Building a Robust Anti-Poverty Network in the Bay Area

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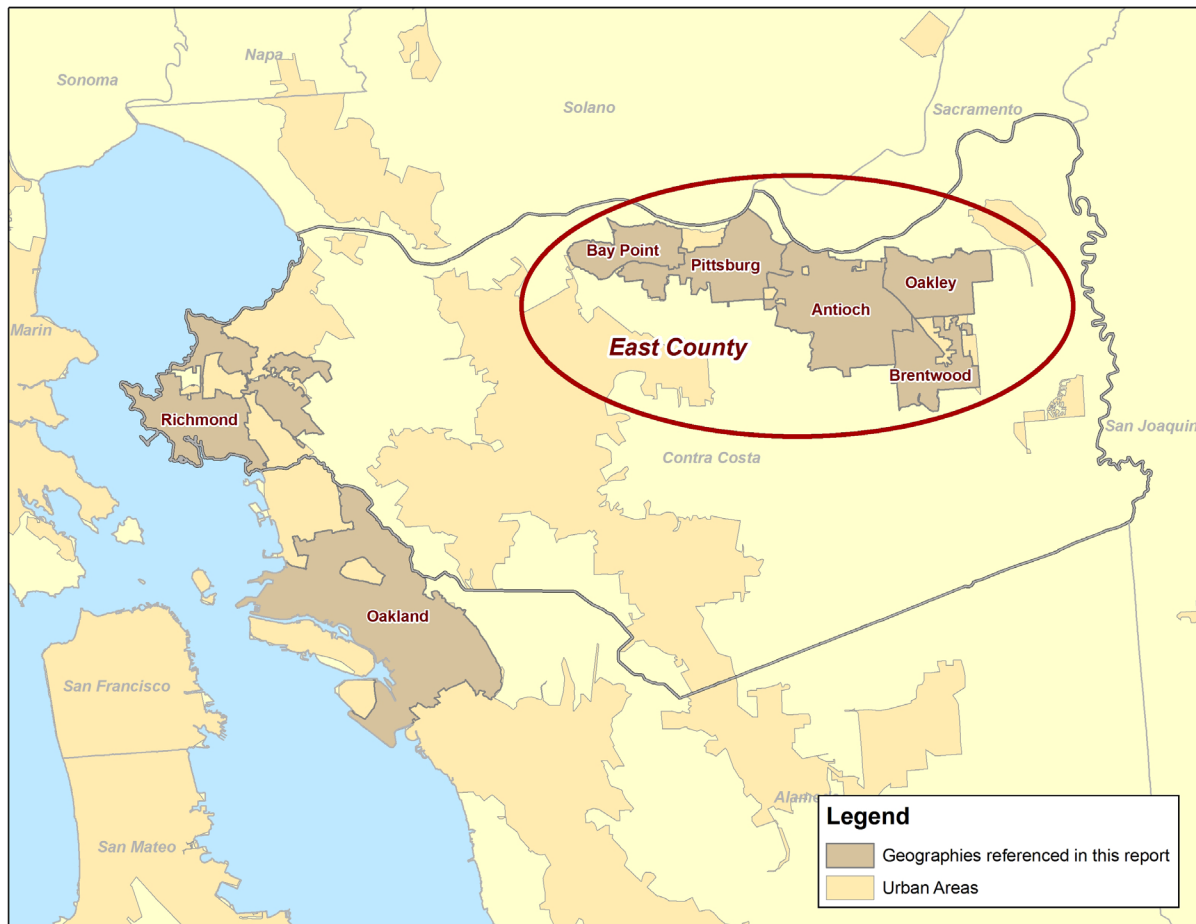
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Abstract:

The geography of race and class in the San Francisco Bay Area has shifted dramatically over the last decade, and suburban poverty is on the rise. The need for social services has grown in communities outside of the urban core, outpacing the abilities of anti-poverty organizations to provide assistance. Using eastern Contra Costa County as a case study, this paper outlines some of the challenges for the current anti-poverty network in suburban locales, and lays out a framework for building capacity to better meet the needs in these urban fringe areas.

