

INTRODUCED: November 9, 2015

AN ORDINANCE No. 2015-240-236

To amend ch. 2, art. IV of the City Code by adding therein a new div. 24, consisting of §§ 2-826—2-829, concerning the Office of Community Wealth Building; to amend City Code § 2-302, concerning the functions of the Department of Economic and Community Development; and to amend City Code § 2-921, concerning the composition of the Maggie L. Walker Initiative Citizens Advisory Board, all for the purpose of establishing an Office of Community Wealth Building to implement a comprehensive poverty reduction initiative for the City.

Patron – Mayor Jones

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: DEC 14 2015 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That Chapter 2, Article IV of the Code of the City of Richmond (2004) is hereby amended and reordained by **adding therein a new** division numbered 24, consisting of sections numbered 2-826 through 2-829, as follows:

DIVISION 24.

OFFICE OF COMMUNITY WEALTH BUILDING

Sec. 2-826. Created, composition.

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: Dec 14 2015 REJECTED: _____ STRICKEN: _____

There shall be an Office of Community Wealth Building, which shall consist of a Director of Community Wealth Building and such other officers and employees organized into such units as may be provided by ordinance or by the orders of the Director consistent therewith.

Sec. 2-827. Functions.

The Office of Community Wealth Building shall perform the following functions:

(1) Developing, staffing, and coordinating the implementation of a comprehensive poverty reduction initiative for the City with the aim of improving access to educational and economic opportunities for residents of the city.

(2) Conducting research for and providing recommendations to the Mayor concerning strategies, investments, and policies likely to be effective in the reduction of poverty within the city.

(3) Developing a strategic vision for the City's comprehensive poverty reduction initiative and an associated system of performance measures for measuring progress in reducing poverty in the city.

(4) Providing regular reports to the City Council, the Maggie L. Walker Initiative Citizens Advisory Board, and the public on progress with regard to reducing poverty in the city.

(5) Administering funds appropriated by the City Council to the Office for the advancement of particular policy initiatives.

(6) Acting as the City's point of contact for non-departmental grant contracts designated, by ordinance or by the orders of the Chief Administrative Officer consistent therewith, as integral to the implementation of the City's comprehensive poverty reduction initiative.

(7) Coordinating the activities of City agencies in furtherance of the implementation of the City's comprehensive poverty reduction initiative and working with City agencies to develop and implement specific projects to reduce poverty.

(8) Encouraging and promoting the City's comprehensive poverty reduction initiative within the city of Richmond in cooperation with non-City agencies and other organizations that operate within the city.

(9) Coordinating workforce development issues and administration of workforce development programs.

(10) Coordinating community outreach and public education activities that pertain to poverty reduction and community wealth building.

(11) Exercising such other powers and performing such other duties as may be assigned to the Office by law.

Sec. 2-828. Appointment, qualifications, and powers of Director.

(a) *Appointment.* The Director of Community Wealth Building shall be appointed for an indefinite term by the Chief Administrative Officer and shall report to the Chief Administrative Officer.

(b) *Qualifications.* The Director of Community Wealth Building shall be a person trained and experienced in education, human development, community development, economic development, civic engagement, community planning, public administration, or related fields.

(c) *Powers.* The Director of Community Wealth Building shall have general management and control of the Office of Community Wealth Building and its units. The Director shall appoint and remove all officers and employees of the Office, subject to applicable personnel policies established by ordinance, and shall have the power to make rules and

regulations consistent with the Charter and City ordinances for the conduct of the functions of the Office.

Sec. 2-829. Duty of Mayor to submit reports on City’s comprehensive poverty reduction initiative.

(a) *Oral presentation.* Effective January 1, 2016, the Mayor shall deliver annually, by no later than March 1 of each calendar year, an oral presentation to the City Council concerning the progress of the City’s ongoing efforts to reduce poverty in the city of Richmond. This oral presentation shall take place during the portion of a regular meeting of the City Council known as the “formal meeting” and shall be distinct from any other formal or informal presentation the Mayor may make to the City Council or in any other public setting. The substance of the oral presentation shall be based on the substance of the written report described in subsection (b) of this section.

(b) *Written report.* At the same time as or prior to the oral presentation described in subsection (a) of this section, the Mayor shall submit to the members of both the City Council and the Maggie L. Walker Initiative Citizens Advisory Board a written report detailing the progress of initiatives in education, workforce development, economic development, transportation, and housing undertaken by the City for the purpose of reducing, alleviating, or ameliorating poverty, including, but not necessarily limited to, the activities and initiatives of the Office of Community Wealth Building. The Chief Administrative Officer shall make the written report publicly available on the City’s world wide web site. The written report shall include the following elements:

- (1) A system of metrics established to track long-term trends and changes in important policy areas that affect poverty.

(2) A statement concerning ongoing challenges and recommended policy steps to increase the effectiveness of the City's efforts to reduce poverty.

(3) The use of metrics and related methods of measurement as consistently as possible with previous reports, with clear explanations and justifications for any alterations in the metrics and related methods of measurement used.

(4) Trend data on the number and proportion of all persons living in poverty in the city, the number and proportion of children living in poverty in the city, and analysis of the impact of the City's poverty rate on the City's financial condition and creditworthiness.

