



COMMUNITIES OF OPPORTUNITY

change starts here

COO 2.0

**Business Plan – Executive Summary
May 28, 2008**



A Mission to End Poverty

All San Franciscans deserve to live in safety and prosperity. But today, not all San Franciscans do. In truth, while we are one City, united in name and government, we remain separate communities. In the Bayview, Visitacion Valley, and other neighborhoods, there is a San Francisco that is a community apart, separated by geography, violence, and decades of neglect. 34,204 (4%) of San Franciscans live in the Southeast corner of the city yet they make up over two-thirds of the city's overall poverty rate. This, in the context of a growing yet fragile city economy with a \$6 billion budget presents a unique opportunity for monumental change.

San Francisco's unequal income distribution could jeopardize the City's future competitiveness and overall economic stability. The role of government is to intervene where the market fails society's most vulnerable populations, the city's poorest residents. This includes investing public funds to counteract policies that disadvantage a geographic area, promote localized economic development, create jobs, and increase the provision of goods and services. Because most nonprofits lack the economies of scale to construct infrastructure, and private actors have little incentive to invest in reweaving the frayed social fabric, government through a strategic public-private partnership is uniquely positioned to create the required innovative infrastructure to eradicate poverty. This infrastructure facilitates novel policy development, the formation of equitable redevelopment, enhanced service access and increased social capital in areas of concentrated poverty.

Poverty has been defined in many different ways. But any effort to dismantle this community dilemma must understand that the intersection between "structural" and "cultural" poverty is the systemic cause of generational poverty. David Shipler, noted poverty scholar describes the complexity of the factors that create and keep families entrenched in poverty in America:

Poverty is a constellation of difficulties that magnify one another: not just low wages but also low education, not just dead-end jobs, but also limited abilities, not just insufficient savings but also unwise spending, not just poor housing but also poor parenting, not just the lack of health insurance, but also the lack of healthy households... The troubles run strongly along macro and micro levels, as systemic problems in the structure of political and economic power, and as individual problems in personal and family life¹.

Creating opportunity for socially and economically isolated San Franciscans requires a multi-faceted and comprehensive approach. In San Francisco, this approach is called "**Communities of Opportunity**" (COO):

COO is the constellation of systems and *opportunities* that magnify one another: not just the removal of barriers, but also access to employment, not just quality education but also the creation of living wage careers, not just new housing developments, but also stable family structures, not just better parenting but also positive social networks, not just safer neighborhoods but also a collective intolerance toward violence. Not just a checking account but also opportunity to own a home, not just choice, but more importantly empowerment. These opportunities provide direct access to the "prosperity grid" and address the ever-widening wealth gap that exists in this city.

Bayview resident, Christina Sandoval also understands that if we are to be successful residents must play significant role:

Prosperity is new to me but I know what I want. It's new jobs, housing, schools, stores, parks, and a strong community without constant death of young people. These are all the things we've been

¹ David K. Shipler, *The Working Poor: Invisible in America* (New York: Knopf, 2004) 285.

asking for forever and we see it's happening right in front of us. The city can only create opportunity, if we don't take advantage it's on us, and we won't prosper.

This conscience overlap between governmental responsibility and individual accountability is the underpinning of the COO strategy and the framework for successful implementation.

COO is an opportunity to rigorously examine the most creative strategies in the field of community and economic development, and to mount an unflinching effort to reverse historical patterns of racism and disparities in areas of concentrated poverty.

Vision and goals

The vision of Communities of Opportunity is to create safe and healthy neighborhoods that provide opportunities for individuals and families to achieve self-sufficiency and, for children to realize their dreams.

With Communities of Opportunity, Mayor Gavin Newsom's administration in partnership with residents and philanthropic partners will implement deep and aggressive change to support rapid transformation of four pilot sites in the Southeast – the Alice Griffith, Hunters Point A West, Hunters View and Sunnydale public housing developments. COO intends to achieve genuine transformation of these sites within five years of our October 2006 launch.

Currently of the 2600 families who live in those sites:

- 25% (650) are chronically **in crisis** (in systems of care and/or severe economic crisis)
- 42% (1,100) are economically **fragile** (on CALWorks or earning < 185% of FPL)
- 33% (850) are **stable** or self-sufficient (incomes > 185% FPL and not in systems of care)

The goals, by Fall 2011, are:

- A majority of families will be stable or self-sufficient (able to make ends meet)
- A majority of children will be flourishing (able to pursue their goals)
- Less than 10% of families and children will be in crisis
- Communities will provide a safe environment, sound physical infrastructure, connected social networks, and sustainable economic vitality

Initially, Communities of Opportunity focuses in the four pilot areas within the southeast sector. Those areas represent the places with the greatest need and marginalization. By addressing the challenges these “corners of opportunity” face, COO will strengthen the entire southeast sector. Positive outcomes in the areas of highest need will reduce the negative impact in neighboring areas, create conditions for more effective neighborhood-wide community development, and facilitate the implementation of more effective programs and activities that serve all residents.

