

Building a Resilient Social Safety Net

Sarah Reckhow and Margaret Weir

Michigan State University
University of California, Berkeley

**Paper prepared for delivery at the Annual Meeting of the American Political
Science Association, September 2-5, 2010, Washington, D.C.**

The authors wish to thank the MacArthur Network on Building Resilient Regions for generous financial support for this research. The authors would also like to thank Ryan Hunter and Teresa Gonzales for expert research assistance. Many thanks for Jennifer Tran for all her expert work on the maps.

A half century ago, when poverty stood atop the nation's policy agenda, the federal government launched a remarkable period of institution-building. With the declaration of the War on Poverty in 1964, the Office of Economic Opportunity oversaw the creation of community action agencies in cities across the country. The delegation of national purposes to nonprofit neighborhood-based organizations marked a new form of social policy. The organizations created during these formative years became the forerunners of the wide array of community-based nonprofit organizations whose numbers grew dramatically in the subsequent decades. Especially in the fields of affordable housing development, human services, and job training, urban nonprofits took the lead in addressing the needs of the poor. In city after city, as the number of community nonprofits grew, they drew strength from their ties with the political, philanthropic, religious, and other organizations that comprised the distinctive urban social ecology in each city. Even as nonprofits began to rely on federal and state contracts to support their activities, these local ties remained essential to sustaining nonprofits.

The rapid growth of poverty in suburban areas over the past fifteen years now raises questions about the ability of this locally-rooted infrastructure to adapt to the changing geography of poverty. Moreover, the passage of federal welfare reform legislation in 1996 substantially reduced the number of families qualifying for cash assistance, making services provided by nonprofits—such as childcare and job training—even more essential. Nonprofits have become the main providers of social services in local communities, but these nonprofits often are not located in the areas with the greatest

need.¹ As the pattern of poverty has become more dispersed, has the organizational infrastructure of nonprofit service provision kept pace? How has the distinctive social, political, philanthropic, and business organizational endowment of suburban areas affected their ability to create appropriate nonprofit capacities? Has a strong nonprofit sector in the city eased capacity building throughout the region or does the rootedness of existing nonprofits within specific urban contexts create obstacles to building region-wide capabilities?

This paper addresses these questions with a particular focus on the role of the philanthropic sector in fostering institutional adaptation to the new geography of poverty. Although nonprofits depend on government contracts for the bulk of their operating funds, local foundations are well-situated to play a crucial role in developing new capacities, supporting the collection and dissemination of information about need, and in promoting network-building and system change among clusters of nonprofits. Focusing on four metropolitan areas – Chicago, Atlanta, Detroit, and Denver— we examine the extent to which local foundations are in fact supporting innovation and strengthening organizational infrastructure throughout the region. How do such efforts vary across metropolitan areas with distinctive patterns of poverty, diverse histories of political conflict, and an inherited institutional infrastructure related to poverty? Where foundations have sought to strengthen the regional nonprofit safety net, what has been the outcome? What barriers have they encountered and how well were they able to overcome them? The answers to these questions will clarify how the model of nonprofit social provision that has developed over past forty years is adapting to the new demands placed upon it by the changing geography of poverty and the restrictions on cash assistance. It

¹ Allard (2009); Joassart-Marcelli and Wolch (2003).

will also illuminate whether that model needs to be reconfigured, assessing, in particular, the implications for the state and federal roles in addressing poverty.

Challenges to the Nonprofit Safety Net

The more complex geography of poverty and the new demands on the nonprofit safety net related to welfare reform do not present the type of broad-based shock that is likely to attract widespread attention. Rather many of these changes have been building in the decade and a half since welfare reform or are felt only in selected parts of the region. However, in places where new levels of poverty are associated with immigration or with racial change, they may well command attention. In addition, the economic recession that began in 2008, has strained the nonprofit safety net across the country, focusing more attention on the needs of low income residents. A closer look at the broader context of changes in the geography of poverty, the key role of nonprofits, and the philanthropic sector's connection with nonprofit capacity building will set the stage for our analysis.

The New Geography of Poverty

Within metropolitan America, the poor have historically clustered in cities. A century ago, European immigrants flocked to cities, attracted by the prospect of jobs and new opportunities. Black migrants from the rural South followed a similar pattern, anxious to escape the grinding poverty and rigid racial lines of the rural South and propelled by hopes for building better lives in cities. By 1976, a majority of America's poor found their home in metropolitan areas, not rural areas.² Central cities bore a significantly greater burden for the poor within metropolitan areas at the time. Although

² U.S. Census (2008).

the common image the suburbs as strictly middle and upper income never reflected reality, 62 percent of the poor lived in central cities and 37 percent in the suburbs in 1976.

During the past thirty years, this balance between central city and suburb has slowly shifted, but in some metropolitan areas, it has changed very rapidly. Census data shows that the percent of the poor in suburbs grew from 42 percent of the metropolitan population in 1990, to 46 percent in 2000, to 47 percent in 2008. Examining the 95 largest metropolitan areas from 2000 to 2008, Brookings analysts Elizabeth Kneebone and Emily Garr found that, in 2008, suburbs, for the first time, housed more poor people than the primary cities in their metropolitan areas.³ Using the official federal poverty measure, they estimate that the primary cities of the 95 largest metropolitan areas were home to 10,969,243 poor residents, while the suburbs of these cities housed 12,491,486 poor people. Moreover, they show that between 2000 and 2008, poverty grew much faster in suburban areas than in cities.

The causes of this shift are complex and they vary by region. In many metropolitan areas, the influx of immigrants has played an important role in the growing numbers of suburban poor.⁴ In contrast to the immigrants of a century ago, significant numbers of recent immigrants have migrated directly to suburbs, reflecting the job growth in those areas. By the turn of the new century, the majority of immigrants lived in suburbs, not cities.⁵ Yet, greater proximity to jobs does not by itself guarantee an escape from poverty. In 2007, 40 percent of poor immigrants lived in suburbs, not cities; 19.2

³ Kneebone and Garr (2010).

⁴ Jason DeParle, "Struggling to Rise in the Suburbs Where Failing Means Fitting In," *New York Times* April 19, 2009, p.A1.

⁵ Singer, Hardwick, and Brettell (2008, pp.15-16).

percent of the suburban poor were foreign born.⁶ Immigration is only one component of the rise in suburban poverty. In many Midwestern metros, the growth of poverty in the suburbs reflects the rise in poverty more generally, as manufacturing has declined and jobs have become more scarce. In metropolitan areas that experienced sharp increases in urban property values in the 2000s, gentrification has contributed to the suburbanization of poverty. Faced with rising rents, displaced residents have moved in search of affordable housing. Although there are no precise estimates, it is clear that some of the displaced have made their way to the suburbs in search of affordable housing.⁷

Underlying these broad trends are distinctive regional trajectories in the geography of metropolitan poverty. In the Midwest, which has struggled to recover from the recession of the early 2000s, poverty grew significantly both in cities and suburbs between 2000 and 2008. By contrast, in the Northeast, poverty increased by less than one percent in the suburbs and fell by 1.7 percent in cities. In the South, poverty grew by less than a percentage point in the cities and suburbs. In the West, where the divisions between city and suburb have typically been less pronounced, there was no significant change in the poverty rates either in cities or suburbs. However, the recession that began in 2008 has hit the West and South with particular force; poverty data for these areas will likely show significant increases in the future.⁸

As these regional patterns indicate, the growth in suburban poverty did not signal significant declines in urban poverty. With more than double the population of cities, suburban areas still display significantly lower rates of poverty despite the recent growth in their poor populations. Although gentrification has actually reduced the poverty in a

⁶ American Community Survey 2007. Thanks to Jill Wilson and Audrey Singer for providing this data.

⁷ Cite

⁸ Kneebone and Garr (2010, p.12).

handful of cities, such as New York City and Los Angeles, the urban poverty rates remained well above those of the suburbs.

Thus, in most metropolitan areas, the rise in suburban poverty does not signal a major shift away from cities so much as it represents the greater dispersal of poor people throughout metropolitan areas. This new more dispersed pattern of need presents metropolitan areas with the challenge of creating significant service capabilities in new areas or extending the existing service infrastructure to new locations at a time when these organizations are themselves strained in their traditional areas of operation. The deep recession that began in 2008 intensifies this challenge, particularly in the coastal areas where the housing crisis hit hardest and in Midwestern metros, which have been pummeled by the decline of the auto industry.

The growing significance of the nonprofit service sector for the poor

In some respects, the greater dispersal of poverty can be seen as a positive development. Indeed, the large literature on urban poverty spawned by William Julius Wilson's *The Truly Disadvantaged* took the deconcentration of poverty as its major goal.⁹ Yet, the institutional framework and policy context in which deconcentration occurs determines much about its consequences for the poor. Two features of that context are particularly relevant: the development of a nonprofit sector focused on poverty in cities over the past forty years and the move to restrict cash assistance as part of the 1996 welfare reform.

Since the war on poverty, low-income Americans have come to rely on a vast network of nonprofit organizations. These organizations play multiple roles, including

⁹ Wilson (1987).

providing basic safety net services, connecting residents to the new opportunities, and serving as advocates (and sometimes as organizers) for low-income communities. Urban nonprofit organizations took on significant new responsibilities for the poor in the 1980s as the federal government devolved funding and considerable authority to state and local governments and promoted contracting out of social programs.¹⁰ These twin developments spurred the rapid growth in the nonprofit sector and, at the same time, drew nonprofits into a closer relationship with government.¹¹ Nonprofits typically provide services within a specific neighborhood or community, sometimes accompanied by community building activities that aim to develop relationships among clients and with neighboring organizations.¹²

Relying heavily on public sector funding, nonprofits have become the largest sector of the interest group community in many cities.¹³ According to Berry and Arons:

The nature of interest group politics in local communities offers nonprofits (of all sizes, membership and nonmembership alike) an enormous opportunity. Relatively thin lobbying networks and few opponents give local nonprofits with the right political instincts a chance to exert real influence.¹⁴

A subset of urban nonprofits make political engagement a central focus of their activities. These groups focus less on service provision, and more on coalition building and the development and promotion of policy proposals.¹⁵ In some cases, these organizations are created by or sanctioned by city officials to fill a particular function in local governance such as regional planning or community development. Berry and Arons refer to these

¹⁰ Allard (2009); Hula and Jackson Elmoore (2001); Smith and Gronbjerg (2006).

¹¹ Smith and Lipsky (1992).

¹² Marwell (2004).

¹³ Berry et al. (2006).

¹⁴ Berry and Arons (2003, p. 97).

¹⁵ Hula and Jackson Elmoore 2001.

organizations as “super nonprofits”.¹⁶ Thus, the long history of nonprofit activity in cities has given rise to a sector with wide-ranging capacities. Most of these nonprofits focus on service provision, community building, and some local advocacy, but a few fill quasi-governmental roles such as convening stakeholders and developing policy.

This role has become more important since the 1996 welfare reform restricted cash assistance and placed new requirements for work on recipients. The new needs of welfare recipients including job search, job training, child care, and transportation were largely contracted out to nonprofit organizations. As Scott Allard has noted, access to these services is now tantamount to receiving the basic provisions of American social welfare.¹⁷ Research on the initial devolution of welfare through waivers from 1992 to 1996 shows that the new requirements for work resulted in an influx of new funds and the creation of more nonprofit organizations.¹⁸ Yet the growth in the number of new nonprofits tells us little about whether the organizations are effective in addressing the needs of their clients. Among the factors that help determine the effectiveness of these organizations is their accessibility to clients.

