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ABSTRACT
        This report on poverty in the District of Columbia is
designed to serve as a strategic planning tool for the United Planning
Organization (UPO), its delegate agencies, affiliate organizations, and the
general public as they address the challenges of poverty in the city. The
first section highlights the significant demographic changes that have taken
place since the enactment of the Economic Opportunity Act in 1964. Using data
from the Census and other sources, the report identifies pockets of poverty
in the city and notes how these areas have shifted geographically and become
more entrenched over time. The second section of the report provides a
snapshot of the nonprofit organizations that make the District of Columbia
their home and provide community services. This section maps the distribution
of nonprofit organizations against areas of poverty and compares nonprofit
resources for programs for children, youth and families; community
development; community empowerment; and workforce development. The third
section of the report highlights the work of five UPO delegate agencies that
serve the District's low-income and at-risk residents. The final section of
the report provides a framework for better understanding the needs of the
District of Columbia and programs for the future. An appendix discusses the
research methodology for this report. (Contains 5 tables, 9 figures, and 12
references.) (SLD)

Poverty in the District of Columbia—
Then and Now

by

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The Urban Institute

Prepared for

The United Planning Organization

The D.C. Poverty Summit:
Strategies for the New Millennium

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Poverty in the District of Columbia—Then and Now

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The Urban Institute

> With the growth of our country has come opportunity for our people; opportunity to educate our children, to use our energies in productive work, to increase our leisure; opportunity for almost every American to hope that through work and talent he could create a better life for himself and his family....We have come a long way toward this goal. We still have a long way to go. The distance that remains is the measure of the great unfinished work of our society.
> —*President's Message on Poverty to the Congress of the United States, March 16, 1964*

President Johnson's words in 1964 to the Congress of the United States are striking because they not only mark the beginning of an ambitious new era in American welfare policies but also resonate clearly today. There have been significant victories in the War on Poverty over the past 35 years. The Economic Opportunities Act and the Office of Economic Opportunity laid the groundwork for a host of new rights and services secured by poor people as a result of community action and legal services programs (Brussiere 1997, Jencks 1993, Piven and Cloward 1971). Programs such as Community Action, Head Start, Job Corps, VISTA, College Work Study, and Legal Services are continuing legacies of this earlier era.

Like these early programs, some of the original organizations that were established to fight the War on Poverty continue their work today. In the District of Columbia, the United Planning Organization (UPO) remains dedicated to working with citizens at the neighborhood level, just as it did from the start. Through its extensive network of delegate agencies, subcontracts, and programs, UPO continues to target services to vulnerable populations, empower community residents, and build the

economic base for strong neighborhoods in partnership with the federal government, the District government, and the corporate and nonprofit sectors.

As the new millennium unfolds, policymakers and practitioners are returning to the notion that change must begin at the neighborhood level (Dionne 1998). This renewed emphasis on community-based programs provides a supportive environment for UPO to broaden its perspective on how to address the needs of the low-income population in the District. To do this, UPO commissioned the Urban Institute to prepare a report on *Poverty in the District of Columbia—Then and Now.* The report is designed to serve as a strategic planning tool for UPO, its delegate agencies, affiliate organizations, and the general public, as together they address the challenges of poverty in the city today and lay the foundation for the future.

The report has four main sections. The first part highlights the significant demographic changes that have taken place since the enactment of the Economic Opportunity Act in 1964. Using data from the decennial census and other sources, the report identifies pockets of poverty in the city and notes how these areas have both shifted geographically and become more entrenched over time. The second section of the report provides a snapshot of the nonprofit organizations that make D.C. their home and provide services to the community. It maps the distribution of nonprofit organizations against areas of poverty and provides important comparisons of nonprofit resources for four service areas—programs for children, youth, and families; community development; community empowerment; and work force development. The third section of the report highlights the work of five UPO delegate agencies that serve the District's low-income and at-risk residents. These short histories illustrate the scope of work undertaken by

UPO and its delegate agencies and provide illustrations of the kinds of innovations that reflect UPO's historical origins and the goals of the Economic Opportunity Act of 1964. The final section of the report provides an important framework for better understanding the District's needs and shaping programs for the future. These elements form the building blocks for creating a new blueprint to address poverty in the District of Columbia for the next decade.

The Changing Landscape

Despite the economic boom that has swept the Washington, D.C., metropolitan area since the mid-1990s, the disparities between rich and poor have widened. Pockets of poverty dot the landscape, and a recent report (Bernstein, et al., 2000) shows a widening gap between the District's better-off families and those at the lower rungs of the income ladder. By the late 1990s, average income for the richest one-fifth of families was 27 times higher than for the poorest one-fifth. Two decades earlier, the difference was only 12 times greater. Closing this gap will be one of the biggest challenges faced by anti-poverty advocates in the decade ahead.

As the new millennium begins, three words describe the District of Columbia's population: mobile, diverse, and aging. In part because of the ebbs and flows of the federal government, D.C. generally is regarded as a transient place. As federal administrations change, people move in and out of the city. New residents come and go from across the country and around the world. Long-term residents also add to this mobility as housing prices and gentrification change the character and affordability of neighborhoods. Over the years, the dynamics of change have made the District of

Columbia a more diverse and cosmopolitan city. But this image of vibrancy sometimes masks the problems of the city and the plight of vulnerable groups such as the poor, the elderly, the young, and the homeless.

Understanding how the District's population has changed over time provides an important context for planning for the city's future and addressing the needs of its most vulnerable residents. While poverty in the District persists, the dual concerns of who is poor and how to address their needs have changed. Six key trends, discussed below, provide the demographic context for understanding these changes and lay a foundation for developing the next generation of plans to address the problems of poverty.

Since 1970, the District of Columbia has lost population and now has a smaller population base and more entrenched pockets of poverty. Like many urban areas, the patterns of growth and change over the past three decades have been increasingly away from the central city and toward the outer suburbs. Between 1970 and 1996, the size of the Washington, D.C., metropolitan area grew from 2.9 million to 4.5 million (a 55 percent increase) as people flocked to the metropolitan area. But the city, itself—like so many urban centers—did not share in this trend. The District of Columbia experienced a significant loss in population (about 30 percent), falling from 756,000 in 1970 to 523,000 in 1998 as people moved to the suburbs. Particularly the loss of middle-income families with children changed the character of the city and eroded the resource base that often supports neighborhood life. Although the most recent population estimates suggest that the District's population may be stabilizing at about a half million people, the legacy of three decades of decline has left a smaller population base.

The shifts in population have been uneven and dramatic throughout the city. Thirty years ago, Wards 6 and 7 were the two most populous wards—each with roughly 100,000 residents. Over the past three decades, however, these jurisdictions experienced the greatest declines, losing about 38 percent of their residents. Now, Wards 6 and 7, along with Ward 8, are the least populous wards in the District (see table 1).

Table 1.
Change in the Population of the District of Columbia
by Ward, 1970 and 1998

| Ward | Population | | % Change |
	1970	1998	1970-1998
1	95,900	69,900	-27.1
2	96,800	69,600	-28.1
3	77,800	69,100	-11.2
4	94,600	66,100	-30.2
5	94,300	63,200	-33.0
6	100,600	61,400	-39.0
7	99,600	63,000	-36.7
8	96,800	60,900	-37.1
D.C.	756,400	523,100	-30.8

Source: Urban Institute calculations based on U.S. Census data.
Note: Numbers rounded to nearest hundred.

No ward escaped the downward slide. Ward 3, however, had the smallest drop, experiencing a net loss of fewer than 10,000 residents. By the end of the 1990s, Ward 3, along with Wards 1 and 2, were the three most populous parts of the city. Ward 1, in particular, has been a magnet for new immigrant groups. Although this factor did not stem the overall drop in population, it has made Ward 1 a rich mosaic of people and cultural traditions.

The racial and ethnic make-up of the city is more diverse, and new groups are stakeholders in the District's future. The movement of people in and out of the city has altered the racial and ethnic composition of the city. Back in 1970, the District of

Columbia was primarily composed of two races: blacks and whites. About 70 percent of the population was African American, with whites accounting for almost 30 percent of District residents. But like the rest of the nation, the District's population is undergoing a steady transformation in its racial and ethnic composition. As new racial and ethnic groups move to the city, they add a multicultural dimension to the city's demographic landscape (see figure 1). Although the relative size of the white population has remained fairly stable at just under 30 percent, the share of the African American population has declined to roughly 60 percent. Hispanics, Asians, and other racial/ethnic groups now account for about 10 percent of D.C. residents.