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*Map 1. Eastern Contra Costa Count*y

Introduction

The geography of race and class in the San Francisco Bay Area has shifted dramatically over the last decade. Low-income people and people of color are no longer concentrated exclusively in inner ring cities, but rather are residing increasingly in cities and communities in suburban areas (Soursourian 2012). Eastern Contra Costa County (East County), which includes the communities of Bay Point, Pittsburg, Antioch, Oakley and Brentwood, is one of many areas on the fringes of the San Francisco Bay Area metropolitan region that has experienced rapidly increasing poverty and unemployment. But many local anti-poverty organizations are struggling to keep pace with growing demand for assistance.

This paper makes the case why regional actors – foundations, nonprofits, and government agencies – need to more actively support the development of a strong anti-poverty network in areas with rapidly growing need such as East County. First, I briefly outline the history and growth trajectory of East County, highlighting how both the local economy and demographics have shifted as East County has been absorbed into the Bay Area metropolitan region. Next, I analyze the capacity of anti-poverty organizations in East County, using western Contra Costa County as a point of comparison. Finally, I discuss theories that may explain why there is not already a more robust anti-poverty network in East County, and offer ideas for possible next steps. While the findings presented here focus on one geographic area, they are relevant for other places in the Bay Area and beyond that are experiencing similar trends.

Research for this report consists of data analysis from the US Census and American Community Survey (ACS), Longitudinal Employer-Household Dynamics (LEHD), the US Bureau of Labor Statistics (BLS), RealtyTrac, and IRS form 990 for tax exempt organizations. Additionally, I incorporated qualitative data collected through personal interviews and my own experience as a community planner in East County.

**PART 1: The Shifting Geography of Race and Class**

To understand conditions in East County today, it is important to trace the early development of this region. Starting back in the mid-19th century, East County's northern coastline was home to significant industrial development, supporting both San Francisco to the west and the gold rush activities to the east. East County's unique geographic characteristics – fresh delta water, deep natural ports, and nearby coal veins – led to development of coal mining, canneries, and chemical, brick and steel manufacturing. This industrialization led to the early establishment of working class and European-immigrant communities in East County (Vance 1964; Walker 2004; Schafran 2009).

During World War II and the Korean War, job growth at Camp Stoneman, a major Army base in Pittsburg, spurred local housing demand, resulting in the rapid development of new homes in the area. Many of Camp Stoneman's Filipino and African American workers settled in the area, and stayed after the base closed in 1954. By 1970, nearly 40 percent of the population in Pittsburg was either African American or Hispanic (a category which oftentimes includes Filipino). In the 1980s, the economic explosion of the San Francisco Bay Area reached East County, and it became integrated into the larger metropolitan economy as a bedroom community.

Since then, demographics in East County have shifted dramatically. (See Figure 1) East County has grown rapidly, and is now home to over a quarter million people, over twice the population of Richmond and nearly two-thirds the population of Oakland. And while in 1990 the population of East County was two thirds white, now less than half the population is white. Today, one third of East County's

population is Latino, and the number of African Americans in East County has tripled over the last 20 years. Notably, during this same time period, both Richmond and Oakland saw declines in their African American populations.