Anti-poverty Nonprofits and the New Geography of Poverty

Despite the key role of nonprofits in addressing the needs of the poor, we know relatively little about the development and operation of nonprofit capacities in suburban locations with high or growing levels of poverty. Studies of the relationship between need, income, and the presence of nonprofits indicate considerable variation in the creation of nonprofits in response to need. For example, in a study of nonprofit creation

¹⁶ Berry and Arons (2003, p.116).

¹⁷ Allard (2009)

¹⁸ Twombly (2003).

in Indiana, Gronbjerg and Paarlberg found no relationship between need and the number nonprofits.¹⁹ Other studies have found a positive relationship between per capita income and the number of nonprofit social service agencies.²⁰ These findings suggest that the poor might be well-served by nonprofits in some suburban areas but not in others. Indeed, in a study of the distribution of nonprofits that serve low-income clients in metropolitan Los Angeles, Joassart-Marcelli and Wolch found that long-established middle and upper-income suburban cities tended to provide more services, while poor suburban cities fared worst of all when it came to developing nonprofit capacities to serve the poor.²¹ These fiscally-stressed localities, which were once solid working class suburbs, are now deindustrialized areas where low-income people, many of them immigrants, have made their homes.²² With weak public fiscal capacities and low per capita income, they suffer from poor access to public and private funding sources.

Research also suggests that efforts to promote robust nonprofit capacities in the suburbs will encounter difficulties. A strong nonprofit sector is typically associated with active government and generous public funding.²³ In contrast to the large cities, where nonprofits originated, suburban local and county governments have historically had little experience with public spending beyond traditional suburban concerns including roads and schools. Moreover, there is little evidence that suburban governments have the capacity or the inclination to detect new problems, particularly those connected with poverty.

¹⁹ Gronbjerg and Paarlberg (2001).

²⁰ Corbin (1999).

²¹ Joassart-Marcelli and Wolch (2003, pp. 91-92).

²² See Nicolaidis (2002) on the history of these suburban areas.

²³ Smith and Gronbjerg (2006, p.235).

The correlation between active government and a strong nonprofit sector creates something of a chicken and egg problem for the development of nonprofit capacities in suburban areas. To the extent that nonprofits themselves serve as advocates for detecting and addressing new needs, places with weak nonprofit capacity are likely to experience less local political pressure to create new capacities.²⁴ Even in suburban areas with some nonprofit capabilities, it may not be easy to build a broader set of services. The social safety net, as Allard has pointed out, is politically fragmented into its functional components, raising questions about whether the development of capacities in some areas, such as human services, translate into building capacity in other domains, such as housing provision.²⁵ Some research suggests that the concentration of nonprofits in a particular location may make a significant difference for the poor as more cross-references and social connections open opportunities.²⁶

All of these challenges associated with building new nonprofit capacities are likely to be particularly acute in suburbs where growing poverty is related to large-scale immigration. Research shows that membership in voluntary organizations is more likely in stable communities; accordingly, communities with rapidly changing demography may be expected to have fewer nonprofits.²⁷ And, although immigrants have long formed local associations, in suburban areas, immigrant organizations may be especially unlikely to develop the type of machine-style connections with local governments that characterized urban politics in the past. As Marwell's study of community-based organizations in

²⁴ Joassart-Marcelli and Wolch (2003, p. 97).

²⁵ Allard 2009.

²⁶ Small 2009.

²⁷ Gronbjerg and Paarlberg (2001, p.701).

Brooklyn shows, ties to strong political leaders can facilitate the flow of public dollars to nonprofit organizations.²⁸

Local Foundations and Organizational Capacity Building

Among the groups that are well situated to address these gaps in the regional capacity of the anti-poverty nonprofit sector are those in the local philanthropic sector. For over a decade, leaders in the philanthropic world have encouraged the creation of local community foundations and have urged these organizations to assume central roles in strengthening nonprofit capacity and in system building. The question we pose in this paper is whether local foundations have undertaken this effort and, if they have not, why not? Where foundations have taken on this role, we examine what their efforts reveal about the challenges involved in creating new nonprofit capacities in the suburbs.

Although the local philanthropic role in nonprofit development long predated federal and state engagement, local foundations are now much less important in funding nonprofits. Based on one estimate, foundations supplied only 6 percent of funding for nonprofit human service providers.²⁹ Although philanthropic funding for nonprofit human services has increased in real dollars since the 1970s, it composes a smaller share of the revenues of these organizations.³⁰ At the organizational level, dependence on philanthropic funding varies widely. According to Allard's survey, although 80 percent of nonprofits receive grants from private donors, "Only 14 percent of nonprofits are resource-dependent upon revenues from nonprofit grants or foundations".³¹ As their role

²⁸ Marwell (2004).

²⁹ Berry and Arons (2003, p. 9).

³⁰ Allard (2009).

³¹ Allard (2009, p. 93).

in the direct funding of services has diminished, large national foundations have taken on the role of organizational innovators. Since the Ford Foundation's role in launching the organizational template for the War on Poverty in the early 1960s, national foundations have become sophisticated innovators of programs designed to assist the poor, often in conjunction with federal and state policies.³² Many major metropolitan areas are home to large foundations that, while national and international in focus, also devote particular attention to the city of their origin.

Likewise, community foundations focus on particular geographic areas. In older cities, community foundations have amassed substantial resources. In contrast to national foundations, however, these organizations have typically devoted less attention to organizational innovation. Many community foundations have mainly provided "donor services," serving as a conduit for individual donations.³³ As a result, significant parts of their endowment have been in restricted funds, limiting their ability to play a larger proactive philanthropic role.

Recently, however, national organizations and associations of foundations have aimed to carve out a new role for community foundations as system builders. Part of the reason for the new focus is competition from the private sector in providing donor services. Competition has come not only from private financial firms, such as Schwab and Fidelity, which set up their own donor-advised funds in the early 1990s, but also from direct giving to individual organizations through the Internet. One important element of the new vision for community foundations is that they serve as "change agents," by creating new partnerships and seeking to promote systemic reform. As part of

³² The earned income tax credit provides a good example.

³³ Graddy and Morton (2006).

this new approach, some studies urged community foundations to “reach across the boundaries of place” and work on “brokering regional solutions.”³⁴ This call for community foundations to expand their focus to the regional level has been reinforced by the growing interest in regionalism on the part of business groups and social equity advocates in many metropolitan areas.³⁵

Building a Resilient Regional Safety Net

Have local foundations, including community foundations, taken on new regional system building roles? And, when they have, what can we learn from their efforts about the challenges to building a resilient regional safety net? Our research addresses these questions through a comparative case study of the Chicago, Atlanta, Denver, and Detroit metropolitan areas. We first examine the local foundation landscape with particular attention to the differences between urban and suburban philanthropic capacities. Next, we analyze the geographic patterns of investments that key local foundations have made in nonprofits that serve low-income people. Drawing on the same data, we evaluate the extent to which these foundations have sought to support system-building in their grant-making. Finally, we discuss the challenges that efforts to expand regional capacity have encountered.

Our cases

Our research questions focus on two distinct relationships. One is the relationship between the pattern of suburban poverty in the metro area and the response of the

³⁴ Bernholz (2005); Hamilton, Parzen, and Brown (2004, p. 9-10).

³⁵ Dreier, Mollenkopf, Swanstrom (2001); Pastor, Benner, Matsuoka (2009).

philanthropic sector to the problem. The other is the relationship between the institutional history of the region and the philanthropic response. Thus, the cases were selected to offer variation on two independent variables of interest—the nature of the problem and the region’s institutional history.

In order to assess different patterns of suburban poverty, our cases include two fast-growing Sunbelt metro areas—Atlanta and Denver—and two slow-growth Frostbelt metro areas—Chicago and Detroit. The Sunbelt metro areas experienced booming regional population growth and increasing immigration in the 1990s and early 2000s. Suburban poverty is a relatively new issue in these areas, though the challenge has been heightened by the recession that began in 2007. Atlanta’s economy has suffered more than Denver’s; metro Atlanta had a 7.8 percent decrease in employment from peak levels to late 2009, compared to a 4.9 percent decrease in Denver.³⁶ In the Frostbelt regions, the growth in suburban poverty is tied to longer-term economic decline, particularly in the manufacturing sector. These regions are home to many inner-ring or “first” suburbs, with problems such as aging infrastructure, fiscal stress, and job loss.³⁷ Despite these challenges, Chicago has remained a major immigrant gateway, and increasingly, immigrants are moving directly to the suburbs of Chicago.³⁸ In this respect, some Chicago suburbs that have attracted large numbers of immigrants may resemble Denver and Atlanta suburbs more than Detroit. Nonetheless, Frostbelt suburbs have gained more recognition than Sunbelt suburbs as troubled areas requiring new policies and new resources. For this reason, we would expect the philanthropic and nonprofit sectors to be more responsive to suburban poverty in the Chicago and Detroit regions.

³⁶ Wial and Friedhoff (2010).

³⁷ Puentes and Orfield (2002).

³⁸ Gupta (2004).

Alternatively, perhaps philanthropy will be more responsive to suburban poverty in metropolitan areas with a history of collaboration and institution building at a regional level. Existing patterns of relationships and institutional arrangements can shape the development of new interactions in cities and regions. For example, Safford shows how civic relationships formed the basis for economic innovation and recovery in Allentown, Pennsylvania, but a different pattern of relationships hindered economic recovery in Youngstown, Ohio.³⁹ Similarly, a study comparing regional transportation networks in Chicago and Los Angeles finds that relationships between sustainability advocates and regional business and political institutions in Chicago enabled institutional reforms in transportation planning, but advocates in Los Angeles did not establish relationships to key regional institutions.⁴⁰ Existing regional institutions in Chicago became powerful players in transportation policy, which in turn built regional capacity to fight for reform at the state level.

In order to assess variation on this dimension, our cases include two regions with a stronger history of regional institution building—Chicago and Denver—and two cases which are known for institutional fragmentation and a stark city-suburban divide—Atlanta and Detroit. Admittedly, these characterizations are not comprehensive—they do not describe the institutional framework of each region for all issues at all times. In fact, all four regions have a history of sharp divisions between city and suburbs. In Chicago, Atlanta, and Detroit, charged racial divisions and the history of white flight fueled the bitter city-suburb antagonisms since the 1940s.⁴¹ In Denver, although race did not play as prominent a role in city-suburb divisions, there was little love lost between the city and

³⁹ Safford (2010).

⁴⁰ Weir, Rongerude, Ansell (2009).

⁴¹ See Kruse (2007) on Atlanta; Sugrue (2005) on Detroit; and Weir (1996) on Chicago.

its suburbs. However, more recently, Chicago and Denver have launched efforts at promoting regional cooperation. In Chicago, the business-related civic organization Chicago Metropolis 2020's 1999 report, inspired political and civic leaders to initiate a variety of efforts to promote regional engagement.⁴² These efforts included a long campaign to create the Chicago Metropolitan Agency for Planning (CMAP) and the formation of the Metropolitan Mayor's Caucus, as a venue for regional discussion. Denver has a history of regional engagement stemming from the deep recession of the early 1980s when economic development agencies in the region formed the Denver Business Network. Mayors in the Denver area began meeting as a caucus beginning in 1986. This background of regional activity along with the strong backing from the business community built support for a 2004 regional sales tax for transportation. Driving this effort was a mayor dedicated to strengthening relationships with suburbs, and business leaders actively supporting a new regional infrastructure to promote growth.⁴³

By contrast, Atlanta and Detroit have made less headway in promoting regional cooperation. Neither Atlanta nor Detroit created a regional transportation agency until the past decade. Atlanta launched its regional transportation authority in 1999 only under the threat of losing its federal highway funds.⁴⁴ In Detroit the Southeast Michigan Council of Governments (SEMCOG) has responsibility for regional transportation planning. SEMCOG has disproportionately higher levels of representation for outer suburban areas than for the City of Detroit and inner suburbs. A regional faith-based organizing group, Metropolitan Organizing Strategy Enabling Strength (MOSES), led a lawsuit against

⁴² Johnson (1999); Hamilton (2002).

