



Faith Institutions Fostering Economic Stability

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Disclaimer

The views expressed in this presentation are the views of the speaker and do not necessarily reflect the views or policies of the Federal Reserve System.

Goals for Today

- Introduce you to the Federal Reserve and our community development function
- Highlight critical issues affecting economic stability of low-income communities and households
- Inform about how different faith organizations are engaged as community development program providers
- Facilitate introductions that may result in new partnerships or investments

Mission

The mission of the community affairs function of the Federal Reserve System is to support economic growth and financial stability for low- and moderate-income communities and households. This mission is carried out via three primary activities: convening stakeholders, conducting and sharing research, and identifying emerging issues.

Strategic Focus

❖ People

- Human capital development (education, workforce)
- Community services targeted to LMI individuals

❖ Place

- Affordable housing
- Neighborhood revitalization and stabilization

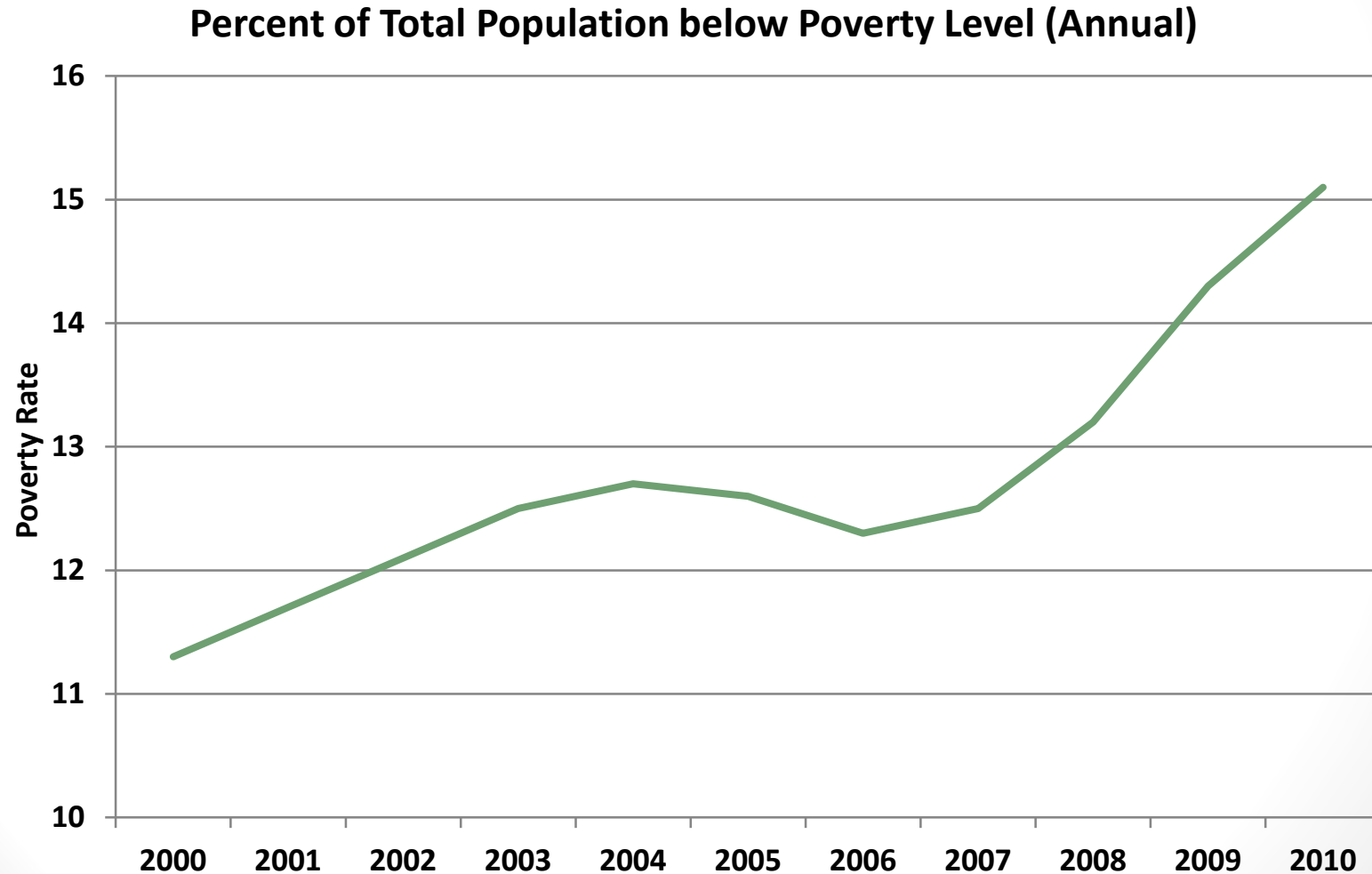
❖ Small Business

- Activities that assist LMI communities and individuals in launching, growing and sustaining small businesses

❖ Field Building

- Advance ideas and practice to promote scale, sustainability and impact in community development programs, funding and infrastructure

Poverty Is Growing



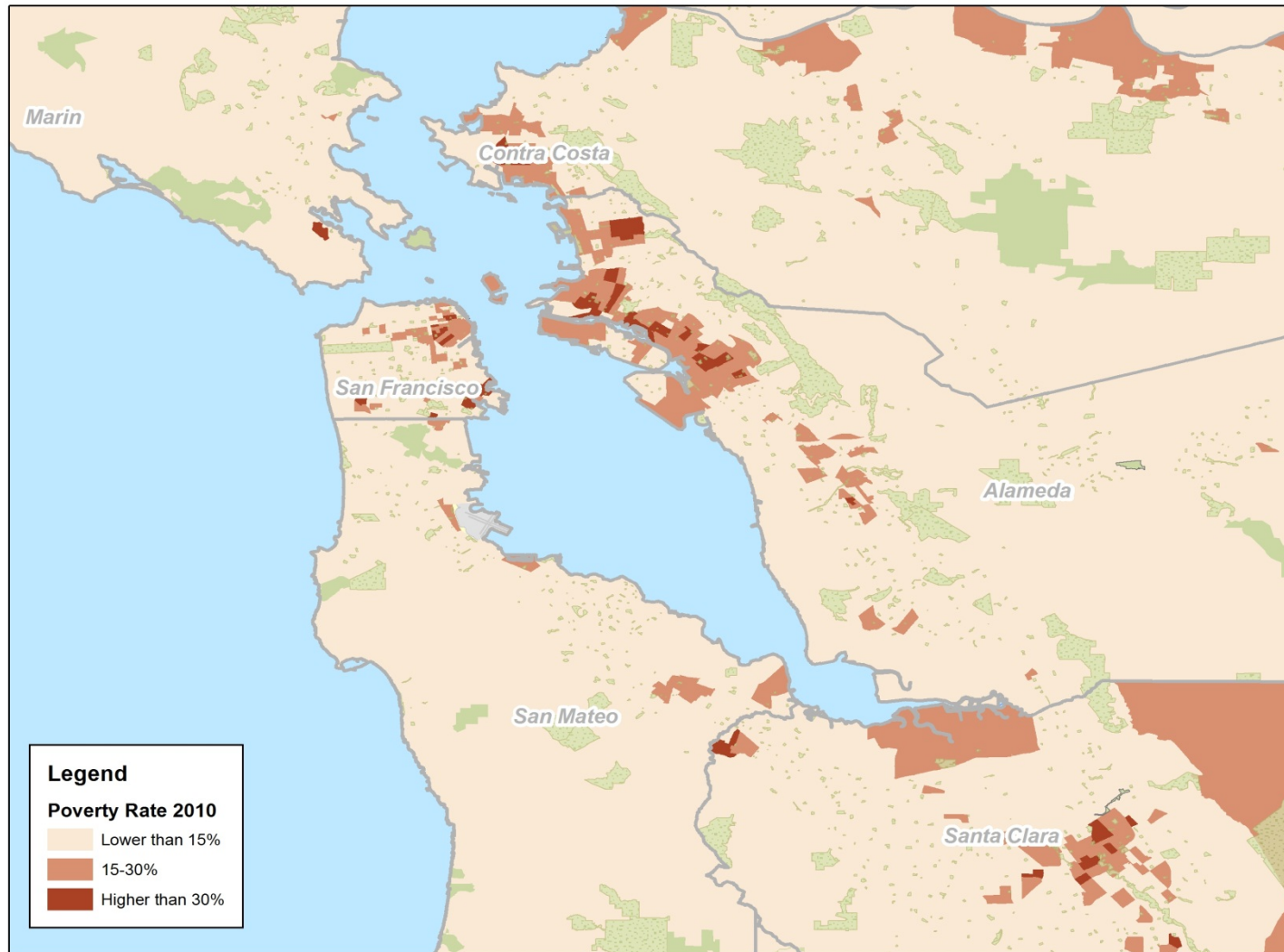
Poverty Worst in Decades by Several Measures

