

# CREATING ACCESS AND OPPORTUNITIES

## ***Programs that Equip Families for Success***

THE FOUNDERS EMPHASIZED OUR INALIENABLE RIGHTS to life, liberty, and the pursuit of happiness. Over the years, the meaning of these three terms, especially the last one, has been hotly debated. Scholars and constitutional theorists will continue to argue the fine points, but one thing is clear—the pursuit of happiness is aided when the essentials of life are met. For families with children, the lack of access to society’s basic necessities can be an extra burden. Decent housing, reliable transportation to and from work, the skills needed for a living-wage job, and access to affordable credit: these basics elude too many citizens and greatly impact their abilities to provide for their families. Too many Americans have no hope of achieving financial independence.

The housing dilemma is twofold. Not only are there far too many families without homes of any kind, but many thousands more pay a disproportionate amount of their monthly incomes to live in less than desirable places. According to the National Law Center on Homelessness and Poverty, on any given night in 1999 the number of homeless people nationwide exceeded 700,000 (National Coalition for the Homeless [NCH], 1999a), and of these, 40% were families with children (NCH, 1999b). The most recent survey conducted by the U.S. Conference of Mayors (2000) found that “requests for emergency shelter by homeless families with children increased 72% between 1999-2000” (p. 40). The survey also found that 63% of all homeless families have only one parent present.

Those families that try to work their way back into the housing system are often met with inordinately high rents and other challenges that prevent them from doing so. According to a report from the National Low Income Housing Coalition (1999), in no local jurisdiction in the United States can a full-time, minimum-wage worker afford Fair Market Rent (FMR) for a one-bedroom unit in his or her community. In 70 metropolitan areas, a minimum-wage earner must work more than 100 hours a week to afford FMR.



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For most Americans, the ability to own a home or have access to decent rental housing is dependent on having a living-wage job. Access to such jobs is hindered by numerous factors, but two significant barriers are 1) lack of reliable transportation; and 2) inadequate job skill training. Let's look at transportation first. In 1999, 78.2% of Americans commuted to work in personally owned automobiles; 9.4% carpooled; and roughly 5% relied on public transportation (Bureau of Transportation Statistics [BTS], 2000a). Personal transportation is expensive and accounts for 11% of the average American's disposable personal income. Americans spent over \$700 billion on personal transportation in 1999 alone, a figure that continues to rise. Estimates for driving a single-occupant vehicle range from about \$5,000 per year for a small car to as high as \$10,000 for a large car, depending on mileage driven (BTS, 2000b).



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Public transportation is an increasingly popular alternative to car ownership and car use. In January 2000, Americans made roughly 850 million trips on public buses, transit rails, commuter rails, and trolleys (BTS, 2002). But despite this upward trend, public transportation is not always an available option. Rural residents have far less access to public transit systems than those who live in cities (U.S. General Accounting Office [GAO], 1998). In fact, 80% of rural counties have no bus service and 41% of all rural residents live in an area with no form of public transportation (Federal Transit Administration, 1994).

While urban residents enjoy greater access to public transportation than rural residents do, the forms available to them are often insufficient and not geared to their work and family demands. Most of the urban poor live in central cities—often significant distances from the most lucrative jobs. Since 1970, two thirds of all new jobs have been created in the suburbs, not in the inner cities. These jobs frequently require entry-level workers to fill evening and weekend shifts, times when public transportation services are limited or completely unavailable (GAO, 1998). In short, you can't take a job if you can't get there.

Another barrier to overcoming poverty is the ability to find and hold a living-wage job. Wages are so low in certain occupations that even full time *plus overtime* is not enough to support a family. Many women find that the only occupations available to them pay the lowest wages. Coupled with the fact that women make less than men historically, access to higher paying occupations is a key strategy for moving women (and men) to a sustainable lifestyle. In 2001, for example, median weekly earnings for female full-time wage and salary workers were only 76% of the median for their male coun-

terparts—\$511 versus \$672 (Bureau of Labor Statistics [BLS], 2002). Earnings for women in the year 2000 showed that 11.2% of white women, 9.3% of black women, and 14.8% of Hispanic women earned less than \$6 per hour. In the same year, men were twice as likely as women to earn more than \$20 per hour (BLS, 2001). One way to combat this trend is to train women for better paying jobs and to defy the stereotypes that say certain careers are for “men only.” Programs like Women in Construction (see below) are doing just that.