⁴³ Wallis (2008, pp. 112-113); J. Lieb, "Voters Climb Aboard: Fast Tracts Tax Boost Six New Metro Area Rail Lines, *The Denver Post*, November 3, 2004, B-01.

⁴⁴ Henderson (2006).

SEMCOG's voting system, but the judge upheld SEMCOG's existing representation imbalance, arguing that the "one person one vote" doctrine does not apply to agencies such as SEMCOG.⁴⁵ Although Detroit's regional institutions have been slow to develop, MOSES does represent a key effort toward regional political organizing. MOSES advocates a regional agenda on issues like transportation, and it draws on a membership base of congregations in Detroit as well as Wayne, Oakland, and Macomb counties.⁴⁶ Thus, although Detroit and Atlanta have experienced some regional cooperation, they have not had the same kind of political and civic leadership around this issue as have Chicago and Denver. Given that the civic and political institutions in Chicago and Denver have stronger track records in responding to problems by building regional relationships, we propose that the philanthropic sector in these regions will be better equipped to respond to growing suburban poverty.

Defining the Challenge

Suburban poverty has grown in each of these metropolitan areas since 2000; in all four regions, the suburbs added more people in poverty between 2000 and 2008 than the primary cities.⁴⁷ Table 1 summarizes the changes in urban and suburban poverty in each of the four metropolitan areas from 2000 to 2008, based on Kneebone and Garr's analysis using the 2000 U.S. Census and American Community Survey data. Kneebone and Garr define primary cities as cities that: "1) appear first in the official metropolitan area name, or 2) are listed second or third in the official name and contain a population of at least

⁴⁵ Grengs (2005).

⁴⁶ Rusch (2008); Pastor, Benner, and Matsuoka, (2009).

⁴⁷ Kneebone and Garr (2010).

100,000 (per 2007 Population Estimates).⁴⁸ The remainder of the MSA, outside the primary cities, was designated as suburb. Although suburban poverty increased in all four metro areas, there is substantial variation across these metros in the size of the increase in suburban poverty and the increase in suburban poverty relative to urban poverty.

Table 1

MSA	Number of Poor in Primary Cities, 2008	Change Since 2000	Primary City Poverty Rate, 2008	Number of Poor in Suburbs, 2008	Change Since 2000	Suburban Poverty Rate, 2008
Atlanta	95,484	-259	22.4	519,521	218,227	10.7
Chicago	578,494	7,948	19.4	535,707	171,741	8.3
Denver	155,100	53,062	17.4	123,737	55,126	7.8
Detroit	275,263	21,998	30.7	330,922	119,545	9.5

Source: Kneebone and Garr (2010).

Although suburban poverty has increased in all four metros, urban poverty rates remain much higher than suburban poverty rates—particularly in Detroit, where the poverty rate of the primary cities is 30.7 percent. It is important to recognize that urban poverty is still a severe problem in each of these places. Nonetheless, the number of poor

⁴⁸ Kneebone and Garr (2010, p. 3).

people living in suburban areas is greater than the number of poor in the city in two of the four metros—Atlanta and Detroit. In Chicago and Denver, the number of poor people living in the primary cities is only slightly higher than the number in the suburbs.

The metro area with the most dramatic contrast between the change in urban poverty and the change in suburban poverty is Atlanta. The number of poor people living in primary cities in Atlanta actually decreased from 2000 to 2008, while suburban poverty increased by more than 200,000. Atlanta now has the highest suburban poverty rate among the four metros. Denver's suburban poverty rate is the lowest of the four metro areas, and the increase in the number of poor living in the suburbs was only slightly more than the increase in primary cities. In Chicago, the number of poor people increased in both the primary cities and the suburbs, though the increase was more than twenty times larger in the suburbs. Similarly, the number of poor people increased in both primary cities and suburbs in Detroit, though the increase in the suburbs was only about five times greater than in the primary cities.

Regional Philanthropic Resources

As the early engines of metropolitan growth as well as centers of poverty, cities became home to major philanthropic organizations, including the first community foundations, nearly a century ago. Reflecting this history, philanthropic wealth remains concentrated in cities today, despite recent efforts to create community foundations in suburban areas. This geographic pattern is evident in our four regions, based on the asset

data we collected for community foundations and for the largest private foundation in the region.⁴⁹

As Figure 1 shows, the major private foundations in each region held assets that far exceeded those of the largest community foundations. Three of these private foundations – the MacArthur Foundation in Chicago, the Daniels Fund in Denver, and the Kresge Foundation in Detroit – are national (and international in the case of MacArthur) in scope; yet they regularly devote a portion of their giving to their home regions. The Woodruff Foundation provides grants within Georgia only. The MacArthur Foundation concentrates 13 percent of its total US giving in Chicago; while Kresge awards 28 percent of its American grants in Detroit. Woodruff and Daniels focus their giving more heavily on their home regions, with Woodruff dedicating 75 percent of its total giving to the Atlanta region and the Daniels Fund allocating 50 percent of its total to metro Denver.⁵⁰

Community foundations in the core cities of our regions have far smaller endowments but devote all their giving to the region. These assets ranged from a high of \$1.5 billion for the Chicago Community Trust to just over \$500 million for the Community Foundation for Greater Atlanta and for the Community Foundation for Southeast Michigan.⁵¹ Suburban community foundations are, by contrast, much newer and smaller. In all four regions, most suburban community foundations began operating only in the 1990s; they have not accumulated significant asset bases. There are a few

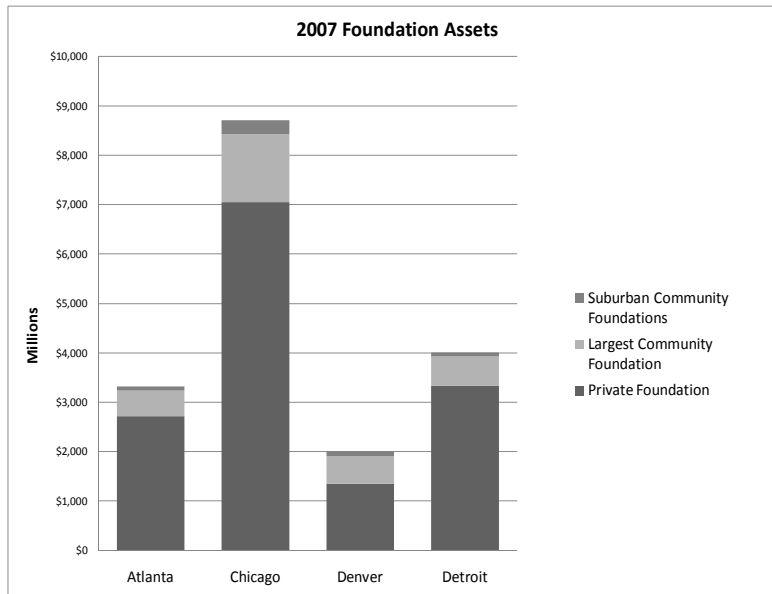
⁴⁹ There are, of course, national foundations that also focus on our areas, such as the Casey Foundation in Atlanta, which are not included in this analysis.

⁵⁰ Data are from 2009. Data on the MacArthur and Kresge Foundations are from the Foundation Center's Online directory; the Woodruff data is from its website; and the Daniels data is from its website, <http://www.danielsfund.org/Grants/index.asp> (accessed 4/27/10). The Woodruff Foundation's activities are restricted to the state of Georgia.

⁵¹ 2009 data

exceptions, such as the Grand Victoria Foundation, formed as part of the agreement to allow river boat gambling in the Chicago satellite city of Elgin, Ill. Relatively large for a community foundation located outside the central city, the Grand Victoria still had only 5 percent of the assets of the Chicago Community Trust.

Figure 1



The concentration of foundation assets in cities means that if the philanthropic sector is to help create a regional nonprofit safety net, the initiative will have to come from foundations that have long focused primarily on urban centers. During the 1990s, several of the community foundations in our study embraced a regional approach to their work. The Community Foundation for Greater Atlanta, for example, defines its service

area as 23 counties in metro Atlanta and throughout the 1990s it helped to establish affiliates across the region. As Figure One shows, however, these suburban community foundations remain quite small. In 1998, the executive director summed up the foundation's regional approach, suggesting that the community foundation was

...in an ideal position to act as a catalyst for collaboration across county and city boundaries – involving governments, businesses, nonprofit agencies and citizen groups. Unfortunately, greater Atlanta has very little tradition of true regional collaboration. In fact, in many respects our political and cultural heritage is anti-regional.”⁵²

As part of its regional perspective, the foundation made strengthening nonprofits throughout the region one of its central goals.

The Chicago Community Trust also helped spawn numerous community foundations in the suburbs during the 1990s, but, as in Atlanta, these organizations have remained small. In contrast to Atlanta, the Chicago Community Trust's charter restricts its activities to Cook County. A smaller affiliated Chicago Community Foundation can provide grants throughout the metropolitan region. These restrictions mean that the community foundation in Chicago can extend its reach to the growing poverty in the city's southern suburbs but has more limited resources available for exurban areas. The Grand Victoria Foundation, however, is explicitly focused on regions outside Chicago, creating some broader regional capacity. The effort to promote regional approaches in Chicago received a strong boost from the MacArthur Foundation, which launched a significant regional program in the mid 1990s.⁵³

⁵² Quoted in Maria Saporta, “Group Takes a Regional Approach to Philanthropy,” *Atlanta Journal and Constitution*, October 13, 1998, p.B4.

⁵³ Sevin (2000).

Similar to the Community Foundation for Greater Atlanta, the Community Foundation for Southeastern Michigan defines its service area regionally, incorporating the city of Detroit and seven surrounding counties. Recent events suggest that the Community Foundation for Southeastern Michigan and other major foundations in the region are stepping into the vacuum left by weak public sector leadership at the regional scale. The Community Foundation for Southeastern Michigan is now the home of the New Economy Initiative—a joint philanthropic effort started in 2008 involving ten local and national foundations, including Kresge, which have committed \$100 million to the effort. The New Economy Initiative is focused on economic development in Southeast Michigan, such as supporting new entrepreneurs, building on regional assets, and workforce development. A recent article in the *Detroit News* highlights the convergence of philanthropic efforts in the region:

Detroit foundations used to speak politely to each other, once or twice a year; now they're divvying up projects according to their individual missions, cheering each other's successes and finding new ways to collaborate... The unexpected emergence of such collective energy is being viewed as an exciting stimulus, or as a potential power grab by those outside the group.⁵⁴

These developments in Detroit have occurred too recently to be captured by the data presented here. Nonetheless, this points to the potential for foundations to act collaboratively on a regional scale.

The Regional Distribution of Philanthropic Anti-poverty Investments

Grant-making patterns vary substantially across the four regions. Chicago and Denver have the highest levels of grant-making to nonprofits serving low-income people,

⁵⁴ Laura Berman and Christine MacDonald. "Foundations take action for Detroit." *Detroit News*. March 26, 2010.

though funds for city-based organizations are much higher than funds for suburban organizations in these regions. Detroit foundations give less overall to low-income service providers, but Detroit foundations do provide more grants to suburban organizations. Lastly, compared to Chicago and Denver, Atlanta foundations give fewer grants to nonprofits serving low-income people. Atlanta also has the lowest level of grant-making for suburban nonprofits.

