



CITY OF PORTLAND/MULTNOMAH COUNTY FINANCIAL EMPOWERMENT BLUEPRINT

How might we create more opportunity for economic empowerment within systems in our community that contribute to the elimination of the racial wealth gap?

Acknowledgements

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Executive Summary

How might public policy look different if those most negatively impacted by past policies helped write the rules for new ones?

Financial empowerment is a far-reaching field that forms the bedrock of the “American Dream”. Financial empowerment means families have enough resources to not only survive, but thrive; to live their lives to their fullest, and achieve goals such as getting a degree, buying a home, or having enough “cushion” to enjoy retirement. However, past and current policies and practices have prioritized financial success for white Americans, leaving everyone else behind.

Racially biased lending practices, redlining, workplace discrimination, and a litany of federal, state, and local institutional barriers perpetuate racial wealth disparities and trap families and entire communities in a cycle of intergenerational poverty. Portland is certainly not immune to these issues; in our state, as in others, the rules were written by white citizens, and were designed for their own benefit.

Local nonprofits and City and County agencies have struggled for years to bring equitable financial services to groups who are marginalized by existing laws and policies. For years, local financial empowerment practitioners in Portland have convened to host financial empowerment clinics and collaborate for the success of their clients, in hopes of addressing these disparities.

These small-scale efforts undoubtedly helped many individual families. However, the questions remained: How could the collective expertise of these practitioners be brought to citywide scale? How could public agencies play a role? And how can those who have not historically benefitted from these policies be given a say in how to solve these problems in the most equitable manner?

In the summer of 2018, financial empowerment practitioners came together along with staff from the Portland Mayor’s office, Prosper Portland, and Multnomah County Idea Lab (MIL) to apply for a planning grant from the Cities for Financial Empowerment (CFE). The group was awarded the grant, which ultimately supported the convening of not only the public sector partners and culturally specific financial empowerment practitioners, but also their clients. Using a Human Centered/Collaborative Design process, the group sought to answer the following question:

How might we create more opportunity for economic empowerment within systems in our community that contribute to the elimination of the racial wealth gap?

This group formed a Design Team that labored through a both messy and intentional design process to try and answer this question. It’s important to highlight that the Design Team understood the only way to answer this question was to *center the lived experiences of those who were most impacted by harmful public policies*, and engage those individuals to advise us on how best to frame financial empowerment policy to undo that harm. WePeople are the experts in their own financial lives, and if given the proper support and resources, they have the solutions necessary to get ahead.

That is what this Blueprint reflects: the wisdom of lived experience, gifted to us by community members so seldom consulted when creating new policies. We want to ensure the right people are at the table to design solutions and gain resources to bring their communities forward.

Portland's rapid growth has turned us into a reactive community, trying to respond quickly to an affordable housing crisis and its attendant consequences. However, this response must be well balanced, taking both a proactive and equitable approach to addressing families' and individuals' financial well being, today and in the future. This Blueprint outlines the important next steps for a comprehensive approach to racial equity in financial empowerment in Portland and Multnomah County.

The Design Team's policy recommendations center around four theme areas:

1. Systems Change
2. Fees, Fines, and Debt
3. Knowledge Sharing and Financial Inclusion
4. Barriers to Practitioner Organizations Efficiency, Creativity, and Innovation

Each area in this report will speak to the problems and challenges, and describe existing efforts for possible alignment - with both short term and long term recommendations - that came out of the Design Team work.



Background

The Portland Comprehensive Plan for 2035 captures the City of Portland's long term priorities and goals. Informed by an extensive four-year public process, the Plan's vision is: Portland is a prosperous, healthy, equitable, and resilient city where everyone has access to opportunity and is engaged in shaping decisions that affect their lives.

Yet this is not currently the case. Experiencing unprecedented growth, Portland has found itself in the midst of a housing and living affordability crisis that requires cross-jurisdictional collaboration. As a result, the Portland City Council declared a State of Emergency on Housing and Homelessness in October of 2015, increasing their focus on policy to protect renters' rights, provide more affordable housing, and address the growing homeless population.

Racial identity continues to be a major predictor of economic success. African Americans and Native Americans are overrepresented in the homeless population, and communities of color continue to experience income disparities. The median income for White Portland households is roughly \$57,000, compared to \$27,000 for Black, Native American, and Hawaiian-Pacific Islander households; \$36,312 for Hispanic/Latino households; and \$53,377 for Asian households.