(5) A summary of the current one-year and five-year strategic plans of the Office of Community Wealth Building to reduce poverty in the City.

(6) The signature of the Mayor.

(c) *Mid-year presentation.* Beginning with the year commencing on January 1, 2016, the Mayor or the designee thereof shall make an additional presentation to the City Council. The Mayor or the designee thereof shall make the presentation each year during the months of September or October at such regular or special meeting as may be designated by the President of the Council. The purpose of the presentation shall be to provide a mid-year update concerning the progress of the City's comprehensive poverty reduction initiative.

§ 2. That section 2-302 of the Code of the City of Richmond (2004) be and is hereby amended and reordained as follows:

Sec. 2-302. Functions.

The Department of Economic and Community Development shall be responsible for the following:

(1) Developing and staffing an overall economic and community development strategy for the city;

(2) Promoting business development and expansion;

(3) Providing technical assistance to emerging businesses;

(4) Identifying investment opportunities;

(5) Administering special assistance loan and CARE programs;

(6) Staffing the Economic Development Authority;

(7) Administering contracts relative to economic and community development initiatives;

(8) Serving as a regranting agency;

(9) Marketing the city relative to new business ventures;

(10) Supervising and coordinating the work and activities relating to the acquisition and disposal of certain real estate by and for the City as may be required by the Chief Administrative Officer;

(11) Coordinating of all City agencies toward the attainment of orderly community development;

(12) Encouraging and promoting economic development within the city through cooperation with other governmental and private economic development organizations;

(13) Administering community development finance programs, including but not limited to programs under Title I (Community Development) of the United States Housing and Community Development Act of 1974, as amended, or any other federal legislation or program under which the City may receive and use or administer the use of federal funds for housing, community development or economic development purposes; and

(14) [~~The coordination of workforce development issues and administration of workforce development programs; and~~

(15)] Such other powers and duties as may be assigned to the Department by law or ordinance.

§ 3. That section 2-921 of the Code of the City of Richmond (2004) be and is hereby amended and reordained as follows:

Sec. 2-921. Functions.

(a) *Composition.* The Board shall be composed of sixteen members, including seven members appointed by the Mayor, eight members appointed by the Council, and [~~a Human Services Manager~~] the Director of Community Wealth Building, who shall be a non-voting member. [~~For purposes of this division, “Human Services Manager” means the Human Services Manager designated by the Deputy Chief Administrative Officer for Human Services to work with the Board.~~] All appointments shall be otherwise governed by sections 2-836 and 2-837 of this Code.

(b) *Qualifications.*

(1) *Mayoral appointments.* The Mayor shall appoint members from each of the following categories:

a. Four persons who, at the time of appointment, reside in a census tract within the City of Richmond with a poverty rate of at least 25%. At least one of the four persons shall, at the time of appointment, be a tenant of the Richmond Redevelopment and Housing Authority or a recipient of Section 8 housing vouchers from the Richmond Redevelopment and Housing Authority.

b. A representative of a service provider assisting low-income individuals or families.

c. A representative of a community organization or advocacy group with a primary focus on the reduction of poverty and who resides within the City of Richmond.

d. A person who resides within the city of Richmond.

(2) *Council appointments.* The Council shall appoint members from each of the following categories:

a. Four persons who, at the time of appointment, reside in a census tract within the city of Richmond with a poverty rate of at least 25%. At least one of the four persons shall, at the time of appointment, be a tenant of the Richmond Redevelopment and Housing Authority or a recipient of Section 8 housing vouchers from the Richmond Redevelopment and Housing Authority.

b. A business owner or a representative of a business with a workforce made up of employees, the majority of whom reside in the city of Richmond.

c. A representative of a college or university located within the city of Richmond with expertise in studying poverty or in program evaluation.

d. A person who resides within the city of Richmond.

e. A member of the City Council, who shall be a non-voting member of the Board and shall serve as co-chair.

(c) *Terms of office.* Of the voting members initially appointed, five members shall be appointed for a term of one year, five members shall be appointed for a term of two years

and four members shall be appointed for a term of three years. As the terms of the initial voting members expire, their successors shall be appointed for terms of three years. However, ~~[a Human Services Manager]~~ the Director of Community Wealth Building shall serve as an ex officio member and the member of the City Council shall be appointed by resolution of the City Council in the same manner as appointments to Standing Committees of the City Council and shall be appointed for a term that shall expire as provided in such resolution. The members of the Board shall serve no more than one successive full term; provided, however, that persons appointed to fill an unexpired term may serve two successive full terms upon completion of the unexpired term for which the person has been appointed. Members appointed pursuant to subsections (b)(1)(a) and (b)(2)(a) of this section who, after such appointment, no longer meet the qualifications specified therein may complete their full term and hold office until a qualified successor is appointed. All other aspects of the Board and its membership not addressed in this division shall be governed by Chapter 2, Article V, Division 1, of this Code.

(d) *Compensation.* The voting members of the Board shall receive a per diem compensation of \$50.00 for each meeting of the Board for which such members are actually engaged in the duties of the Board; provided, however, that no member shall receive more than \$600.00 per fiscal year for compensation.

§ 4. This ordinance shall be in force and effect upon adoption.