To analyze the funding activities of philanthropies in each region, we assembled an original database of grants in each of the four metro areas. First, we focus on the geographic patterns of grant-making, particularly the share of grants supporting suburban organizations as well as the level of grant-making in high poverty areas. Second, we identified large foundation grants that support systems change in service areas targeting low-income people. These grants support regional networking, intermediaries, regional data gathering and dissemination, among other activities (see Appendix B for a full description of the coding criteria). Our database includes grants from 2003 and 2007 distributed by urban and suburban community foundations and one major private foundation in each of our four regions.⁵⁵ A list of all of the foundations in our database is included in Appendix A. The grants were collected from the Foundation Center, using the Foundation Directory Online (FDO). The FDO includes grants reported by foundations to the Foundation Center, and it provides the most current information available on foundation grant-making in the U.S. Our database includes 3,621 grants for Atlanta,

⁵⁵ As such, the data base does not capture the impact of larger funding collaboratives that include national foundations and other local philanthropic, private organizations and public funds. Where such collaboratives exist, our data underestimates the degree of regional activity. For example, the National Fund for Workforce Solutions has supported a regional workforce collaborative in Chicago, for which the Chicago Community Trust and the MacArthur Foundation (two foundations in our data base) are only two of 12 funders, including private and public sources of funding. For a description of the activities of the Fund see <http://nfwsolutions.org/> (accessed 5/3/10).

1,613 grants for Chicago, 6,077 grants for Denver, and 4,593 grants for Detroit, making a grand total of nearly 16,000 grants across the four regions. Interestingly, the number of foundation grants distributed in a region is inversely related to the amount of grant dollars distributed. Although fewer individual grants were distributed by Atlanta and Chicago foundations, these foundations distributed the most grant dollars in 2003 and 2007: \$243 million in Atlanta and \$187 million in Chicago. Meanwhile, the large numbers of grants distributed by Denver and Detroit foundations added up to fewer grant dollars: just \$88 million in Denver and \$133 million in Detroit. In total, our database includes more than \$650 million in grants. These totals represent all of the grants in our database, not only the grants to non-profits that provide services to low-income people. Across the four metro areas, the proportion of grants focused on low income service providers varied widely (see Appendix B for an explanation of our low-income grant coding). Combining the grants from 2003 and 2007, 60 percent of the Chicago foundation grant dollars were for organizations serving low-income people, 54 percent of grant dollars in Denver, 21 percent of Detroit grant dollars and 19 percent of Atlanta grant dollars.

In addition to the coding for low-income grants and system change, each grant was coded by the location of the grantee as well as the grantee's policy area or type of service. For the analysis here, we focus on grantees working in three main policy areas that support low-income people: workforce training, housing, and human services.⁵⁶ The share of grants distributed in these three categories differs across the four regions. In Chicago, approximately 27 percent of all the 2003 and 2007 grant dollars were in workforce, housing, and human services, and in Denver, these categories composed 14

⁵⁶ The two key areas that are excluded are health and education. We are continuing to verify our coding procedures in these areas.

percent of all grant dollars. In Detroit and Atlanta, workforce, housing, and human service grants were a much smaller share of all grant dollars—only about 5 percent in Detroit and 4 percent in Atlanta.

Across three of the regions, there was considerably more foundation grant-making for workforce training, housing, and human services organizations based in the city than organizations based in the suburbs in 2007 (See Table 2). Detroit is the one exception to this pattern; it is the only region where grant-making to suburban-based workforce, housing, and human service providers is slightly higher than grants to those in the city. Given the high levels of need in the city of Detroit, this is surprising, but it may reflect the overall decline in population and resources in the city. A recent article in *The Chronicle of Philanthropy* described the dire situation in Detroit.

Detroit, whose population has been halved since the 1950s, is full of vacant land and foreclosed homes. The foreclosures, coupled with the nation's financial crisis, have crippled the city's community-development corporations, which focus on low-cost housing and economic development. At least two of the roughly 30 neighborhood-based charities have closed already, and several others shut down for a spell in the past year before reopening. [A] group of foundations is encouraging the neighborhood-based charities to consider merging to form regional organizations.⁵⁷

These terrible circumstances for Detroit-based organizations may be catalyzing a more regional approach spurred by the philanthropic sector. The foundations involved in this effort include both the Kresge Foundation and the Community Foundation for Southeast Michigan.

In both Chicago and Denver, city-based providers of workforce training, housing, and human services received at least twice as many foundation grant dollars as suburban-based providers. Housing particularly stands out in Chicago, with more than \$30 million

⁵⁷ Ben Gose, "Survival of the Fittest?: Charities, foundations, struggle over restructuring in a sour economy," *The Chronicle of Philanthropy*, April 9, 2009.

in grants for Chicago-based housing services. This is heavily influenced by a \$26 million grant from the MacArthur Foundation to LISC for the New Communities program, a housing and community development initiative in 16 Chicago neighborhoods.⁵⁸

Excluding this grant, Chicago foundations gave more than \$8 million in grants for city-based housing nonprofits, which is still more than the total in housing grants for the other three cities. In Atlanta, although grant dollars for human service and workforce nonprofits primarily supported city-based organizations, suburban-based housing nonprofits received twice as many grant dollars as those in the city. Overall, the amount of grants for housing in Atlanta is much lower than in the other regions. Nonetheless, Atlanta foundations are supporting several organizations focused on affordable housing throughout the Atlanta suburbs, including Housing Initiative of North Fulton, Initiative for Affordable Housing DeKalb, and Cobb Habitat for Humanity. In Detroit, suburban human service nonprofits received almost twice as many grant dollars as those in the city, although grants for housing and workforce training favored city-based nonprofits. The grant dollars for workforce training in Detroit are strikingly low given the high unemployment rate in the region, although the newly created regional philanthropic effort—the New Economy Initiative—will include workforce training in its mission. Excluding the exceptionally large housing grants in Chicago, human services is the largest category of foundation funding across all four regions in both the cities and the suburbs.

There is one important caveat for these results—many city-based nonprofit organizations do provide services in the suburbs. One example is ChildServ, a Chicago-based human services organization that offers services in Cook, Lake, and DuPage

⁵⁸ <http://www.newcommunities.org/index.asp>; Accessed on April 27, 2010.

counties.⁵⁹ The reverse—suburban-based organizations providing services in the city—occurs much less often. Thus, these grant dollar totals tend to undercount funding for organizations that provide services in the suburbs, because some city-based organizations are serving suburban areas. We explore this further in our analysis of system change grants. Nonetheless, in three of the regions, the small share of grant dollars for non-profit service providers based in the suburbs suggests that philanthropies are primarily following well-established channels for grant-making. In other words, foundations in these regions are devoting relatively fewer dollars to building new capacity in suburban-based organizations; instead, to the extent that foundations are supporting activities in the suburbs, it is often through city-based organizations.

Table 2: Grants to City and Suburban Service Providers, 2007

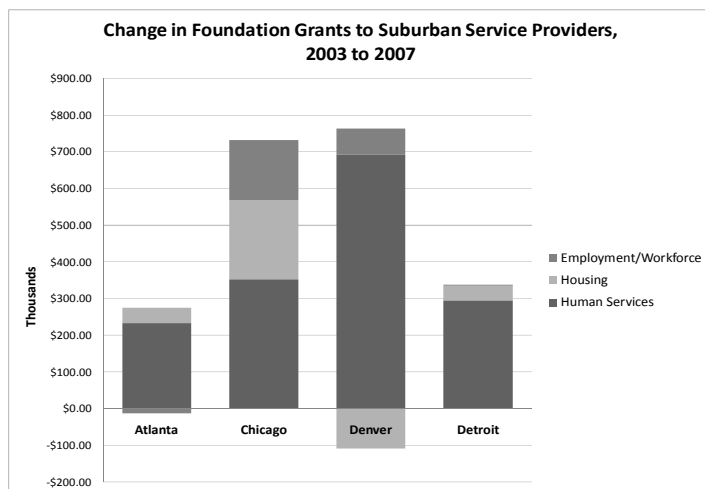
	Atlanta City	Atlanta Suburbs	Chicago City	Chicago Suburbs	Denver City	Denver Suburbs	Detroit City	Detroit Suburbs
Human Services	\$2 million	\$580,00	\$4.6 million	\$545,000	\$4 million	\$1.6 million	\$711,000	\$1.3 million
Housing	\$80,000	\$160,000	\$34 million	\$480,000	\$1.3 million	\$95,000	\$525,000	\$168,000
Workforce training	\$1.4 million	\$22,000	\$945,000	\$196,000	\$657,000	\$74,000	\$56,000	\$2000
Total	\$3.41 million	\$762,000	\$40 million	\$1.2 million	\$6.1 million	\$1.7 million	\$1.3 million	\$1.5 million

⁵⁹ <http://www.childserv.org/>; Accessed on April 27, 2010.

Foundation grants to workforce, housing, and human service providers in the suburbs generally increased from 2003 to 2007. These were years of considerable growth in foundation assets, when foundations were not yet affected by the recession. For example, the assets of the Community Foundation for Greater Atlanta grew by more than \$250 million during this period and the assets of the Community Foundation for Southeast Michigan grew by almost \$340 million. Thus, we would expect higher levels of grant-making in most areas in 2007 compared to 2003. Figure 2 shows the change in grant dollars to suburban organizations for each policy area in each region. Only Denver and Atlanta show a decrease in grant dollars—for housing in Denver and for workforce training in Atlanta. Overall, Denver and Chicago foundations increased their grant-making to suburban service providers the most. Denver’s increase was almost entirely composed of grants to human service nonprofits, but Chicago’s increase was distributed among workforce, housing, and human service nonprofits. The increases in funding to suburban-based service providers in Detroit and Atlanta were less than half that of Chicago and Denver. Combined with the results from Table 2, these results suggest that two of the four regions are finding more opportunities to support suburban service providers—Chicago and Denver. Yet, as shown in Table 1, these are the two with the lowest rates of suburban poverty among the four regions. In Detroit, foundations have not increased their funding for suburban service providers as much, but the total funding is similar to the levels in Chicago and Denver. In Atlanta, foundation funding for suburban-based service providers is substantially less than in the other three regions, and it did not increase much from 2003 to 2007. Meanwhile, as shown in Table 1, Atlanta has the

highest suburban poverty rate among the four regions and the second largest number of poor people living in the suburbs.

Figure 2:



These results provide useful snapshots of grant-making to service providers that assist people in poverty, but they do not offer the complete picture. First, they do not show whether the grantees are based in communities where the need for services is greatest. To address this question, we use maps of the region showing areas with the highest levels of suburban poverty and locate grantees on the maps. Second, they do not show the extent of foundation support for systems change, which might involve city-based organizations that are developing new partnerships and regional capacities.

Greater Need, Fewer Grants

Prior research has shown that nonprofit service providers are often not located in the areas of greatest need.⁶⁰ Is this also the case with foundation grants? Or, are foundations countering this trend by providing additional funding to organizations in the neediest areas? We address this question by mapping 2007 foundation grants to human services organizations in the four regions. We selected the human service grants, because human services organizations are often smaller entities that serve residents in the surrounding neighborhood. Housing and workforce training providers often serve a larger area.

The maps are displayed in Figures 3, 4, 5, and 6. Each map shows the proportion of people at 150 percent of the poverty level. The data are presented at the PUMA level (public use micro area), as designated by the Census. The population contained within PUMAs is large enough to generate single-year estimates based on the American Community Survey. It is important to note that the data presented here do not extend past 2007, so they pre-date the current economic recession. Layered on top of the PUMAs are the locations of human services grantees, based on matching zip-codes within each PUMA. The size of the circles represents the amount of dollars for grantees within each area.