The local community currently funds and provides access to a variety of financial capability skill-building services and supports. However, these siloed programs are limited in their population level impact given the absence of an integrated system and the limited resources these agencies must work within.

Few service providers maintain joint outcome measures, continuous communication, data sharing agreements, service coordination, or shared policy agendas. Such challenges limit the ability to co-create complementary and robust systems of care that address the intersection between financial empowerment services and poverty alleviation services. These gaps also prevent equitable resource allocations to address geographic and racial diversity across the County.

Despite a strong working relationship, Portland and Multnomah County have not previously developed a coordinated approach to financial empowerment. While many partners prioritize this work and a reservoir of expertise exists, building financial capability has not advanced as a core organizing idea. This has left a critical gap in organizational capacity to effectively integrate financial capability across sectors serving overlapping communities.

This proposal, and the commitment of the assembled partners, present a rare window of critical mass to develop a robust community willing to explore, guide and co-create structures, organizational practices, collaboratives, and programs. The planning and launch of a citywide financial empowerment initiative would provide a needed catalyst to highlight the complementary benefits of existing initiatives and partners.

To successfully apply for the CFE CityStart Planning Grant, service providers routinely attempted to gather buy-in from public officials in the past (starting in 2013). This group of providers believed that the perfect blend of city, county, and provider support created a unique moment for Portland to apply for the

CFE grant opportunity: the Mayor holds the necessary financial background and understanding of financial empowerment; the County is spearheading innovative initiatives using human centered/collaborative design with a focus on the intersection of poverty and race - specifically racial wealth and assets; Prosper Portland has recentered its work as the city's economic development agency to address racial wealth disparities and build a more equitable economy; and the dedicated group of providers are more motivated than ever to see this work be successful.

This aligning of visions and focus areas builds the necessary foundation for Portland to be known as a city that prioritizes and pushes the needle on financial empowerment. Unique to this collaborative, leaders from the provider community approached the City and County to discuss the possibility of a joint application. This ground-up method underscores the community interest and importance for building a robust financial empowerment community for Portland.

Portland has a long history of creating programs to address poverty. Government and nonprofit agencies work independently on a number of programs to provide services to low-income people and families. In some cases, there is coordination between agencies. The CityStart grant gave agencies in the Portland region the opportunity to review the landscape of current services, and the opportunity to explore a vision for the future. More information about the list of current financial empowerment programs in the region at the time of this report can be found in the Appendix.



Human Centered/Collaborative Design Planning Process

When writing the City Start grant, the partners committed to leading with Human Centered/Collaborative Design (HCD) to develop this Blueprint. This Blueprint is primarily informed by that process and from national best practices provided by CFE.

On November 28, 2018, the Cities for Financial Empowerment Fund Team visited Portland. CFE representatives met with key stakeholders including the Asian Pacific American Network of Oregon (APANO), The Portland Mercado, and the Rosewood Initiative. The team also met with leaders from the City of Portland and Prosper Portland, the Economic Development Agency of the City.

The second day of the visit, over 40 leaders from across the City, including Mayor Wheeler, held a work session with the CFE team to learn more about the CFE's work, and to explore collaborative initiatives. The CFE Team drafted a Memo that is included in Appendix C that captures their reflections and observations on Portland. Later in the process, CFE's input on national best practices helped the partners to better define their set of recommendations.

The partners who applied for the CFE planning grant chose a design approach for this project to counter the status quo for how policy is developed. Public sector leadership often designs and implements programs and policies for their service population with minimal community participation. If community feedback is solicited, it's typically through dominant culture formats.

This process often perpetuates disparities and widens equity gaps. Human-centered/collaborative design (HCD) is a process that starts with the end-users at the heart of the process by creating new solutions to suit their needs. HCD focuses on building a deep empathy for the client to create innovative, effective and sustainable solutions.

This planning grant opportunity and the HCD process could model a new way for financial empowerment partners to work within and across the Portland area, positioning program participants as central deciders, influencers, co-creators, and research partners for implementation.

To complete this design process, the partners formed a Design Team of public sector partners, financial empowerment organizations, and individuals with lived experience of receiving financial empowerment services. Mayor Wheeler invited local organizations to participate in the design process, led by Multnomah County's Multnomah Idea Lab (MIL).

