28 OUT OF EVERY 100 PHILADELPHIANS LIVE IN POVERTY
Shared Prosperity Philadelphia is the first step in creating and implementing a comprehensive strategy to address poverty in Philadelphia. Persistent poverty is one of the biggest threats to our city’s future prosperity. It costs us tax revenue while increasing our already high demand for city services. Worst of all, it deprives thousands of our citizens from accessing their true potential. Poverty has increased from generation to generation for decades. If we want a thriving Philadelphia, we must reverse that trend. Shared Prosperity Philadelphia builds a foundation for systemic, long-term change.

The Mayor’s Office of Community Empowerment and Opportunity (CEO), Philadelphia’s Community Action Agency, will play a key role in this effort. The City launched the office in January 2013 with an ambitious goal: to organize and implement a coordinated approach to reduce poverty — an approach that could get off the ground quickly and last for as long as necessary. Collaboration is at the center of the plan. CEO will convene stakeholders from the government, philanthropy, academia, business, and consumer communities to achieve a common understanding of Philadelphia’s poverty problem and everyone’s role in its ongoing solution.

This plan is designed to help lift citizens and communities out of poverty and increase opportunities for low-income individuals and families.

It is a call to work together. We can make a difference.

Come join us.
In some ways, today’s Philadelphia is bustling with energy and promise. Between 2000 and 2010, our population grew for the first time in six decades. Yet the city faces a silent crisis that could prevent it from realizing its full potential: persistent poverty.

28 out of every 100 Philadelphians live in poverty.

11 are children.
At a staggering 28 percent, Philadelphia’s poverty rate is the highest among the nation’s 10 largest cities. Over 430,000 of our 1,547,600 citizens live below the federal poverty line. Many thousands more earn just enough to escape the technical definition of poverty, which is just $23,550 for a family of four. Nearly 200,000 survive on incomes that put them in a “deep poverty” category, defined as less than half the federal poverty limit.

Poverty affects the entire city, but some groups suffer from it more than others. Black Philadelphians and Latinos are twice as likely to be poor as whites. Poverty is also high among people with disabilities (40 percent) and households headed by single mothers (42 percent).

Most distressing of all, 39 percent of Philadelphia’s children are poor.

The poverty rate for Black and Latino Philadelphians is more than double that of white Philadelphians.
A FRAYED SAFETY NET

The nation’s economy is rebounding too slowly from the worst economic downturn since the Great Depression. Philadelphia’s recovery is lagging further behind.

Our median income ($34,207) ranks 24th out of the 25 largest American cities. In Harrisburg, the Pennsylvania government eliminated benefits like General Assistance. The disabled, individuals recovering from addiction, victims of domestic violence, and other vulnerable people were left without any source of income. Significant percentages of residents eligible for government benefits do not get them. Some are unaware of their eligibility. Others are deterred by a needlessly confusing and time-consuming qualification process.

Access to Key Public Benefits
IT IS DIFFICULT FOR INDIVIDUALS TO NAVIGATE THE WEB OF PUBLIC BENEFIT PROGRAMS.
EVERY PHILADELPHIAN’S CRISIS

The effects of poverty ripple out beyond those affected directly to nearly everyone who lives or works in the city.

Poverty means lower tax revenues in city coffers, an increased burden on city services, and, ultimately, a higher burden on Philadelphia’s homeowners and taxpayers. Hundreds of thousands of Philadelphians work long hours yet remain in poverty, never joining the city’s already-shrinking middle class. Their lack of disposable income means they purchase fewer goods and services. This depresses the economy as a whole, impeding the success of entrepreneurs and established businesses. Every link in this chain of poverty feeds an unhealthy pessimism about the city’s future growth and prosperity.

FACING THE CRISIS

The City of Philadelphia is committed to understanding, confronting, and reducing the effects of poverty in Philadelphia.

CEO has embarked on an accelerated plan to ensure that the city not only creates the most accurate and realistic portrait of the problem, but also maximizes the efforts of the many organizations and individuals already working on it. A clear grasp of the scope of the need and a plan to address it should help attract new funds from both private and public sources.

IN 24 OF THE CITY’S 46 RESIDENTIAL ZIP CODES, THE POVERTY RATE IS OVER 20%. CONCENTRATIONS ARE GREATEST IN NORTH AND WEST PHILADELPHIA.
Confronting poverty requires teasing out its multiple contributing factors while at the same time approaching them as a whole. This is a daunting task that requires meticulous research, strong commitment, creative problem solving, clear and continuous communication, and the backbone support of a coordinating agency that both holds the vision and applies stringent standards of efficiency and efficacy. CEO was established to be that agency.

Adopting a philosophy of “collective impact,” CEO will work to dismantle the barriers to effective collaboration among poverty-fighting agencies and institutions. These groups often work in isolation from one another, sometimes duplicating data and services. In addition to bringing organizations together, CEO will objectively track progress, retaining the flexibility to modify programs in response to up-to-date data gathering and cutting-edge research.