Figure 1. Population Growth in East County, Oakland, and Richmond, 1990 – 2010
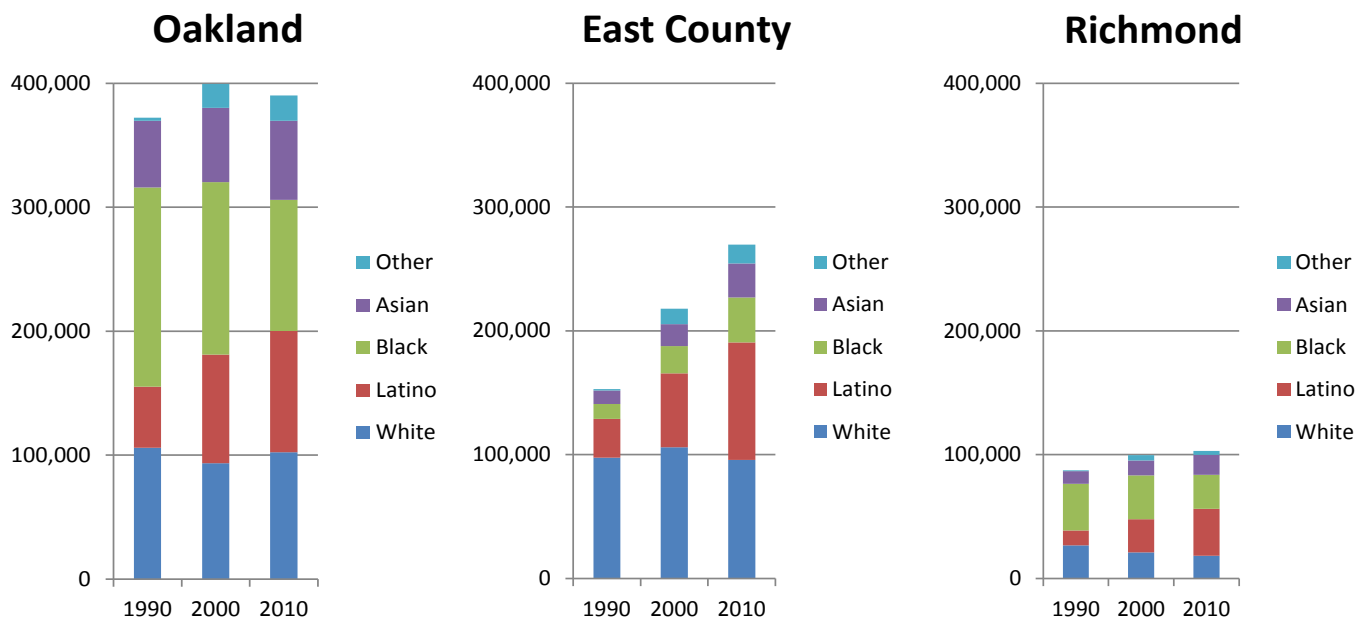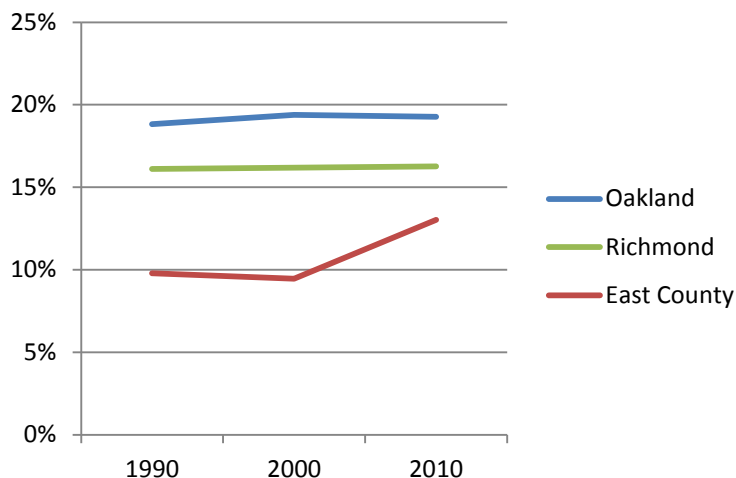

Source: US Census

As the population has increased in East County, so have the number of people living below the poverty line. At 13 percent, the overall poverty rate in East County is still lower than in either Richmond or Oakland, which have poverty rates of 16.3 and 19.3 percent, respectively. However, since 1990, poverty in East County has grown at an alarming pace. According to the US Census, the poverty rate in East County grew by 33 percent over the last twenty years; the rate of growth statewide is about 16 percent. Richmond and Oakland, in comparison, have had relatively constant poverty rates over the last twenty years.[1]

Within individual East County communities, the rise in poverty is dramatic. Bay Point has seen its poverty rate nearly double in the last 20 years, from just shy of 14 percent to over 25 percent. Forty-six percent of families in Bay Point are living below 200 percent of the poverty line. The number of people below the poverty line in Antioch has doubled since 1990; in Oakley, it has tripled. While the poverty rate in Brentwood has decreased, the actual number of people below poverty has quadrupled.[2]

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1   2010 US Census.