Each organization brought at least one person from their organization who is currently using or has used that organization's services. Participants are listed in the acknowledgements of this report. Participants also received a stipend to compensate for their time as consultants in this process.

Following the kick off, three, three-hour design sessions were held. The group began by discussing current system strengths and weaknesses, and who the team needed to reach out to, to learn more. A summary of this feedback and content can be found in Appendix B.

In March 2019, the design team invited a larger group of community members to learn more about what they believe a holistic system could look like. Ideas that came from that session were:

1. Access to benefits regardless of immigration status or past justice system involvement
2. Asset Building/IDAs
3. Cash Transfers
4. Debt Relief
5. Financial Education
6. Home Retention
7. Intake and Service Coordination
8. Legal Services
9. Living Wage Pay

At the final design session, design members evaluated these and other ideas that came from this community meeting and refined those ideas to find the most feasible and highest impact ideas.

The final work of the design team resulted in four recommendation areas:

1. Systems Change
2. Fees, Fines, and Debt
3. Knowledge Sharing and Financial Inclusion
4. Barriers to Practitioner Organizations Efficiency, Creativity and Innovation



Recommendation Themes

1. Systems Change

Background

The City of Portland and Multnomah County do not have a centralized authority that oversees financial empowerment policy and programs. Some of that responsibility was attributed to the former Bureau of Housing and Community Development (BHCD) at the City of Portland. BHCD was dissolved in 2009 in order to consolidate all housing functions into the current Portland Housing Bureau. All former BHCD housing programs were assigned to the newly created Portland Housing Bureau (PHB) and economic empowerment programs were assigned to Prosper Portland (formerly Portland Development Commission) as part of the Economic Opportunity Initiative (EOI). A portion of those EOI dollars are directly passed on from Prosper Portland to Worksystems, Inc. (WSI) for adult and family workforce programs.

As is common with government, when efficiencies are created and consolidation of functions happen, silos are created. In this case, the unintentional effect of this restructuring led to silos across departments and jurisdictions when it comes to financial empowerment. Social and family services sit squarely with Multnomah County's Department of County Human Services (DCHS); business services including microenterprise support sit with Prosper Portland; housing sits with the Portland Housing Bureau, and workforce sits with Worksystems, Inc. There are certainly many different examples of collaboration amongst all of these partners, but to date, there has been nothing holistic to look at financial empowerment city and county wide.

Financial empowerment programs are funded and housed within a multitude of agencies and organizations. A family or individual interacts with multiple systems - health, housing, workforce, social services, criminal justice, and more. Each of these systems function differently, rarely work together, and can be confusing to navigate. What is more, institutional racism exists within all of these institutions and systems, and it will take cross jurisdiction and department collaboration to interrupt the disproportionate harm that policies and practices have had on communities of color.

Recommendations

Continue a joint County/City Financial Empowerment Team, jointly staffed by the City and County, to oversee implementation of the Blueprint.

The power of any design process are the individuals and trust built within that group of individuals who helped shape the outcome. A Design Team was created for the process of creating this Blueprint, and there is momentum and potential to continue to convene this group of individuals. The uniqueness of this team is that it incorporated both individuals with lived experience, policy makers, and financial empowerment practitioners.

Currently two other groups exist whose scope overlap this work.

- A Home for Everyone - Workforce and Economic Opportunity Workgroup. This group staffed by the Joint City/County Office for Homeless Services, looks specifically at the integration of workforce and economic empowerment for homeless populations, or populations at risk of homelessness. While a specific focus on homelessness is essential, this group does not focus on low income individuals outside of this specific target group.
- Oregon Asset Builders Alliance. A group convened by Neighborhood Partnerships that helps educate financial empowerment practitioners, and advocate for statewide policy regarding financial empowerment, specifically Individual Development Accounts (IDAs).

Depending on capacity and fit, staff supporting the Financial Empowerment Team could be housed at the County or the City. This individual would convene the team at least quarterly to oversee the implementation of the Blueprint and ensure collaboration between statewide and local financial empowerment efforts.

Next Steps: Consider funding of a staff position for the FY 2020/2021 budgeting process for Multnomah County and the City of Portland.

Educate big business on importance of, and tools to recruit and retain people of color in their organizations.