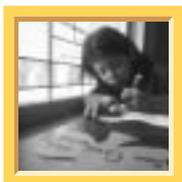
Finally, a critical strategy for elevating the economic status of low-income individuals is to provide the tools that enable them to accumulate financial assets. Research has shown that low-income communities are often excluded from the mainstream banking and financial worlds. The resources that middle-class citizens often take for granted—e.g., no-fee checking and savings accounts, money market accounts, affordable mortgages, electronic banking, and prime interest lending—are not available to many low-income Americans. The creation of nontraditional funding sources that offer affordable credit and financial services to low-income or otherwise disadvantaged people is essential. Such services provide access to the American Dream for millions of citizens who suffer from poverty and disillusioning personal circumstances.

According to the Federal Reserve, almost a quarter of families with an annual income of less than \$25,000 do not have a bank account of any kind. Of the approximately 10 million households that do not use banking services, the majority are low-income households headed by African-



Americans and Hispanics, households headed by young adults, and families that rent their homes (Kennickell, Starr-McCluer, and Surette, 2000). Without bank accounts or relationships with mainstream financial institutions, these households often must pay exorbitant check-cashing fees, higher interest rates on loans or credit cards, and are more likely to fall victim to predatory lenders.

Programs that provide affordable housing, reliable transportation, training for living-wage jobs, and access to financial capital and services are the keys to securing financial freedom for individuals and families. It is not acceptable that so many people lack the means to change their lives and circumstances. The programs profiled in this chapter are tested models that communities of all sizes have used to give disadvantaged citizens equal access to the pursuit of happiness.



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## **Beyond Shelter: Housing First for Homeless Families**



**Challenge:** How can families break the cycle of homelessness?



**Background:** Over the past two decades, homelessness has emerged as a major social problem in the United States. According to the National Coalition for the Homeless (1999b), families with children are one of the fastest growing segments of the homeless population. The majority of homeless families are “episodically homeless,” meaning they have lost their homes due to unemployment, marriage breakup, or other temporary crises, and are able to exit homelessness quickly, often with the support of family or friends. However, a subgroup of homeless families—primarily minority, single-parent families on welfare—face major barriers to securing permanent, safe housing. In the mid-1980s, Los Angeles County experienced a surge in its numbers of homeless individuals and families. By 1986, the first family-oriented shelters were being developed, along with transitional housing facilities. It soon became apparent, however, that the neediest of these homeless families were being cycled through a variety of emergency and transitional housing programs for months and sometimes years at a time. Following stays in a continuum of increasingly more service-intensive facilities, large numbers of families were still homeless or at risk of becoming homeless again.



**Solution:** In 1988, Beyond Shelter was founded in response to the increasing numbers of homeless families and the need for a more comprehensive approach to serving them. The organization’s “Housing First” concept provided a new approach to ending family homelessness. It placed homeless families as quickly as possible into permanent housing, with supportive services provided *after the move*. The program builds on the existing system of emergency and transitional housing for homeless families by providing the next step: assistance in relocation to permanent housing with transitional and time-limited support as families are integrated back into neighborhoods and communities.

Beyond Shelter’s Housing First program is divided into two distinct functions, which operate both independently and collaboratively. The Housing Resources department is devoted exclusively to helping homeless families relocate to permanent and affordable rental housing. The Social Services department provides and coordinates delivery of a full range of transitional services after families are back in permanent housing. The program serves homeless families with dependent children at or below the federal poverty level (\$17,650 per year for a family of four in 2001). Approximately 83% of participants are receiving welfare benefits at the time they enroll in the program. Nearly 90% of the families served are people of color, and of the 350 families enrolled each year, 90% are headed by a single parent. After they are provided initial emergency or interim services at an emergency shelter or transitional housing program, homeless families

*The organization’s “Housing First” concept provided a new approach to ending family homelessness.*



are referred to Beyond Shelter. The referral network includes over 50 agencies throughout Los Angeles County. Beyond Shelter also works with homeless families who come directly off the street to one of the agency's satellite offices. After a family is referred to Beyond Shelter, the program staff conducts an extensive intake screening and needs assessment before enrolling the family in the program. They develop an individualized family action plan and the housing search begins. Once housing is secured, the family moves in and begins to receive services designed to help them move toward improved social and economic well-being. These services include tenant education, household management training, family and individual counseling, liaison with schools, child care, basic medical care, job training and placement, and English language classes. Finally, when the family is stable and integrated into the community, they graduate from the program. The average time spent in the program is six months after the move into permanent housing.