2   ACS 3-year estimate 2007-2009.

Figure 2. Poverty Rate, 1990 - 2010

Source: US Census

Employment conditions are also of concern in East County. While Contra Costa County's overall unemployment rate was 10.1 percent in September 2011, just under California's average rate of 11.2 percent, East County saw a 12 percent unemployment rate. Pittsburg was a particular outlier in the area, with an unemployment rate of 15.9 percent.[3] Several factors have contributed to these conditions. While the population in East County grew by over 50,000 people from 2000 to 2010, the area only added roughly 4,000 jobs during the same period – less than 1 for every 10 people. The composition of the local economy has changed over time as well. The presence of construction and manufacturing–sectors that have traditionally offered well-paying jobs that do not require a four-year college degree–has steadily decreased in the area, having composed 21 percent of jobs in 2002 and less than 14 percent in 2009.[4] Jobs in these sectors have largely been replaced by retail, entertainment, and hospitality positions, which are typically low-paying and often part-time.

The housing market of East County has provided both opportunity and challenges for new and longtime residents alike. Many were able to become first-time homeowners by taking advantage of East County's relatively affordable housing stock during the housing boom of the last two decades. However, African Americans and Latinos oftentimes paid a heavy price to move into the area; it has been well documented that ethnic and racial minorities often received less favorable terms on mortgages than their white counterparts (Munell 1996; Wyly et al. 2009; Schafran 2009). And the foreclosure crisis hit the area particularly hard. In Brentwood, 1 in 62 of the homes faced foreclosure in October 2011 alone. In East Oakland—an older, inner ring suburb also characterized by a high minority population—the rate of foreclosure was half that at less than 1 in 120.[5]

Though it is hard to determine what exactly has caused the rise in poverty in East County, it is clear that the area faces considerable hurdles to recovery, not least of which are the structural weaknesses of both the local economy and housing market. In the next section, I look at the local anti-poverty

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3   Data from U.S. Bureau of Labor statistics. (Note: Unemployment rates are not seasonally adjusted)

4   2009 LEHD.

5   Data from RealtyTrac.

network in East County and evaluate how well it is able to match the growing needs of residents in the area.

PART 2: Measuring the Anti-Poverty Network in Eastern Contra Costa County

An anti-poverty network consists of individual organizations and agencies that collectively work to alleviate and eliminate the effects of poverty on individuals, families, and communities. Borrowing heavily from Manuel Pastor and others, I find the framework of *projects*, *policies*, and *politics* to be helpful in distinguishing the various activities involved in a comprehensive anti-poverty network (Pastor et al., 2011). I use *projects* here to refer to activities that may be considered part of the traditional social safety net, e.g., those that work directly with individuals to address immediate needs such as food access and shelter. *Policy* reform, on the other hand, refers to efforts to change systems in order to prevent or reduce the effects of poverty, ranging from better environmental regulations to changes in transportation funding or location of affordable housing development. Finally, *politics* is about building power within low-income communities and communities of color to fundamentally change the context in which these policies and projects take place. All of these activities are essential for creating a robust anti-poverty network that addresses the immediate needs of communities while working upstream to effect structural changes that will reduce future needs. Below, I present my analysis of local anti-poverty organizational capacity in East County.

Projects: The Social Safety Net

Though many consider the U.S. social safety net to consist largely of welfare checks and food stamps distributed by the government, today over twice as much federal funding goes to nonprofit organizations providing services as goes to cash assistance programs (Allard 2009). These services might include distributing food to hungry families, offering temporary housing for a homeless veteran, or providing computer literacy classes to workers seeking to improve their skills in order to get a job. These services are inherently place-based; a person can only benefit from a computer class to the extent that he or she can actually get to it. Today more than ever, where a person lives determines how dense of a social safety net he or she has access to.