Across all four regions, human services grants are generally most dense in the central city areas, which typically have relatively high levels of poverty. This pattern is particularly clear in the Denver and Chicago maps (Figures 4 and 5). Yet the pattern in the suburbs suggests that suburban areas with the highest rates of poverty have substantially fewer grantees than either the central cities or lower poverty suburbs. For

⁶⁰ Allard (2009); Wolch (1996).

example, in metro Atlanta (Figure 3), eastern Gwinnett County, western Cobb County, and north Clayton County have some of the highest rates of poverty in the region. Yet there are scarcely any grants to human services organizations in these areas. Instead, human services grantees are concentrated in Fulton and DeKalb counties. In the Chicago region (Figure 4), the southern suburbs of Cook County are a high poverty area that lacks human services grantees. Overall, Chicago has very few human services grantees in the suburbs. In metro Detroit (Figure 6), there are several human services grantees in southern Oakland County, where poverty is less severe. Yet there are few grantees in southern Wayne and southern Macomb counties, where poverty rates are higher. In Denver (Figure 5), there is less of a mismatch between need and grant-making in the suburbs. Denver has a lower level of suburban poverty than the other regions, and the areas where the rates of poverty are highest—Boulder and eastern Jefferson County—do have human services grantees.

These results suggest that philanthropies in Atlanta, Chicago, and Detroit are doing relatively little to develop new organizational capacities in high-poverty suburban areas. The mismatch between need and funding is less severe in Denver, although human services grantees are predominantly located in the central city. Across all four regions, most funding to organizations in high poverty areas is concentrated in the central city. In the suburbs, there are considerably fewer grantees, and those that do receive foundation funding are often not located in the areas of greatest need.

System Change

Although community foundations continue to fill the more “traditional” role of providing charitable donations to local organizations, many are beginning to make larger and more strategic grants to help promote systemic reform. Furthermore, the private foundations in each region typically make large grants focused on specific initiatives. These grants may help forge new partnerships among service providers or address challenges at a regional level. When coding the grant data, we identified the grants that were intended to support systemic reform and grants that supported organizations that work toward systemic reform.

Among the four regions, Chicago had the most grant dollars devoted to systemic reform in 2007, almost \$34 million. Nearly all of the grant dollars focused on housing—98 percent—were coded as systemic reform. These grants include the multi-million dollar Chicago LISC grant, as well as smaller grants, such as a \$50,000 grant to the Alliance to End Homelessness in Suburban Cook County. Also, more than two-thirds of the grant dollars for workforce training in Chicago were made to organizations working on systemic reform. All of the organizations receiving these grants are based in the city of Chicago, but some do work in the suburbs. For example, the National Able Network, which received a \$100,000 grant, has an office in Calumet City, a southern Cook County suburb. Among the human services grants in Chicago, only about 22 percent of the grant dollars focused on systemic reform. The human services grants include several regional human service agencies, such as Catholic Charities of the Archdiocese of Chicago (serving Cook and Lake Counties), Metropolitan Family Services (serving Cook, Lake, and DuPage Counties), and the Greater Chicago Food Depository (serving Cook County).

Furthermore, there are organizations focused entirely on suburban areas, such as the DuPage Federation of Human Services Reform, which received a \$55,000 grant to create a primary portal homepage for social service providers.

None of the other regions comes close to providing comparable support for systemic reform, though Chicago's total is heavily skewed by the very large housing grants, including the LISC grant. Denver had the next highest amount of grant dollars for systemic reform, about \$1.6 million, or about 21 percent of all the 2007 grant dollars for workforce, housing, and human services. Almost \$1 million of Denver's housing grants were systemic, but none of the grants were in workforce training. The housing grants include several large grants for Habitat for Humanity of Metro Denver, which serves a five county area, including Denver, Adams, Arapahoe, Douglas, and Jefferson counties. About 12 percent of Denver's human services grant dollars were coded as systemic reform grants. Two organizations received these grants, and both work at a regional scale—the Food Bank of the Rockies and Growing Home, which focuses on homelessness prevention and family services.

In Detroit, just under \$1 million in grants were coded as system reform grants, and all were in the area of human services. These grants compose about 45 percent of the grant dollars for human service organizations in the Detroit region. Similar to both Chicago and Denver, some of these grants supported organizations that respond to hunger on a regional scale—in metro Detroit there are two organizations, Forgotten Harvest and Gleaners Community Food Bank of Southeastern Michigan. A few of the human service organizations receiving systemic reform grants are based outside of the city of Detroit, including Lighthouse of Oakland County and Starfish Family Services in Inkster, MI.

Atlanta had the fewest grant dollars coded as systemic reform in 2007 in the areas of workforce, housing, and human services—just under half a million. This is somewhat surprising, because Atlanta had two major systemic reform grants in 2003—a \$1.4 million grant to the Atlanta Neighborhood Development Partnership and a \$500,000 grant to the Georgia Family Connection Partnership. Yet the small number of systemic reform grants in 2007 fits the pattern of lower levels of grant-making for service providers in Atlanta compared to the other three metro areas. A few of the systemic reform grantees in Atlanta are suburban-based organizations. For example, Caring Works in Decatur, GA is a nonprofit affordable housing developer that serves the Atlanta metropolitan area. A faith-based organization in Gwinnett County, Norcross Cooperative Ministry, is a partnership of dozens of churches serving the entire county. One possible explanation for the small number of systemic reform grants in Atlanta is that Atlanta foundations are prioritizing other areas, such as health or education. Nonetheless, given the increasing severity of suburban poverty in the region, the existing pattern of grant-making for workforce, housing, and human services suggests that Atlanta foundations are behind the curve.

Challenges in Building Regional Safety Net

As the traditionally city-centered philanthropic sector has begun to extend its efforts to the regional level, some kinds of initiatives have proven easier to launch than others. The function of supporting and connecting existing organizations has been the most prominent activity. Foundations have encountered much more difficulty in creating new philanthropic capacities in the suburbs and in establishing new suburban or regional

organizations. A closer look at the activities that foundations have successfully launched and the obstacles they have confronted raises questions about what kind of contributions we can expect the local philanthropic sector to make toward building a regional safety net.

Much of the significant regional philanthropic activity has supported existing organizations that define their activity regionally. These include regionally-focused food banks in all four of our regions and affordable housing organizations that operate regionally such as the Atlanta Neighborhood Development Partnership, and Denver's Habitat for Humanity. Foundations have also promoted connections among existing organizations through network building. Chicago's Grand Victoria Foundation, which works outside the city of Chicago has taken network building as its major objective.⁶¹ Atlanta's Civic League, with help from the Community Foundation for Greater Atlanta among others, has convened an annual regional neighborhood summit for the past two years.⁶²

The one case in which foundation support did help create a new regional agency occurred in Chicago. The MacArthur Foundation's regional program was critical to the long campaign to create a new unified regional planning agency, the Chicago Metropolitan Agency for Planning (CMAP).⁶³ Unlike most Metropolitan Planning Organizations (which are authorized by federal transportation law), CMAP -- at the insistence of its board -- included human services as one of its six working committees. This decision ensures that information about the extent and availability of human services is incorporated into the long-range regional plans required by federal transportation

⁶¹ Interview 6/22/09.

⁶² <http://www.neighborhoodsummit.org/index.html> (accessed 5/5/10)

⁶³ Sevin (2000); Weir, Rongerude and Ansell (2009).

legislation. The Chicago Community Trust has worked closely with CMAP in producing the plans related to human relations, education, health and social services. Inclusion of these issues creates a regularized process for assessing some of the problems related to poverty at the regional scale and engages regional leaders in developing a long-range vision for how to address them.

The human services element of its work allowed CMAP to play a role in creating a regional 211 system, which provides callers with information about variety of social services with a single telephone number.⁶⁴ As one CMAP staffer put it, “We never would have been involved with that before. We would have never had those connections, 99 percent of the people here probably don’t know what 211 is. I didn’t know what it was until they came to talk to me. Different human services approached us to do a planning effort to get the state to listen.”⁶⁵

The hope is that CMAP’s information about need and gaps in human services can eventually influence decisions about how and where to allocate resources for new services, such as preschool centers. Despite the potential benefits of building a human services component into regional planning, planning has no impact on spending decisions. These decisions are currently made by a state funding formula or on the basis of the political clout of those lobbying for a new service. Both approaches have their drawbacks: formulas are not flexible and lag behind the changing contours of need. Basing services on political clout may be especially harmful to areas of new immigrant concentration, since a significant proportion of new immigrants are unlikely to be voters. The disconnect between planning and spending also occurs in local and regional

⁶⁴ The 211 system is a major initiative of the United Way, which was launched in Atlanta.

⁶⁵ Interview 6/22/09.

decision-making. Townships have some formal responsibility for social services and taxing authority to support them. But these officials have shown little interest in participating in CMAP's regional planning. As one CMAP official put it, "A lot of these people [the township officials] are only part-time people, not enough staff, they don't see the value, they are a bastion of local politics, provide services in their area and they don't coordinate with others."⁶⁶

The philanthropic sector has not experienced much success in creating new community foundations in suburban areas. In each of our regions, established community foundations in the city sought to jumpstart new community foundations in the suburbs. Most of these organizations are very new. But, Figure 1 shows, they have not grown substantially since their inception. The obstacles to their growth are varied but several stand out. In some wealthy suburban areas, there is capacity and a tradition of philanthropy but those with resources define themselves as part of the city, not the broader suburban area. As one Chicago interviewee put it, "... the wealthy communities along the lakeshore identify with Chicago, and that is where the money is going; they don't identify with the communities to the west. Their challenge is to convince those people in Lake Forest [a wealthy suburb] that Waukegan [a deindustrialized community that has attracted a significant low-income immigrant population] is part of their community."⁶⁷ In other areas, such as the south suburbs of Chicago, or the southern part of Wayne County in Detroit's suburbs, there are few concentrations of wealth and only weak capacity to support community-based philanthropy.

⁶⁶ Interview 6/22/09.

⁶⁷ Interview 6/19/09

Even the larger city-based community foundations are likely to remain restricted in their ability to foster new regional capacities. These foundations are already supporting substantial programs directed at low-income communities in the city. Moreover, donor-advised funds still constitute a majority of the resources for many of these foundations. Such funds, which allow donors to advise how grants are allocated, are much less likely to promote system change. Moreover, city donors are less likely to support grants for suburban capacity building. Donor-advised funds have grown in recent years, a reflection both of growing wealth among higher income Americans and of the increasing competition with private sector donor-advised funds.⁶⁸ A 2000 survey conducted by the Columbus Foundation showed that nearly one-fourth of community foundation assets were in donor-advised funds.⁶⁹ In our cities, the percentages were considerably higher. For example, two-thirds of the Chicago Community Trust's assets consist of donor-advised funds.

Foundations have encountered substantial difficulties in building new organizations and new networks in the suburbs. The challenges are especially acute lower-income suburban areas. For example, the foundations working in the racially-diverse high poverty southern suburbs of Chicago report difficulties in building robust organizational networks. The Grand Victoria Foundation has sponsored several networks in this area, most of which have failed to thrive. The Chicago Community Trust launched a South Suburban Coordinating Council, whose aim is to build connections among fifteen human service organizations and to promote "an intentional conversation about the

⁶⁸ Ostrander (2007).

⁶⁹ Luck and Feurt, (2002).

http://www.cof.org/files/Documents/Community_Foundations/CF_Columbus_DAF.pdf

region.”⁷⁰ The initial activities of the group were not promising. The deep political fragmentation of many suburban areas poses a barrier to cooperation that can become particularly troublesome when compounded with low resources and mistrust across racial lines, as in Chicago’s south suburbs. This area is, in some respects, similar to the high poverty suburbs south of Los Angeles, where Wolch found relatively few nonprofit organizations. The barriers to building organizations and connections may be particularly high in such politically fragmented resource-poor suburban settings. Our data certainly suggest that there is less foundation investment in these areas, which in our cases include Chicago’s southern suburbs, eastern Gwinnett and North Clayton Counties in the Atlanta region and southern Wayne and southern Macomb counties in the Detroit area.

