

## **SECTION VIII            OTHER ACTIONS    *continued***

### **REDUCING THE NUMBER OF PERSONS LIVING BELOW THE POVERTY LEVEL**

The 2000 Census reported that 22.1% of the City's residents live below the federal poverty level (currently \$9,182 for an individual, and \$18,390 for a family of four) as defined by the U. S. Office of Management and Budget (OMB). This represents a 46% change since the 15.1% poverty level recorded in the 1990 Census. Families constitute 18.3% of the City's poor. In South Los Angeles, 28% of residents are below the poverty level; and in East Los Angeles, 19.1%. The percentage of poverty in the City is considerably higher than the 17.9% of individuals and 14.4% of families reported for Los Angeles County. Of the City's poor, 30.3% are under the age of 18, and 12.6% are 65 or older.

As the City's designated Community Action Agency, the Community Development Department Human Services and Family Development (HSFD) Division is committed to elimination of the causes of poverty in the City. The City's Human Services Delivery System (HSDS) incorporates Family Development Networks (FDNs), based on the consortium model for delivering social services, and Neighborhood Action Programs (NAPs), which continue the traditional single-agency delivery model, fill identified gaps in services and target services to the poor and special needs groups.

Approximately 60% of the City's HSDS is comprised of CDBG funds which the City uses to contract with nonprofit human service providers to deliver needed social services to city residents. CDBG funds are leveraged with Community Services Block Grant (CSBG) funds to increase assistance to residents in need.

The eleven City FDNs are sited in the highest need areas of the City, and were developed to effectively serve a wide geographic area. FDNs are composed of several nonprofit, community-based human service organizations providing long-term comprehensive case management to individuals and families. Long-term service plans are tailored for each client to provide comprehensive case management and delivery of services. FDNs also provide information and referral and specific youth services.

For example, the Youth Advocacy Program (YAP) component of the FDN provides early intervention and diversion services to at-risk youth ages 6-17 and their families. FDNs are designed to reduce the number of persons living below the poverty level by assisting low-income residents achieve family self-sufficiency through a continuum of care and multiple types of social services featuring a single point of access for the client.

The FDNs also collaborate with other entities such as the City's WorkSource job training centers funded by the Department of Labor and other grants, thereby concentrating FDN financial and personnel services on providing the human services necessary to prepare individuals and families to enter, or return to employment. A significant segment of the growing poverty in the City and the County is made up of the working poor. Linking the WorkSource Development Centers and the Family Development Networks recognizes and responds to the need for specialized services that harder to employ welfare recipients and the working poor must have to achieve economic independence and self-sufficiency.

NAPs, defined earlier, are operated by nonprofit agencies that meet specially targeted needs, especially those of the City's children, which constitute the largest poverty segment in Los Angeles today (the United Way, in 1998, estimated that 35% of the City's children live below the poverty level) NAPs are located throughout the City and serve special needs populations such as the disabled, domestic violence survivors, families in need of childcare, and at-risk youth and their families, all groups disproportionately at the poverty level. For example, a disabled person in Los Angeles is more likely (34%) to live in households with total income of \$15,000 or less, compared to only 12% of those without disabilities.

#### **Children and Poverty**

The brunt of poverty in the City is often borne by children 18 years of age or younger. Children living in poverty are less likely to have adequate nutrition, medical care and appropriate education. Quality

childcare improves their chances for breaking the cycle of poverty. Thirteen of the NAPs provide child care services to over 400 children at 17 early childhood development centers, and CDD's Neighborhood Development Division provides facility/capital improvement assistance to approximately 100 childcare providers and family day care homes.

Beginning in November 2000, the City added federal Head Start social services to existing childcare providers. The City will evaluate the success of this partnership and plans to extend these services to other qualified child care development centers and family day care homes. In addition, the County Office of Education-City partnership has agreed to use \$300,000 in Head Start funds to purchase Head Start hours for qualified children in CDBG-funded child development centers. This will leverage CDBG funds to be used to extend the childcare hours available to children and their families.

On June 8, 2001, the Council approved \$500,000 in CDBG funds as a non-Federal match for the Individual Development Account (IDA) program. The IDA program objective is to establish 175 successful IDAs for participants to finance a micro-enterprise. It is expected that earned income from these enterprises will supplement earned income. Participants will save a minimum of \$30 monthly for 18 months toward this goal. This will create a savings balance of \$540 for each participant to be matched by the IDA/LA program on a 4:1 basis, giving the program participants \$2,700 to capitalize their small business enterprise. Another objective is to establish 75 successful IDAs for participants to purchase their first home. IDA participants will be recruited from clients enrolled in the FDN Case Management component and in the City's Welfare-to-Work City Jobs program.

Education, vocational training, and job placement are the recommended strategies toward fighting poverty and are often effective. However, many families in the City remain in poverty despite full-time employment due to low wage levels. For these families, housing subsidies that reduce the amount of income spent on rent are effective and necessary tools in combating poverty.

The Community Development Department funds programs that address both sides of the income-expenditure equation. Job training programs give people skills to earn higher wages, and housing subsidies reduce overall housing costs. Many of the traditional programs of the City's housing agencies are housing subsidy activities directed at reducing expenditures for the City's low income households who might otherwise have to spend large portions of their limited income for rent, and who live in severely overcrowded or substandard conditions, rather than create housing with affordable housing.

Achievement of self-sufficiency means that families may not require or depend on public assistance. To guide low-income families effectively out of the cycle of public assistance dependency and onto self-sufficiency many factors must be examined to help the family identify everything it will take, financially and emotionally, to make a lifestyle change.

This required a change in how services are delivered. The Family Self-Sufficiency approach focuses on measurable outcomes; that is, in moving families from a crisis state, to a stable and thriving state. The approach further requires recruitment of clients who are willing to take a risk and accomplish specific objectives over a realistic period. This may take several months or several years, depending on the family, its unique problems and the length of time required to achieve desired goals.

Building a successful working relationship among line staff and management about the effectiveness and validity of this approach has resulted in a program without the drag of doubt in the future. Agreeing with collaborating agencies about the scope and focus of the program prevents future turf wars. The city has accepted the importance of Family Self Sufficiency (FSS), and has made it the major programmatic emphasis for the last several program years. The City allocates most of the Community Development Block Grant and the Community Services Block Grant for public services. Both sources of funds have been linked to the Family Self-Sufficiency model to address the needs of the poverty population.

The Human Service Delivery System includes agencies that provide case management and participation empowerment services. Part of the system is a network of specialized agencies, Neighborhood Action

Projects (NAPs) and consortium-based Family Development Networks (FDNs), possessing the expertise to provide a comprehensive array of supportive services (i.e., child care, health, substance abuse treatment, food) necessary to overcome a family's barriers to self-sufficiency.