Using a method designed by Scott Allard and Benjamin Roth, I analyzed the local social safety net in East County (Allard and Roth 2010). First, I assembled IRS form 990 data for all nonprofit organizations located in the geographic areas being analyzed and selected organizations that make up the safety net based on their National Taxonomy of Exempt Entities (NTEE) classification code. I further classified these entities into four categories: Mental Health and Substance Abuse; Employment Services; Human Services; and Housing Services. I then summed the revenues of safety net organizations based on most recent revenue data (either from 2011 or 2010) and divided the summation by the number of people below the poverty line in order to arrive at a "safety net per poor person" value.

This method yields a relative measure, so in order to assess the strength of East County's safety net, I compared it to that of western Contra Costa County, which includes Richmond, San Pablo, El Sobrante, Hercules, and Pinole. These two regions of the county both have higher than average poverty rates and large ethnic minority populations compared to the rest of the county. Importantly, neither is home to the county seat, which could potentially skew the data.

In my analysis, I find that for all services combined, the local safety net assets available per poor person are much higher in West County than in East County. For every $8 in social services that a poor person in West County has access to, there is $1 available for a poor person in East County. This ratio also holds

when looking at individuals whose incomes are below 200 percent of the poverty line, and for some categories, like Human Services, the ratio was much larger.

Figure 3. Per Capita Local Social Service Spending in East Contra Costa County as Compared to West County, 2010-11
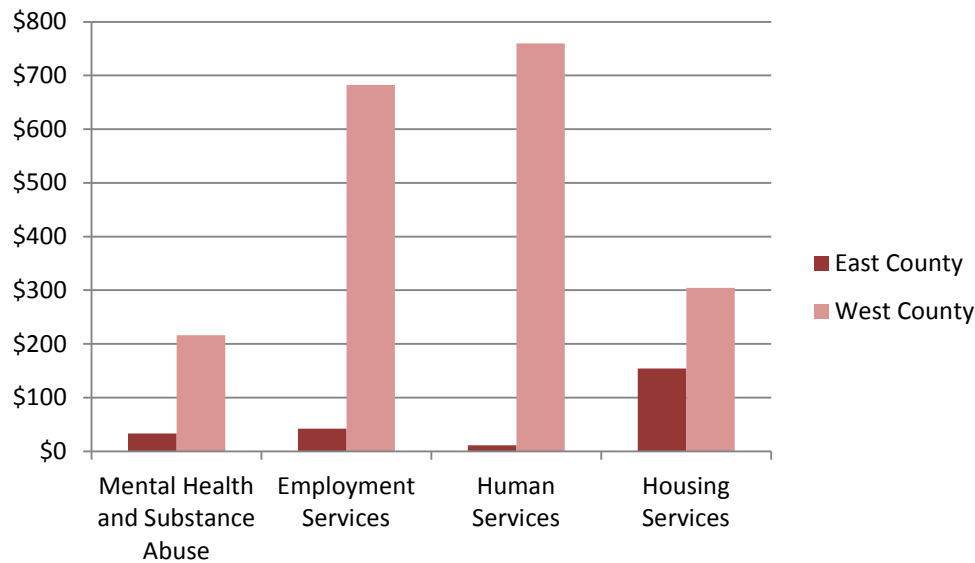
Source: IRS form 990 data

There are some limitations to this measure. It does not include services provided by government agencies or by organizations that are located in outlying jurisdictions. Nor does it take into account the possibility that an organization's resources may be spent beyond the boundaries of the city where it is located. It is feasible, for example, that some of the organizations based in West County provide services to communities elsewhere in the county. It is also feasible that East County residents receive assistance from organizations located elsewhere, such as the Food Bank of Contra Costa and Solano, which is based in Concord. However, it is just as feasible that these county- and regional-level resources benefit West County as well as East County alike.