In wealthier suburban areas, it may be possible to launch and connect new organizations addressing poverty. In the relatively affluent Chicago suburb of DuPage County, the DuPage Federation in Human Services emerged in 1995 with state funding and support from the Annie E. Casey Foundation, a national foundation.⁷¹ With local philanthropic support and a link to a local university, it has since grown into a significant resource providing information about demographic changes and need in the county. Among its activities are providing data for nonprofits to use in their grant writing; identifying gaps in service; and navigating the human service system’s complex web of agencies and funding to ensure that the area receives state and federal funds for which it is eligible. The county-wide approach of the organization may be significant. In an area where poverty has grown as low-income residents from Chicago have relocated and new

⁷⁰ Interview 6/17/09.

⁷¹ The initiative was an effort to build capacity to address the new needs of low-income residents in the post-welfare era. After three years, the state decided it did not need to connect with local actors. Of the local organizations supported, theirs was the only county-level federation and the only organization to survive.

immigrants, including refugees, have settled, county-level organization has allowed the Federation to bypass the parochial and often NIMBY politics of local governments.⁷² The organization has found county government a responsive partner, while local governments have been largely indifferent to its efforts.

A decade ago, the community philanthropic sector sought to spark new organizations and connections that could serve as initial steps in creating a regional safety net. Recognizing that the bulk of funds for the nonprofit service sector came from public sources, leaders in the philanthropic sector urged community foundations to carve out a role in promoting system change, including building regional networks. Their efforts varied considerably across regions. In Chicago and Denver, which each benefited from earlier philanthropic efforts to promote regional connections, our data suggest that foundations have played a stronger regional and system change role than in Atlanta or Detroit. However, the experiences of foundations, even in Chicago and Denver, offer a sobering assessment of the contributions that the philanthropic sector is likely to make in building and sustaining system reform at the regional level. The difficulty in creating an independent suburban philanthropic sector, the challenges in sustaining regional or suburban organizational networks, and the obstacles to creating new organizations in suburbs -- especially low-income suburbs -- are not likely to be easily overcome.

Conclusion: Strategies for Building a Resilient Regional Safety Net

The philanthropic experience to date does, however, offer some guidance for what state and federal governments might do to foster a more resilient regional safety net. The initiatives here focus on building an organizational structure to match the new geography

⁷² Interview 6/29/09.

of need as well as the new demands placed on services in the post-welfare reform era.⁷³ Three types of initiatives stand out. The first is to strengthen the role of regional intermediaries; the second would support the inclusion of human services as a component of regional planning; and the third is to rethink the relationship between state Departments of Human Services and the myriad nonprofits in metropolitan regions by building permanent regional networks of social service providers connected to state bureaucracies.

In the absence of regional government, nonprofit intermediaries can play critical roles in promoting the growth and capacity of nonprofit organizations across metropolitan regions. Foundations in Chicago provided crucial support to the Illinois Facilities Fund, which offers capital and technical assistance to nonprofits seeking to purchase real estate and construct or renovate buildings. They have been especially proactive in identifying needs for child care facilities in the post-welfare reform era.⁷⁴ This organization offers a model that could be supported by states, with a specific mandate to assess regional needs and supply capital and training to support the creation of needed social service facilities.

The other kind of intermediary that could benefit from public support to enhance its regional role is the United Way. Over a decade ago, United Ways across the country launched a process of regional consolidation. Although the success of these endeavors varied, it did give many United Ways some regional capacity. Although they mainly fund established organizations, United Ways can use their connections to encourage existing organizations to build branches in areas that lack capacity. However, changes in

⁷³ For an analysis of the challenges of financing the state and local safety net, see Gais et al; Allard (2007).

⁷⁴ Interview 6/19/09..

workplace giving cast increasing doubt on how robust the United Way model will remain in the future.⁷⁵ As these organizations work to recast themselves regionally, there is room for ongoing philanthropic support to help them define their regional role. They could also eventually serve as linkages for state and federal funds aimed at building capacity in new places. This role may be particularly important in low resource suburbs.

The second initiative would provide federal incentives to include human services in regional planning, modeled on what CMAP has begun to do in Chicago. Bringing human services into metropolitan planning venues would highlight emerging trends in connections and disconnections among demographics, access, need, and services. Transportation plays a big role in ensuring access to human services in the suburbs, where needy people and services are much more dispersed than in cities. Incorporating concerns about human services into plans for future public transit and transit-oriented development are especially relevant. States could enhance the utility of such planning by mandating that local taxing and spending entities, including townships and/or counties, participate in these regional planning venues.

Finally, the state departments of human services can play a role in creating stronger regional organization among social service providers and in using that network to generate political pressure for social services. Human service providers and advocates for the poor have largely operated on defense, working to protect existing programs and prevent further retrenchment. The defensive approach has been particularly prevalent recently, in the face of severe state budget deficits and funding cuts to providers.

Despite these fiscal challenges, policy entrepreneurs in several states have gone on the offense. These governors, state legislators, bureaucratic agency heads, and

⁷⁵ Cohen and McCambridge, n.d.

advocacy organizations have adopted a shared political frame—poverty reduction and economic opportunity—and a shared set of policy tools, including: poverty reduction targets, state-level anti-poverty commissions, and state poverty summits.⁷⁶ The poverty reduction strategy has taken root in several states; eleven states have set targets for reducing poverty by 2020, and since 2008, nine states have held poverty summits. In most states, the poverty reduction agenda was promoted through fairly typical state-level political channels—new state legislation, an executive order from the governor, or the formation of a new state-level council or commission.

Although it is too early to gauge the effectiveness of these strategies, the more traditional political levers seem disconnected from the extreme variation at the local level in the availability of service providers. But building strong relationships between state bureaucrats and local service providers could furnish the state with a base for experimenting with new policies and forging a supportive coalition. Recent efforts in Michigan provide elements of the new approach. Following Michigan's statewide poverty summit in November 2008, Michigan's Department of Human Services has supported ongoing poverty reduction planning in eight regional networks. Each region is charged with creating a poverty reduction initiative linked to every county in the region and developing a network for sharing best practices in poverty reduction and community engagement. Furthermore, DHS staff members are currently working to raise private funds for a Statewide Poverty Reduction Initiative Fund to support replication of best practices. By building bottom-up organization and ongoing ties with a state bureaucracy, these regional networks could ultimately help state departments of human services to function as effective organizers of regional welfare systems.

⁷⁶ Levin-Epstein and Gorzelany (2008).

These three initiatives highlight ways that state and federal governments can build on strategies that the philanthropic community has promoted. But the federal government could also do more to promote transparency in the complex web of funding streams and organizations, public and nonprofit, which now comprise the social safety net. One way to do so would be to resurrect the Advisory Commission on Intergovernmental Relations (ACIR) to provide ongoing analyses and cross-state comparisons of the metropolitan (and rural) safety net. Such information will promote learning across states and may also help build support for reducing the organizational and funding complexity that has come to characterize the social safety net.

Behind this set of ideas for a new public role is the distinction between what is needed to promote innovation and what is needed to ensure resilience. The philanthropic sector has long led the way in sparking innovation among nonprofits; it has likewise sponsored significant system building initiatives, especially in the area of housing. But innovation alone does not ensure resilience. A resilient safety net requires ongoing system building overseen at a scale above local government. Especially as demographic changes have increased the need for the safety net outside cities, strong and consistent public engagement is needed to build a resilient social safety net.