	In 2010	Highest...
Share of overall population in poverty <i>(earning below \$22,314 for a family of four)</i>	15.1%	Since 1993
Number of people in poverty	46.2 million	On record*
Share of people below half of the poverty line	6.7%	On record*
Share of poor people below half of the poverty line	44.3%	On record*
Share of children in poverty	22.0%	Since 1993
Share of adults aged 18 to 64 in poverty	13.7%	Since 1966
Share of people living in suburbs in poverty	11.8%	Since 1967

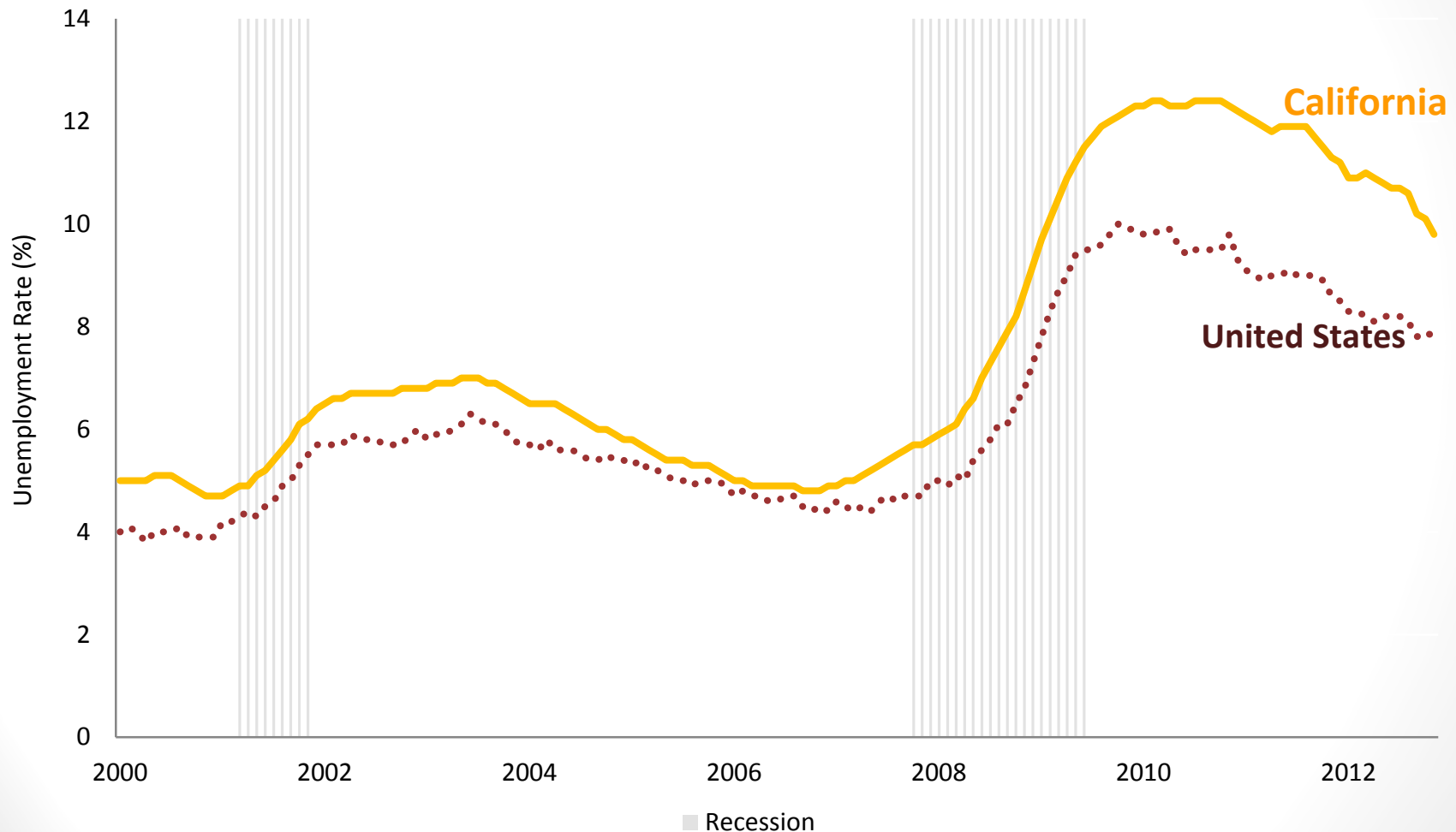
** Data on the number of people in poverty are available from 1959. Data on the share of people below half of the poverty line are available from 1975.*