Important to note is that access to transfers and entitlements does not seem to be tied to geographic location. For example, both West and East County have similar rates – 8.3 versus 8.8 percent respectively – of families who rely on cash assistance or Supplemental Nutritional Assistance Program (SNAP) for some of their income.[6]

Policy and Politics: Policy Advocacy and Power-Building Organizations

Beyond offering immediate assistance to families and individuals in need, a comprehensive anti-poverty network looks upstream at the policies that frame the set of opportunities and constraints communities face, and examines the politics of who wields power in decision-making processes that affect neighborhoods and households. As Pastor and others have noted, these activities can have profound impacts on the regional distribution of resources (2011). After reviewing available IRS data, I was unable to find a single organization based in East County that engages explicitly in policy reform or power-building work for low-income communities and communities of color. In Richmond, there were over a half dozen such organizations. This does not mean that there is no advocacy or organizing work happening in East

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6   ACS 3-year estimate 2007-2009.

County. On the contrary, there is extensive work happening, as partially documented in a recent article by Alex Schafran and myself (Schafran et al. 2011). But the organizations running these campaigns are based elsewhere.

This regional organizational involvement in anti-poverty work in East County has been largely focused on individual campaigns. Organizations like Urban Habitat, based in Oakland, and Public Advocates, based in San Francisco, joined with East County residents in the early-2000s to successfully win a lawsuit against the City of Pittsburg, forcing the city to more proactively create affordable housing options. Ten years later, Public Advocates engaged with African American Section 8 voucher recipients in a civil suit against the Antioch police department for discriminatory practices. Another example can be seen in the work of Contra Costa Interfaith Supporting Community Organizing (CCISCO), with offices now in both Richmond and Antioch, and La Clinica, based in Oakland with a clinic in Pittsburg, which worked together to create a new community health clinic in Oakley. Additionally, CCISCO's anti-foreclosure work in Antioch has become the model for a national campaign to stop foreclosure run by CCISCO's parent organization, the PICO Network. Several other Oakland-based organizations, including Alliance of Californians for Community Empowerment (ACCE) and TransForm, have worked in East County on specific campaigns in the past.

Though they have accomplished important work in East County to reduce poverty through policy advocacy and power building, most of these regional organizations have had an intermittent presence in East County over the last decade. And this engagement by groups based external to East County does not entirely make up for the lack of a strong set of local organizations. The next section aims to illuminate some of the reasons why there isn't a more robust anti-poverty network based in East County, and offers some ideas for next steps forward.

PART 3: Understanding and Addressing the Barriers

It is perhaps not surprising to those familiar with West County that it has a denser anti-poverty network than East County. West County has a much longer history with high poverty and economic distress, which has resulted in the development of many of the community development institutions rooted there. Does this mean that simply given time, a similar institutional infrastructure will materialize in East County? A growing body of scholarship on spatial inequities in the distribution of social services indicates that it is *not* a given that a comprehensive suite of service providers will emerge in East County without intervention. This section will look at some of the academic theories that are particularly relevant to East County.

One of the first comprehensive studies of the distribution of social service nonprofits was conducted by Kirsten Grønjberg and others in 2001 (Grønjberg et al. 2001). They conducted a regression analysis of the distribution of nonprofits in Indiana based on IRS form 990 data, and determined that a nonprofit's location in a region was not correlated to local demands for their services, as one might intuitively think. Rather, the most important factors correlated with nonprofit location were the supply of an appropriate workforce and the makeup of the local community structure, such as the level of local civic engagement. The two variables that were most strongly correlated to nonprofit location were the percent of the local population that held a bachelor's degree and the percent who were employed locally. In East County, only 18.9 percent of the population hold a bachelors or higher degree, compared

to 41.5 percent in the Bay Area overall.[7] And nearly 80 percent of workers commute out of the area for work.[8]

More recently, Scott Allard has studied a number of factors to explain spatial disparities in the social safety net. His research, based on extensive survey and interview data in addition to IRS data, finds that while most service providers will prioritize locating in high poverty areas in order to increase client access to their services, several other factors can alter spatial decisions, such as lack of decent office space and the presence and strength of not-in-my-back-yard (NIMBY) neighbor opposition to service providers (Allard 2009). In my interviews with East County service providers, both of these factors were raised as obstacles for the establishment of local service provision. Allard also found that proximity to sources of financial support played a large role in determining where nonprofits locate. The lack of a strong local funding base may be a key constraint on building up a local anti-poverty network in East County. Organizations that are based in East County are largely reliant on resources from outside the area to support their work, whether via foundations based in San Francisco or Oakland, or individual donors from the more affluent areas of central and southwestern Contra Costa County.

