Participate in regional partnership to create savings options for Saint Paul youth and employees without other retirement savings benefits.

Recommendations

Criminal Justice: *Law enforcement and criminal prosecution activities are just.*

- Review the process and costs associated with conducting everyday business with the police department. ★
- Support efforts of the City Attorney's Office to create affordable car insurance to help stem the flow of revolving door traffic tickets. ★
- Support efforts at all branches of government to modify fine and fee structures for minor violations to decrease the disproportionately high burden on those living in poverty. ★

Recommendations

Social & Community Support: *City leadership develops public systems that ensure access to use of public services and involvement in democratic processes.*

- Develop a service navigator model through the Saint Paul Public Libraries that can ensure people receive the assistance for which they qualify. ★
- Convene an ongoing facilities planning process that includes Saint Paul Public Schools, Ramsey County and other major non-profit service providers operating in Saint Paul to streamline appropriate infrastructure investment that meets the community member needs as observed across community institutions. ☆
- Develop programming for childcare that empowers parents to participate in public meetings including city council, boards and commissions and district councils.

Recommendations

Housing: *City programs and regulatory action maximize the availability of safe, decent, affordable housing for all residents.*

- The City should continue to support the development of emergency shelter to serve Saint Paul. ★
- The City should work to maintain its current level of affordable housing. ★
- The City needs to continue to ensure the housing is safe and decent, as well as affordable. ★
- The City should consider supports to ensure there is a minimum of housing discrimination based on source of income. ★

Discussion