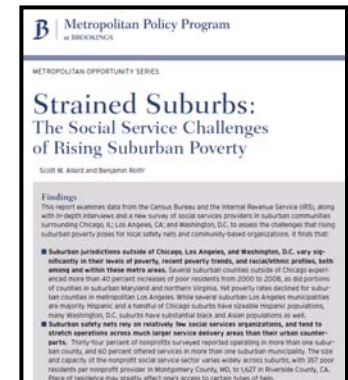
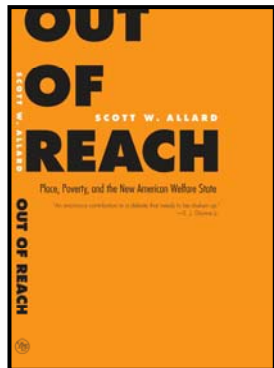

The Safety Net Response to Rising Suburban Poverty

Scott W. Allard

Associate Professor
School of Social Service Administration

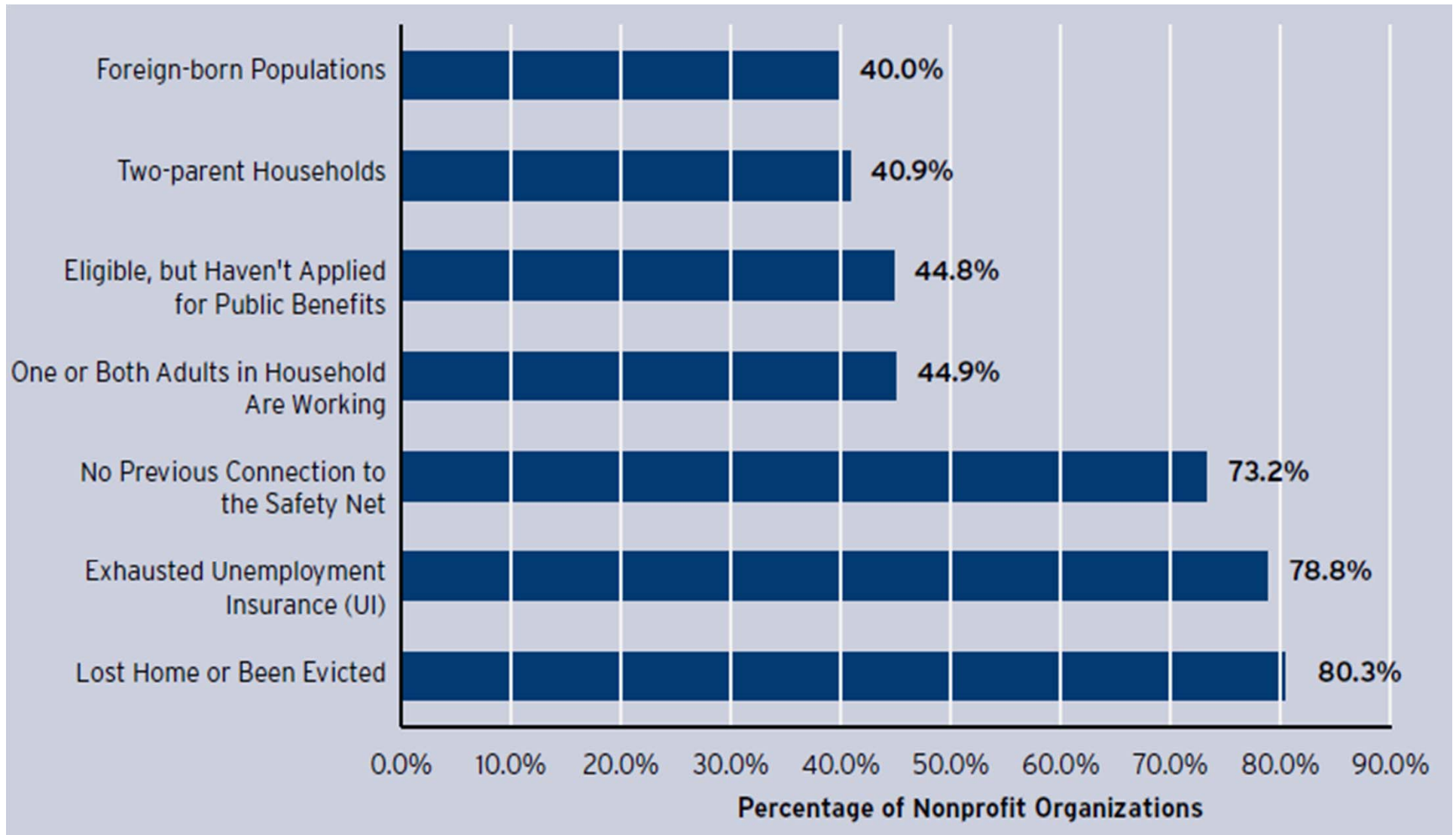
Director, Urban Network

University of Chicago



Changing Face of Poverty in Suburbs

% of nonprofits in suburban Chicago, Los Angeles, and D.C. reporting increases in:



Source: Allard and Roth (2010)

Rising Poverty
+
Rising Extreme Poverty
+
New Households Falling into
Poverty
=
Challenge for Suburban
Safety Nets

Contemporary Safety Net