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**Testing 1, 2, 3:** According to an outside evaluation, more than 90% of the mothers and 80% of the children who completed the program achieved the short, intermediate, and long-term goals identified in the Substance Abuse and Mental Health Administration's Program Logic Model for Homeless Mothers and Children. More than 80% of participating parents became employed, and still more enrolled in job training programs. Families who faced substance abuse or domestic violence issues successfully overcame them during the research period. Only 2.3% of those who entered the program with reported substance abuse problems relapsed, and less than 1% of domestic violence survivors returned to a dangerous relationship. Outcomes for children were also positive. During the evaluation period, 80% of school-age children were enrolled in school, and 77% attended regularly.



**Maintenance Required:**

- Focus efforts to help homeless families overcome barriers to permanent affordable housing.
- Work with outside referring agencies to coordinate services and provide a seamless transition between the shelter or temporary housing and the new permanent home. The homeless family becomes a partner in the process when they realize that the efforts of both agencies are addressing the same goal.

- Maintain home-based case management for at least six months. Offer an individualized plan that is structured to fit the family's needs. By interacting with families in the privacy of their own homes, case managers can better understand a family's specific strengths and weaknesses, how they communicate with one another and the outside world, and how best to help.
- Build and maintain close working relationships with landlords and housing authorities. Direct contact and negotiation between program staff and owners of safe, affordable housing is key to getting homeless families into the housing market.



**Warning:**

- Keep the case management function and the housing relocation function separate. Staff members with expertise in each field should focus on what they do best, while working together behind the scenes to ensure that overall goals and objectives are met.
- Stay involved in public policy. When faced with a housing shortage and the high cost of rental housing in general, organizations need to work closely with housing authorities that administer housing subsidies and/or nonprofit developers and local governments to help overcome these barriers.

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From 1989 to 2001, more than 2,300 primarily high-risk and multi-problem homeless families have participated in the Housing First program, with more than 85% stabilizing in permanent housing within one year. Beyond Shelter's methodology successfully coordinates and integrates existing services and systems in new ways. It addresses gaps in services rather than simply duplicating existing programs, and it succeeds in getting vulnerable and at-risk homeless families into permanent housing without requiring them to first spend extended time in transitional housing. For more information, see [www.beyondshelter.org](http://www.beyondshelter.org).

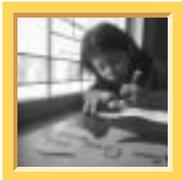
# Neighborhood Transportation Service



**Challenge:** How can communities provide reliable transportation to and from work for citizens without cars, when the job locations are not served by existing public transit?



**Background:** During the early 1990s, the Cedar Rapids–Iowa City corridor was the fastest growing area in all of Iowa. But Cedar Rapids, the state’s second largest city, confronted a prevalent urban problem. A high rate of economic growth in the surrounding metro area was creating new jobs, but many of these locations were not served by public transportation, especially at night and on weekends when entry-level shifts were available. Residents of the inner city who did not own automobiles could not take advantage of the higher paying jobs and educational opportunities available in the metro area—not because they were unqualified or unwanted by employers, but simply because they couldn’t get there.



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**Solution:** Cedar Rapids’ Neighborhood Transportation Service (NTS) was started in 1994 to provide door-to-door transportation to and from work and job training programs on weekday evenings and Sundays, when city buses did not operate. Originally, the service focused on a specific low-income neighborhood on the city’s southeast side; it has since expanded to include all of Cedar Rapids and the two contiguous cities of Marion and Hiawatha. Taken as a whole, these three cities comprise 80% of the county population. NTS connects Cedar Rapids residents to jobs, job training, employment-related treatment services, and educational opportunities that further their employability. It is a “neighbor to neighbor” solution in that NTS employees come from the same neighborhoods that it serves. NTS operates five buses, each holding between 12 and 20 persons. Riders pay \$3 per ride, which covers approximately 30% of the actual cost of providing the service. For the target population, NTS provides a safe and affordable alternative to private transportation. Ridership has grown from 556 riders in 1994 to 27,397 in 2001.



**Testing 1, 2, 3:** NTS improves its customers’ employment options, a fact that has clear economic benefits. Nearly 83% of NTS customers reported using NTS services for primarily work-related transportation. According to the Rider Satisfaction Survey, in both 1999 and 2000, 100% of the riders surveyed

reported that NTS either always or usually got them to their destination on time. In addition, riders indicated that NTS helped them to keep a job and maintain a more regular work history, increase the hours they could work, get a job they wanted, advance in their current job, or change to a better job. As a result, NTS customers also reported that the service enabled them to increase their income, save money, pay off debts, and get off welfare.



