

**REGIONAL COUNCIL OF MAYORS**

**May 11, 2015**

**PRESENTATIONS**

**CONFRONTING SUBURBAN POVERTY IN AMERICA**

Even suburbs often thought of as “comfortable” are today dealing with poverty and its consequences for city services, housing, development, schools, jobs and growth. The geography of poverty, once thought to be largely confined to the urban core cities, has changed, said Alan Berube of the Brookings Institution. And that means a new, collaborative agenda for dealing with poverty is needed. [www.confrontingsuburbanpoverty.org](http://www.confrontingsuburbanpoverty.org)

“The poverty rate is still higher in the core cities,” he said, “but the number of people living in poverty in the suburbs now exceeds that of those living in the cities.” Between 1970 and 2013, the number of people living below the poverty line in the Twin Cities suburbs increased by 128 percent. As of 2000, the suburbs became home to the largest and fastest-growing poor population.

In the Twin Cities, a living wage—what it takes to provide food, child care, medical care, housing, transportation, taxes and the other necessities of life—is \$20.64 an hour for a household of one adult and one child. A poverty wage, the wage at which a household is determined to be below the poverty line, is \$7 an hour.

The below-poverty population in the cities of Minneapolis and St. Paul has grown from 105,358 in 2000 to 144,138 in 2013—or from 16.4 percent to 21.5 percent. During that same, relatively short, time period, the number of those living below the poverty rate has gone from 73,958 to 167,797 in the suburbs, or from 6.9 percent to 11 percent. These increases were greatest in suburban Hennepin County, followed by Dakota County.

Berube said that 75 percent of neighborhoods outside of Minneapolis and St. Paul have seen an increase in the number of families living in poverty.

There are several factors in the increase of poverty in the suburbs, Berube said:

- **Population growth.** From 2000 to 2013, the suburbs grew by 17 percent; the cities by just 4 percent.
- **Immigration.** An increasing number of foreign-born immigrants to the area are landing directly in the suburbs, rather than in the cities. Poverty is higher among immigrant populations.
- **Housing.** Since 2008, the majority of affordable units in the Twin Cities have been in the suburbs.
- **Job location.** The number of jobs within 10 miles of the urban core shrank by 2 percent; the number of jobs beyond 10 miles grew 4 percent.
- **Regional economic change.** Berube said that about a third of the increase in suburban poor is people moving to the suburbs; the majority is a change in the economic situation of people already living there. That might be a loss of a job, health issues or increased debt.

Over many decades, anti-poverty programs have been centered mostly in core cities, and often are focused on one aspect of poverty alone, Berube said. “But place-based anti-poverty strategies don’t work that well with the new geography; a lot of communities are missed altogether.”

What’s needed, he said, are strategies that:

- Achieve scale and move across different community contexts, like Common Bond Communities <http://www.commonbond.org>.
- Collaborate and integrate across different places and different strategies, like the Regional Council of Mayors.
- Fund strategically, like the Twin Cities Community Land Bank <http://www.tcclandbank.org>.

In other parts of the country, Berube said, mayors are coming together to build stronger communities:

- In Greater Boston, cities and towns have partnered with the regional Smart Growth Alliance to advance placemaking and affordable housing. Massachusetts Smart Growth Alliance <http://ma-smartgrowth.org>.
- In the Chicago area, small cities on the west and south side of Cook County have created official collaboratives to develop high-quality affordable housing and advance community economic development plans. West Cook County Housing Collaborative <http://www.westcookhousing.org> and Chicago Southland Housing and Community Development Collaborative <http://public.cshcdc.org/home>.
- In greater Sacramento, the suburb of Rancho Cordova has worked to preserve housing values in transitional neighborhoods, focusing on code enforcement and beautification strategies. Growing Strong Neighborhoods <http://www.cityofranchocordova.org/index.aspx?page=639>.

The federal government provides \$82 billion to 81 place-based anti-poverty programs developed and run by 10 agencies. Berube said that repurposing just 5 percent of that, or \$4 billion, would allow bringing collaborative programs to scale, “but it is unlikely that we’re going to see anything smart like this come out of Washington.”

Issues raised by the mayors included:

- Federal transit dollars go first to shovel-ready projects, but a project can’t be shovel-ready until the land is acquired. For smaller and/or less wealthy suburbs, the federal funds are necessary in order to purchase the land.
- Income disparity is increasing. Berube said the Twin Cities region—like many regions—is tending to polarize, losing the middle range in salaries.
- Aging affordable housing in the suburbs is becoming substandard housing, but if that housing is improved, it may no longer be affordable.

Berube said his overall message was that communities should work together where they can. “Don’t try to go this alone,” he said. “Foster regional relationships. It can mean more formalized collaborations for cities on one side of a region. It can mean pursuing funding opportunities together.”

**For more information; [see PowerPoint.](#)**

## **Second Harvest Heartland**

Hunger is a symptom of unemployment, underemployment and poverty, said Rob Zeaske, CEO of Second Harvest Heartland <http://www.2harvest.org>, which serves 59 counties in Minnesota and western Wisconsin, providing food to those who need it.

“Hunger is both more prevalent and more solvable than most of us realize,” Zeaske said.