Once the work has been tested in the southeast, the city is committed to rolling out the successful strategies to all neighborhoods and vulnerable communities. COO anticipates reaching all families in need in 5-10 years.

Theory of Change

One of the puzzles COO faced at the outset of the planning effort is why, with so much work already being done in these communities, does the data show things getting worse not better? In fact, an examination of the services landscape for these sites showed:

- The City spends at least \$98M in the surrounding zip codes of 94124 (Bayview Hunters Point) and 94134 (Visitacion Valley) on services and income support
- Of this amount, community-based organizations (CBOs) and other third parties receive over \$30M in City funding annually to serve families and children from these zip codes
- Services often:
 - Are fragmented, duplicative, and subscale
 - Lack clear accountability for results
 - Neglect neighborhood dynamics (e.g. cultural sensitivity, safety issues)
- Residents exhibited alarming levels of apathy and skepticism

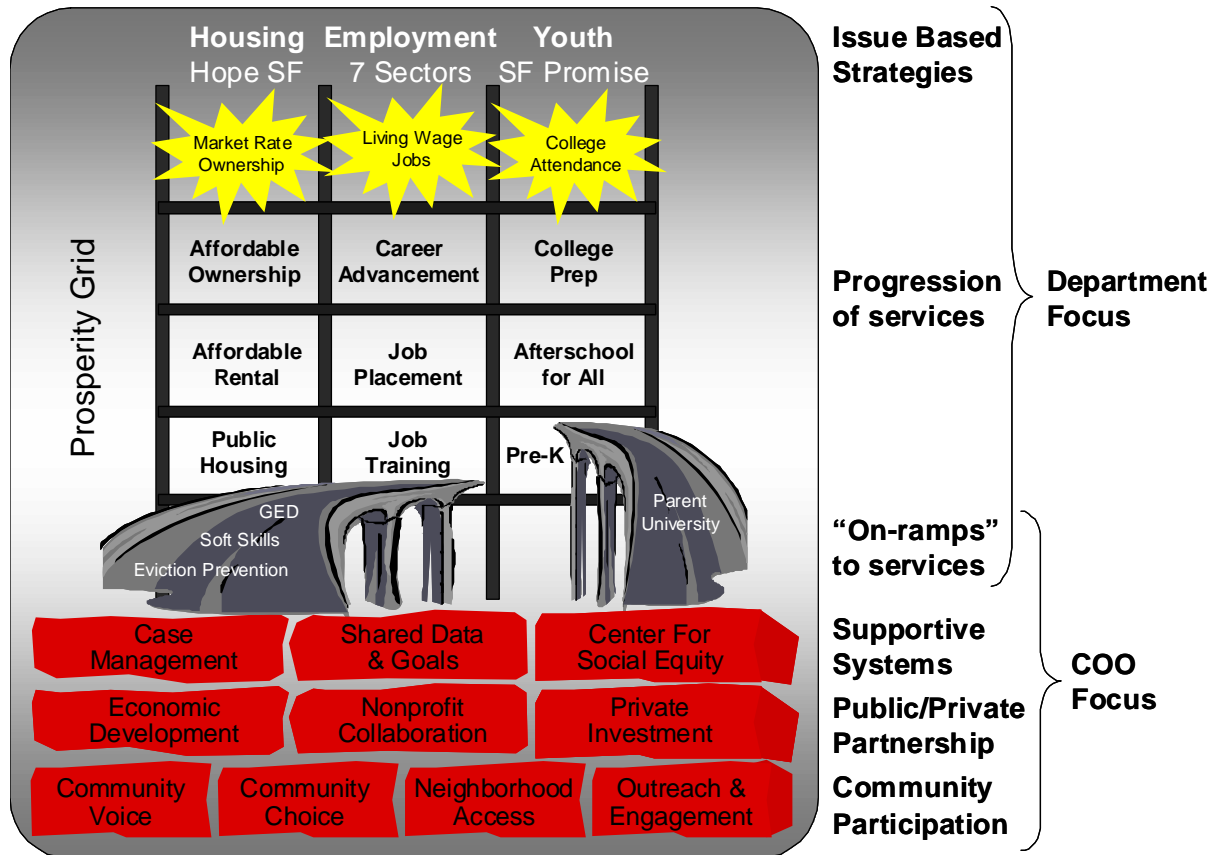
Digging deeper revealed both the challenges and opportunities COO is designed to address and capitalize on:

Smart government:

- City departments were developing strong strategies for moving residents up a continuum of services that ultimately improve their well-being and prosperity. However, for many of the most in-crisis and fragile families, they did not have a way to even get on to the first step of that ladder. Basic levels of healthy housing, educational and job preparedness, parenting skills, and community cohesiveness were missing. Thus, COO is working with our partner departments to develop “**on-ramps**” – services that eliminate the barriers our residents typically face as they begin to engage in the system.
- In addition, many city departments were providing services to the same families, without sufficient mechanisms to coordinate those services, track outcomes across systems, and deliver them in a seamless, easy to access way for the residents. There are a number of **supportive systems** COO is working to build that will improve coordination, resource alignment, and access for residents

Strong Communities: We also heard from residents during the planning phase that services often missed key cultural dynamics in the community, or were offered in a way or at a place that made it difficult for residents to engage due to transportation and safety issues. Working with those residents we are building mechanisms for **community participation** in the planning, delivery, and outreach surrounding the services the city and its partners offer in these communities

Serious Collaboration: Finally, there are a number of public and private partners who share in our work in these communities and are invested in improving the outcomes for families living in the southeast. However, these partners often operate independent from the work of the city, and we all lose the ability to leverage each others work. COO provides a hub for the **public/private partnership**, focusing the strategy of the city and enabling partners to connect strategically to that strategy.



By building this foundation and set of bridges together with our city, public, and private partners, COO believes it will enable these communities to better connect with the services and economic development all of these group are bringing to our neighborhoods. And it will free up our partners to focus on doing what they do best knowing that there is an infrastructure in place that will ensure all San Franciscans have the opportunity to benefit from their work.

We recognize that these are not new ideas; there have been many efforts in the past that have worked closely with residents, coordinated services across agencies, and worked with development to try and positively impact the residents and neighborhoods in which it occurs. Many of those efforts have made progress, but ultimately have not succeed to the level they hoped because private funding ran out before the public system changed, or coordination efforts were driven by individuals within the system and that coordination left when they did, or the development agreed to work with residents, but not enough work was done *before* the development began to adequately prepare those residents to participate.

COO has learned from these previous efforts and sought to incorporate what worked from each of them and to avoid some of the problems that they faced. For what we believe is the first time, a city is driving the change effort rather than a philanthropic or community effort. This gives us an advantage because it begins with the system itself making these changes rather than putting pressure from the outside for the system to change. We are also involving residents in the decision making, creating a deep partnership with the city and nonprofits that integrates their voice and knowledge in a new way. Finally, we are starting our efforts enough in advance of the economic development to be able to systematically plan the human development to keep pace. From this beginning, we believe we have the critical pieces in place to make COO a success.

Implementation

To achieve this vision, COO will need to deploy a dual structure with a “community team” on the ground supported by the systems change work being done at the Program Office. Together these two sides of the organization bridge the gap between grass roots knowledge of the problems, and the ability to connect that view with the work of city departments, philanthropy and economic development to create systems that benefit all involved.

Role of the Program Office

One of the primary roles the program office plays is to be the “innovation infrastructure” for the city. The concept is borrowed from a term used in education, where findings suggested that school districts lacked the funds to hire staff to look for innovative new solutions to problems and develop and test new approaches. This innovation infrastructure is critical in the for profit world to keep companies competitive. Like education, local government often lacks the resources to drive innovation. COO plays that role in the city, which takes many forms:

- **Adapting to a changing environment.** Whether it be from new regulations that get passed, new programs that departments roll out, or new development happening in our communities, the context for the work we do continues to evolve. It is the role of the program office to understand and analyze these trends, develop ideas, and work with our partners to create break through solutions.
- **Adapting to changing demographics.** COO sits at an intersection where we can understand those needs more deeply than traditional systems. On the one hand we partner with our city departments and have access to data and trends about conditions and programs in the neighborhood. On the other hand we work directly with residents, through our planning work, community voice meetings, and community team we hear about problems with the system first hand and can collaborative build answers.
- **Bringing in best practices.** Finally, innovative groups both locally and around the country are learning new things and developing new approaches that help combat the issues we face. Staying abreast of that kind of innovation and finding ways to bring it to San Francisco and tailor it to our specific environment will keep us on the forefront of ideas and opportunities to combat poverty.