Figure 3

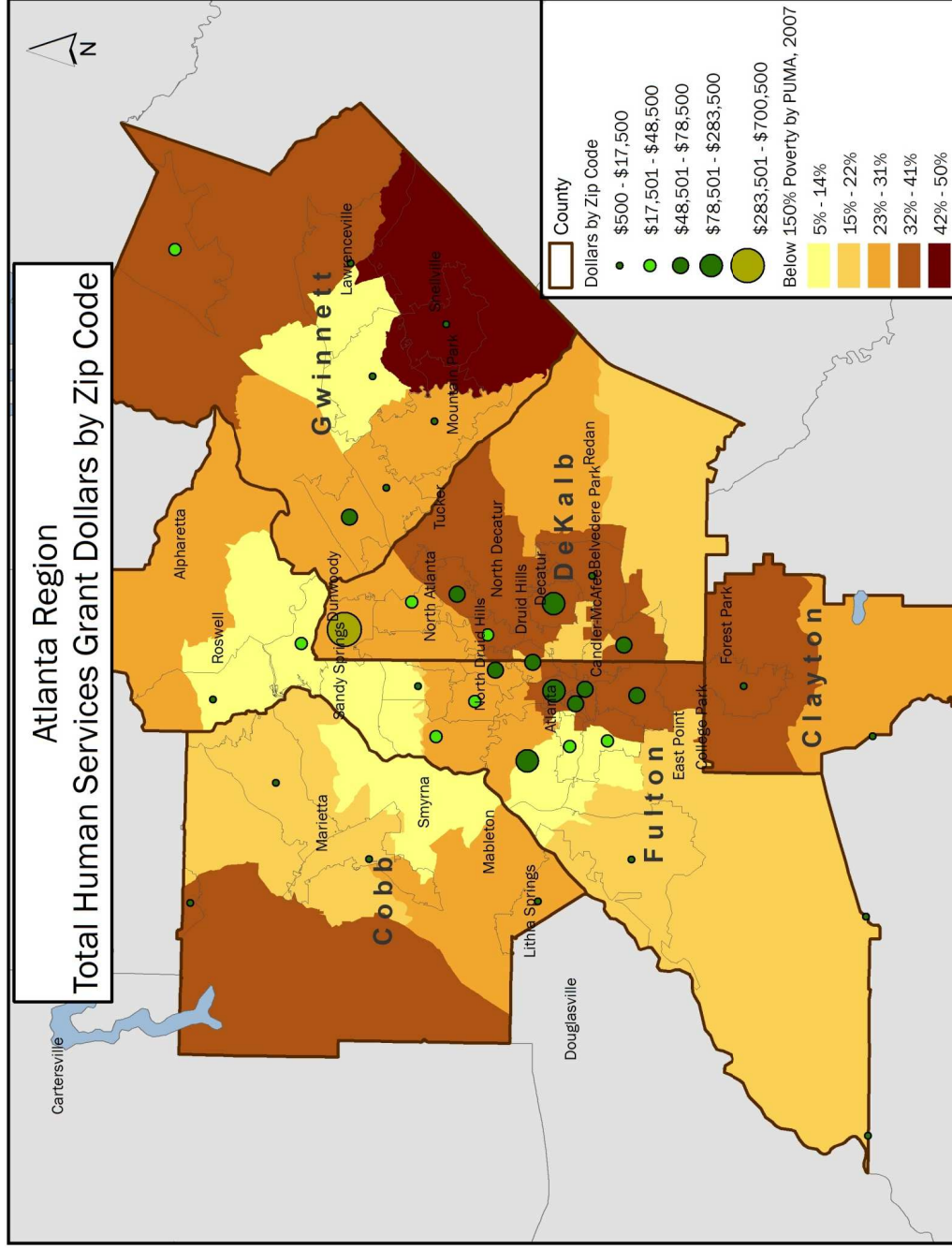


Figure 4

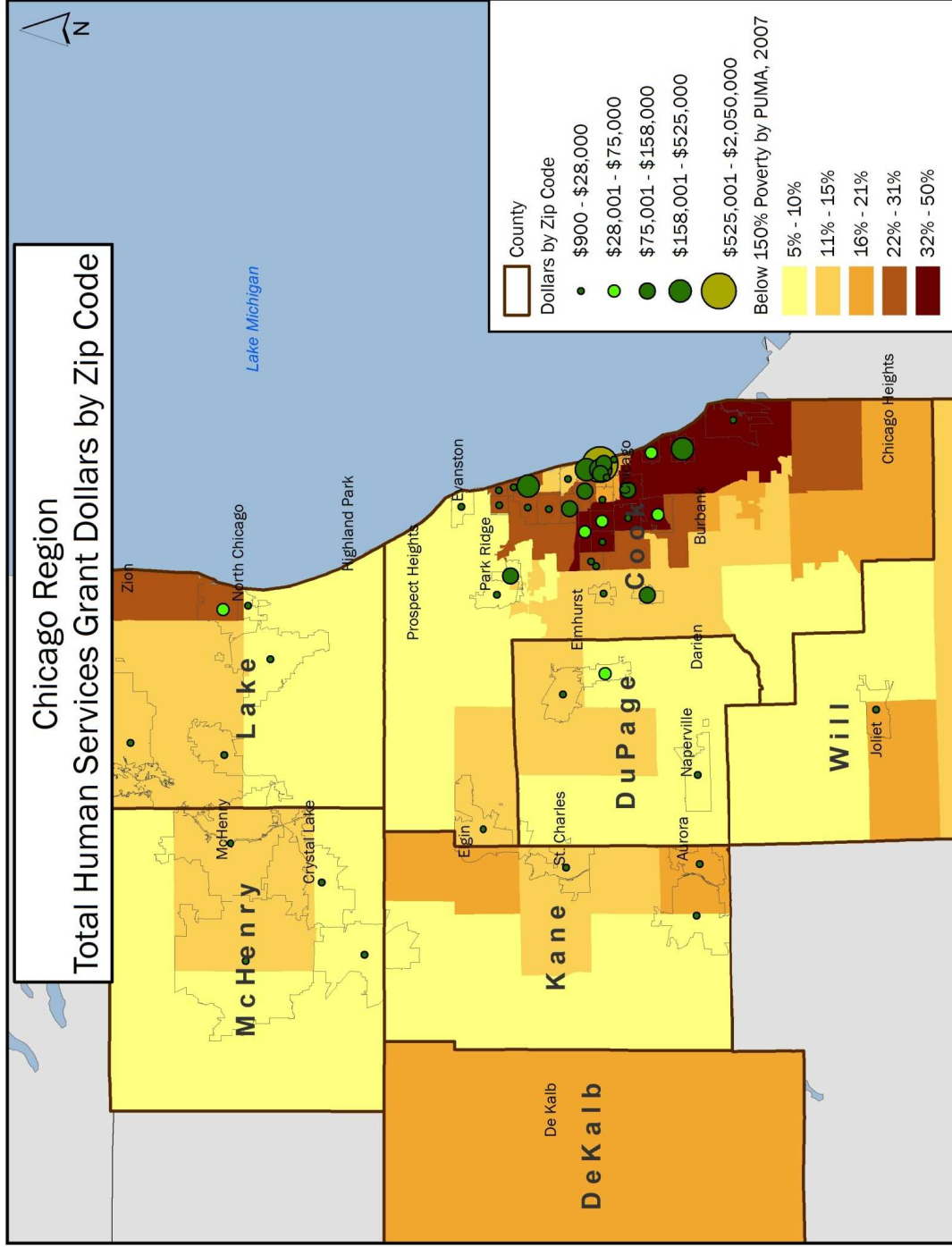


Figure 5

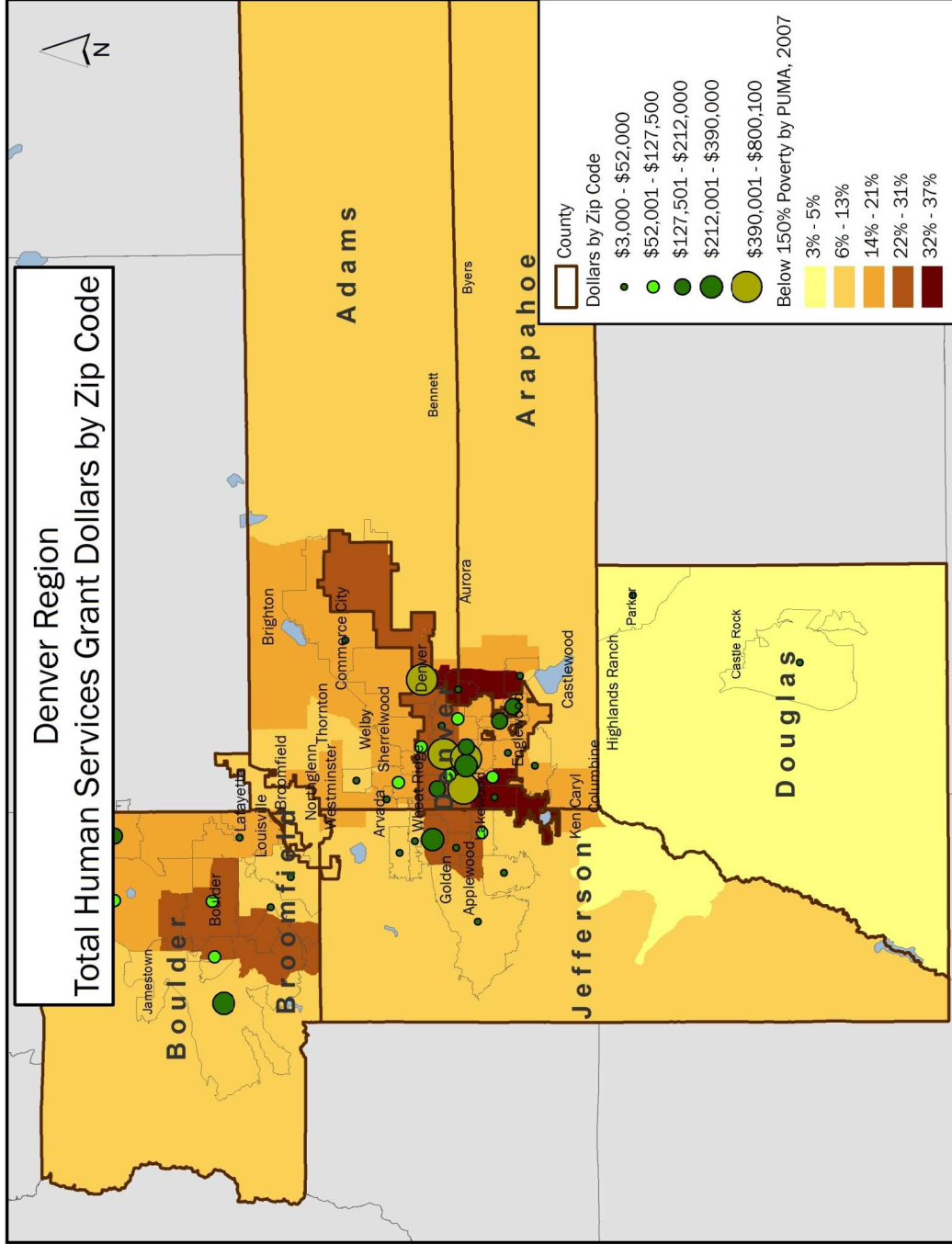
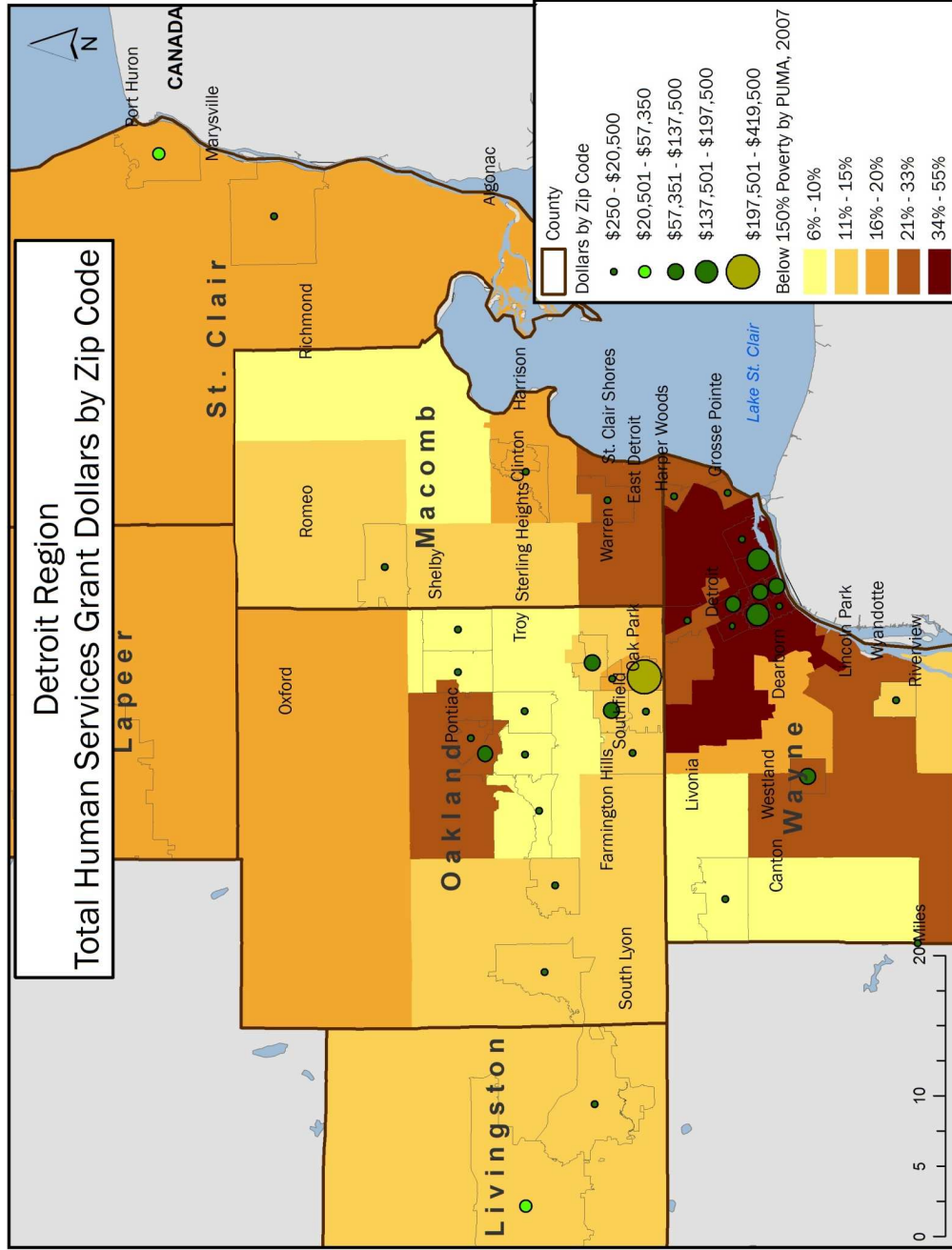


Figure 6



APPENDIX A – Foundations Analyzed

CHICAGO

John D. and Catherine T. MacArthur Foundation
 Barrington Area Community Foundation
 Chicago Community Trust
 Community Foundation of the Fox River Valley
 DeKalb County Community Foundation
 DuPage Community Foundation
 Evanston Community Foundation
 Grand Victoria Foundation
 Highland Park Community Foundation
 Lake County Community Foundation
 McHenry County Community Foundation
 Oak Park/River Forest Community Foundation
 Will County Community Foundation

ATLANTA

Coweta Community Foundation
 Community Foundation for Greater Atlanta
 Community Foundation of West Georgia
 Cobb Community Foundation
 Community Foundation for Northeast Georgia
 Community Foundation of Northwest Georgia

DENVER

Broomfield Community Foundation
 Rose Community Foundation
 Denver Foundation
 The Community Foundation – Boulder County
 Daniels Fund

DETROIT

The Kresge Foundation
 Anchor Bay Community Foundation
 Canton Community Foundation
 Community Foundation for Livingston County
 Community Foundation for Southeast Michigan
 Community Foundation of Greater Rochester**
 Community Foundation of St. Clair County
 Community Foundation of Troy
 Four County Community Foundation
 Lapeer County Community Foundation
 Livonia Community Foundation
 Northville Community Foundation***

Shelby Community Foundation
Southfield Community Foundation
Sterling Heights Community Foundation

**** 2004 data**

*****2002 data**

Appendix B Coding Guidelines

1. Coding for the low-income category

We developed a coding scheme to designate grants as targeting low-income populations drawing on data from the Foundation Grant Database in the Foundation Directory Online (FDO). First, we counted grants as low-income if they were previously coded (in the Foundation Directory database) in certain subject categories that typically target low-income populations. These subject areas included “economically disadvantaged,” “minorities/immigrants,” or “human services.” If none of those categories applied, we scrutinized the grant more closely by examining either its description or the grantee’s web site. We counted the grants as low-income if they pertained to a second list of subject areas we developed (including Boys and Girls Clubs, early childhood education, adult literacy, and community organizing). A smaller group of grants were counted only if their services were provided at free or reduced rates (including employment services and disability services).