It’s also more expensive. Zeaske said overall we spend \$1.6 billion on “downstream costs,” most of it on medical care (\$1.2 billion). This cost is the additional medical cost of taking care of people who might not need that care if they had food, and the right kind of food.

As with other anti-poverty efforts, Zeaske said, the distribution of food to needy households has changed. “We’re moving from a world in which food was left over, with the philosophy that waste is a sin,” he said. When Second Harvest Heartland was founded, its main source of food was excess from stores, restaurants, manufacturers and producers, as well as from individuals. Outcomes cited were the number of pounds of food gathered and distributed.

Today, however, the goal is hunger relief, not recycling of food. Outcomes are looked at in terms of health and stability of those who use Second Harvest Heartland’s services.

The use of food shelves has increased, and it has increased more in suburban areas served by Second Harvest Heartland than in cities:

- In the total Second Harvest Heartland area, there was a 35 percent increase in the number of families visiting food shelves, with a 40 percent increase in suburban areas.
- Overall, there was a 41 percent increase in the number of unique individuals who used foodshelves, with a 56 percent increase in suburban areas.
- There was a 66 percent increase in the pounds of food distributed to families in suburban areas.

Zaeske said that of the organization’s 20 largest partners, 15 are in suburban. Yet, he said, “We struggle to tell the story that hunger exists in the suburbs.”

To meet the changing geographic and ethnic needs of hunger, and to focus on making real change, Zaeske said, Second Harvest Heartland is focusing on:

- Actively looking for new types of collaboration with jobs organizations, housing organizations, healthcare organizations and other agencies doing anti-poverty work.
- Finding new channels for distribution, in addition to traditional nonprofit partners. The organization is now working with 14 schools to look at the possibility of distributing food through school programs.
- Engaging the healthcare community to link providing food with efforts to prevent disease and create healthier communities. An important aspect of this is dealing with Type II diabetes, which can be prevented or ameliorated with a healthy diet.

**For more information; [see PowerPoint.](#)**

## **EXECUTIVE DIRECTOR'S REPORT**

### **ULI Housing Conference**

The Urban Land Institute's annual housing conference, Housing Opportunity 2015, will be held in Minneapolis, July 13–15. Workshops and discussions will cover "Visionary Leaders," "Real Developments," "Replicable Tools" and tours of affordable housing and transit-oriented development in the Twin Cities. Caren Dewar said that there are scholarships available for local public officials to attend the conference. <http://housingconference.uli.org/>

### **Regional Indicators letter**

Dewar encouraged mayors and/or their city councils to sign a letter supporting the institutionalization of the Regional Indicators Initiative, which would collect data about energy, water, travel, waste and greenhouse gas emissions for all metropolitan area cities and support cities integrating energy planning into the comprehensive planning process. Dewar said the data collection will not be mandatory; the Initiative simply makes data available to cities as they wish.

For the letter: [Click here.](#)

## **COMING UP**

The next meeting of the Regional Council of Mayors will be Monday, June 8, 11:30am–1:30pm, at Dorsey & Whitney. This meeting, housing by the Kaufmann Foundation, is a summit on entrepreneurship. Caren Dewar said the Foundation is interested in having a conversation with mayors about how they encourage and support entrepreneurs in their communities.

## **ATTENDEES**

### **Mayors**

Jim Adams	City of Crystal
Chris Coleman	City of St. Paul
Bill Droste	City of Rosemount
Mary Giuliani Stephens	City of Woodbury
Debbie Goettel	City of Richfield
Ken Hedberg	City of Prior Lake
Kathi Hemken	City of New Hope
Jim Hovland	City of Edina
Rick Ihli	City of Rogers
Marvin Johnson	City of Independence
Stan Karwoski	City of Oakdale

Sandra Krebsbach	City of Mendota Heights
Denny Laufenburger	City of Chanhassen
Peter Lindstrom	City of Falcon Heights
Mike Maguire	City of Eagan
Sandy Martin	City of Shoreview
Gene Maxwell	City of Hopkins
Tim McNeil	City of Dayton
Terry Schneider	City of Minnetonka
Nora Slawik	City of Maplewood
Lisa Whalen	City of Minnetrista
Ken Willcox	City of Wayzata
Janet Williams	City of Savage
Gene Winstead	City of Bloomington
Scott Zerby	City of Shorewood

#### **Guests**

John Breitinger, ULI Minnesota; Melinda Coleman, City of Maplewood; Samantha DeKoven, BRick Partners; Emily Goellner, City of Golden Valley; Margaret Kaplan, Minnesota Housing; Michael Logan, Comcast; Burke Murphy; Corporation for a Skilled Workforce; Diane Norman, RSP; Carolyn Olson, Greater Minnesota Housing Corporation; Jennifer O'Rourke, Metropolitan Council; Elizabeth Ryan, Family Housing Fund; Emily Seddon, Family Housing Fund; Robin Snyderman, BRick Partners; Libby Starling, Metropolitan Council; Mary Tingerthal, Minnesota Housing

#### **ULI Staff/Consultants**

Aubrey Austin, Cathy Bennett, Caren Dewar, Linda Picone