Figure 1.
The District of Columbia Has Become More Racially and Ethnically Diverse

Other
1%
Hispanic
2%
White
27%
African American
70%
1970

Other
3%
Hispanic
7%
White
28%
African
American
62%
1990
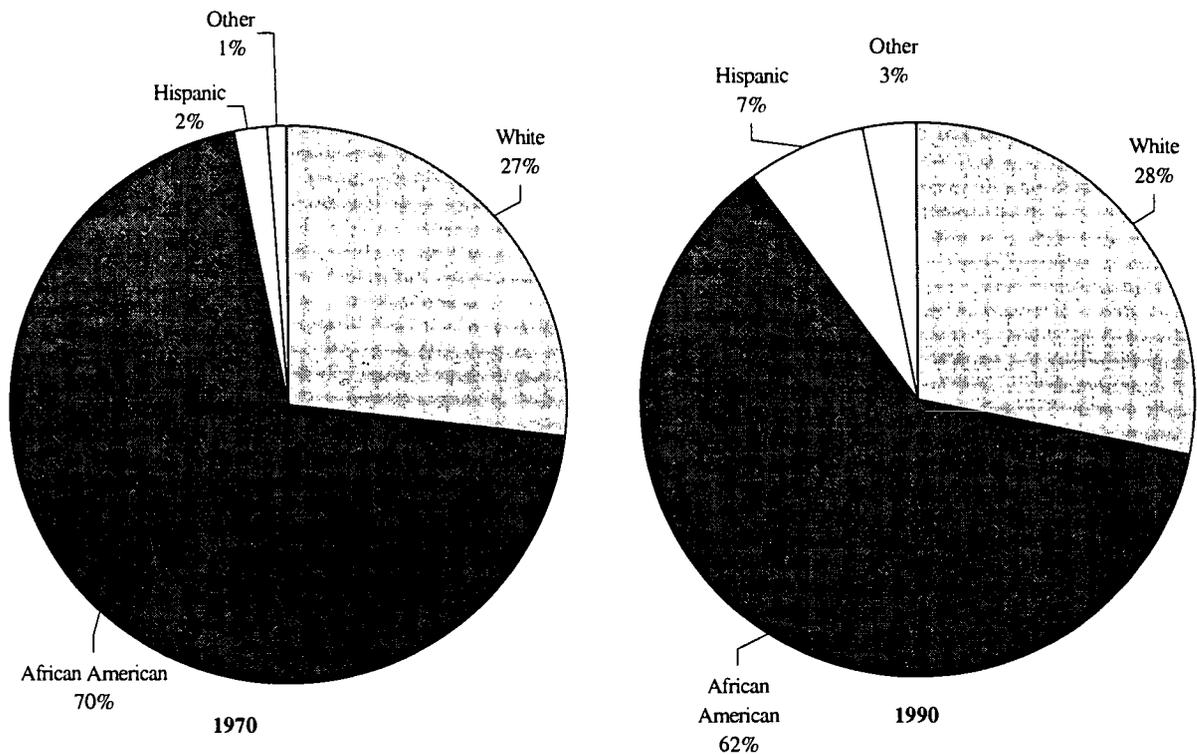
Source: The Urban Institute, based on data from the U.S. Bureau of the Census.

Numbers alone do not capture the diversity of the city. During the 1980s and 1990s, new immigrants from all parts of the world made the District their home. Latinos are the largest group and bring their cultural roots from Mexico, Cuba, Puerto Rico, El Salvador, Guatemala, and other Central American countries. There also has been an increase in the number of East Africans, particularly people from Somalia and Ethiopia. The Asian community in D.C. is comprised of people from many national origins—China, Vietnam, Cambodia, Thailand, the Philippines, and more. The change has been so dynamic that it has been difficult to document and record. The 2000 decennial census, however, will provide an updated and detailed picture of the diversity of the District's population and how it has affected local neighborhoods.

There are fewer children in the District of Columbia now than 30 years ago, and they are the demographic group most at risk of living in poverty. Perhaps one of the most dramatic shifts in the District's population is the drop in the number of children living in the city. Declining birth rates, the end of the baby boom era, and families moving out of the District contributed to this trend. Between 1970 and 1998, the number of children in the District fell by more than half (54 percent), from 225,000 to 103,000.

Every ward in the city has been affected by this trend, although Ward 6 saw the sharpest drop (see figure 2). In the past 30 years, the number of children living in Ward 6 dropped by almost 70 percent, resulting in a net loss of roughly 25,000 children. What

has not changed, however, is that the areas east of the Anacostia River have the greatest

number of children. This was the pattern seen in 1970 and continues today (see figure 3).

More than one in three children in the District lived in Wards 7 and 8 in 1998. If Ward 1

is added to the total, then Wards 1, 7, and 8 account for half of the city's child population.

Figure 2.
The Number of Children in Every D.C. Ward Has Declined Since 1970
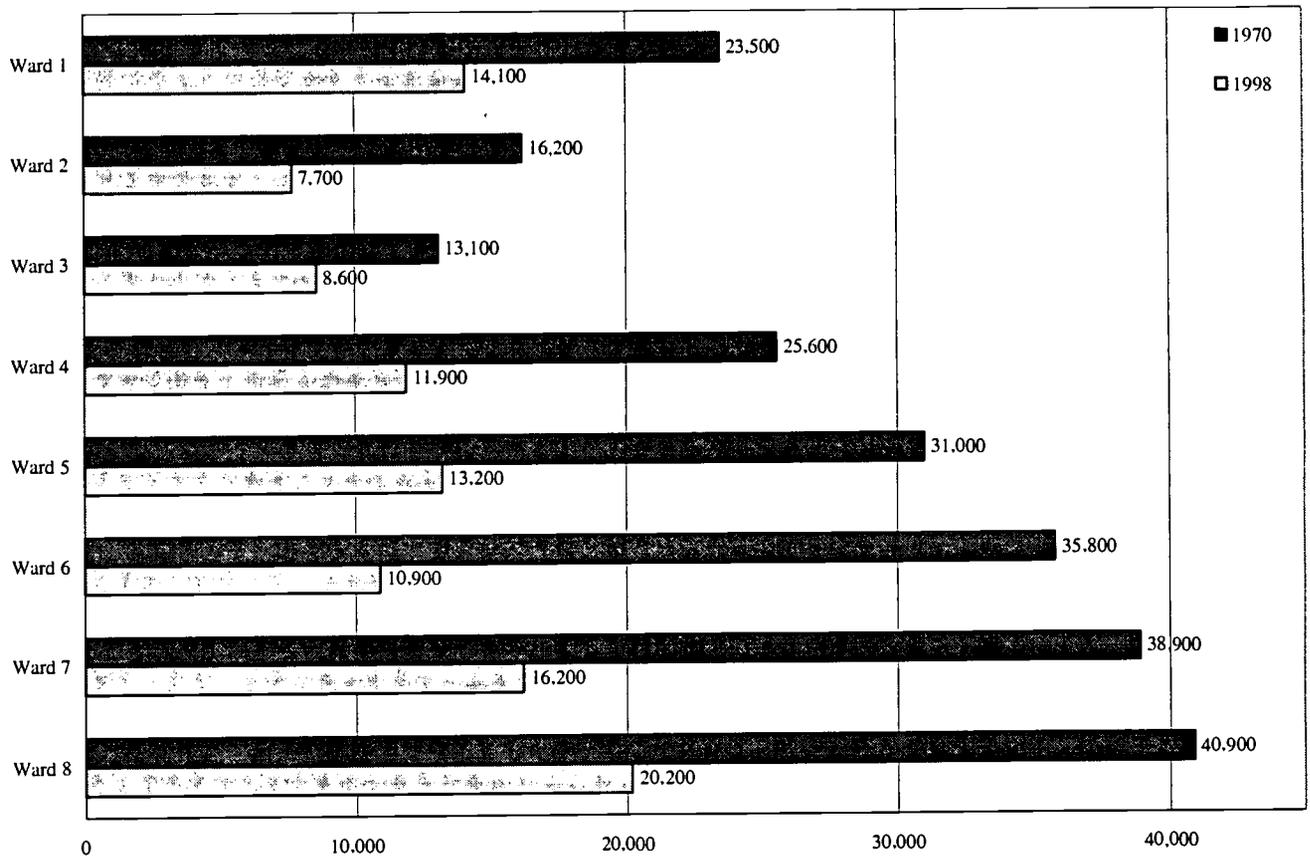
Source: The Urban Institute, based on data from the U.S. Bureau of the Census.

Although there are fewer children living in the District today than in 1970, they

are more at risk of living in poverty. In 1996, one in three children in the District was

poor, according to the U.S. Bureau of the Census, compared with one in four in 1969.

Children have the highest rates of poverty of any demographic group in the District.

Figure 3.
The Number of Children in the District Declined Sharply Between 1970 and 1990
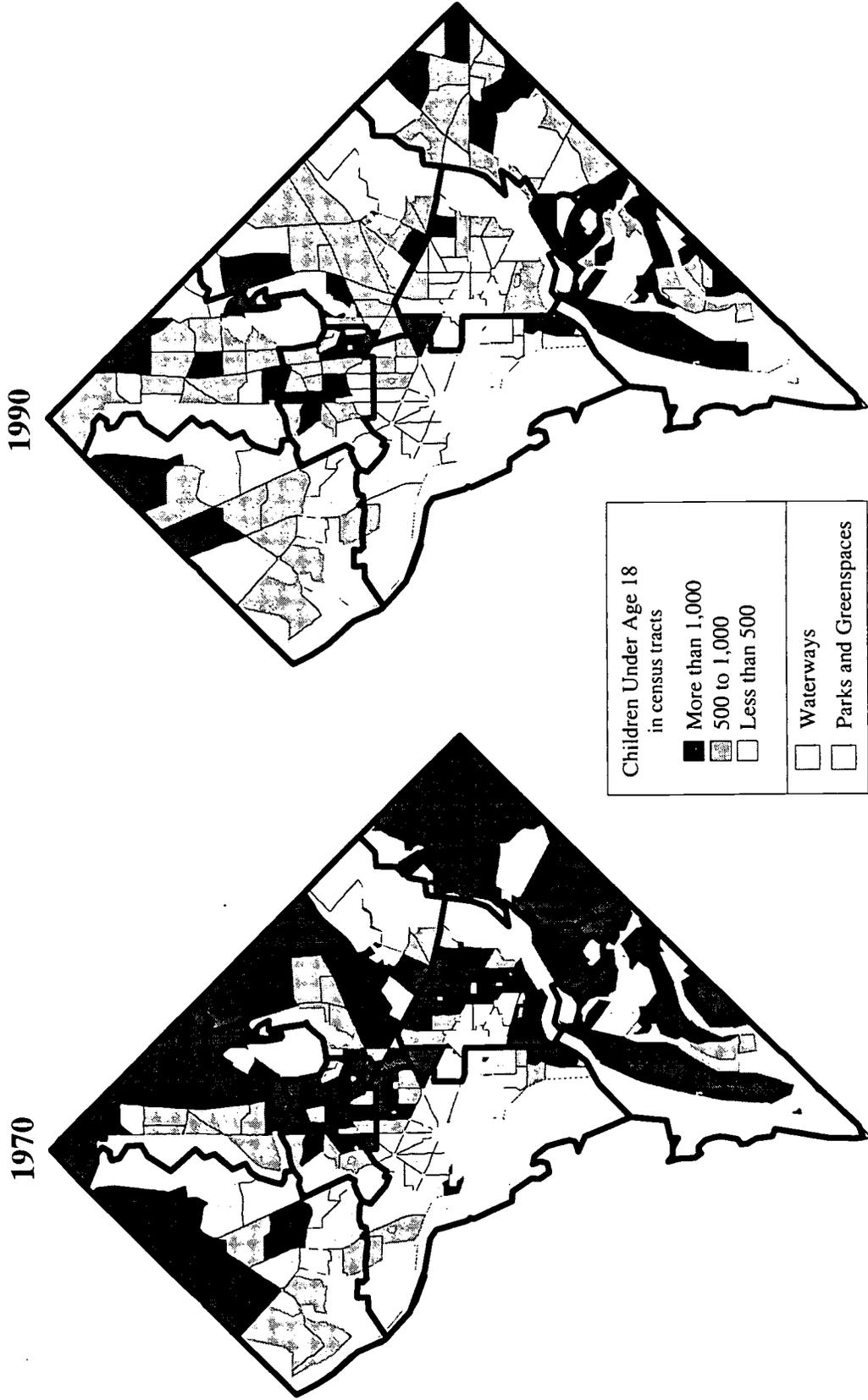
1970