Jurisdictional fragmentation may be another barrier to the development of a more dense anti-poverty network. Shifting funds between jurisdictions is politically and logistically challenging, and the resulting "stickiness" of resources makes it difficult to reallocate funding among organizations across jurisdictional lines to quickly address changing needs and demands (Allard 2009). As such, there is likely to be significant disincentive to establish service provision in new locales. This is of particular salience for East County, where the population is dispersed amongst four cities and several unincorporated communities.

Finally, suburban areas are typically low-density, meaning that communities and amenities are physically spread out. In these geographies, service providers are challenged to identify broadly accessible locations from which to base operations. For users of services, access problems generated by physical dispersal are oftentimes compounded by inadequate transportation infrastructure and low rates of car ownership among low-income individuals.

Addressing the Barriers: Building Capacity in East County

This paper aims to highlight how Bay Area demographics have changed both over time and space, how these changes are straining the existing safety net, and some of the barriers to the establishment of a strong local anti-poverty network. In this section, I point out that there are roles for both public and private agencies in overcoming some of the above-noted barriers to supporting and developing capacity in East County to address its growing needs.

Ensuring that there are adequate financial resources to maintain, and perhaps even expand, the existing safety net is of primary importance. While some organizations have reported that they have seen a temporary influx of resources from individual donors as well as federal stimulus money from the American Recovery and Reinvestment Act, these resources cannot be counted on to continue. But private foundations and regional agencies can work more actively to maintain their support of organizations in places like East County which have smaller safety nets and where cuts would be most painful. Additionally, innovative strategies will need to be developed to capture and leverage resources that flow through existing channels such as the Community Reinvestment Act.

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7   ACS 5-year estimate 2006-2010.

8   US Census Longtudinal Employer Household Dynamics.

At the same time, existing organizations in East County need to strengthen their relationships with each other. The networks among organizations are surprisingly thin, with many organizational staff unaware of other organizations or efforts in their area. There are some notable exceptions to this, and the establishment of collaborative efforts such as SparkPoint in Bay Point is shifting this dynamic amongst social service providers.[9] But much more could be done to build networks, especially in terms of fostering connections between unlikely partners, such as faith-based organizers and labor unions. Some of this can be catalyzed by tying funding to collaboration, but ultimately these networks take years to build and are largely dependent on individual relationships and maintenance of a consistent presence within a community. This means that for regional organizations seeking to support this kind of work, they will need to make explicit multi-year, multi-campaign commitments to the area, with buy-in from funders and board members alike.

Finally, local leadership development and organizational capacity building in East County needs to be supported by regional resources and, perhaps more importantly, by technical assistance. Models such as Urban Habitat's Boards and Commissions Leadership Institute (BCLI) could be adopted in East County as a way to help develop the skills of local leaders who want to be more engaged in strategies to address the poverty in their community. BCLI works with residents from underrepresented communities to train them on the technical skills necessary to be successful as a representative on various local government boards and commissions. Technical nonprofit management skills could be strengthened through a series of workshops on nonprofit budgeting, grant-writing, and communications. Classes on these topics, which are offered regularly in San Francisco and Oakland, could be taught in East County and adapted to address the unique nature of anti-poverty work in suburban areas.

Conclusion

Though this paper has been focused on East County, the shifts within the region are reflective of those taking place is many other geographies around the nation. The changing geography of poverty, which in many ways is tied a decades-long process of economic restructuring that has led to growing income and wealth inequality, challenges the community development field to undertake new strategies in fostering opportunity for low-income individuals and communities. In areas newly faced with growing poverty, an unprecedented level of collaboration – across sectors and geographies – will be needed to develop a robust anti-poverty network that not only addresses immediate needs, but also responds to the dramatic structural changes in our economy and supports a new economy that works to lift families out of poverty, regardless of where they live.

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9   SparkPoint is a United Way Bay Area initative that provides community-based, one-stop financial help and education. Though there are 12 participating organizations, only two are locally based in East County.

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