Shared Prosperity Philadelphia is the major first step in our comprehensive strategy. This document represents a detailed analysis of information and insights from 200 stakeholders and experts, gathered from group meetings, focus groups, surveys, and one-on-one interviews. These experts included leading academics, officers of philanthropic foundations, members of the CEO oversight board and staff, and City officials, including the mayor, deputy mayors, commissioners, and representatives of City Council. Central to the process were the frontline experiences of providers and consumers of a range of anti-poverty services.

The data and expertise gleaned from this highly iterative process frames an action plan focused on reducing the deleterious effects of poverty on individuals and communities while constructing a set of policy goals that can increase the number of job opportunities available in the city and prepare Philadelphians to better qualify for them.
Background
One in 10 Philadelphia adults is unemployed. Many lack the skills to compete for the jobs that do exist. A one-size-fits-all approach to employment will not work. More effort is needed to match potential workers with available opportunities.

Some groups face extra hurdles: in particular, single mothers and those with criminal records. Many female heads of households can’t take or hold jobs if they don’t have access to affordable childcare. For a significant number of Philadelphians, a criminal record presents a serious impediment to employment, even though the year-old “ban the box” law prohibits employers from automatically disqualifying individuals with a criminal record before considering their applications.

Strategies
Using tax credits and other incentives, CEO, nonprofit partners, and key City departments will focus on attracting businesses that provide entry-level jobs and opportunities for career advancement like leisure and hospitality, healthcare, home or childcare, transportation, and warehousing. CEO will create a taskforce to increase job opportunities and training for adults who face the greatest barriers to employment, and develop new career pathways to low-skill individuals to obtain family-sustaining employment in the long-term. The implementation and effectiveness of “ban the box” legislation will be evaluated.

Focus job creation and workforce development efforts on adults with the greatest barriers to employment

SIGNS OF SUCCESS
1. 25,000 more jobs, including 1,700 in the hospitality industry, by the end of 2015.
2. Substantially reduced unemployment, and a narrower gap between Philadelphia’s unemployment and the national average.
3. 100 new employment opportunities each year for low-skill workers with training and support services.
4. Increased educational and training placement opportunities for low-income adults, including vocational literacy, life skill training, ABE/GED, ESL, and post-secondary education, particularly the number of adult learners enrolled in online workforce literacy classes.
5. At least 50 Philadelphians employed each year through the new First Source policy that requires projects seeking public financing to hire employees from a list of qualified Philadelphians.
Background

Even though the social safety net is badly frayed, some government benefits are available to alleviate poverty’s worst effects. Too many Philadelphians do not take advantage of them. One out of every five eligible residents is not receiving nutritional assistance under the Supplemental Nutrition Assistance Program (SNAP) or receiving the extra cash available to the working poor under the Earned Income Tax Credit (EITC). About 15 percent of adults and 5 percent of children in Philadelphia lack health insurance, even though many of them would likely qualify for public options.

When individuals and families don’t receive benefits, not only do they suffer, but the economy of Philadelphia as a whole is deprived of millions of dollars in resources.

Accessing benefits requires users to navigate a needlessly complicated and time-consuming system. Different programs require duplicated forms, different documents, and trips across town to several offices. Cultural and language barriers present another impediment.
1. Requests for proposals issued and four outreach centers in different areas of the city up and running.

2. Increased number and percentage of low-income households with higher income or assets as a result of accessing public benefits.

3. 2,000 more emergency group meals served daily.

4. Pilot site identified to test best practice strategies to provide social services at group meal sites.

**Strategies**

Working together, CEO and partners will establish outreach centers in existing community sites that employ staff familiar with neighborhood culture and language to offer consistent, customized access to benefits and resources. The outreach centers will utilize a single application and assessment tool and also link consumers to physical and behavioral health, social, and employment services. In addition, community organizations will be used to provide access to benefits and services. A common database or technology will be created to collect and store clients’ paperwork. CEO and partners will facilitate a more coordinated system of emergency food distribution. CEO will also help ensure access to photo identification.

A new food access collaborative brings together providers, nonprofits, and governments to help connect people who are “food insecure” with group meals at churches, senior centers, or other locations. Philadelphia Parks and Recreation serves more than 2.8 million meals to young people over the summer. The Philadelphia Department of Public Health provides incentives for local businesses to stock fresh, nutritious foods. An innovative program called Philly Food Bucks offers $2 in coupons for every $5 in SNAP benefits spent on fresh produce at local farmers markets. CEO will continue work with these partners to plug access gaps.

**Moving Forward**

Creating networks of providers, combining services, and bringing multiple program applications under one roof makes it easier for eligible people to get their benefits. Programs like BenePhilly empower seniors to get their benefits while the Campaign for Working Families helps workers file their taxes and access EITC benefits at the same time.