1990

Children Under Age 18
in census tracts

■ More than 1,000
▨ 500 to 1,000
□ Less than 500

□ Waterways
□ Parks and Greenspaces

Source: The Urban Institute, based on data from the U.S. Bureau of the Census.
Note: Census tracts are roughly equivalent in population size.

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More children are being raised in single-parent homes—a factor that adds to the chances of being poor. As the number of families with children declined, the living arrangements of children also underwent an important change. In 1970, the two-parent family was the dominant family type. Today, it has been replaced by single mothers with children. More than half (54 percent) of all families with children in the District of Columbia are headed by a single mother. Except for Ward 3, single mothers raising their children is the dominant family pattern throughout the city (see table 2).

Table 2.
Percentage of Families with Children Headed by
Single Mothers by Ward, 1970-1990

Ward	Percentage	
	1970	1990
1	37	51
2	36	54
3	12	14
4	24	50
5	28	55
6	37	57
7	33	64
8	32	67
D.C.	31	54

Source: Urban Institute calculations based on U.S. Census data.

Being a single parent greatly increases the risk of living in poverty. In 1990 (the latest year data are available), a single mother with children in the District was five times more likely than a married couple with children to be poor—33 percent vs. 6 percent, respectively (Grier 1993, table W-5). The changing structure of households with children has been a contributing factor in the increase in child poverty in the District.

Raising a child alone is difficult for any parent. Single parents generally turn to a network of family, friends, or social service providers to find supportive services to assist

them. For employed parents, these services are essential. As more low-income women leave the welfare rolls for paid employment, the need for services to care for children, travel to jobs, or juggle the demands of work and family life is likely to intensify, placing new demands on the social support systems of many low-income neighborhoods.

The District's population is slowly aging and will pose an additional challenge for anti-poverty programs. While the well-being of the District's children is a critical concern, a quiet demographic transition is occurring that has important implications for service delivery programs. The District's population is aging. Both the number and share of older residents in the District are growing. Between 1970 and 1998, when the rest of the District's population was declining, the number of residents age 65 and older increased from 71,000 to 73,000. Older residents now account for 14 percent of the District's population, compared with 9 percent in 1970.

Wards 3 and 4 have the largest number of older residents, although Ward 3 actually has fewer seniors now than it did in 1970 (see figure 4). The most rapid growth in the senior population can be found in the Northeast quadrant of the city. Wards 5 and 7, for example, each added roughly 4,000 seniors to their populations over the 30-year period. These gains are remarkable given that each of these two wards, on average, had a net loss of about 34,000 residents during this time.

Because growth of the older population is occurring in some of the District's poorer neighborhoods, the aging of the population could add a new dimension to the work of anti-poverty programs in these neighborhoods (see figure 5). Service providers will be challenged to find ways of serving young children and their families, as well as an increasingly older population.

Figure 4. Half of the Wards in the District Have Had an Increase in the Number of Older Residents Since 1970
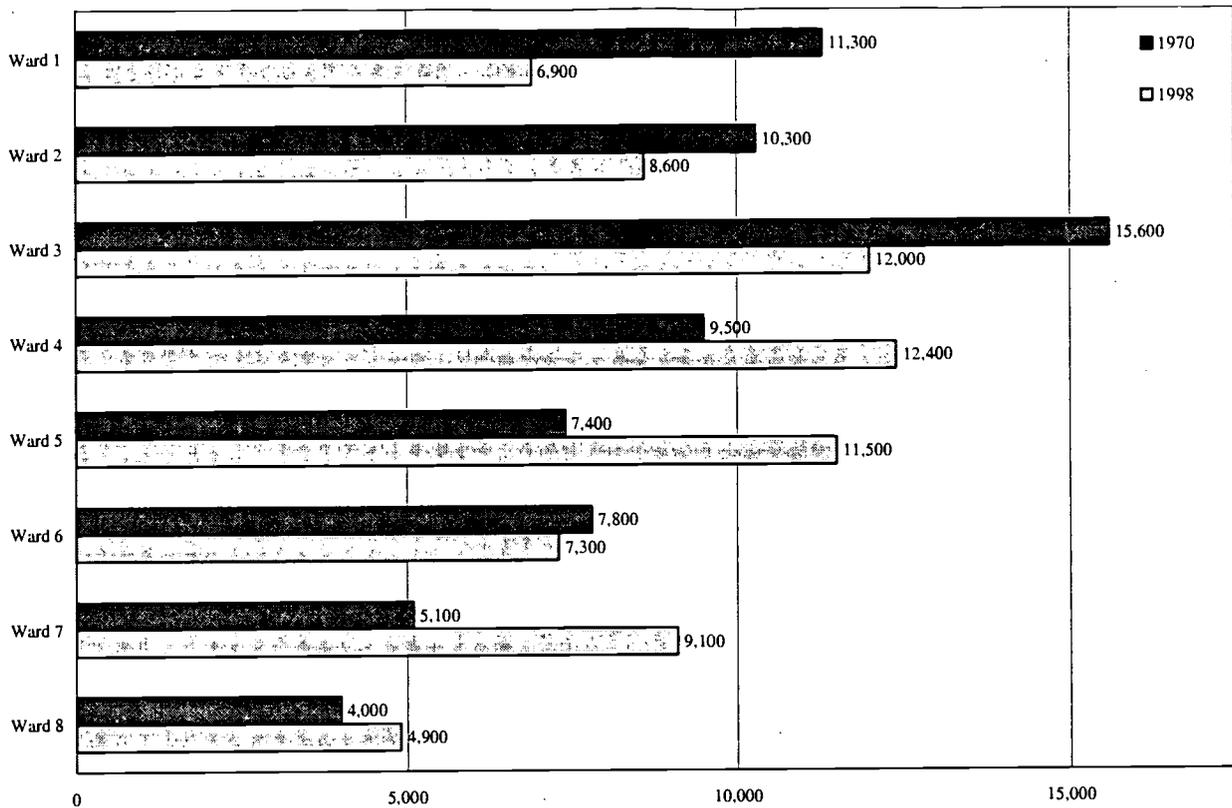
Source: The Urban Institute, based on data from the U.S. Bureau of the Census.

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Figure 5.
The District's Older Population Grew Between 1970 and 1990, Particularly in the Northeast Quadrant of the City
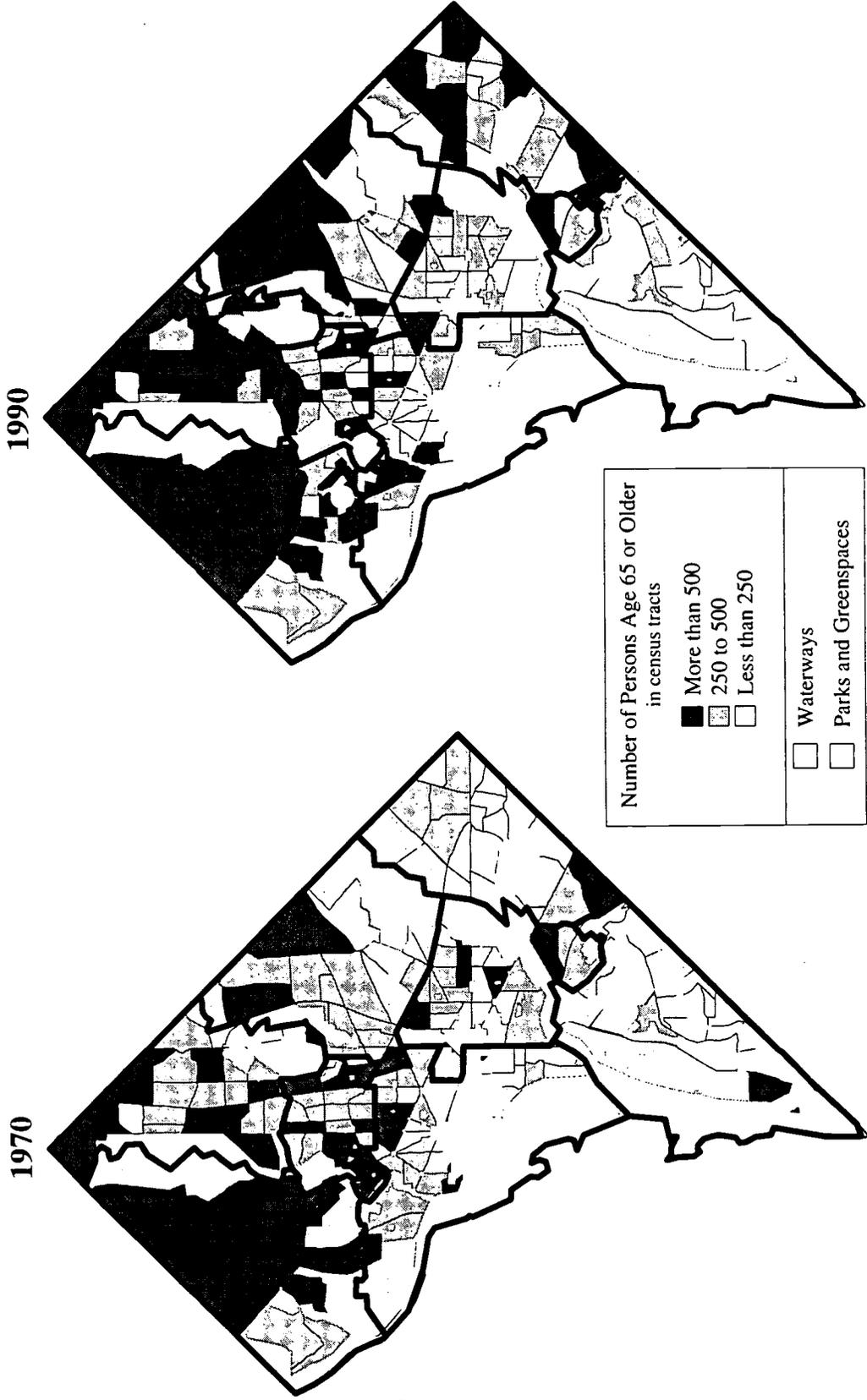
1970