CITY OF RICHMOND

INTRACITY CORRESPONDENCE

O&R REQUEST

DATE: October 6, 2015

EDITION: 4

TO: The Honorable Members of City Council

RECEIVED

THROUGH: Dwight C. Jones, Mayor

NOV 05 2015

THROUGH: Selena Cuffee-Glenn, Chief Administrative Officer

OFFICE OF CITY ATTORNEY

FROM: Thad Williamson, Ph.D., Director, Office of Community Wealth Building

RE: Establishment of Reporting Requirements Concerning Progress of the City's Poverty Reduction Initiative and Establishment of the Office of Community Wealth Building as a Department of the City of Richmond

ORD. or RES. No.

PURPOSE: To institutionalize the City's comprehensive poverty reduction initiative through two related measures. First, this ordinance request establishes regular reporting requirements for the Mayor as concerns the progress of the City's poverty reduction agenda. Second, the ordinance request establishes the Office of Community Wealth Building as a Department of the City of Richmond, charged with overseeing the ongoing implementation of the City's comprehensive poverty reduction initiative. (See attached memoranda for details of these proposed measures.)

REASON: The City of Richmond currently has a poverty rate of 26% for all residents and 39% for children. This level of economic need negatively and pervasively impacts the well-being of residents and community quality-of-life, as well as the City's economic competitiveness and long-term financial standing.

Achieving meaningful long-term reductions in the number of residents living in poverty, and related improvements in access to opportunity and community quality-of-life, will require sustained, focused implementation of a comprehensive initiative encompassing several policy areas including education, workforce development, economic development, transportation and housing. The stated goal of this initiative is to reduce overall poverty in Richmond by 40% over the next 15 years, including a 50% reduction in the number of children in poverty. This ordinance obligates the Mayor of the City of Richmond to report to City Council and the public a comprehensive report on the progress of this initiative at least once a year. It also formalizes the creation of the Office of Community Wealth Building as an agency with responsibility for leading implementation of a holistic poverty reduction initiative across different policy areas and different agencies, and in collaboration with other public bodies as well as community partners.

RECOMMENDATION: Approval.

BACKGROUND: In 2011, the Mayor's Anti-Poverty Commission was established for the purpose of assessing the cause of long-term, structural poverty in the City of Richmond and for recommending promising policy strategies to ameliorate and reduce poverty. The final report of the Mayor's Anti-Poverty Commission released in January 2013 identified five primary strategies which taken together have promise for significantly impacting low-income Richmond neighborhoods and residents. These include expansion of the City's workforce development capacity, targeted economic development to create quality jobs suitable to the needs and capabilities of low-income residents, development of a regional transportation system, pursuing the redevelopment of public housing communities with a commitment to no involuntary displacement of residents, and development of a cradle-to-career system of supports for low-income students and families so as to counter the impact of poverty on educational outcomes. In 2013, these broad recommendations were translated into specific actionable steps City government could take, under the aegis of the Maggie L. Walker Initiative for Expanding Opportunity and Fighting Poverty. Pursuant to these recommendations, the Mayor and City Council provided a total of \$3.4 million in funding in FY 2015 for dedicated anti-poverty initiatives, and a further \$3.6 million in funding in FY 2016.

Included in this funding was the establishment of the "Office of Community Wealth Building," located within the Office of the Deputy Chief Administrative Officer for Human Services, with funding of \$300,000 in FY 2015 and approximately \$310,000 in FY 2016. The Office of Community Wealth Building has been charged with coordinating implementation of the entire initiative, serving as a hub and catalyst for new initiatives, conducting ongoing research and planning, developing a system of evaluative metrics, and serving as a locus of accountability to the general public.

This holistic, coordinated approach to poverty reduction and community wealth building has proven successful as numerous important collaborative initiatives in areas such as early childhood, college access, workforce, transportation, and public housing redevelopment have moved forward with the leadership or participation of the Office of Community Wealth Building staff since June 2014. The funding invested by the City has attracted additional resources in support of these initiatives, including a \$300,000 grant from the W.K. Kellogg Foundation, approximately \$160,000 in private funding for the RVA Future program located at RPS Education Foundation, and has leveraged or matched millions of additional dollars for affordable housing development, bus rapid transit, and middle school out-of-school time programming.

Significant accomplishments of this initiative to date include:

Education

- The development of an Early Childhood Initiative that for the first time connects programs of the City of Richmond and Richmond Public Schools that reach children aged zero to five in an ongoing, continual collaboration, known as the Richmond Early Childhood Cabinet. A larger body including both City and school officials as well as

community providers, funders, stakeholders, and parents, known as the Richmond Early Childhood Action Council, has also been established and tasked with developing a comprehensive strategic plan to improve early childhood education by closing service gaps and improving quality-of-service. Specific programs also funded under this initiative include parenting classes, the RVA Reads initiative aimed at promoting early literacy in Pre-K classrooms, and a forthcoming parent engagement pilot based at Gilpin Court. The City's work on early childhood has attracted significant funding support from the W.K. Kellogg Foundation. Staff of the Office of Community Wealth Building have taken the lead role in organizing this initiative.