Source: Center on Budget and Policy Priorities, U.S. Census Bureau

Poverty Clusters and Pockets



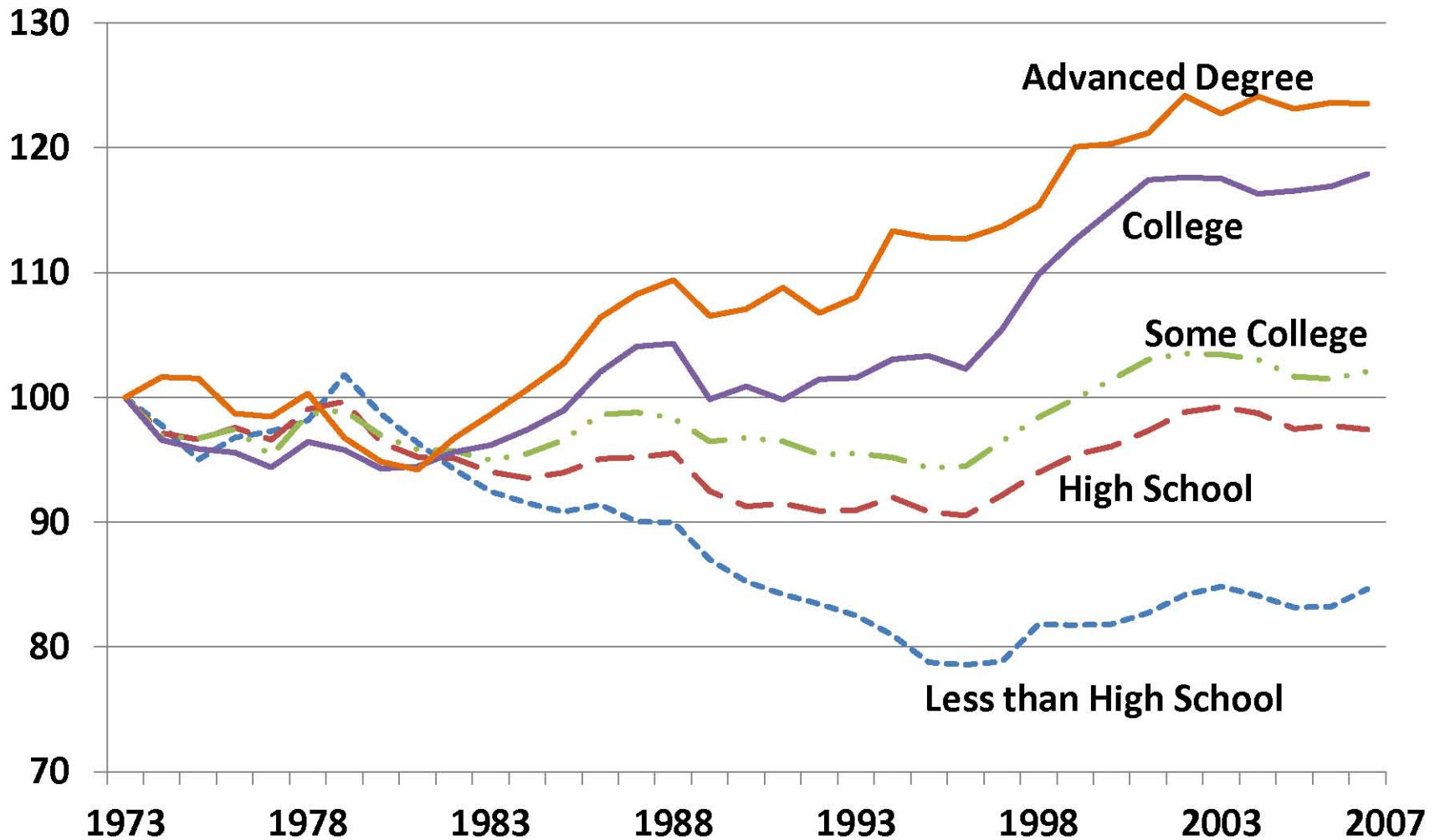