1990

Number of Persons Age 65 or Older
in census tracts

■ More than 500
▨ 250 to 500
□ Less than 250

□ Waterways
□ Parks and Greenspaces

Source: The Urban Institute, based on data from the U.S. Bureau of the Census.
Note: Census tracts are roughly equivalent in population size.

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Poverty remains persistent and is more concentrated than in years past. The fight against poverty in the District of Columbia, as elsewhere, continues to be a struggle. While individual battles have been won, the war continues in new forms and on new terrain. Annual measures show the rise and fall of poverty as economic and demographic conditions change. Although the number of persons living in poverty is somewhat lower now than in 1980, the percentage of people in poverty has crept higher (see figure 6).

Figure 6.
The Number of People in Poverty Has Declined; Poverty Rate Has Increased in the District of Columbia, 1980-1998
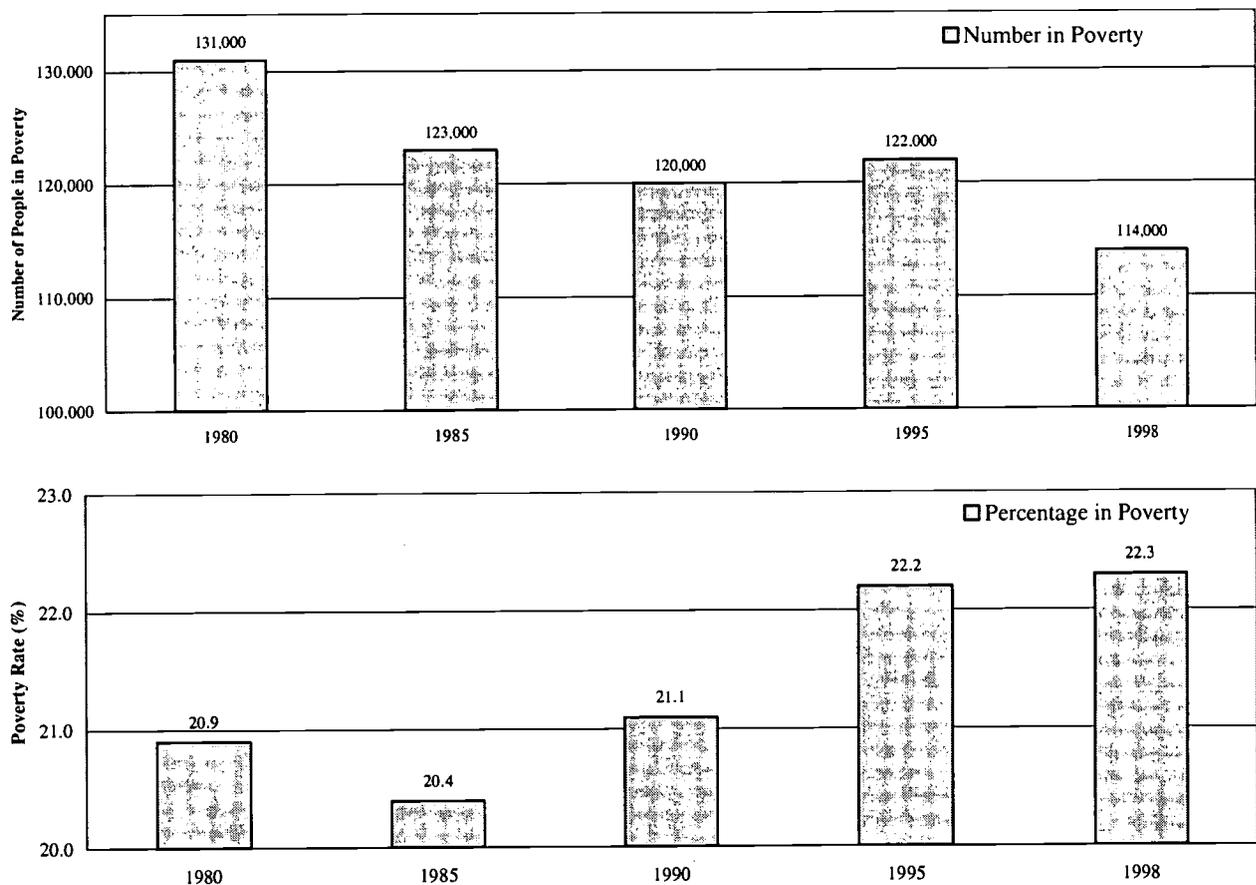
Source: The Urban Institute, based on data from the U.S. Bureau of the Census.

The poverty rate in the District hovered around 22 percent by 1998, indicating that about one in five residents was poor. These figures, however, mask the shifts in poverty that have redefined where poverty is located and the entrenched nature of the problem.

The battlefront in the fight against poverty has shifted terrain (see table 3). In 1970, the highest poverty rates were found in Wards 1, 2, and 6. More than one in five residents in each of these wards was poor and accounted for half of the District's poverty population. By 1990 (the latest data available for wards and neighborhoods), the highest levels of poverty were shifting to areas east of the Anacostia River. Ward 8 had the highest rate of poverty (28 percent), followed closely by Wards 2, 7, and 1. In Ward 8, alone, over 19,000 people were living in poverty—more than one in four residents.

Table 3.
Poverty in the District of Columbia by Ward, 1990

Ward	Number of People		Poverty Rate (%)	
	1970	1990	1970	1990
1	21,400	15,000	22.2	19.7
2	19,800	13,500	20.7	20.9
3	4,500	5,400	5.8	6.8
4	8,400	6,700	9.1	9.0
5	14,900	10,800	15.9	15.6
6	21,200	11,200	21.4	16.5
7	17,600	14,400	17.6	20.3
8	15,400	19,400	17.1	28.2
Total	123,100	96,300	16.5	16.9

Source: The Urban Institute, based on decennial census data.
Note: Numbers rounded to nearest hundred.

Not only was poverty shifting to new areas, it also was becoming concentrated in more parts of the city, particularly east of the river. Between 1970 and 1990, the number of census tracts where poverty was 30 percent or greater increased from 18 to 34 (see figure 7). In 1970, one-third of these tracts were in Wards 6, 7, and 8. By 1990, 70

Figure 7.
Between 1970 and 1990, Poverty Became More Concentrated in More Parts of the District

1970

1990

Percentage of Persons in Poverty
in census tracts

■ More than 30
▩ 10 to 30
□ Less than 10

□ Waterways
□ Parks and Greenspaces

Source: The Urban Institute, based on data from the U.S. Bureau of the Census.
Note: Census tracts are roughly equivalent in population size.

21

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percent of these high-poverty areas were located in these wards. While the overall poverty rate in D.C. might suggest that poverty levels have remained fairly constant over time, many pockets of poverty in the District became deeper. These deep pockets of poverty can sometimes erode away the support systems and resources that are available to a neighborhood, making it more difficult for individuals and families to escape the cycle of poverty.

Addressing Community Needs

UPO and other community-based nonprofit organizations have played an integral role in the fight against poverty over the years. They provide direct social services, information and referrals, and a political voice to the most disadvantaged members of the community. UPO's long tradition of working with community-based organizations underscores the importance of locally oriented nonprofit groups in helping people become self-sufficient and strengthening community resources.

As the demographics of the District change, it is important to take a fresh look at the number, types, and capacity of community-based organizations that address local needs. The strategic planning process that UPO is launching will take a closer look at the nonprofit human service and economic development groups that serve District residents and the resources that these groups command.

To investigate this issue, the Urban Institute developed a database of nonprofit human service providers in the District of Columbia and obtained socioeconomic and demographic measures of the District by census tract from the U.S. Bureau of the Census. Together, these two sources of information provide a starting point for looking at the

number and types of service providers in the District, the placement of services, and a rough measure of the capacity of these organizations to address the needs of the city's most vulnerable residents. A complete description of the data and research methodologies is provided in Appendix A.

Characteristics of D.C. Nonprofits

At first glance, the size and scope of the nonprofit sector in the District of Columbia are impressive. Approximately 6,500 nonprofit groups made the District of Columbia their home in 1997, including nonprofit health and education groups, human service providers, arts and cultural organizations, public interest groups, foundations, and more. The District has the highest density of nonprofit organizations in the United States—more than six times higher than the national average. In 1997, there was one nonprofit group for every 80 residents living in the District. Revenues of all these groups, combined, total more than $12 billion.