#### **Maintenance Required:**

- Manage growth of services while sustaining efficiency and effectiveness. Customers depend on reliable service that gets them to their destinations on time.
- Select drivers from the service area and encourage them to build relationships with riders. This will enable the service to meet the changing needs of customers.
- Be aware that rider satisfaction is key to a “neighbor-to-neighbor” service. It is imperative to hire drivers and office staff who share the vision of the service and recognize the importance of building relationships with customers.



#### **Warning:**

- Recognize that demand changes with the economy. Transportation programs must be flexible enough to expand and contract services as needed.

*NTS customers reported that the service enabled them to increase their income, save money, pay off debts, and get off welfare.*



- Do not undercharge. When NTS began, it charged only 50 cents per ride. While affordable, this fee did not generate enough income and tended to encourage no-shows at pickup. The new rate of \$3 is still affordable, generates more revenue, and reduces the number of no-shows.

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Neighborhood Transportation Service reduces barriers to employment for its customers and encourages autonomy and self-reliance. It fills the gap when public transit is not in operation and reaches a population lacking affordable means of transportation. Programs like NTS also have a positive influence on their employees. Interviewed NTS drivers reported deriving great personal satisfaction from being part of a much needed, effective service. Clearly, as their motto states, NTS is “More Than Just a Ride.”



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## Women in Construction



**Challenge:** How can communities better prepare working mothers for living-wage jobs?



**Background:** East central Kentucky has worked long and hard to combat the detrimental effects of pervasive poverty. Since 1962, the Kentucky River Foothills Development Council (KRFDC) has promoted self-sufficiency for the low-income population in the area. As a community action agency, it administers a wide range of programs and services for low-income families and individuals. KRFDC has been effective in developing job training programs, and the agency also provides transportation, rent, utility, and food assistance; family preservation counseling; parent education classes; and life skills education. However, what was needed in east central Kentucky were training programs that prepared individuals for higher wage, long-term employment.



**Solution:** With a grant from the U.S. Department of Health and Human Services, the Women in Construction program began in 1995 to train low-income women for highway construction jobs in east central Kentucky. The program was designed primarily for single mothers who needed to increase their earning power, particularly in light of welfare reform. State and interstate highway systems were then being expanded, providing numerous openings for construction jobs at a time when the government was actively seeking strategies to expand career opportunities for women. Women in

Construction now trains women at four sites across the state in both highway construction and general construction trades.

The Women in Construction program recruits women who demonstrate the potential for successful careers as construction tradeswomen and helps them overcome the barriers to success in this traditionally male-dominated field. Low-income women who receive public assistance and those who meet the 150% of poverty guideline are the main targets for recruitment. Enrollees receive technical training through a combination of classroom and hands-on instruction. Participants complete a 12-week, comprehensive course of study that includes heavy equipment operation, basic carpentry, masonry, commercial vehicle operation, safety, physical fitness, and sexual harassment prevention. In addition, they receive job readiness training to prepare them for the challenges faced by women as they enter the workforce. Upon completion of the program, graduates are offered placement assistance and support from project staff to assist them with the transition into the workforce.



**Testing 1, 2, 3:** Results from an outside evaluation show that Women in Construction is an effective job training and placement program. Its graduates are highly employable. In fact, 71% of Women in Construction alumnae are employed, two thirds of whom use the technical skills learned through their training. Graduates earn \$10.28 per hour on average, about double the minimum wage. They enjoy higher levels of work stability and report being



satisfied with their current jobs (86%). Furthermore, employers and labor unions report positive experiences with program graduates, praising their dependability and low turnover rate.



### **Maintenance Required:**

- Schedule the training program to optimize recruitment and job placement. Women in Construction recruits in the winter and completes its training program by the end of spring. During the summer, when the demand for construction workers is highest, program staff focuses on job placement and work support activities.
- Build and maintain relationships with current and potential employers. Training program directors must work closely with employers to develop or revise the training curriculum and respond to employers' needs.
- Keep counseling and training functions separate. The counselor should be an independent position in order to ensure that the "soft skills" are taught and practiced in a supportive environment.
- Bring program graduates back as mentors. Trainees are less likely to drop out if they can meet and talk to women who have successfully entered the trade.



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### **Warning:**

- Recruiting participants and employers must be an ongoing effort. Rotating the program to different sites, thus providing new pools of trainees and new pools of contractors, can be very effective.
- Ensure that all participants are aware of program requirements and expectations. Participants must be fully informed about attendance, alcohol and drug policies, and formal disciplinary procedures.
- Support services like childcare and transportation assistance are essential during training. But these services should not stop at graduation. Graduates often need help purchasing tools and work clothes, or temporary childcare while job hunting. Allocate resources for this.

