

# **Section 8: Anti-Poverty Strategy**

*Anti-Poverty Strategy*

## **Goals, Programs, and Policies for Reducing Poverty**

Springfield is faced with an alarmingly high percentage of families living on or below the poverty level.

Almost 27% of Springfield households live in poverty (\$15,020 for a family of three in 2002). Over a third (33.9%) of children under 18 live in poverty, giving the City one of the highest child poverty rates in the nation. The rate is higher for Latino families, with 58% of children under 18, and 74% of children under five living in poverty. Of all household types, single-parent households headed by women are the poorest, with 62% with children under age five living in households with poverty-level incomes.

There is a strong correlation between literacy rates (early childhood education, K-12, and adult education) and the incidence of poverty. Many poor families are headed by parents who have not finished high school, and cannot compete for better-paying jobs. In Springfield, 26.6% of adults age 25 and over have not completed high school or earned a GED; only 15.4% have earned a bachelor's degree. Without further education, many low-income parents are unlikely to earn incomes that will support their families. According to the Commonwealth MassINC "The State of the American Dream in Massachusetts, 2002," there is a strong relationship between people's literacy skills and their success in today's economy.

By directing resources to serve CDBG-eligible areas, and particularly the NRSA areas, which are the areas hardest hit by poverty, the City will focus its work to reduce the number of persons and families living in poverty in Springfield. The City's anti-poverty efforts focus on three broad categories: increasing education and literacy; increasing employment and training opportunities; and increasing household assets.

### **Increasing Education & Literacy**

Many low-income adults lack the education and English language proficiency needed to support their efforts to attain self-sufficiency. In order to assist individuals in overcoming these barriers, the City shall support Adult Basic Education, GED and English Language classes.

Springfield's Adult Education Center bridges the gap between education and meaningful employment with programs specifically geared to assist participants to obtain a GED Certificate, providing instruction and pre-testing both in English and Spanish. The City maintains partnerships with programs and organizations that are taking a lead in providing literacy and self-sufficiency programs such as Read-Write-Now, as well as neighborhood councils (NNCC), Puerto Rican Cultural Center, Urban League of Greater Springfield, Vietnamese American Civic Association, and the Martin Luther King Family Services. Additional efforts include:

- Provision of Community Scholarships awarded to adults and high school graduating seniors for GED preparation, training programs, vocational schools and post-secondary education.
- Collaboration with public schools in initiatives geared towards the successful completion of grades K-12. Through the City's partnership with the public school system in support of their K-12 programs, the City seeks to have a positive effect on the chronically high drop-out rate, which is a major factor in promulgating the circle of poverty.

### **Employment & Workforce Development**

Many low-income residents lack the skills needed to obtain employment that will pay a living wage and/or offer opportunities for career advancement. The OPED will work with the existing Workforce Development Agencies to support initiatives that create living wage jobs and advancement opportunities for low and moderate income persons.

- The City has identified and will pursue to support economic development strategies that improve income, job expansion and job accessibility. Efforts will be made to develop partnerships with businesses and educational institutions to create work-site and distance learning strategies for job progression. The Hampden County Employment and Training Consortium (HCETC) and Massachusetts Career Development Institute (MCDI), both administer programs that provide job training, counseling and educational training to people who are unemployed or underemployed. The City administers the Senior Community Employment Program, which provides subsidized on-the-job training for adults 55 years and older.

Other efforts include:

- Compliance with the provision of section 3 of the Housing and Urban Development (HUD) Act of 1968, which helps foster local economic development, neighborhood economic improvement, and individual self-sufficiency by assuring that job training, employment, and contracting opportunities will be made available for low- or very-low income residents in connection with projects and activities in their neighborhoods.
- Enhancement of existing commercial corridors to provide opportunities for business expansion and job creation.
- Provision of funding for education, vocational, and employment training for homeless and low income families to increase employment opportunities in living wage jobs.
- Support for resident-based initiatives that result in low-income households having ownership over real estate and small businesses.

The Regional Employment Board (REB) of Hampden County coordinates programs and initiatives in support of the City's goal of reducing poverty, including:

- Work Force Investment Act (WIA), providing pre-employment, training and job placement services to more than 900 low-income youth and adults annually.
- Pathways to Success by 21, which focus on increasing the employment rate of youth 16-24, and increases the educational attainment levels and post-secondary education participation rates of dropout youth 16-24, focusing especially on Latino and African American Youth.
- Education, Training and Job Placement for TAFDC Recipients

### **Increase Household Assets**

Families living in poverty are often unable to take any steps toward building wealth, thereby continuing to struggle in poverty and being unable to support a better life for children, themselves, or other family members. Strategies that enable families to save, to invest, and to become homeowners support families and their future generations to escape poverty. The City will support initiatives that provide opportunity for low-income households to build wealth, such as the following:

- Creation of affordable homeownership opportunities using HOME and NSP funds, the Section 8 Homeownership Program, use of City-owned tax-title houses for rehabilitation or redevelopment, and support for sweat-equity programs such as Habitat for Humanity.
- Provision of support for low-income households to become homeowners, through homebuyer education classes, home-buyers' support clubs, fair housing education, and post-purchase counseling.
- Support for opportunities for households to save money toward goals such as homeownership, through Individual Development Accounts or similar programs.
- Provision of down-payment support to enable first-time buyers to become homeowners, and lending support to the call for expansion of current initiatives in which area employers provide financial assistance for employees to purchase a home.
- Provision of opportunities to enhance financial literacy.
- Provision of access to reasonably-priced and non-predatory financial products and services for low-income households.
- Expand the Volunteer Income Tax Assistance (VITA) program which provides free tax preparation assistance from IRS-certified tax preparers saving money that would

otherwise be spent in preparation fees and returning substantial amounts in tax credits

### **Impact on Poverty Rates**

The City of Springfield will use the skills and services of its Office of Planning and Economic Development, Housing Department, Neighborhoods Division, and Neighborhood Services, Planning Department, the Department of Health and Human Services and partners assist in reducing the number of poverty level families. The City of Springfield will continue to identify opportunities to support the work of Springfield Partners for Community Action, the federally designated Anti-Poverty Agency regarding its work to assist city residents through programs to assist with weatherization, telephone reassurance, community food and nutrition, community health advocacy, volunteer income tax assistance, financial literacy and awareness, individual development accounts, childcare, food distribution and community market programs.

The City's resources alone are not sufficient to significantly impact the poverty rate in Springfield. The City will maximize leveraged resources through work with community-based organizations, private sector partners, state and federal social services, economic development agencies and not-for-profits that work to assist low-income households to increase skills, incomes and assets.

Even with these partnerships it will be difficult for the jurisdiction to reduce the number of poverty-level families in Springfield. Therefore, the impact of the City's anti-poverty strategy on the reduction of Springfield's poverty rate will be contingent upon the ability of the City and the partnerships described above to find economies of scale and leverage additional resources.

While it will be difficult for the City to effect noticeable reductions to the pervasive poverty that exists in Springfield—in 2000 median family income was \$36,285 and the poverty rate hovered just below 20%—the City and its partners can assist individual families to improve their financial circumstances and escape poverty.