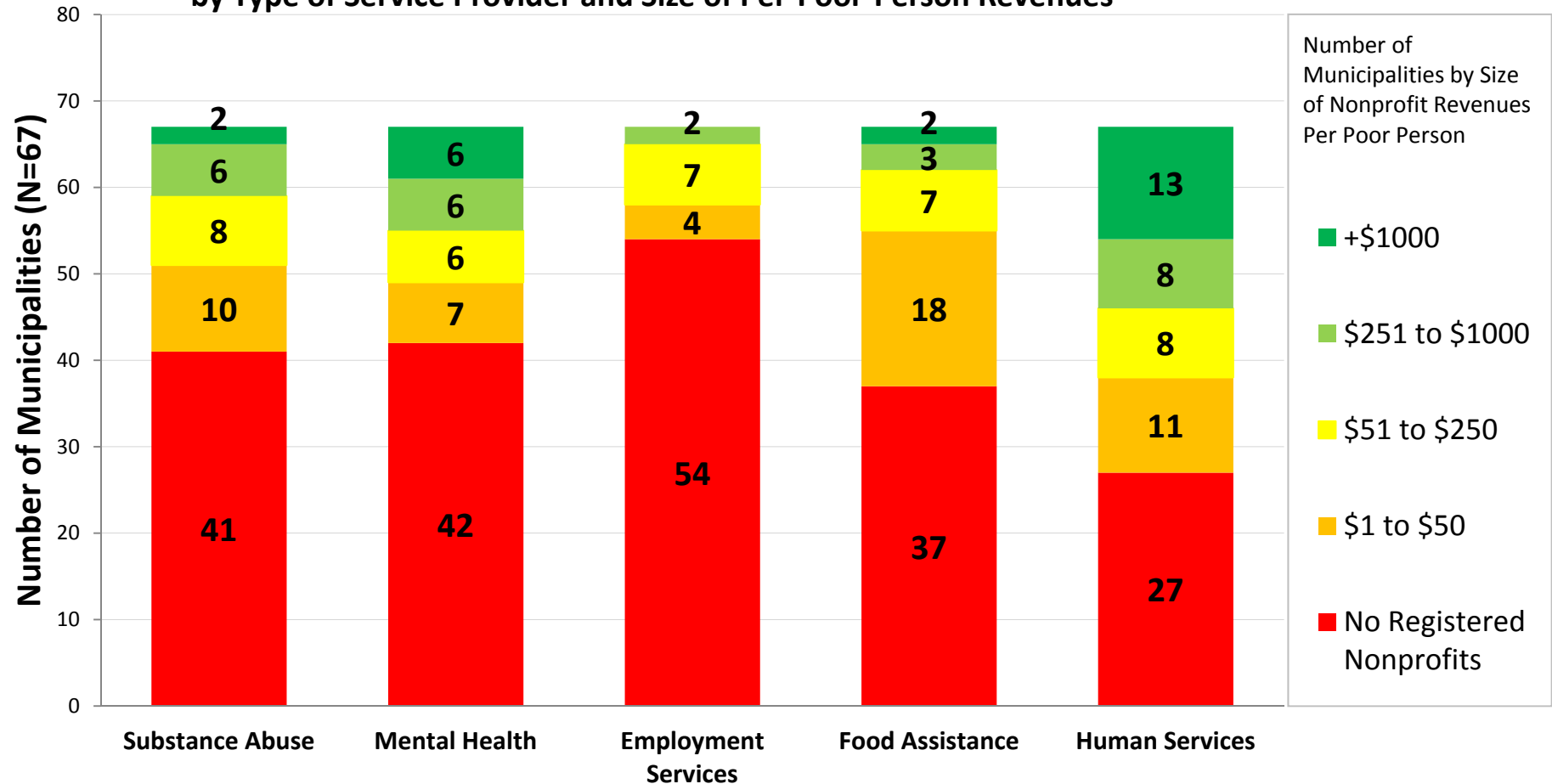
- **Changing mix of federal cash & in-kind assistance**
 - TANF = smaller portion of the safety net
 - SNAP = dramatic expansion since 2005
 - EITC = largest cash assistance program
 - Medicaid insurance coverage
- **Human service programs ≈ \$150-200 billion/year**
 - Employment, counseling, adult education, children and youth programs, housing, emergency assistance
 - Critical role for nonprofit organizations
 - Volatility and pro-cyclical nature of funding
 - Inherently local activity - place and access matters
- **Mostly funded by federal government – but highly localized**