- The City's participation in the successful Middle School Renaissance 2020 initiative, now known as NextUp RVA, which launched an out-of-school time system to expand and improve high quality after-school opportunities for middle school youth, currently operating with Henderson and Boushall Middle Schools. NextUp RVA is a public-private initiative with the City currently providing approximately 20% of overall program funding.
- City funding in FY 2016 has led to the establishment of RVA Future, an innovative college and career access program based at RPS Education Foundation. RVA Future has now established Future Centers—dedicated resource centers staffed by a full-time professional at each site—in all five comprehensive high schools. The Future Centers will help build stronger college and career-going cultures within Richmond Public Schools. RVA Future also will seek to develop a robust scholarship component with the goal of eventually assuring all RPS graduates have the financial and nonfinancial support needed to access a post-secondary educational opportunity. RVA Future is a direct result of sustained collaboration between the Office of Community Wealth Building, RPS Education Foundation, and RPS.

Housing

- City funding and collaboration between the Office of Community Wealth Building, Richmond Redevelopment & Housing Authority, and Richmond City Health District has led to the creation and launch of the Good Neighbor Initiative, based at RCHD. The Good Neighbor Initiative consists of housing advocates based within each public housing community, as well as a program coordinator, who are charged with connecting public housing residents to available resources and assisting with lease compliance and related issues. Advocates are part-time employees who are generally hired from within the communities in which they serve.
- City funding and collaboration between the Office of Community Wealth Building, the Center for Workforce Innovation, and Richmond Redevelopment & Housing Authority has led to the creation and launch of the BLISS program (Building Lives of Independence and Self-Sufficiency), based at CWI. BLISS offers wrap-around support services to the families of participants in the City's workforce program. By the end of 2015, a total of twenty families will be enrolled, all of whom are residents of RRHA housing communities. The goal of the program is to move families towards long-term self-sufficiency by identifying and addressing issues and obstacles across multiple domains (such as child care, transportation, and health, as well as employment).
- The Office of Community Wealth Building is closely collaborating with Richmond Redevelopment & Housing Authority, other City agencies, and community organizations

on the development of the People Plan component of the Creighton Court transformation process. This involves working with agencies and community members to develop a plan to assure that all 504 households have access to needed support services as well as enhanced educational and economic opportunities before, during, and after the transformation process. Related to this, the Office of Community Wealth Building is taking a lead role in collaboration with other City staff and numerous additional agencies and organizations in preparing the City's application for HUD Promise Zone designation. Designation as a Promise Zone would give the City a competitive advantage on all federal grant applications impacting the Zone over the next ten years.

Economic Development and Jobs

- Provision of unrestricted funding has allowed the Center for Workforce Innovation to serve more residents and provide more services. Over 175 persons were placed into employment via CWI in FY 2015. In conjunction with the BLISS program noted above, CWI is partnering with the Thrive Collaborative based at United Way to provide additional financial literacy tools to participants.
- The Broad Street Bus Rapid Transit initiative represents a major investment in upgrading the City's public transit infrastructure. The Office of Community Wealth Building is working with GRTC and other City staff to assure the accompanying route adjustments effectively maximize the reach of BRT in connecting City residents to jobs. The Broad Street BRT also is a major step forward in the long-term development of a regional transit system, one of the major aims identified by the Mayor's Anti-Poverty Commission.
- The City's recent agreement with the Port of Virginia represents a major opportunity for the City to create substantial numbers of good jobs at a variety of skill levels, and also accomplishes one of the key strategic objectives identified by the Mayor's Anti-Poverty Commission.
- The Office of Community Wealth Building and the Office of Minority Business Development are collaborating on a social enterprise initiative that aims to tap into the purchasing power of local anchor institutions to support job creation in high-poverty neighborhoods. Completion of a strategic plan, including identification of concrete business opportunities, will take place by early spring 2016.

Citizen Engagement, Accountability, and Metrics

- The Maggie L. Walker Initiative Citizens Advisory Board, composed of fourteen voting and two non-voting members, was established in December 2014 to formalize resident voice and participation in the City's poverty reduction initiative. By ordinance over half of members must reside in high-poverty neighborhoods. The Board held its initial meeting in March 2015 and has met monthly ever since. The Director of the Office of Community Wealth Building has been designated as a non-voting member of the board.
- The Office of Community Wealth Building has worked with the VCU Center for Urban Regional Analysis to develop a comprehensive system of evaluative metrics to chart the City's progress in meeting its poverty reduction and community wealth building goals.

- The Office of Community Wealth Building has worked to develop ongoing relationships with a variety of community organizations and stakeholders, with the long-term goal of mobilizing ongoing partnerships on behalf of a comprehensive poverty reduction approach.

In short, the Office of Community Wealth Building has had a significant positive impact on the City since 2014 and has helped advance each of the major policy goals developed by the Mayor's Anti-Poverty Commission. The Office has worked effectively with agencies internal to City government as well as other public agencies and community organizations, whether in a lead role or a partnership role. It also has helped define and articulate a community-wide vision for long-term poverty reduction in the City.

Because the Office of Community Wealth Building has not been established as a department by City Council, programmatic funding has been scattered across several City departments (Social Services, Library, Economic and Community Development) or distributed as nondepartmental grants. In practice, use of these funds has been guided by interagency agreements (memoranda of understandings) or by grant contracts. Coordinating the administration of funds located across different departments is inherently challenging and time-consuming. A more efficient and effective approach, and one likely to lead to better substantive outcomes and greater accountability, would allow the Office to receive and utilize programmatic funding for dedicated anti-poverty initiatives as an independent department. This is a critical step in assuring the sustainability of this integrated effort and allowing this still-new initiative to grow to its full potential.