In March of 2019, the City of Portland, Worksystems, Inc., and Prosper Portland launched Portland Means Progress (PMP), an initiative conceived of and overseen by the Mayor's Council of Economic Advisors. The initiative calls on businesses to take actions to hire local students, procure goods and services from diverse businesses, and/or create a healthier company culture for a diverse workforce. The goal is to connect businesses to existing programming that supports social impact, creating a pipeline for private-sector engagement, particularly to address economic inequalities for communities of color. The initiative is currently in an early adopter phase and will be open for city wide engagement in 2020.

There is an opportunity for the City/County Financial Empowerment Team to provide recommendations on how PMP can expand to advance financial empowerment goals, particularly in how the private sector can play a role in addressing economic inequalities.

Next Steps: Once City/County Financial Empowerment Team is established, hold joint work session with participating PMP businesses and the Financial Empowerment Team to establish ways to collaborate on goals.

Use a holistic and culturally specific and responsive approach to expungement services

Minor criminal convictions on someone's record can keep them back from accessing housing, jobs, and other resources. Often these records are eligible for expungement and the affected person is either not aware or does not have the funds to complete the legal process to get their record cleared. Since

recreational cannabis was legalized in Oregon in 2015, individuals with prior marijuana related offenses did not have a clear route to clearing those prior offenses from their records.

Numerous data sources show the disproportionate impact of arrests, fines and imprisonment generally, and for marijuana related offenses, on communities of color. Past criminal offenses are another way people of color are prevented from achieving financial stability.

From 2005 - 2014 Project Clean Slate offered options for individuals to remove minor convictions from the records by exchanging fines and fees for community service hours. An important aspect of Project Clean Slate was that it was led and managed by an organization within the African American community, and had a culturally responsive lens to its work. The program unfortunately ended in 2014 due to legal issues facing the non-profit running the program.

Currently there are several efforts underway to handle record expungement:

- In FY 2019/20, the Portland Housing Bureau will utilize an additional \$100,000 in City of Portland Cannabis tax dollars towards an expungement program for low income renters who have expungement eligible offenses on their record. Clearing these offenses could lead to those renters having a better chance at being eligible for housing.
- Metropolitan Public Defender was awarded \$154,000 of cannabis tax dollars in FY 18/19 to expand their marijuana expungement services. Grants for this service have not yet been awarded for FY 19/20 but it's anticipated funding for this service will slightly increase.
- To streamline the process for past marijuana offenses expungement, SB420 was passed by the Oregon Legislature in June 2019. <https://legiscan.com/OR/bill/SB420/2019>

While there are several record expungement services underway, it is not clear how all of these efforts align and if these efforts have a clear racial justice lens. There are opportunities to examine more system wide efforts for expungements. An example is a [San Francisco effort](#) to automatically expunge prior marijuana convictions.

Next Steps: Since Expungement Services are primarily funded with cannabis tax dollars, there's an opportunity for the Cannabis Policy Oversight Team to evaluate the effectiveness of the expungement services and their alignment with culturally specific and responsive approaches.

Complete the “Color of Wealth in Multnomah County” Study.

Research shows communities of color experience poverty at higher rates nationwide, and experience significant wealth disparities. The Portland metro area lacks a body of research on local racial wealth barriers, which makes it difficult to develop community-specific policy and program solutions.

A study of the “Color of Wealth in Multnomah County” will provide insights to policy makers and community organizations who seek to address barriers to equitable attainment of wealth and assets related to race, and support the county's, Prosper Portland's, and Metro's racial justice agenda. Understanding our local racial wealth gap must be a community effort. Local government aims to be part of the solution,

working in tandem with community partners. Currently Multnomah County, Metro, and Prosper Portland are partners contributing financially to this study.

Next Steps: Multnomah County, Prosper Portland and Metro to execute intergovernmental agreement (IGA) in early FY 2019/2020 to fund & begin the study. The study will replicate a survey produced through the Federal Reserve, Duke University, and the New School - *National Asset Scorecard for Communities of Color*.

Prioritize cash transfer strategies in financial empowerment programs & advocate for policy solutions

In the experience of clients and practitioners, and backed up by multiple studies, clients just need cash to meet basic needs and take steps to ensure a more stable financial future. A one time or ongoing infusion of cash can help a family save for education or training, pay down fees, fines or debt, or help pay for early costs that will pay off in the long term such as down payment assistance for a new home or startup costs for a new business. The Design Team feels that any ongoing advocacy work should reflect the equal importance of getting cash into the hands of individuals, in addition to financial counseling.