But this picture of the nonprofit sector in the nation's capital distorts the realities of the number of groups and resources available to city residents. Many nonprofit organizations have located their national or international headquarters in the District to be close to the nation's seat of power. They do not directly address the District's needs. A closer look at the data reveals a more modest picture of the nonprofit human service and economic development groups that serve District residents and the resources that these groups command. Three factors stand out that will help inform the UPO planning effort.

One-quarter of nonprofit organizations in the District of Columbia focus on local human service or economic development needs. Of the 6,500 nonprofit

percent of these high-poverty areas were located in these wards. While the overall poverty rate in D.C. might suggest that poverty levels have remained fairly constant over time, many pockets of poverty in the District became deeper. These deep pockets of poverty can sometimes erode away the support systems and resources that are available to a neighborhood, making it more difficult for individuals and families to escape the cycle of poverty.

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One-quarter of nonprofit organizations in the District of Columbia focus on local human service or economic development needs. Of the 6,500 nonprofit

organizations located in the District, about 30 percent (or roughly 1,900 groups) provide a vast array of human services and economic development programs, such as health, education, employment and training, youth development, child care, elder care, family services, housing assistance, emergency assistance, community improvement services, and more. About 15 percent of these groups are national and international headquarters, not community-based organizations. The number of locally oriented D.C. nonprofit human service and economic development groups totals about 1,650 groups—approximately one-quarter of all nonprofit organizations in the city. These groups serve a cross-section of residents. Some work in low-income neighborhoods, but the majority are found in middle- and higher-income areas.

The typical nonprofit agency that provides human or economic development services in the District is small. The budgets of nonprofit organizations vary considerably in size. For example, some child care providers operate on fairly small budgets, while housing assistance programs may have multi million-dollar budgets that reflect the capital investments needed for this type of program. Providing a picture of the "typical" nonprofit organization is therefore difficult, but the analysis shows that locally oriented nonprofit groups are significantly smaller than other types of nonprofit organizations in the District (see table 4).

Table 4.
Financial Characteristics of Nonprofit Organizations in District of Columbia, 1996

Financial Measures	All Nonprofits	D.C. Human Services	Other Types
Median Value	$	$	$
Revenues	408,000	202,000	472,000
Expenditures	365,000	187,000	422,000
Assets	251,000	146,000	298,000

Source: The Urban Institute, based on IRS data.
Note: Values rounded to nearest $1,000.

Median revenues and expenditures of D.C. community-based groups are half the size of other nonprofits in the District—roughly $200,000 compared with over $400,000. Assets are somewhat lower ($146,000 vs. $298,000, respectively) but still show the same picture of relatively modest financial holdings.

Many nonprofit service providers are not located in the areas of greatest need. Siting services in poverty neighborhoods often gives residents easier access to services and a voice in how to address their needs. A spatial analysis of nonprofit human service providers and economic development organizations in the District found that many of the groups cluster in three areas: the downtown business district, Capitol Hill, and the 16th Street corridor. Less than one-fifth (18 percent) of these nonprofit providers are physically located in areas where poverty is most entrenched, that is, where poverty is 30 percent or higher.

There is no single or simple explanation of how these spatial patterns developed. Some nonprofit organizations simply do not serve the poor. Child care services, for example, are needed by working parents of all socioeconomic backgrounds and are found in many middle-income neighborhoods. Many child care providers are located in the downtown sections of the city, near to where parents work. Some nonprofit groups reach low-income residents through mobile services or satellite offices—a factor that cannot be easily mapped. Other reasons for the potential mismatch include zoning regulations, access to available and affordable office space, issues of safety, and perhaps the desire to be close to potential sources of funding.

The relative scarcity of nonprofit providers in high-poverty areas is not unique to the District, however. An analysis of the 85 largest metropolitan areas in the United

States revealed a much greater density of nonprofits in more affluent neighborhoods than in lower-income areas (Wolpert 1996).

Anti-poverty Program Areas

UPO identified four program areas that are key to anti-poverty efforts in the District: services to children, youth, and families; community development; community empowerment; and work force development. Together, they form the core program areas that help reduce poverty and increase self-sufficiency for individuals and improve and strengthen the neighborhoods of the city. These categories are not mutually exclusive, however. Organizations that provide work force training, for example, are directly or indirectly helping children and families. Community empowerment groups that work with Latinos, youth, or welfare mothers, for example, may directly or indirectly address issues of work, family life, or community safety. Because of this overlap, organizations may be counted in more than one of the program areas outlined below.

Children, Youth, and Families. Over 1,000 organizations, or nearly two of every three D.C. human service providers, focus on children, youth, and families. These groups cut across all income levels and cover a wide range of services, such as child care centers, Boys and Girls Clubs, youth development programs, senior centers, hot lines and crisis intervention, substance abuse programs, family counseling centers, food banks, food pantries, homeless shelters, and more. Nonprofit providers may be small and independent groups or affiliated with larger programs, such as UPO Head Start, the Urban League, or the Salvation Army.

Figure 8. Location of Nonprofit Children, Youth and Family Providers and Community Development Organizations in the District of Columbia, 1998
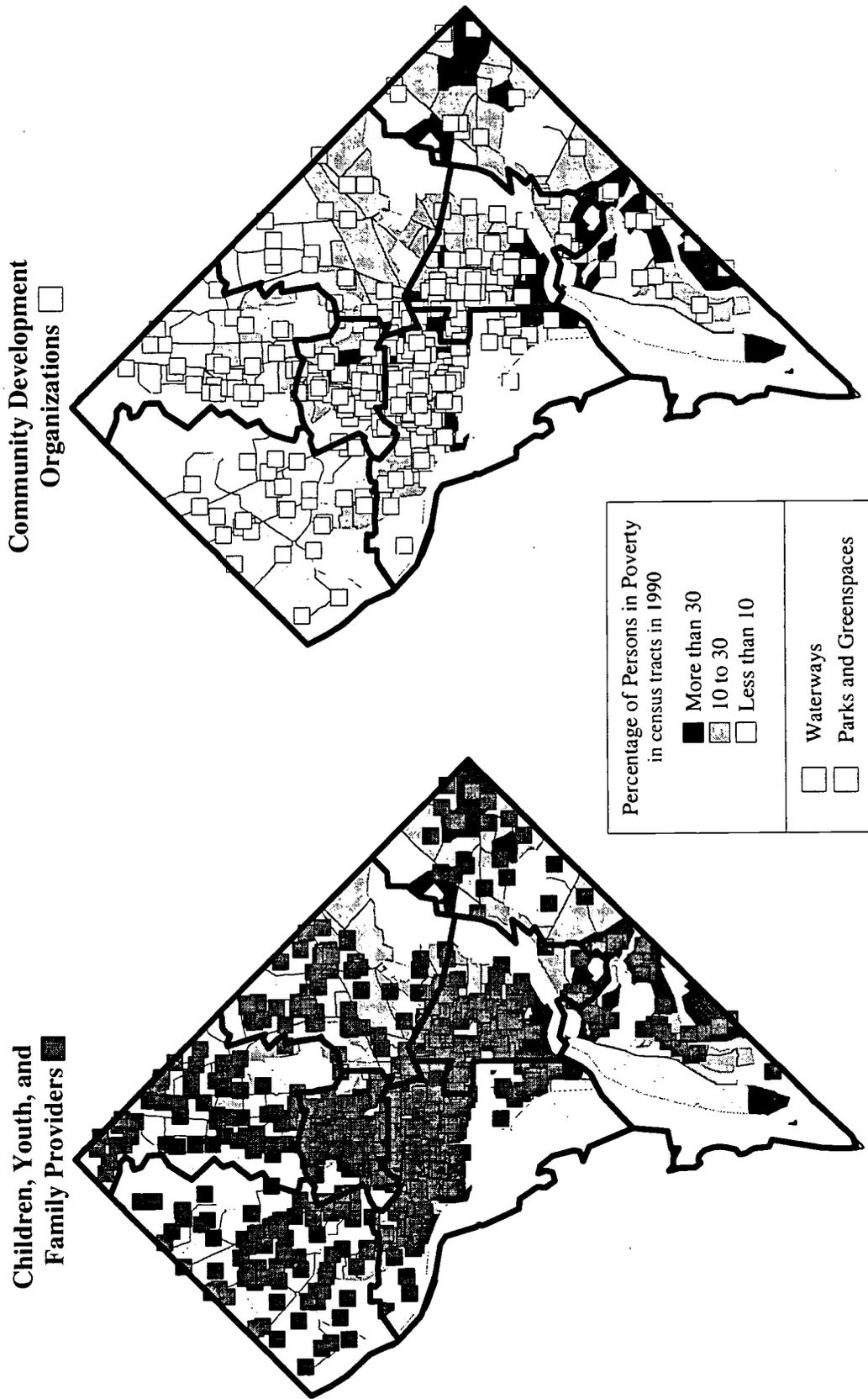
Children, Youth, and
Family Providers ▣

Community Development
Organizations ▢

Percentage of Persons in Poverty
in census tracts in 1990

■ More than 30
▨ 10 to 30
▢ Less than 10

▢ Waterways
▢ Parks and Greenspaces

Source: The Urban Institute, based on data from the U.S. Bureau of the Census.
Note: Census tracts are roughly equivalent in population size.

30

31

These programs are essential elements for building better lives for all residents in the city. As figure 8 shows, nonprofit organizations that focus on children, youth, and family services are located widely across the city in upper- and lower-income neighborhoods. Nearly half of these organizations (45 percent) are located in Ward 2, with many clustered in the downtown section of the city. Some of these organizations may be administrative headquarters of nonprofit organizations that find the downtown location convenient for conducting their business activities. Other organizations may provide services directly on-site. Direct service provision enables people who work in the downtown area to access services before, after, or during their working hours, but it is less convenient for individuals who are employed elsewhere or have difficulty traveling to this part of town.