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Effective workforce development programs such as Women in Construction are needed to increase higher wage, long-term employment opportunities that enable women to pull themselves and their families out of poverty—not just in Kentucky, but nationwide. For more information, see [www.kyriverfoothills.org](http://www.kyriverfoothills.org).



## Vermont Development Credit Union



**Challenge:** How can poor and low-income people gain access to the financial resources and services they need to improve their lives?

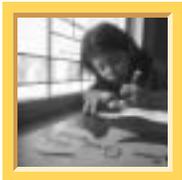


**Background:** Vermont has 64,000 residents living in poverty (11% of the population) and 90,000 low-income households. These Vermonters work long hours at low-wage and seasonal jobs, live in mobile homes or substandard old-stock housing, and depend for transportation on private vehicles well past their prime. Many are women. Increasingly they include people of color and refugees. Isolated and credit-starved, these Vermonters have limited access to conventional financial institutions. The burgeoning predatory lending industry exploits them, reducing or eliminating what few assets they may possess. Lacking wealth, education, and access to affordable and trustworthy financial services, these families and their communities face a downward spiral of poverty and debt.



**Solution:** In 1988, the Burlington Ecumenical Action Ministry (BEAM), a faith-based organization, looked back at its 20-year history of seeking effective solutions to social problems and recognized an underlying constant among the chronic poor. They had no opportunity to build wealth and financial stability through access to market-rate capital and affordable financial services. Out of this recognition, BEAM created the Vermont Development Credit Union. This banking institution is dedicated to Vermonters of low wealth, bringing a culture of respect and support through its counseling-based affordable banking services.

VDCU's services include lending, financial services such as check cashing and savings accounts, and development services such as home ownership counseling. From 1989 to 2001, VDCU grew from \$10,000 in operating grants to a \$17 million institution with 8,700 members in 205 of Vermont's 255 towns. In its first 12 years it made 7,370 direct loans, injecting \$58 million into the lives of low-income Vermonters. Its loan repayment rate is 99.5%. The VDCU solution links economically underserved populations with basic financial services that middle-income citizens may take for granted. Central to its success is creating an atmosphere of respect in which members can get the information, education, counseling and advocacy they need. Members view VDCU as their institution, working on their behalf. VDCU has demonstrated that affordable lending and financial services for low-wealth populations can be provided and sustained. Its motto is "we don't say no, we say when."



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**Testing 1, 2, 3:** VDCU services have a dramatic impact on members' lives and a high social return on investment. The first \$50 million in loans VDCU made to its members saved them an estimated \$8.5 million in interest payments compared with predatory forms of credit. In terms of asset building, the study showed that credit union members have increased their wealth as measured in two ways: savings over time and loan paydown rates. The data revealed that a relationship with VDCU brings measurable improvement in members' lives not only in the form of financial benefits, but also in improved health, expanded hopes, and increased community engagement.



**Maintenance Required:**

- Recognize that members may need varying amounts of information, education, counseling, and advocacy.

- Get the whole family involved. Clients at VDCU report that they want their children to learn to save and manage money.
- Understand that success depends on member motivation. The institution must provide targeted services that members use to help themselves; not push services on potential users, motivated or not.
- Continue to work on forming strong partnerships. Mutually beneficial relationships can take a long time to develop. For VDCU, key partnerships with Fannie Mae and the Burlington Electric Department, for example, took several years to establish.



**Warning:**

- Be aware of the anxiety and apprehension that many low-income clients experience when it comes to financial matters. Clients may feel guilty and ashamed that their income is inadequate. They need to feel respected and valued before they will accept help.
- Recognize that serving low-income clients is expensive and may require some ongoing public or private financial support.
- Sustainability depends on achieving a balance in membership and services by marketing across the entire spectrum of low- to moderate-income households, many of whom are also financially underserved.
- Provide information about predatory lending practices. Affordable financial services, delivered in an atmosphere of respect, helpfulness, and education constitute the best defense against financial predators.

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The Vermont Development Credit Union changes lives in many important ways. It empowers members to organize their finances and take control of their futures. The VDCU solution enables members to build stronger financial lives and to become steadfast members of their neighborhoods and communities. Because of VDCU, members pay off high-interest debt, buy houses, start businesses, and give their children education options they never thought possible. For more information, see [www.vdcu.org](http://www.vdcu.org).