Next Steps: Once City/County Financial Empowerment Team established, review national studies and local examples of effective programs. Develop a policy and program wish list for where programs could be expanded and/or started.

2. Fines, Fees, and Debt

Background

Court fines and fees can add unexpected hardships for individuals, especially people with low incomes and people exiting the criminal justice system. Sanctions such as driver's license suspension for unpaid traffic fines, and charges for incarceration, probation, electronic monitoring, and other penalty assessments have a disproportionate impact on people with low incomes and people of color. The system perpetuates a cycle of poverty for the most vulnerable individuals, and often costs more to administer than is earned through collection.

When a debt is not a reasonable amount, people are less likely to pay, thereby compounding the problem with ongoing late fees, interest, and penalties. Even when programs allow payment plans, high fees of enrollment are charged. In Oregon's county circuit courts, if you owe between \$150 and \$400, it costs \$125 to enroll in a payment plan. If you owe more than \$400, the enrollment fee is \$200.

These policies that create impossible barriers for people to stabilize are often in direct conflict with the mission and priorities of the City and the County.

Recommendations

Expand Legal Services Day and use as a foundation to assess and develop solutions for a wide array of municipal fines and fees.

In Multnomah County, every other month, a Legal Services Day is held at the Rosewood Initiative to help people with outstanding debt to the court. People with court-imposed fines and fees can participate in community service and/or treatment to have their debts forgiven at a rate of 1 hour per \$100 of debt. The volunteer judges, public defenders, and district attorneys serve about 130 people per clinic, and they always have people camping out the night before. In 2018, over 20,000 treatment hours were exchanged for \$1.5 million in forgiven debt. The Rosewood Initiative's Legal Services Day could serve as a foundation to assess and develop solutions for a wide array of municipal fines and fees.

Over the course of many design sessions, and when the Design Team prioritized recommendations in this report, *eliminating fines, fees, and debt remained a top line theme as an opportunity to create real structural change in the region.*

Next Steps: Convene Legal Services Day collaborating partners to develop scale up scenarios for the program and consider a city/county budget ask if needed in FY 2020/2021.

Multnomah County and the City of Portland conduct an analysis of all fines and fees where they have jurisdictional authority, and a budget analysis of income generated and cost to administer.

Complete a report and process similar to report completed in San Francisco to examine the impact of city and county fines and fees and their contribution to poverty. The City and the County will then have the information to update the municipal predatory collection structure that is creating a disproportionate amount of harm for poor people and people of color in our community. A joint fines and fees system analysis will take staff and resources, and may be a longer term solution, but is a first step to reversing the damage of institutional policies that are preventing people from achieving economic stability.

Predatory fines and fees evaluation and policy changes are happening all over the country. The need for this work was reinforced by system users of financial empowerment services in our region.

Possible policy solutions to result from this study may include:

- Eliminate fees for incarceration, including fees charged to parents of incarcerated children
- Create a fine structure based on income and ability to pay
- Forgive traffic and parking tickets/remove late fines and fees
- Have city offer reduction of parking fees in exchange for participating in financial education
- Allow financial education to count for community service penalties
- Eliminate fees charged for probation services and electronic monitoring
- Child support debt: explore alternatives like Kansas City, where \$2 of child support in arrears debt is written off for every \$1 invested in an education savings account

Next Steps: Lead public agency and funding would need to be established by City & County leadership to pursue this study.

End the practice of suspending driver's licenses for inability to pay, and reinstate those affected by the current policy.

In 2017, Oregon issued 90,600 driver's license suspensions for non payment of traffic fines. This policy creates a barrier for people to get to work, and compromises their ability to pay their fine. Many people take the risk to get to work, to get their kids to school, to take a family member to the doctor, or to get to court. Drivers license suspension for non payment of traffic fines does nothing to increase public safety, and makes it less likely a person will get out of the cycle of debt, putting them at risk for falling deeper into financial crisis. *This policy solution was elevated as one of the top recommendations from the Design Team.*

San Francisco became the first in the nation and set a precedent for ending the practice of suspending driver's licenses for inability to pay. This practice came as a result of the San Francisco Fines and Fees Task Force.