Employment is a Solution



Source: Bureau of Labor Statistics

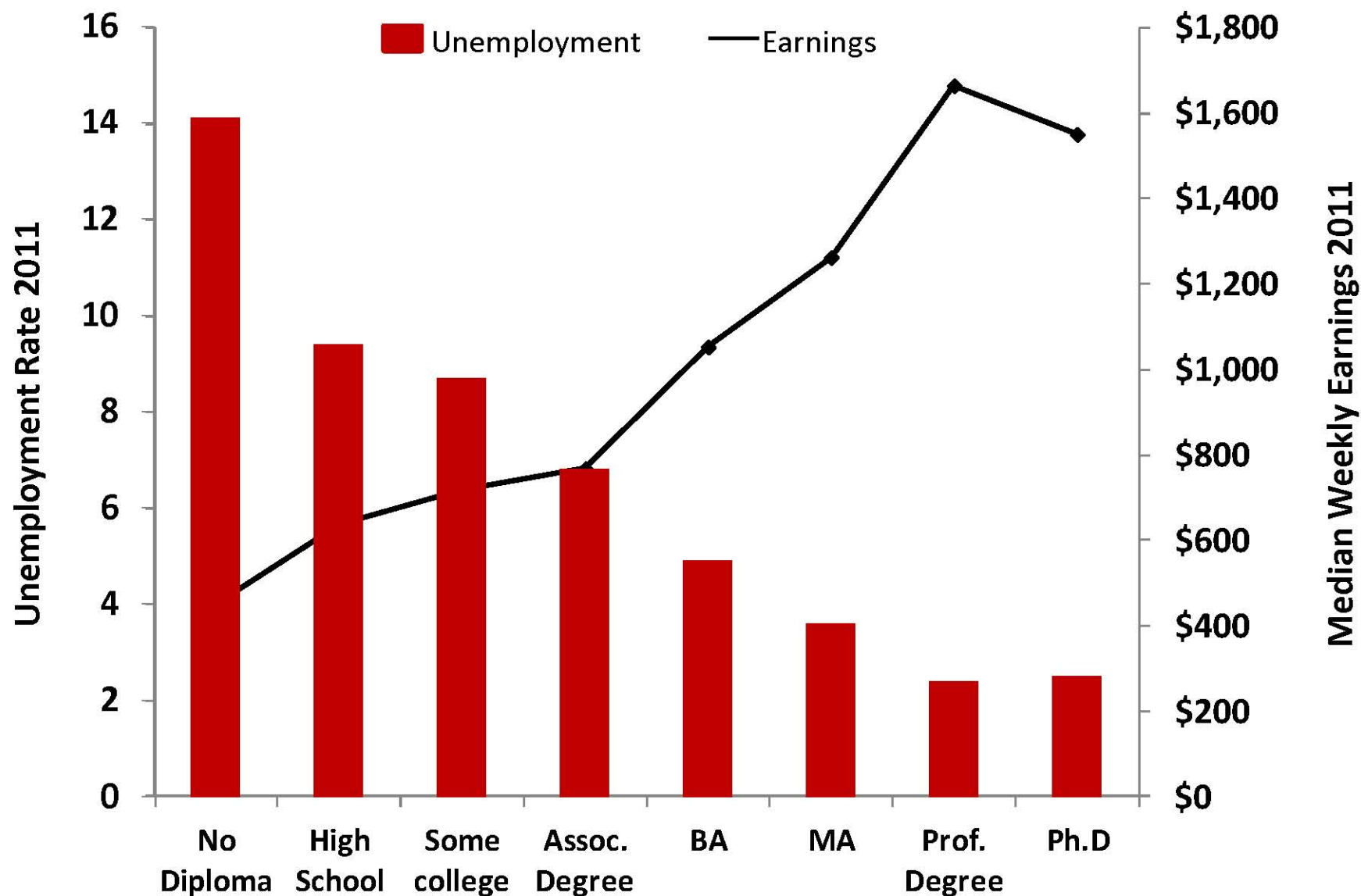
CHANGE IN REAL HOURLY WAGES BY EDUCATION, 1973 - 2007