Challenges Suburban Safety Nets Face

- **Some challenges comparable to those in urban and rural areas**
 - Gaps and mismatches
 - Difficulty securing funds – public and private
 - Finding suitable, affordable, and accessible office space
- **Additional challenges suburbs face**
 - Limited public and private capacity
 - Perception problem of poverty as urban
 - Competitive pressures and NIMBYism
 - Anti-immigrant sentiment
 - Weak networks for referral or collaboration
 - Burden of serving multiple jurisdictions

Lack of Access in Some Suburbs

Number of Registered Nonprofits in Selected Suburban Municipalities of Chicago, L.A., and D.C., by Type of Service Provider and Size of Per-Poor-Person Revenues



Note: Figures reported are rounded to the nearest dollar. Values of zero indicate no reported revenues. Service categories reflect the following National Taxonomy of Exempt Entities (NTEE) codes for registered nonprofits: Substance Abuse (F20, F21, F22); Mental Health Treatment (F30, F32); Employment Services (J20, J21, J22); Food Assistance (K30, K31, K35, K36); and, Human Services (P20, P22, P24, P26, P27, P28, P297).

Source: National Center for Charitable Statistics 2007

Voices of Suburban Nonprofits

“...whose main problem is that they have an organized anti-immigrant group [in their community]. I don't know how [the agency] can work when there is a rally outside their door saying they shouldn't help undocumented immigrants —that they should all be deported— and blocking funding, going to the city council...Thank God that's not happening here.”

“. . . the inland counties received one-tenth of the charitable giving relative to other areas in southern California . . . We have tremendous needs, but we don't have the economic base to meet the need. . . . In Los Angeles, where there's a coast there's money — that's where CEOs want to live. Foundations, particularly local foundations, get their money from the local community.”

“...the level of begging and groveling you have to do is just different [here] because you don't go to church with those people [foundation executives] or you're not in school with them. . . . We put a lot more time and effort into it, and the fruit is just not there.”

Can Suburban Safety Nets Adapt?

- **Expect lag effect for suburban organizational capacity and sophistication**
- **Suburbs have substantial philanthropic potential**
- **Resource commitment to education system**
- **Likely locations of future job growth**
- **Strong religious congregations and communities**
- **Expansive array of public assistance programs**

What Role Can Foundations Play?

- **Convening power – business, human services, government**
- **Connect donors to causes**
- **Challenge preconceptions about poverty and promote cultural competency**
- **Engage most innovative & creative local organizations**
- **Work across political jurisdictions & silos**
- **Emphasize the shared fate of cities & suburbs**
 - **Concentrated urban poverty remains prevalent**
- **Cultivate talent and solutions of tomorrow**

Promising Developments in Chicago

- **Regional planning, coordination and provision**
 - Alliance for Human Services in Lake County, IL
 - Metropolitan Mayors Caucus in Metro Chicago
- **Important of regional social service providers and fbo's**
 - Catholic Charities
 - Willow Creek Care Center
 - Community Development Finance Institutions (CDFIs) – IFF (formerly Illinois Facilities Fund)
- **Data systems networked across suburban regions**