This proposed ordinance creates the Office of Community Wealth Building as a department of the City of Richmond and specifies its functions. The overarching mission of the Office of Community Wealth Building is to develop, staff, and coordinate the implementation of a comprehensive poverty reduction agenda working across multiple policy areas, agencies, and public and private entities (including Richmond Redevelopment and Housing Authority, Richmond Public Schools, Greater Richmond Transit Company and others). Included in this responsibility are providing recommendations concerning policies, strategies, and investments to promote community wealth building and poverty reduction; establishing and maintaining a systems of evaluative metrics and reporting the City's progress to the public; taking responsibility for administering programmatic funds assigned to the department; being the City's point of contact for certain nondepartmental funds designated as integral components of the City's comprehensive initiative; coordinating across City agencies as well with other public bodies and community stakeholders to advance collaborative initiatives in areas such education, transportation, economic development and housing; overseeing administration of the City's workforce development system; and overseeing community outreach and civic engagement pertaining to poverty reduction and community wealth building.

As assuming oversight of the City's workforce system involves reassignment of an existing unit, further explanation is warranted. Expansion of the City's workforce development capacity via continued development of the Center for Workforce Innovation (CWI) was a top recommendation of the Mayor's Anti-Poverty Commission. Increasing the quantity and quality of employment opportunities for low-income residents is the most direct and effective way to

reduce poverty in the City. To meet the long-term goal of reducing poverty by at least 40%, the City will need to develop, in collaboration with other partners in the regional workforce system, a capacity to serve at least 1,000 residents a year with workforce and related support services. As a locally funded program the Center also must continue to develop innovative approaches appropriate to engaging and supporting the particular needs of low-income Richmonders. The CWI is one of the principal ways that the anti-poverty initiative interfaces with low-income residents, and it must be an important partner in the public housing transformation process, social enterprise development, economic development, and other processes. It is hence critical that the operations of the CWI be fully aligned with the Office of Community Wealth Building. This ordinance accomplishes this by making CWI a division within and reporting to the Office of Community Wealth Building.

Two accompanying budget amendment ordinances specify the FY 2016 general and special funds to be moved under the newly established Office of Community Wealth Building.

FISCAL IMPACT/COST: None

FISCAL IMPLICATIONS: None

BUDGET AMENDMENT NECESSARY: Yes. Two companion O&R requests move general funds and special funds from the FY 2016 to the budget of the newly established Office of Community Wealth Building.

REVENUE TO CITY: N/A

DESIRED EFFECTIVE DATE: Upon adoption.

REQUESTED INTRODUCTION DATE: October 12, 2015

CITY COUNCIL PUBLIC HEARING DATE: November 9, 2015

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE: Governmental Operations

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Human Services, Economic and Community Development, Budget and Strategic Planning.

RELATIONSHIP TO EXISTING ORD. OR RES.:

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: Proposed ordinance code for Reporting Requirement; proposed ordinance code for duties and responsibilities of Office of Community Wealth Building; Exhibit A, "Community Wealth Building as Poverty Reduction Strategy."

O&R Request Form

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STAFF: Thad Williamson, Director, Office of Community Wealth Building

Reporting Requirements

The following language is recommended for the Reporting Requirement component of this Ordinance.

“Effective January 1, 2016, the Mayor shall annually deliver a presentation to City Council concerning the progress of the City’s ongoing efforts to reduce poverty in the City of Richmond. This presentation shall take place as part of the agenda of a formal meeting of City Council, and shall be distinct from any other formal or informal presentation the Mayor may make to City Council or in any other public arena. This presentation shall take place no later than March 1 of each calendar year. The Mayor shall also submit to City Council an accompanying written report at the same time or prior to the verbal presentation. This written report shall detail the progress of initiatives in education, workforce development, economic development, transportation and housing undertaken by the City for the purpose of reducing, alleviating or ameliorating poverty, including but not limited to initiatives falling under the direction or purview of the Office of Community Wealth Building; shall include a system of metrics established to track long-term trends and changes in key policy areas impacting poverty; and shall include a statement concerning ongoing challenges and recommended policy steps to increase the effectiveness of the City’s efforts. Each annual report should utilize metrics and related methods as consistent as possible with previous reports and provide clear explanation and justification for any alterations in such metrics and methods. Each report must at a minimum include trend data on the number and proportion of all persons living in poverty in the city, the number and proportion of children living in poverty in the City, and analysis of the impact of the City’s poverty rate on its financial condition and creditworthiness. Each report shall also include a summary of the current one-year and five-year strategic plans of the Office of Community Wealth Building to reduce poverty in the City. Each annual report shall be personally signed by the Mayor.

Written copies of this annual report shall be provided to all members of City Council as well as all members of the Maggie L. Walker Initiative Citizens Advisory Board, and will be made available to the public.

In addition, the Mayor or his or her designee shall make an additional presentation to City Council, at either a formal or informal meeting as designated by Council, each calendar year between the dates of September 1 and October 31, for the purpose of providing Council a mid-year update concerning the City’s poverty reduction efforts.”

Establishment of Office of Community Wealth Building

Recommended language for City Code.