Wards 7 and 8 have the fewest nonprofit children, youth, and family organizations physically located in their boundaries. Sixty-six organizations (6 percent of the total) are located in these wards. Although some local service needs may be met by mobile units or satellite offices that cannot be mapped with these data, the data suggest that these wards are relatively underserved. Combined, Wards 7 and 8 account for more than one in three children in the District (36,400 children), many of whom are poor. On a per capita basis, there is one nonprofit children, youth, and family provider for every 550 children, compared with one provider for every 80 children in Ward 3. Per capita measures are very simplistic indicators of the availability of services, and additional information is needed to better assess the relationship between service needs and service capacity. These measures provide a starting point, however, for identifying neighborhoods where residents may have fewer formal and locally based resources to turn to for help.

The typical children, youth, and family nonprofit operates on a relatively small budget. Median revenues are roughly $229,000 and median expenditures are just under $200,000 (see table 5). Median assets of these organizations are $124,000—the smallest asset base of the four strategic areas under review.

Table 5.
Financial Characteristics of D.C. Nonprofit Providers by Program Area, 1996

Financial Measures	Children, Youth, & Families	Community Development	Community Empowerment	Work Force Development
Median Value	$	$	$	$
Revenues	229,000	202,000	311,000	165,000
Expenditures	199,000	208,000	260,000	110,000
Assets	124,000	350,000	239,000	146,000

Source: The Urban Institute, based on IRS data.
Note: Values rounded to nearest $1,000.

Community Development. Community development programs have long been a key component of the anti-poverty movement. Nonprofits that engage in this activity tend to focus on broad economic, cultural, or structural issues that strengthen and undergird neighborhoods. About 500 locally oriented nonprofit groups in D.C. work in the community development field. This program area includes groups that focus on public housing facilities, housing development, housing rehabilitation, homeowners and tenants associations, cooperatives, community coalitions, business and industry councils, economic development, neighborhood improvement, and more.

Geographically, many of the community development groups cluster in Ward 2 and the downtown area. As indicated above, the reasons for this pattern are not clear, but perhaps the need to work closely with business, government, and other nonprofit groups to create partnerships is a factor in determining where groups site their programs. As figure 8 shows, some census tracts with high poverty rates are home to community

development organizations. About 17 percent of these organizations are located in high-poverty areas.

One of the most highly visible and successful community development organizations in the District is the Marshall Heights Community Development Organization (MHCDO). It began 20 years ago and has grown to a staff of 65 persons, a service area covering all of Ward 7, and an asset base of $8.7 million. A UPO delegate agency, MHCDO works in collaboration with many local and citywide groups in developing both human service and economic development programs. In recent years, it was instrumental in bringing a seven-store mini-mall with a large chain grocery store to the Marshall Heights neighborhood.

The size and capacity of MHCDO stand in sharp contrast to many other community development groups in the District that operate on far fewer resources. The typical community development organization has median revenues and expenditures of about $200,000 and assets of around $350,000 (see table 5). The challenge of these smaller groups will be to leverage their resources through partnerships and collaborations to expand the resources of their local neighborhoods and effect change.

Community Empowerment. Community empowerment is at the very roots of anti-poverty strategies to help poor people gain self-sufficiency and be heard in the political process. About 15 percent of all D.C. human service providers (about 250 groups) define community empowerment as their primary service activity. Many more organizations engage in this activity indirectly. For this study, community empowerment organizations are defined as civic, neighborhood, and block associations; community coalitions; legal services; voter education and registration; service clubs; and similar

organizations. Like other types of nonprofit groups, these organizations follow the pattern of downtown clustering, but roughly one in five community empowerment groups are located in the poorest census tracts of the District (see figure 9).

From its start, UPO has been in the forefront of working toward the empowerment of D.C. residents in the political process as mandated by the Economic Opportunity Act of 1964. Although budgets for many of these groups were (and continue to be) relatively small (see table 5), their achievements have been important for local residents. Among the early successes was the work of CHANGE (the Cardozo Heights Association for Neighborhood Growth and Enrichment), one of the first UPO delegate agencies. In 1969, CHANGE successfully mobilized citizen action on a broad range of issues. It helped to obtain a stop light at a dangerous intersection, persuaded a local school to provide evening English classes for Spanish-speaking residents, and received a $17 million grant from the Office of Economic Opportunity for a model health care program in the community. Today, the legacy of citizen participation continues as neighborhood groups work in the Columbia Heights area to shape economic development plans, respond to the mayor's Neighborhood Action initiative, and work to ensure a complete count in the 2000 Census.

Work Force Development. Perhaps the most specialized of the four categories is work force development. Approximately 220 nonprofit human service providers in the District assist adults to develop their skills and compete in today's job market. These nonprofit providers include job and vocational training centers; vocational guidance, counseling, and testing centers; adult education providers; employment procurement assistance; UPO's Bridges to Work Program; Goodwill Industries; the Urban League;

Figure 9. Location of Nonprofit Community Empowerment and Work Force Development Organizations in the District of Columbia, 1998

Community Empowerment Organizations ■

Work Force Development Organizations ☐

Percentage of Persons in Poverty
in Census Tracts in 1990

■ More than 30
▨ 10 to 30
☐ Less than 10

☐ Waterways
☐ Parks and Greenspaces

36

37
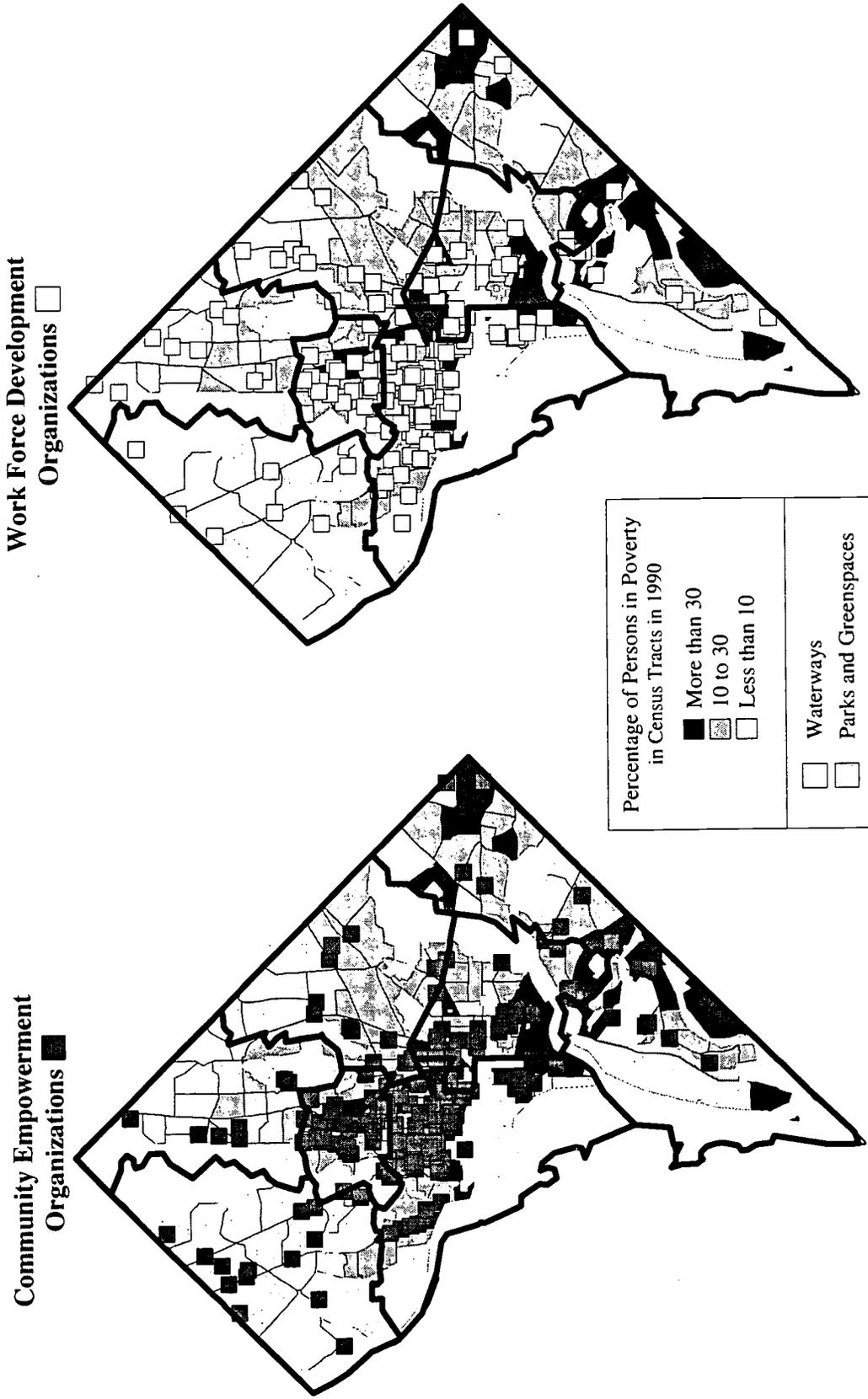
and more. In recent years, for-profit providers also have entered this service area, particularly in response to welfare reform initiatives. Their services are not depicted on the map in figure 9.

About half (52 percent) of the nonprofit organizations that focus on work force development issues are sited in Ward 2, which includes the downtown business district. Only a few groups are physically located in Wards 7 and 8, where poverty and unemployment rates are high. Traveling between home and a service provider can sometimes be difficult for low-income people, especially those who rely on public transportation. Access to services—both in terms of geographic location and hours of operation—is a critical issue in planning service delivery systems for the future.