Other programs focus on increasing the efficiency of emergency food programs. In 2011, the Office of Supportive Housing (OSH) and SHARE partnered to distribute over 21.2 million pounds of food to families in need.
High-quality childcare, preschool, and summer enrichment must be accessible to all children in Philadelphia, not just those who are lucky enough to live near affordable, quality options.

Despite the dearth of resources for young children, some groups are making headway addressing poverty and education. The Philadelphia Department of Public Health’s Healthy Homes Healthy Kids partnership with St. Christopher’s Hospital for Children educates families and helps eliminate health hazards at home. The city’s Department of Behavioral Health and Intellectual disAbility Services recently assumed responsibility for Infant/Toddler EI registration, registering hundreds more children.

High levels of poverty increase the risk for developmental delays, but Philadelphia’s participation in support services provided by the Early Intervention (EI) program is the lowest in Pennsylvania.

Underenrollment of Low-Income Children in Early Childhood Resources

**CHILDREN UNDER AGE 6**

- 61% are from families qualified for early-learning subsidies
- Only 1/3 receive subsidies

**CHILDREN IN PUBLICLY FUNDED PRESCHOOL**

- 65.2% of eligible children are not enrolled

Strong communities support strong education. The Philadelphia Department of Human Services’ Improving Outcomes for Children Initiative aims to help children in the welfare system by adopting a community-based service delivery system. The Youth Violence Prevention Strategic Plan is a place-based initiative working with dozens of partners, including those in the education sector, to make the 22nd Police District in North Philadelphia a safer place.

The Mayor’s Early Learning Advisory Council (MELAC) brings together city, state, and School District representatives along with key nonprofit and philanthropic partners to serve as the mayor’s voice for quality pre-K and school preparedness. CEO will work with MELAC to drive efforts to increase young children’s enrollment in quality early education and increase parents’ awareness of the need and opportunities for year-round learning and enrichment.
Strategies
Over the next year, CEO and its partners will analyze school readiness trends, outcomes, and best practices and identify concentrations of needs. Using this information, it will develop a citywide plan to aid children in moving successfully from prekindergarten into elementary school. CEO will identify points of contact where parents can obtain information and referrals related to childhood development, quality pre-K options, afterschool and summer enrichment programs, and adult and child literacy. It will increase focus on promoting awareness and use of Early Intervention screening and referrals, early childhood education opportunities, and Keystone STARS evaluations of their quality.

Also CEO will work with other organizations to gather data and analyze policy to effectively advocate for more state and federal funding for additional high-quality early childhood learning opportunities.

SIGNS OF SUCCESS

1. Increased enrollment in quality childcare and childcare education.

2. Increased numbers of children entering kindergarten with pre-literacy skills.

3. Increased numbers of pregnant women and parents of young children receiving early childhood resources like child care supports, Early Intervention, Head Start, immunizations, CHIP health insurance, and the WIC nutrition program.

4. Increased number of quality afterschool slots available for youth.
Increase housing security and affordability

Background
Many Philadelphians are one or two missed paychecks away from living on the street. Almost 60 percent of renters and more than 40 percent of homeowners spend one-third or more of their income on housing expenses. About 10,000 city properties are in some state of foreclosure. These problems result in part from an inadequate supply of affordable housing.

Strategies
CEO will convene City departments and nonprofit providers to analyze the effectiveness of current services and programs like eviction prevention, home repair, and mortgage diversion to help people stay in their homes. In addition, it will work to increase other resources and supports like assistance with energy conservation, weatherization, and help with utilities, case management, and other social services.

SIGNs OF SUCCESS
1. Increased number of people who receive assistance to prevent loss of home and other homebuyer-related assistance.
2. Increased number of people who secure safe and affordable permanent housing.
3. Increased number of people receiving housing counseling who also receive other needed services: treatment for mental illness, substance abuse counseling, domestic violence counseling; financial education workshops; utility and conservation assistance; and public benefits counseling.

Moving Forward
CEO will convene and advance the work of city housing agencies to increase low-income Philadelphians’ access to programs and services that assure housing security and affordability.

The best way to keep a family from becoming homeless is to help the family stay in its home. The City’s nationally recognized Mortgage Foreclosure Prevention Program has kept 6,000 homes out of foreclosure. The City’s Basic Systems Repair Program kept nearly 10,000 low-income families in their homes from 2008 to 2012 by providing free repairs.

The City’s Ten-Year Plan to End Homelessness resulted in a 5 percent decrease in the number of people becoming homeless in 2011. It helped 1,724 individuals make the transition to permanent housing that offers supportive services to help deal with complex challenges that may jeopardize their ability to stay. The Housing Partnership between the Philadelphia Housing Authority (PHA) and the Office of the Deputy Mayor of Health and Opportunity has created thousands of new affordable housing units and rentals.