(all workers, indexed: 1973=100)



Source: Economic Policy Institute

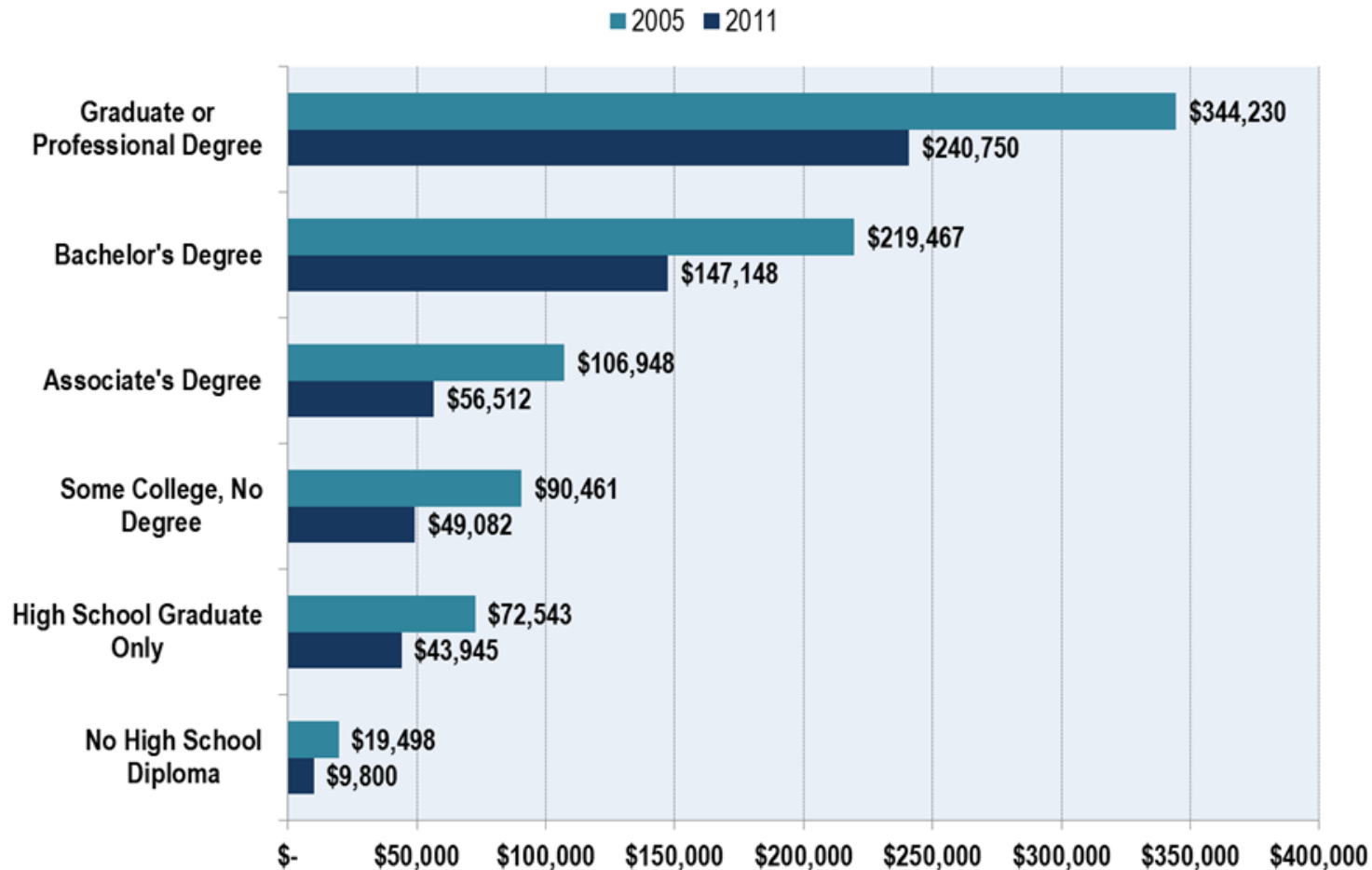
EDUCATION: HIGHER WAGES, LOWER UNEMPLOYMENT



Source: Bureau of Labor Statistics, Current Population Survey

Education Pays Lifetime Dividends

Figure 3 - Median Net Worth by Education, 2005 vs. 2011 (in \$2011)