Agencies on the Front Line

Understanding the spatial concentration of poverty and location of human service providers in the District is an essential piece of the strategic planning process. But it is equally important to understand the historical beginnings and ongoing challenges that community-based organizations experience in addressing the needs of low-income people in the District.

Five UPO delegate agencies were selected to demonstrate the broad range of services provided under the UPO umbrella and illustrate the different ways in which nonprofit groups serve the needs of low-income residents. Two organizations—CHANGE, Inc., and Early Childhood Development Center #1—have been working in the District for many years. Their programs have evolved over time but retain the core values of helping individuals and families while building the community and empowering local residents.

The other three organizations—Anacostia Community Service Center, Washington Elderly Handicapped Transportation Service (WEHTS), and Bright Beginnings—are examples of how agencies arise to meet new needs. These five case studies, drawn largely from interviews with key informants in each organization, provide important insights into the strategies used by human service and economic development organizations in effecting change and the unique contributions that these agencies have made to low-income residents of the District.

CHANGE, Inc. (Cardozo Heights Association for Neighborhood Growth and Enrichment)

From its beginnings in the mid-1960s, CHANGE, Inc., has listened to local residents, assessed their needs, and worked to obtain the types of services that help to strengthen individuals, families, and the community at large. The agency was initially led by three social workers who came together to establish the first neighborhood advisory group and create the UPO Neighborhood Development Center #3. Later, the local advisory board moved to establish a separately incorporated nonprofit neighborhood corporation under the name CHANGE, Inc. This new agency was headed by Ruth Webster, a strong advocate for education and health.

Because the idea of community empowerment was considered a new and highly controversial approach for addressing the needs of low-income people in the mid-1960s, CHANGE formed strong coalitions with the few other agencies addressing poverty issues: United Neighbors, University Neighborhood Council, St. Stephen's Church, and Pleasant

Plains. This provided a network of support and a way in which to share ideas and gain strength in numbers.

In the first year, the advisory board met as often as possible, by some accounts nightly, in an effort to create an institutional structure and identify which neighborhood needs they would address. Among the first tasks was the recruitment of neighborhood residents for community outreach. Gracie Rolling, the current executive director of CHANGE, was among the first residents identified in this initial community search. She and 12 other residents were selected from a pool of 700 applicants for community outreach work. Much of the early work involved grassroots information gathering and research to identify the range and depth of community needs. For months, outreach workers scoured the neighborhoods, talking to individuals in their homes, on the streets, and in local businesses.

One of the early campaigns for CHANGE was to improve access to health facilities for neighborhood residents. In 1965, the only health facility immediately accessible to the community was Freedman's Hospital. However, the hospital had a difficult relationship with the community and was ill equipped to meet community needs. In response to community calls for action, CHANGE conducted a community survey to document local health needs and initiated a health issues advisory council that embarked on a two-year community health planning process. At the end of the planning phase, CHANGE received a $17 million federal grant for the construction of a community health center—now named Upper Cardozo Community Health Center.

The process of developing new programs and then spinning them off into separately incorporated agencies is characteristic of the way CHANGE operates. A variety

of programs had their beginnings within the agency and reflect the long-standing philosophy of CHANGE. According to Ms. Rolling, "... remaining a resource poor agency is part of our philosophy. We are not here to build a large and powerful agency for its own sake. CHANGE creates new programs and empowers community members. We have kept our course."

There were a number of moments in the agency's history when the organization could have narrowed its scope of services to a particular program area. The federal support that CHANGE received for the Upper Cardozo Community Health Center would have been an opportunity to concentrate its efforts on health services. Similarly, support for the large-scale Columbia Heights Village project might have tempted some organizations to focus their work on housing and community development. Despite these opportunities to concentrate work in discrete program areas, CHANGE continues to develop new and broad-reaching services.

In the 1970s, for example, CHANGE worked with the District of Columbia government to operate an adult day treatment program for mentally ill persons transferred from St. Elizabeths Hospital. It also worked with Howard University to conduct family planning workshops for junior and senior high school students. As the surrounding neighborhood changed racially and ethnically, CHANGE worked to target programs toward non-English-speaking residents.

Today, CHANGE meets community needs with a dedicated staff of nine, four of whom have served the agency for over 20 years. Despite the changes that have taken place in the District and the neighborhood, Ms. Rolling holds fast to the philosophy of the agency: "We have never had a huge budget, but then again a large budget is not

consistent with the fundamental goals of this organization. As we move to a new approach of implementing case management with a focus on making the entire family productive, our general strategy remains. Just like in the early days, CHANGE looks to the need of the community as a whole. Our daily work focuses our efforts on one family at a time." In FY 1999, CHANGE reports that it provided services to nearly 4,000 customers.

Early Childhood Development Center #1 (ECDC #1)

Started under the Model Cities program in 1971, ECDC #1 has always emphasized quality and innovative educational opportunities for children. It offers a Head Start program, infant care, extended day care, and after-school care. ECDC #1 has been providing services at its current location (1288 Upshur Street, NW) for the past 19 years.

Despite fluctuation in federal Head Start funding, the agency has held to its commitment of providing comprehensive educational services to area children and families. In conjunction with its Head Start services, the agency conducts family needs assessments and home visits, educates parents in parenting techniques and early childhood education issues, and involves them in agency planning. As with other UPO agencies, ECDC #1 parents become integrated into the daily work of the agency through volunteer activity and, on occasion, by joining the staff.

Always looking for new and innovative opportunities to improve its program, ECDC #1 has established a network of relationships with other early childhood centers both within and outside the UPO family. Recently, ECDC #1 participated in a mentorship program that paired the agency with an accredited child care center at the U.S. Department of Transportation. The formal mentorship program lasted two years and,

according to Naomi Banks, the ECDC #1 director, was instrumental in guiding ECDC #1 through its own accreditation process. ECDC #1 now serves as a resource for other UPO early childhood centers that are seeking accreditation.

Future plans for the agency include securing funding for the procurement of computers for the center's administration and for the children in the classrooms. Ms. Banks also hopes to boost administrative support and build stronger interagency communication networks through the use of new forms of information technology. Currently, ECDC #1 serves 94 children within 8 classrooms using a staff of 18.

Anacostia Community Service Center

The Anacostia Community Service Center (ACSC) has been UPO's principal Community Service Block Grant (CSBG) agency in the Anacostia community since the closing of Southeast Neighborhood House in 1991. Initially designed as a temporary agency to continue CSBG services, ACSC flowered into an important comprehensive service center for the community. Indeed, the early programs for ACSC seemed to hit the ground running; with the agency meeting its six-month service delivery projections in the first quarter of operations.

The early programs involved literacy education, employment, crisis intervention, and emergency services. From the very beginning, the ACSC used its service delivery as a tool to gather information about community needs. Shirley Price, ACSC branch chief expressed the method in the following way: "We didn't just give them a loaf of bread. We took them in and often we helped people by addressing needs that they didn't even

come in for. They, in turn, helped us to find other people. They helped us to help others because they knew what the community needs were."

Early on, ACSC made its presence known in the community and was recognized by other agencies for its comprehensive and holistic style of service delivery. For example, the D.C. Department of Human Services' (DHS) Service Center in Anacostia established a policy that in order to receive emergency services from DHS, residents had to attend ACSC financial counseling courses. In this way, ACSC worked hand-in-hand with government programs and neighborhood agencies to provide a broad base of support for community residents. Other community partners include A Real Chance (ARCH), which is a program of the D.C. Department of Human Services, and area churches.

In 1993, ACSC underwent a period of rapid growth after being awarded a contract to implement a unique Woman, Infants, and Children (WIC) program. ACSC was the only grantee in the District in a nonclinical setting. This program allowed the agency to match its other poverty-related programs with the provision of WIC services. According to Ms. Price, "It was a good marriage for the two programs. Since we served the same population, it gave us the opportunity to provide our other programs and services, like housing assistance and clothing, to WIC families." As with other ACSC programs, enrollment in the WIC program grew rapidly. In FY 1999, 837 customers were served.

The most recent programmatic addition to the host of ACSC services is the local distribution for Federal Emergency Management Agency (FEMA) funds. In 1996, ACSC was awarded FEMA monies to establish local emergency services relief. After a needs assessment, the agency decided to use the funds to give families direct financial support for emergency utility, rent, and mortgage assistance.

Currently, ACSC programs include the Share Program, CSBG services, a community computer center, emergency food and nutrition, food distribution from the National Capital Area Food Bank, and the USDA commodities program. The new ACSC community service center, currently being built on the 1600 block of Good Hope Road, SE, will allow the agency to substantially broaden its already long list of services.

Washington Elderly Handicapped Transportation Service (WEHTS)

The WEHTS program began operations in 1982 and grew out of a need to fill a service void for the District's growing population of older residents. The program was the result of a collaboration between UPO's transportation services and D.C.'s Office on Aging.

With an initial fleet of 12 vehicles, the pilot program was initially established to assist low-income seniors who were ineligible for Medicaid transportation assistance but were unable to pay for transportation expenses incurred for doctor's appointments and other essential service visits. The program quickly expanded as it became clear that a much wider range of seniors would benefit from door-to-door transport services.

In the early days of the program, the principal transportation routes were from an older resident's home to doctors' offices and two senior day care facilities. Over time, additional services were added. In 1983, the program began delivering meals for homebound seniors. Currently, a staff of 10 drivers and 10 food service aides deliver over 800 meals a day, five days a week. In 1984, the program began providing transportation services for day trips for D.C. senior centers and local church groups. Most recently, the program has added a Call-N-Ride program, open to any senior in the District.

Under the administration of Lester Wynn, the program has seen both tremendous growth in the volume of transportation services and significant change in the way those services are administered. Behind the scenes, WEHTS staff have radically altered the day-to-day work of the agency. These changes range from establishing contractual agreements for vehicle maintenance and gasoline to complete automation of the transportation scheduling and administrative record keeping. The former has allowed the program to prepare budgets and basic financial reports more easily, quickly, and accurately. The latter has fundamentally changed daily work procedures by converting a pencil-and-paper scheduling process to a database system that automates pick-up and drop-off scheduling, manages client records, and stores program statistics.