- **Sec. 2-xxx. - Created; composition.**

There shall be a department of community wealth building which shall consist of a director of community wealth building and such officers and employees organized into such bureaus, divisions and other units as may be provided by ordinance or by the director consistent therewith. The department shall be known as the "Office of Community Wealth Building."

- **Sec. 2-xxx. - Functions.**

The department of community wealth building shall be responsible for the following:

- (1) Developing, staffing and coordinating the implementation of a comprehensive poverty reduction initiative for the City, with the aim of improving access to educational and economic opportunity for City residents;
- (2) Providing research and recommendations to the Mayor concerning strategies, investments, and policies likely to be effective in the reduction of poverty within the City;
- (3) Developing and articulating a strategic vision for poverty reduction for the City, an associated system for measuring progress, and providing regular reports to City Council and the public, including the Maggie L. Walker Initiative Citizens Advisory Board, on such progress;
- (4) Administering direct implementation of such funds as are provided to the department for the advancement of specific policy initiatives;
- (5) Acting as the City's point of contact for nondepartmental grants designated as integral component parts of the City's poverty reduction agenda;
- (6) Coordinating all City agencies as appropriate towards the implementation of a comprehensive poverty reduction initiative, and collaborating with agencies (including but not limited to Economic and Community Development, Minority Business Development, Richmond Public

Library and Social Services) on the development and implementation of specific projects that impact poverty reduction;

(7)

Encouraging and promoting poverty reduction within the city through cooperation and collaboration with other public bodies such as Richmond Redevelopment & Housing Authority, Richmond City Health District, Richmond Behavioral Health Authority, Richmond Public Schools, and Greater Richmond Transit Company, as well as with other community stakeholders;

(8)

The coordination of workforce development issues and administration of workforce development programs; **(amending 2-302(14) which places this responsibility under Economic & Community Development)**

(9) The coordination of community outreach and public education initiatives pertaining to poverty reduction and community wealth building; and

(10)

Such other powers and duties as may be assigned to the department by law or ordinance.

- **Sec. 2-xxx. - Qualifications of director.**

The head of the office of community wealth building shall be the director of the Office of Community Wealth Building. The director shall be a person trained and experienced in education and human development, community economic development, civic engagement and community planning, public administration, or related areas.

- **Sec. 2-304. - Appointment, powers and duties of director.**

(a)

The Chief Administrative Officer shall appoint the director of the Office of Community Wealth Building.

(b)

The director shall appoint and remove all officers and employees of the department, subject to applicable personnel policies established by ordinance, and shall have the power to make rules and regulations consistent with the Charter and city ordinances for the conduct of the function of the department.

(c) The director shall be a non-voting member of the Maggie L. Walker Initiative Citizens Advisory Board **(amending Code 2-921-a, stipulating that a Human Services Manager appointed by the Deputy CAO for Human Services shall be a non-voting member of the Board).**

EXHIBIT A.

Memorandum: Community Wealth Building as Poverty Reduction Strategy

September 2015

Thad Williamson, Ph.D.

The purpose of this memorandum is to summarize and explain the goals of the City's comprehensive poverty reduction initiative and the steps that will need to be taken to meet the long-term goal of achieving major reductions in poverty in Richmond over the next ten to fifteen years.

GLOBAL GOALS OF MAGGIE L. WALKER INITIATIVE

1. Reduce the number of residents living in poverty in the City of Richmond (Target: 40% overall reduction by 2030, including 50% reduction in child poverty)
2. Reduce the proportion of residents living in poverty in the City of Richmond
3. Improve quality-of-life and possibility for upward social mobility for children and adults in poverty in the City of Richmond

KEY BACKGROUND FACTS: POVERTY IN RICHMOND

Overall Poverty Rate (2009-13): 25.6% (50,681)

Poverty Rate Excluding College Undergraduates (2009-13): 23.1% (41,988)

Child Poverty Rate (2009-13): 38.8% (14,730)

Source: American Community Survey, 2009-13

GOAL ONE

Goal One can be logically achieved three ways:

- Mechanism 1: People now below the poverty line in Richmond climb out of poverty (attain higher household incomes) at a faster rate than people now *above* the poverty line fall beneath it (see reduction in household incomes)
- Mechanism 2: Persons living in Richmond in poverty exit the City at a faster rate than people in poverty from other jurisdictions move to the City
- Mechanism 3: The number of children born to residents in poverty falls over time (i.e. the birth rate for persons in poverty declines)

These observations require some further elaboration, as the ability to make policy with respect to each of these mechanisms is limited by both moral and institutional concerns.

With respect to Mechanism 3, there is widespread support for public policies aimed at reducing the teen pregnancy rate and at providing education and information concerning reproductive health and the impact of early parenthood to young adults. ("People should become parents on purpose and not by accident"—Charles Blow, *New York Times*.) A blanket policy statement aimed at reducing the number

of births to low-income households is morally problematic, and could be construed as a denial of a right of low-income families to have children. Consequently policy tools in this area are, for adults at least, limited to education and indirect measures which might assure that a higher proportion of children are born into economically and relationally stable households (such as increasing the number of “marriageable men.”) Fortunately, many trends in this area over the past five years, especially with respect to teen pregnancy, are positive, and there is widespread recognition of the value of a holistic approach to addressing the needs of young parents and equally engaging fathers and mothers.