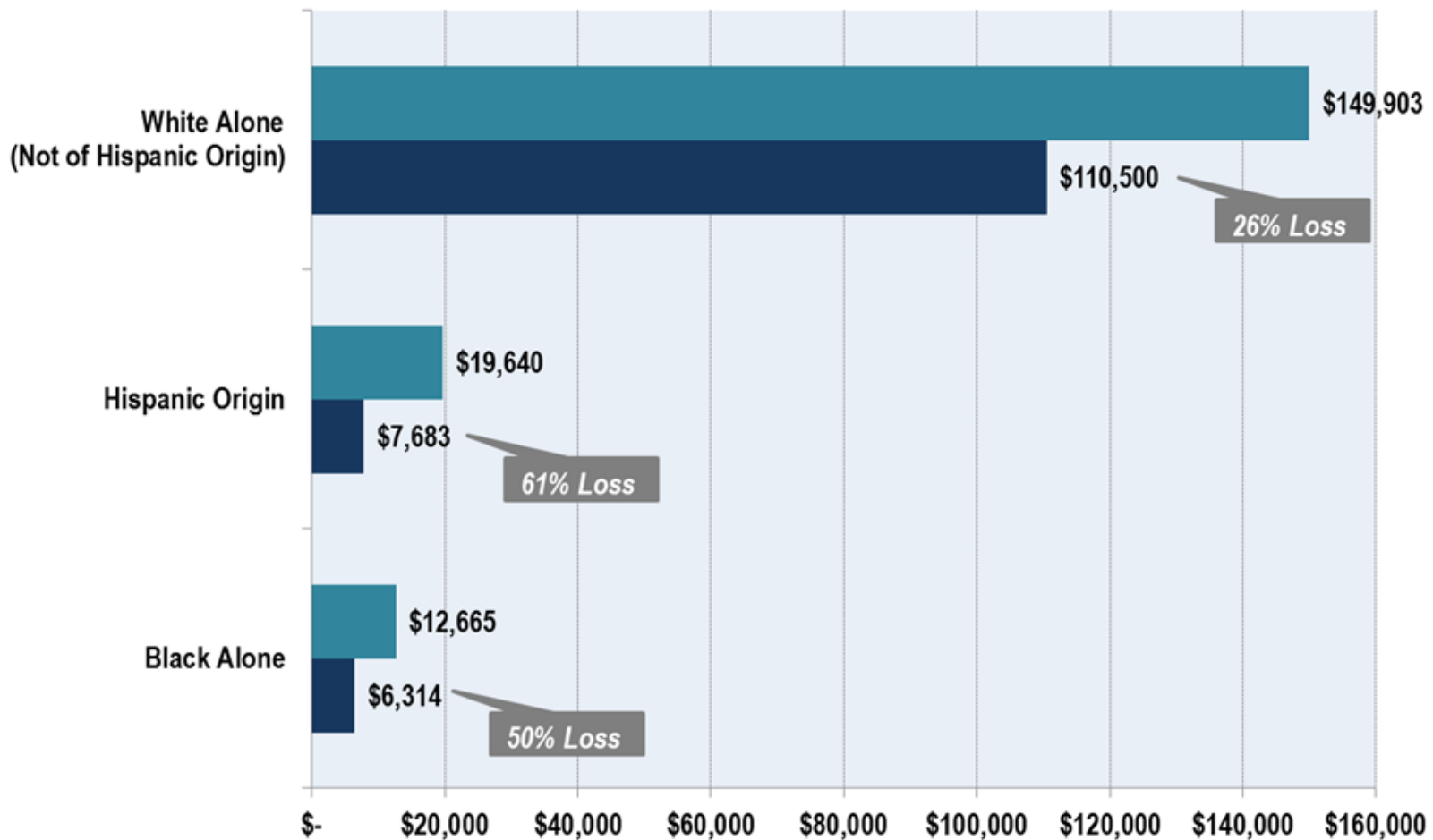


Source: U.S. Census Bureau, Survey of Income and Program Participation 2004 and 2008 Panels.