Bright Beginnings

The Bright Beginnings program is one of the newest human service programs in the UPO network. Its mission is to serve the needs of young, homeless children—an at-risk population group that began to emerge into public view in the mid-1980s. The work of Bright Beginnings on behalf of the youngest D.C. residents exemplifies the continuing spirit of the earliest anti-poverty efforts.

In 1987, the Junior League of Washington, as one of the original partners of Washington's Coalition for the Homeless, embarked on a needs assessment of services for homeless persons and families in the District. The League was interested in identifying gaps in service and potential areas for direct service provision. Aside from the immediate need for additional shelter space, the assessment identified an acute need for

early childhood services for homeless children, a population in substantial risk of suffering developmental delays.

Once it was agreed that helping homeless children would be its next area of work, the League turned to raising funds for service delivery. In conjunction with Conserve and House of Ruth, two community-based nonprofits in the District, the League was awarded a three-year $200,000 grant to create an early childhood demonstration project. After a long planning process and years of preparation, Bright Beginnings opened its doors in 1991 to 24 children at 901 Rhode Island Avenue, NW.

In 1992, when the agency was looking to secure additional funding, Bright Beginnings sought and obtained funding directly from the U.S. Department of Health and Human Services (USDHHS) Head Start Program. The grant for $600,000 for a three-year period was specifically earmarked for new and innovative Head Start pilot projects. Bright Beginnings was one of 16 programs in the nation to receive this funding. At the end of the demonstration period, members of the Bright Beginnings board were successful in getting legislation passed to elevate the program to regular Head Start funding. As a result of these efforts, each of the 16 initial pilot Head Starts received funding in 1996 as a fully sponsored USDHHS Head Start Program.

Continuing to see real need in the community, Bright Beginnings began offering infant care services for the first time after its move to the Perry School in December 1998. The agency changed as a result. Administrators soon found that caring for younger children was a much more expensive endeavor than the per pupil expenditures incurred through the Head Start program. Infant care involved a host of new cost and care issues. Whereas Head Start allows approximately $6,000 per child, infant care is typically

estimated at $9,000. In addition to basic cost considerations, there are logistical challenges as well. Diets, feeding, and sleep schedules vary considerably from child to child, requiring greater staff and agency resources.

To meet the extensive needs of the homeless children and families that they serve, Bright Beginnings has teamed up with a variety of agencies to provide more comprehensive services. In addition to direct working relationships with other agencies within the Perry Center, Bright Beginnings has enlisted Georgetown University's Early Childhood Development Center to provide developmental assessments for the children every six months. The Georgetown Center also assists with the provision of speech and language, occupational, and play therapy. Bright Beginnings also works closely with therapeutic nurseries and has established partnerships with area dental and eye care specialists for the provision of those services to the Bright Beginnings families. Other interagency collaborations include coordinated case management with the primary case managers at the families' respective shelters. The Bright Beginnings family currently consists of 92 children—34 of whom are enrolled in Head Start and 58 who range in age from 6 weeks to 3 years old.

Building a Strategic Plan

The work of the UPO delegate agencies, highlighted above, demonstrates the many ways in which local nonprofit human service providers often go beyond the simple provision of goods and services to build capacity and strengthen individuals, families, and neighborhoods. By helping people who fall outside the scope of traditional human service programs, these community-based organizations focus attention on some of the District's

poorest and most vulnerable residents, often at times when few other agencies, philanthropic groups, or public officials are aware of or ready to recognize their needs. These vignettes and the other information presented in this report suggest at least three lessons that can help frame and inform UPO's strategic planning process.

1. Community needs change. The demographic profile of people and poverty in the District of Columbia highlights the simple truth that nothing stays the same. The socioeconomic and demographic profile of the District has changed over the past 35 years, and a new plan to address the issue of poverty in the District must take these changes into account. Poverty persists, and deep pockets of poverty have become more numerous and geographically scattered. The demographic groups most at-risk of being poor also have changed. Children now have the highest rates of poverty in the District. As in the past, UPO will want to identify unserved or underserved groups that not only have unmet service needs but also lack an effective voice in the political process.

2. Community residents are a vital source of information. UPO has a long tradition and commitment to working with and empowering community residents. Listening to local residents to hear their needs and concerns has been a key element in the success of many UPO delegate agencies and programs. Sometimes this has been achieved through formal surveys or needs assessment studies. At other times, data collection has been accomplished through focus groups, public forums, or informal talks with residents. In developing a strategic plan, UPO will want to identify the ways in which community-based programs reach out to and interact with local residents. The siting of services directly in poor neighborhoods and the development of effective outreach strategies are factors that can help build community capacity and empower local residents.

3. Managing change is essential. As the five case studies demonstrate, successful programs have been innovative and risk-taking. Community-based programs must remake themselves periodically in order to provide services that are relevant to their communities. Sometimes this means beginning new programs; sometimes it means finding new ways to deliver old programs. Bright Beginnings, for example, added infant care to better serve its population. WEHTS, on the other hand, fundamentally restructured its office procedures through the use of computers, and ECDC #1 fine-tuned its practices to meet the challenges of accreditation. Each of these proactive examples was designed to manage change and increase the effectiveness of service delivery.

In preparing for the future, the lessons learned from the past 35 years of anti-poverty work serve as important stepping-stones into the new millennium. In taking the next steps, UPO will want to not only build on its past expertise but also envision a future that expands community capacity and empowers local residents. The information presented in this report provides a good starting point for developing a new blueprint to address poverty in the District of Columbia.

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Appendix A. Research Methodology

The statistical information used in this report was compiled from a number of sources. A brief description of the data and research methodologies used in writing the report is provided below.

Data Sources
Two primary types of data were used to analyze poverty in the District of Columbia and the presence of community-based nonprofit resources.

Sociodemographic and Economic Data. These data were obtained from the U.S. Bureau of the Census and the D.C. Office of Planning and Evaluation. The decennial census is the most complete (and sometimes the only) source of data for examining sociodemographic and economic features of small geographic areas. These data were used to construct maps that reflect a variety of sociodemographic and economic indicators at the census tract level.

Organizational Data. The National Center for Charitable Statistics (NCCS) at the Urban Institute is a repository for data on tax-exempt nonprofit organizations collected by the U.S. Internal Revenue Service (IRS). These data were used to create a database of nonprofit community-based organizations in the District of Columbia. A description of the methodology used to create the database follows.

Database Construction
The starting point for creating a D.C. database on nonprofit organizations was the 1997 Business Master File (BMF) and the Form 990 Return Transaction Files (RTF) of the U.S. Internal Revenue Service (IRS). These are the primary sources of data on nonprofit organizations in the United States. The BMF contains information on all nonprofit organizations that have received tax-exempt status from the IRS. The RTF provides annual data on organizations that file information returns (Forms 990) with the IRS.

Supplementing the IRS Database. The BMF and RTF do not provide a complete listing of nonprofit organizations, however. Some nonprofit groups, such as religious congregations, are exempt from obtaining IRS recognition of their tax-exempt status, and small organizations with annual revenues of less than $25,000 are not required to file Forms 990. Because the primary focus of the study was on secular community-based groups, religious congregations were not added to the database for this analysis.

To supplement the IRS data for smaller organizations, the Urban Institute compiled and verified lists of D.C. nonprofit organizations obtained from a variety of community groups and local governmental agencies. Approximately 30 lists were collected, including lists of local resident associations, Hispanic and Asian organizations, grantees of local foundations and the United Way, Head Start grantees, and organizations exempt from D.C. property tax. After the local lists and IRS data were merged and checked for duplication and consistency, the resulting database contained 6,992 nonprofit

organizations. Nearly 8 percent of the data set, or 536 groups, were added from the lists acquired by the Urban Institute staff.

Coding Organizations for Primary Activity. Using the National Taxonomy of Exempt Entities (NTEE), all nonprofit groups were classified by the organization's primary activity.[1] Organizations were then assigned to the four program areas identified by UPO as key to anti-poverty efforts in the District—namely, services for children, youth, and families; community development; community empowerment; and work force development—or were placed in a residual (out-of-scope) category. The four program areas are not mutually exclusive, so that an organization might appear in more than one area. An overview of all nonprofits in the District of Columbia is provided in section two of the report, followed by a detailed analysis of the four program areas.

Deletion of National and International Organizations. Because the District of Columbia contains many national and international nonprofit organizations, the four program areas were reviewed to identify organizations that primarily focus their activities on District residents. Organizations that were identified as national or international in scope were omitted from the financial analysis and the maps. The remaining groups are regarded as community-based human service and economic development organizations that target their services and resources to residents of the District of Columbia.

Assignment of Geographic Coordinates. In order to examine the relationship between pockets of poverty in the District of Columbia and the location of community-based human service providers and economic development organizations, the database was prepared for geographic mapping. Working from street addresses, each organization was "geocoded" (that is, it was assigned a longitude and latitude code) through a computer software mapping program. This procedure allows us to plot the location of service providers on the maps that are presented in this report.

Financial Data on D.C. Nonprofit Organizations. The Return Transaction File (RTF) represents the accumulation of all returns filed by nonprofit organizations with the IRS during a calendar year. In most cases, the financial information on the return refers to the organization's financial status in the previous year—that is, a return filed in 1997 generally contains information on 1996 finances. Because fiscal years differ among organizations, there is some variation in the reference point for these data. In some cases, the Form 990 return may be from a late filer or an organization with a filing extension. The IRS includes these types of returns in the RTF year in which the Form 990 is received. The database was not adjusted for the inclusion of late filers, but this is a relatively small share of all returns.

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[1] For a complete description of the NTEE, see Stevenson, Pollak, and Lampkin 1997.

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