With respect to Mechanism 2, the City has no legal authority or practical capacity to stop residents from other jurisdictions to come to Richmond to take advantage of services and/or lower rents. For Richmond to fail to provide such services in turn would represent a betrayal of its own residents’ interests and block the possibility of forging strong pathways out of poverty. So too would a strategy that has the impact of involuntarily displacing low-income residents from the City. The best remedy to this problem would be for neighboring jurisdictions to offer more affordable housing and stronger support services for low-income citizens.

Consequently, much of the “action” in poverty reduction must focus on Mechanism 1: Lifting persons above the poverty line at a faster rate than people above the line fall below it. Currently, leaving aside college students, there are about 42,000 people below the federal poverty line in Richmond, and an estimated 33-34,000 people (again excluding college students) between 100% and 200% of the federal poverty line.

We should be thinking about policies aimed at the full range of this population (approximately 75,000 persons). Importantly, it may often be easier and more cost-efficient to enact policies to bolster the security of persons who are at or slightly above the federal poverty line. Such policies might include:

- Financial education and low-cost banking services
- Strong public services, especially programming for children
- Reducing costs associated with working by better and more plentiful child care and transportation
- Creating more affordable housing to reduce the housing burden on households with modest incomes
- Creation of more “living wage” jobs (\$15/hr total compensation or greater)
- Creation of a stronger real-time job bank to connect qualified job-seekers to suitable opportunities
- Career/job counselors to work with residents who may be employed currently but seek greater security/income
- Policy changes to reduce the cliff effect (loss of benefits as income increases)

For adults below the poverty line, the primary strategy for increasing income must be expanded employment. Here we might think of three groups of low-income residents: 1) Those who are already working to some degree. 2) Those who might be capable of working with assistance and proper supports. 3) Those who are unlikely ever to become economically self-sufficient.

Group 1 consists of persons transitioning to full-time employment for those who are working part-time or part-year (a very considerable proportion of adults in poverty). This will often require:

- Connections to better employment opportunities
- Making training programs available to allow persons to access such opportunities
- Providing career counseling support to develop long-term plans tailored to specific circumstances
- Providing assistance with transportation, child care to counter the rising costs associated with going to work
- Providing nonfinancial support and a wider array of social connections beyond immediate context
- Provision of more living wage jobs in the geographic community
- Financial education/banking services assistance

Group 2 consists of persons who have not been in the labor market for some time, or ever. This group may often require:

- Basic remedial education (literacy)
- GED or other high school diploma classes
- Training programs to connect to identified available opportunities
- Intensive case management and development of long-term household plans
- Assistance with transportation, child care to counter the rising costs associated with going to work
- Opportunities for part-time work or entry-level work that could be stepping stones to full-time employment
- Financial education/banking services assistance

Group 3 consists of persons who have long-term issues that make it unlikely they will ever be able to be self-sufficient. Persons in this group may suffer from physical disabilities, mental or emotional disabilities, depression and other mental health issues, substance abuse, and so on. For this group primary goals should include:

- Proper diagnosis
- Safety and meeting of basic needs
- Access to appropriate care services
- For those who are able, provision of meaningful opportunities to contribute to the community via paid or unpaid (volunteer) activities
- For those who are able, transition into more ambitious employment activities

All groups require the following basic services:

- Health insurance and care
- Appropriate information about care and education of their children
- Access to zero or low-cost recreational and artistic activities and other activities that enhance quality-of-life
- Meaningful connections with other residents
- Food and housing security
- Safety

Generally speaking, Group 3 will require the most intensive set of resources to provide basic levels of care and support. Long-term economic self-sufficiency may not be a realistic goal for many persons in group 3. For that group then, the most appropriate goals are 1) meeting needs of adults to facilitate maximum possible development and engagement and 2) providing high levels of support to children in families with one or more adults in this category so that the kids might have a realistic prospect of being successful.

In terms of actually *reducing the number of families in poverty* attention should primarily focus on Groups 1 and 2.

This raises a question: How many adults are in Group 1, 2, and 3, approximately?

Census data indicate that of the 42,000 non-college students below the poverty line, about 14,700 are children and 3,350 are seniors. This leaves about 24,000 persons in prime working years (18-64). Data also report that among adults in poverty (this includes some college students), nearly 15,000 are working part time.

A conservative estimate then is that at least 11,000 (non-college student) adults are in Group 1, as indicated by already being part-time or part-year employed. The number of adults in Groups 2 and 3 together total 13,000 persons by this estimate. (As data on the number of college students classified as living in poverty but working part-time are not available, these estimates are necessarily imprecise.)

If all 11,000 adults estimated to be in Group 1 reached sufficient economic stability *and* no adults now above the poverty line fell below the poverty line, this would have a dramatic impact on poverty in Richmond. The number of adults in poverty would fall by 11,000, and the number of children in poverty would fall by nearly 7,000 (based on current ratio of children in poverty to working age non-college student adults—5:8).

The total number of persons in poverty would fall to about 24,000 non-college students, and about 32,500 overall, for a total poverty rate at current levels of population of 16.4%—still very substantial, but only modestly higher than the current national level. The non-college student poverty rate would be 13.2%, slightly below the national average.