In addition, a joint venture between the Office of Housing and Community Development and the Pennsylvania Horticultural Society to revitalize vacant lots has helped protect property values in blighted communities.
**Background**

Too many Philadelphians struggle to stay current on loan and debt payments. In one of today's modern ironies, it costs more to be poor. Because low-income communities lack access to traditional banking services, they are driven to use costly and predatory check-cashing services, payday loans, or pawnshops. Because they live on the edge, they are more likely to be caught owing overdraft fees and other bank charges.

City residents acknowledge a need for more financial help and counseling. In a recent survey by the Philadelphia Federal Credit Union, large majorities of respondents said they were “not very successful” in maintaining a budget or controlling spending and “not very knowledgeable” about personal finance. According to the survey, 37 percent were unable to save “at all” in the past year and 37 percent said they were in “critical need” of improving their financial condition.

**Strategies**

This year, CEO and Financial Empowerment Centers will target programs that combine direct service, public awareness, and advocacy efforts to give Philadelphians more resources to manage their incomes, strengthen their economic security, and reduce their debt. It will expand the network of existing programs for community-based financial education to address consumers’ range of personal financial goals, from debt management and low-cost banking to saving for a home or paying college tuition. CEO will collaborate with credit unions, banks, and other private financial institutions to expand and promote the use of low- or no-cost transaction checking accounts. It will ensure referral to consumer credit counseling services from other public agencies and nonprofit providers, and promote financial tools that incentivize savings. CEO will increase public awareness of predatory lending and check-cashing practices.

**SIGNES OF SUCCESS**

1. Increased number of Philadelphians who open safe bank accounts and keep them for six months or more, establish credit, improve credit scores by 35 points, and increase savings by at least 2 percent of income or reduce debt by at least 10 percent.

2. A plan to refer people receiving other supports, services, and benefits to financial education and consumer credit counseling services.

3. Expanded availability of low- and no-cost checking accounts.

4. Increased participation in incentive-based savings tools.

**Moving Forward**

In 2008, the city controller started the Bank on Philadelphia program to provide financial education and bridge the gap between banking services and low-income individuals.

In March 2013, CEO built on this effort by rolling out six Financial Empowerment Centers with its nonprofit partner, Clarifi, to provide confidential, high-quality, one-on-one financial counseling to low-income residents.
Philadelphia residents will have a first crack at jobs in businesses doing work for the city. Adults with criminal records will get second chances to demonstrate their potential. Job applicants will acquire the skills they need to be hired in newly created entry-level jobs. More adults will be encouraged to set their educational goals high because pursuing higher education or vocational training will be a realistic option.

Low-income employees will find that work pays by receiving extra income through the Earned Income Tax Credit. Frantic parents will be able to find and afford nutritious, fresh food for their children. Kids will not eat as many cheap, processed foods that are high in fat and sodium, factors in obesity and diabetes. Philadelphia’s poorest children will eat healthy meals because of free breakfasts and lunches in city schools and recreation centers.

More mothers will find reliable, affordable childcare so that they can find jobs that pay living wages and hold onto them long enough to advance. The experience gap will narrow between low-income children and those from more privileged backgrounds who enter kindergarten ready to learn. Afterschool programs will provide activities that include not only supervision but enrichment and fun.

Fewer families will lose their homes to foreclosure or be forced to accept sub-standard housing.

When individual lives are changed, the city itself is transformed: workers with higher income pay higher taxes and are able to maintain the property values of their neighborhoods.

Fuller employment and better access to public benefits increases the amount of income available to buy local goods and services, and that boosts revenues for local enterprises. Better-qualified workers make our city a more attractive place to start and grow businesses.

Poverty is not a finite problem; there’s no silver bullet that can eradicate it completely. There is no vaccine to prevent the downward economic cycles and state or federal policies that exert negative pressure on the life chances of Philadelphia citizens. Shared Prosperity Philadelphia offers a strategy to blunt some of the worst fallout from the recent hard times and help chart a path to a more complete recovery. As President Clinton used to say, we don’t have a person to waste. Nor can we as a city waste any time to begin rebuilding the American Dream.

**WHAT SUCCESS LOOKS LIKE**

Shared Prosperity Philadelphia’s goals will be measured, in the short term, in statistics that show:

<table>
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<tr>
<th>Increased employment from job creation initiatives and increased training to match available opportunities</th>
<th>Expanded participation in public benefits programs</th>
<th>Wider availability of quality childcare and public preschool programs</th>
<th>Reduced homelessness, fewer foreclosures, and more affordable rentals</th>
<th>More financial literacy, less reliance on predatory lending practices, increased savings, and less consumer debt</th>
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These statistics will represent nothing less than changed lives.