However, innovation without implementation leads to frustration and stagnation. It is critical for COO to provide the support needed to turn new ideas into reality. In some cases this takes the form of direct project management, and in others it can take the form of raising required funds, convening stakeholders, providing data analysis to support the work, or simply keeping the political will in place to see a project through. In all cases it involves supplementing the staff and resources of our partners to enable them to accomplish their goals more effectively. In addition, as we learn from our work and build on our successes, it will be the role of the Program Office, in conjunction with outside evaluators, to document what we are learning and engage in the national dialogue about poverty in the US.

Role of the Community Team

Any innovation must be tied to and fueled by a direct connection with the community. COO has a parallel infrastructure at each of the four sites that grounds our work in the unique issues and cultures of each site and builds the community bonds necessary to transform neighborhoods:

- **Community Building.** COO must engage residents to rebuild social networks in the community and rebuild their trust with government and service providers. Our Site Coordinators listen to residents' ideas and concerns and build from the natural strengths of the community and networks that exist. They also work with city departments to provide real connections to services and use the Opportunity Centers create new access points and hubs of positive activity and community pride.
- **Deep Engagement.** After decades of empty promises or services that did not lead to intended outcomes, residents have become wary of outreach efforts and are slow to engage in new programs. To break this cycle we work with peer "coaches" who deeply understand critical issues and work with residents to answer questions in a peer-to-peer setting that breaks through some of the difficult dynamics of a typical community meeting. They help the families understand how to re-engage with the system and take advantage of opportunities. This model not only informs residents but truly help them navigate critical systems and services they need to break the cycle of poverty.
- **Resident Capacity Building.** One challenge that remains unaddressed is building additional capacity and leadership within the resident community. In part, the knowledge and capacity needed to encourage active participation can come through the network of peer coaches described above. But the issues facing the community are as dynamic as the community itself, and a more systematic approach to building and sustaining leadership will be critical as the pace of new economic development quickens, demographics continue to shift, and existing leaders move on.

Role of Departments

COO is not a program and therefore it is not a "line item" that departments invest in. Rather COO is a strategy and an approach to working together in struggling communities. Therefore department investments takes on many forms:

- **Investment in specific activities.** All of the "on-ramp" programs are co-funded by departments. Each department worked with us to design the on-ramp in their area and have invested or pledged resources to those programs. In each case private resources are also being brought to bear to supplement public investment, but over time the city intends to fully fund successful on-ramp programs.
- **Assignment of staff.** In some cases, departments have assigned specific staff to help design and drive these strategies forward. These staff both help move along the specific pieces they are invested in and provide guidance for the program overall.
- **Aligning resources with the strategy.** Departments are responsible for ensuring on-ramps have real connections to department-led programs and strategies; whether that be through holding spots for on-ramp participants in the next step programs adding COO specific language into MOUs, or the assignment of an outreach specialist to help residents move from on-ramp to the prosperity grid.
- **The Inter-Agency Council (IAC)** is being formed to coordinate efforts across multiple city priorities including the Transitional Age Youth Program, the Violence Prevention Plan, and HopeSF. The IAC will be responsible for overseeing aligning of resources and will work closely with each department and the Budget Office to ensure the priorities of COO and our partner programs are reflected in department and city budget allocations.
- **Accountability.** Finally, it is critical that the city is accountable for results. To be a part of COO, programs will need to commit to track and reach long-term outcomes for the communities they serve. Each department and CBO involved will be responsible for following the progress of their clients and working to improve services where goals are not being met.

Resource Requirements

To achieve these goals, COO will require two types of philanthropic support:

1. **Direct Investment in COO.** COO will require approximately \$1.4 million in direct investment to fund our infrastructure. Of that, \$600,000 will go to support the program office and \$800,000 will go to support the Community Team.
2. **“Aligned” investment in specific activities.** In addition to the organizational budget, there are separate funding needs for the On-Ramp Programs. For example Parent University will require \$750,000 per year of outside funding, the eviction prevention program will require \$100,000 in the coming year and additional funds as we roll out to future HopeSF sites, and the Community Response Network (CRN) needs \$200,000 per year in private funds. It is our expectation that those funds will be raised separately through foundations who wish to support our work and have a specific interest in those areas. This type of “aligned” investment is where COO plans to focus all future programmatic investments.

With this investment, COO will be able to sustain the momentum it has built both in the community and in the city to truly drive innovative changes that have already begun to have profound effects in San Francisco’s most disconnected neighborhoods.

This bold new approach will only work if we all come together. 13 city departments, 10 foundations, hundreds of residents, and countless other dedicated organizations and individuals have worked together to design this new system. It will take the dedicated efforts of all those and more to make it happen. Join us.