Achieving this goal implies building the capacity to move 1,000 adults a year out of poverty *net*, then sustaining that effort over 11 consecutive years. Because even with better policies we cannot completely prevent families from falling below the poverty line, achieving this goal would likely require lifting 1,500 adults a year out of poverty, every year, for over a decade (on assumption that 500 a year would fall below the line). This could be accomplished through a combination of attracting new jobs, expanding existing local businesses, and better connecting and preparing residents to existing employment opportunities. Development of the Port of Richmond to its full economic potential and a regional transportation system also are a potential game-changers in allowing Richmond to hit this target.

Note also the RVA Future (Promise Scholarship) strategy is highly relevant to achieving this goal. Currently the gap between the proportion of graduates in each cohort going on to college or a quality environment and the statewide average is about 200-250 students. If these students can be connected to

college or career training, that is equivalent in poverty reduction terms to finding jobs for the same number of adults.

GOAL TWO

Note again that while reducing the number of persons in poverty is the prime goal, reduction of the poverty *rate* is also a legitimate and important policy goal. A reduction in the poverty rate has positive implications for the City's tax base, bond rating, and overall fiscal sustainability; consequently its ability to provide high quality services, including investments in poverty reduction strategies and in public education; and in creating more mixed-income schools and neighborhoods and hence more potential links and pathways out of poverty for residents.

The City's population level has risen from a low of 194,000 in 2004 to nearly 218,000 in 2014. If this trend continues at the current pace, City population will be at least 240,000 in 2025. A realistic goal for City leadership is to reach 250,000 by 2030—the same population level of the City at the date of the last annexation in 1970. Importantly, effective strategies to reduce poverty and dramatically improve public education are almost certainly prerequisites of hitting that target.

If the City population reaches 250,000 by 2030, **and** the demographic composition of newcomers is the same as that nationally (15% in poverty), that implies adding an additional 6,300 persons in poverty (relative to 2009-13 population). But such an increase would still reduce the poverty rate: from the current rate of 25.6% to 23.7%.

If such an increase were combined with diminishing poverty among current residents along the lines described under goal one (with 18,000 current residents escaping poverty), the overall expected poverty rate by 2030 would be 16.2%.

GOAL THREE

Goal three involves, in effect, making the effects of poverty less punishing, particularly for youth. Progress on goals one and two will contribute directly to this goal. So too will investments in educational improvement, especially early childhood and high-school to college/career interventions. In addition, as resources expand priority must be given to improvement in the landscaping, amenities, recreational services, and other quality-of-life components within existing high poverty neighborhoods.

Finally, the transformation of existing dense public housing communities into mixed-income neighborhoods, correctly executed, should create a much more positive environment for low-income children and families residing in the new neighborhoods.

SPECIFYING LONG-TERM GOALS FOR RICHMOND BY 2030

1. Reduce the absolute number of people (not college students) living in poverty in Richmond by at least 40% (from 42,000 to 24,000) by 2030, by achieving a net increase of over 11,000 adults working full-time year-round., lifting the adults and their children out of poverty. (Note that this goal is based on assumption of flat population growth; if, as is likely, population grows by 2030, the target of 24,000 should be adjusted accordingly.) **(GOAL ONE)**

2. Reduce the (total) poverty rate in Richmond from to 26% (2013) to 16% by 2030 by a combination of absolute poverty reduction and continued population growth, with the poverty rate among newcomers proportionate to national trends (i.e. significant middle class influx.) Reduce child poverty rate from 39% to 20% or less over the same time period. This is to be accomplished again by reductions in absolute number of children in poverty and population increases. **(GOAL TWO)**
3. Achieve the comprehensive redevelopment of at least two major public housing communities and taking related steps to improve quality of life in and near all public housing communities, while at same time expanding supply of affordable housing in the city. **(GOAL THREE)**
4. Development of comprehensive, generous scholarship program for all Richmond Public Schools graduates **(GOAL THREE)**
5. Development of comprehensive system of early childhood education benefitting low-income children and parents in Richmond. **(GOAL THREE)**

NEEDED INPUTS TO ACHIEVE THESE GOALS

1. Combined capacity to move 1,500 adults a year into sustainable full-time employment
 - a. Workforce development
 - b. Wrap-around support services to adults and families addressing common barriers such as child care, transportation, returning citizen status
 - c. Direct job/business creation in high-poverty neighborhoods
 - d. Connecting high school graduates and others to training opportunities
 - e. Developing regional transportation system to allow access to wider array of jobs
2. Steps to bolster economic security of those between 100% and 200% of federal poverty line
 - a. Financial literacy/banking services
 - b. Access to ongoing career coaching
 - c. Access to strong public services including education, health
3. Capacity to execute comprehensive redevelopment
 - a. Financial resources
 - b. Neighborhood buy-in
 - c. "People plan" (transition plan + human services intervention)
4. Steady expansion of affordable housing supply
 - a. Dedicated funding vehicle (trust fund) and ample funding stream
 - b. Land trusts and similar mechanisms
5. Investments in critical educational needs
 - a. Early childhood
 - b. Out of school time activities
 - c. Promise Scholarships
 - d. Support services for students in schools to combat effects of poverty
 - e. Systemic improvement in operations, teaching quality, outcomes