Wealth is an Unequal Resource

Figure 2 - Median Net Worth by Race, 2005 vs. 2011 (in \$2011)

■ 2005 ■ 2011



Source: U.S. Census Bureau, Survey of Income and Program Participation 2004 and 2008 Panels.

Causes and Consequences

Unemployment

Singl

BLIGHT

= Economic
Instability

Illite

ents

Poverty

Incarceration

GREED

Social Isolation

VIOLENCE

4 Things Every Church Can Do

To foster social and economic stability

1. Advocate about policies that affect the members of your communities and churches
2. Promote literacy and education
3. Encourage and preach family stability
(<http://www.ncbi.nlm.nih.gov/pubmed/20964133>)
4. Maximize your resources (mergers, partnerships, investments, venues)

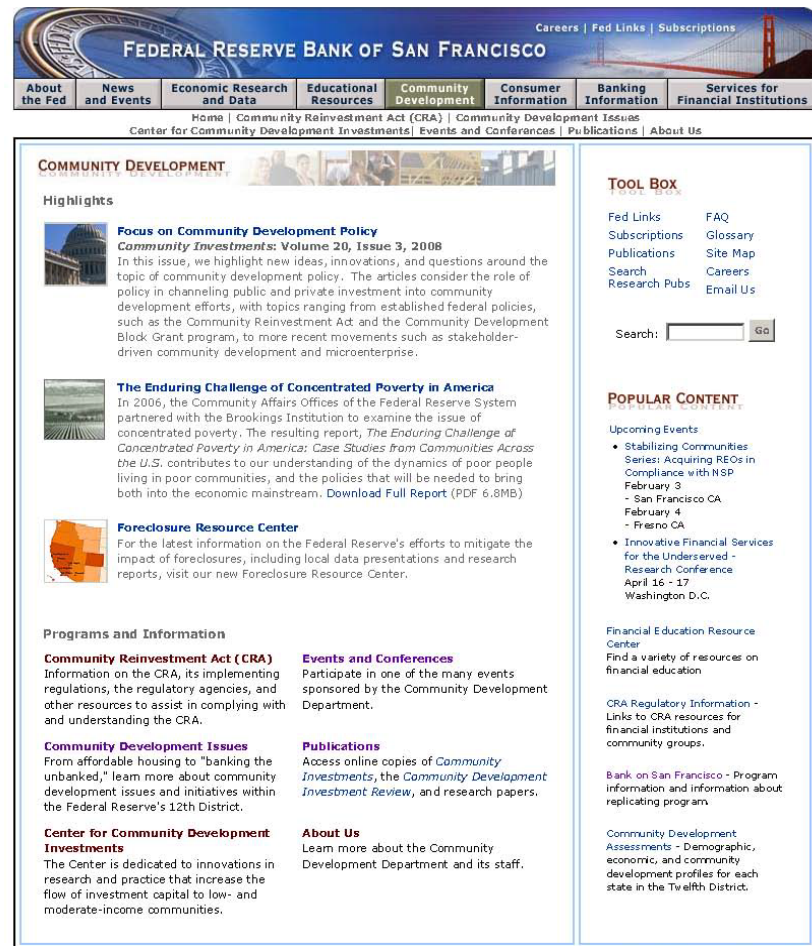
Collective Impact

1. Invite a nonprofit organization to do a workshop on financial education and support them
2. Support a safety net organization such as a food bank or shelter
3. Join the board of a community development or faith-based organization
4. Offer the use of your church building for community meetings
5. Sell excess or underutilized property to a faith-based or mission oriented developer to build more affordable housing
6. Join or create an interfaith or social justice coalition that is advocating for changes in policies that hurt socially and economically disadvantaged individuals
7. Talk about poverty and how to solve it
(http://www.huffingtonpost.com/matthew-bode/faith-groups-detroit-life_b_1285644.html)

For More Information: FRBSF Community Development Website

- Links to other resources and research
- All publications, presentations available on our website
- Conference materials also posted shortly after events

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<http://www.frbsf.org/community/>