We made a decision to cast the net widely rather than narrowly – that is, to count grants as low-income when there was some ambiguity. That said, we did not count grants as low-income if we could gather little or no information on the grant at all.

2. Coding for System Change:

Replying on data from the Foundation Grant Database in the Foundation Directory Online (FDO), we analyzed grants of \$50,000 or more for system change, relying information given on an organization’s website regarding its work, collaborations, and geographical scope. Grants were coded as contributing to system change: (1) if the organization that received the grant had one or more of the following characteristics: a) engaged in networking or capacity-building activities, b) served as an intermediary for other organizations, supporting them or convening groups of them, and/or c) engaged in data gathering or research. These organizations included coalitions and broad-purposed foundations. In addition, we coded organizations as positive for system change if they provided an array of services to a large regional area, for example to a metropolitan area that included a city, suburb(s), and/or the county. Otherwise, organizations were coded as negative (0) for direct service if they did not meet these guidelines. Types of organizations generally coded as not engaged in system change included most churches and places of worship, most arts organizations, single-purpose foundations (e.g., the Atlanta Police Foundation), grants given to direct-service organizations for capital improvements (e.g., a new hospital wing), grants given to expand or provide new services at direct service organizations, organizations for which no information exists online, primary and secondary schools, charter schools, hospitals.

References

- Allard, Scott W. 2009. *Out of Reach: Place, Poverty, and the New American Welfare State*. Yale University Press.
- Bernholz, Lucy, Katherine Fulton, and Gabriel Kasper. 2005. *On the Brink of New Promise: The Future of U.S. Community Foundations*. Blueprint Research & Design, Inc. and the Monitor Institute, a member of Monitor Group.
- Berry, Jeffrey M. and David. F. Arons. 2003. *A Voices for Nonprofits*. Brookings Institution Press.
- Berry, Jeffrey M., Kent E. Portney, Robin Liss, Jessica Simoncelli, and Lisa Berger. 2006. "Power and Interest Groups in City Politics." Report for the Rappaport Institute for Greater Boston, Kennedy School of Government. Harvard University.
- Cohen, Rick and Ruth McCambridge. n.d. "United Ways 2009: A Confusing Mix of Missed and Missing Goals." *The Nonprofit Quarterly*. (www.nonprofitquarterly.org/index.php?option=com_content&view=article&id=1466%3Aunited-ways-2009-a-confusing-mix&catid=168%3Atrend-alert&Itemid=137) [May 5, 2010]).
- Corbin, John J. 1999. "A Study of the Factors Influencing the Growth of Nonprofits in Social Services." *Nonprofit and Voluntary Sector Quarterly*. 28(3) (September): 296-314.
- Dreier, Peter, John Mollenkopf, and Todd Swanstrom. 2001. *Place Matters: Metropolitcs for the Twenty-first Century*. University Press of Kansas.
- Gais, Thomas, Lucy Dadayan, and Sun Kyun Kwan. 2009. "Retrenchment Continued: State and Local Social Welfare Spending, 1977-2007." Paper presented at Reducing Poverty: Assessing Recent State Policy Innovations and Strategies, Emory University, Atlanta, Georgia, November 19-20, 2009.
- Hamilton, Ralph, Julia Parzen, and Prue Brown. 2004. *Community Change Makers: The Leadership Roles of Community Foundations*. Chapin Hall Center for Children at the University of Chicago.
- Henderson, Jason. 2006. "Secessionist Automobility: Racism, Anti-Urbanism, and the Politics of Automobility in Georgia." *International Journal of Urban and Regional Research*. 3(2) (June): 293-307.
- Graddy, Elizabeth A. and Donald L. Morgan. 2006. "Community Foundations, Organizational Strategy, and Public Policy." *Nonprofit and Voluntary Sector Quarterly*. 35(4): 605-630.

- Grengs, Joe. 2005. "Fighting for Balanced Transportation in the Motor City." *Progressive Planning*.
http://www.plannersnetwork.org/publications/2005_spring/grengs.html [May 9, 2010].
- Gronbjerg, Kristen A. and Laurie Paarlberg. 2001. Community Variations in the Size and Scope of the Nonprofit Sector: Theory and Preliminary Findings. *Nonprofit and Voluntary Sector Quarterly* 30(4): 684-706.
- Gronbjerg, Kristen and Steven Rathgeb Smith. 1999. "Nonprofit Organizations and Public Policies in the Delivery of Human Services." In *Philanthropy and the Nonprofit Sector in a Changing America*, edited by Charles T. Clotfelter and Thomas Ehrlich. Indiana University Press.
- Gupta, Sapna. 2004. Immigrations in the Chicago Suburbs: A Policy Paper. Prepared for Chicago Metropolis 2020.
<http://www.chicagometropolis2020.org/documents/ImmigrantPolicyPaper.pdf> [May 9, 2010].
- Hamilton, David K. 2002. Regimes and Regional Governance: The Case of Chicago. *Journal of Urban Affairs*. 24(4): 403-423.
- Hendrick, R. and K. Mossberger. 2009. Uneven Capacity and Delivery of Human Services in the Chicago Suburbs: The Role of Townships and Municipalities. University of Illinois, Chicago. Report for the Chicago Community Trust.
- Joassart-Marcelli, Pascale, and Jennifer R. Wolch. 2003. The Intrametropolitan Geography of Poverty and the Nonprofit Sector in Southern California. *Nonprofit and Voluntary Sector Quarterly*. 32(1) (March):70-96.
- Johnson, Elmer W. 1999. *Chicago Metropolis 2020: Preparing Metropolitan Chicago for the 21st Century*. Chicago and Cambridge, Mass.: The Commercial Club of Chicago and the American Academy of Arts and Sciences.
- Kneebone, Elizabeth and Emily Garr. 2010. The Suburbanization of Poverty: Trends in Metropolitan America, 2000-2008. Brookings Institution Metropolitan Policy Program.
- Kruse, Kevin M. 2007. *White Flight: Atlanta and the Making of Modern Conservatism*. Princeton University Press.
- Levin-Epstein, Jodie and Kristen M. Gorzelany. 2008. Seizing the Moment: State Governments and the New Commitment to Reduce Poverty in America. Joint Report from the Center for Law and Social Policy and Spotlight on Poverty and Opportunity.
- Luck, James I. and Suzanne L. Feurt. 2002. "Flexible and Growing Service to Donors: Donor-Advised Funds in Community Foundations."
www.cof.org/files/Documents/Community_Foundations/CF_Columbus_DAF.pdf [May 6, 2010].

- Marwell, Nicole P. 2004. "Privatizing the Welfare State: Nonprofit Community-based Organizations as Political Actors." *American Sociological Review*. 69(2).
- Marwell, Nicole P. 2007. *Bargaining for Brooklyn: Community Organizations in the Entrepreneurial City*. University of Chicago Press.
- Ostrander, Susan A. 2007. "The Growth of Donor Control: Revisiting the Social Relations of Philanthropy." *Nonprofit and Voluntary Sector Quarterly*. 36(2) 356-372.
- Nicolaides, Becky. 2002. *My Blue Heaven: Life and Politics in the Working-Class Suburbs of Los Angeles, 1920-1965*. University of Chicago Press.
- Pastor, Manuel Jr., Chris Benner and Martha Matsuoka. 2009. *This Could Be the Start of Something Big*. Cornell University Press.
- Puentes, Robert and Myron Orfield. 2002. Valuing America's First Suburbs: A Policy Agenda for Older Suburbs in the Midwest. Brookings Institution Center on Urban and Metropolitan Policy.
- Rusch, Lara C. 2008. Accountability Through Diversity: Challenges for Congregation-Based Community Organizing in Detroit. University of Michigan. Ph.D. Dissertation.
- Safford, Sean. 2010. *Why the Garden Club Couldn't Save Youngstown: The Transformation of the Rust Belt*. Harvard University Press.
- Sevin, Joshua S. 2000. The Role of Catalyst Organizations in the Formation of Metropolitan Coalitions: Metropolitics in Baltimore and Chicago. Unpublished MA Thesis. Department of Urban Studies and Planning, Massachusetts Institute of Technology.
- Singer, Audrey, Susan W. Hardwick, Caroline B. Brettell. 2008. *Twenty-First Century Gateways: Immigrant Incorporation in Suburban America*. Brookings.
- Smith, Steven Rathgeb and Michael Lipsky. 1995. *Nonprofits for Hire: The Welfare State in the Age of Contracting*. Harvard University Press.
- Smith, Steven Rathgeb and Kristen A. Gronbjerg. 2006. "Scope and Theory of Government- Nonprofit Relations." In *The Non-Profit Sector: A Research Handbook*. Second Edition, edited by Walter W. Powell and Richard Steinberg. Yale University Press.
- Sugrue, Thomas. 2005. *The Origins of the Urban Crisis Race and Inequality in Postwar Detroit*. Revised edition. Princeton University Press.

Twombly, Eric. C. 2003. "What Factors Affect the Entry and Exit of Nonprofit Human Service Organizations in Metropolitan Areas?" *Nonprofit and Voluntary Sector Quarterly*. 32(2) (June):211-235.

U.S. Census Bureau. Historical Poverty Tables, Table 8, Poverty, by Residence.

Wallis, Alan. 2008. "Developing Regional Capacity to Plan Land Use and Infrastructure." In *Urban and Regional Policies for Metropolitan Livability* David K. Hamilton and Patricia S. Atkins (eds.) Armonk N.Y., London: M.E. Sharpe.

Weir, Margaret. 1996. "Central Cities' Loss of Power in State Politics," *Cityscape* 2 (May):23-40.

Weir, Margaret, Jane Rongerude and Christopher Ansell. 2009. "Collaboration Is Not Enough Virtuous Cycles of Reform in Transportation Policy." *Urban Affairs Review*. 44(4): 455-489.

Wial, Howard and Alec Friedhoff. 2010. Metro Monitor: Tracking Economic Recession and Recovery in America's 100 Largest Metropolitan Areas. Brookings Institution Metropolitan Policy Program.

Wilson, William Julius. 1990. *The Truly Disadvantaged: The Inner City, The Underclass, and Public Policy*. University of Chicago Press.