Next Steps: This recommendation may be a result of the Fines and Fees study or a policy the Financial Empowerment Team seeks to advocate for once they are formed.

3. Knowledge Sharing & Financial Inclusion

Background

A key driver of the racial wealth gap is the exclusion of people of color from mainstream financial institutions. This exclusion still exists as many residents don't feel welcome at, or trusting of, these institutions, aren't able to communicate with branch staff in their native language, can't access products that meet their needs, and/or have been upsold or charged exorbitant fees.

We seek to not only increase access to financial institutions so that residents can access bank accounts, savings products, and safe and affordable credit, but in the long-term, to transform this system to more closely resemble the needs of residents of color and low-income residents, so that it proactively prioritizes wealth accumulation in these communities.

Our design team identified access to financial information on how to utilize financial products and resources, and to navigate financial system as a first step towards financial inclusion and system transformation. Two key ways of doing this is through 1) Financial education; 2) Peer mentorship and coaching.

Portland is home to many financial education providers and coaches. In fact, most of the nonprofits participating in the Design Team offer financial education to specific populations of all ages within the city. Design Team participants asserted that financial education is an essential ingredient of economic empowerment and mobility, and there is demand for more, high quality, accessible, and culturally relevant financial education.

In addition, there are a range of current services funded by both government and philanthropic sources providing some types of financial mentoring for adults and youth. Yet, most services are available only to participants who are current clients connected to a specific system or service, and most services are delivered by paid professionals rather than trained paraprofessionals or peers from the community.

Recommendations

Explore avenues to systematize Youth Financial Education.

In 1997, Oregon eliminated a graduation requirement for high school students to pass a personal finance class. After the 2008 financial crisis, there was energy in Oregon to revisit financial literacy requirements for schools. In 2012 new requirements took effect requiring integration of financial literacy concepts in school curriculum from kindergarten through high school. However, there are no credit or testing requirements to ensure compliance. More can be done to ensure that Oregon residents are learning key life skills before they have to learn the hard way:

1. Create a task force to explore Oregon Education Department current standards and support policy to improve and expand upon current requirements

2. Provide financial education training of the trainers to foster care workers to build into their case management activities with youth
3. Ensure financial education is incorporated into youth after school programs and public school curriculum (it is incorporated into some SUN programs, but no systematization)
4. Incorporate financial education into youth internship programs
5. Explore a partnership with Portland's Children's Levy to incorporate financial counseling and mentorship into their funded programs

Next Steps: After Financial Empowerment Team is created, a subcommittee can determine top program/policy priority for youth financial education.

Ensure quality financial education that is culturally specific.

Central to our Portland CFE approach is ensuring that community members are at the table helping design and execute programming that they believe will benefit their friends, family, and neighbors. Our approach to financial education is no different. Through these efforts we would like to be able to compensate more community members for their time and expertise in creating culturally specific financial education curriculum and offering it to their community. In addition, there is an opportunity to create consistent content for financial education providers and standardize the curriculum. We envision this occurring in three ways:

1. Adapt Neighborhood Partnership's financial education standards: Currently, Neighborhood Partnerships, in collaboration with Individual Development Account (IDA) providers across Oregon, is developing financial education standards that will be adapted by all organizations offering financial education for IDA participants throughout the state. The standards provide clear guidance on the most important financial education topics for participants. The Oregon IDA Initiative serves as the lead for changes in knowledge, skills, and practices and, ultimately, improved financial situations. These standards could be adapted by all Portland financial educators.
2. Create a continuum of culturally responsive & culturally specific offerings ranging from budgeting to retirement and long-term investing. Portland-based financial educators could collaborate with Neighborhood Partnerships to build out financial education curriculum that aligns with the standards, but reflects the needs of specific communities within Portland.
3. Create a community of practice for financial educators, coaches, and mentors. Becoming a financial empowerment service provider requires unique skills: a mix of social work, financial knowledge, policy, etc. Through this initiative we want to better support financial empowerment staff in the community to grow their skills, knowledge, and careers, and maintain a connected community of financial empowerment professionals that are continually learning together and from each other. Neighborhood Partnerships already hosts a state-wide asset building network with similar goals. These efforts could build upon their work.

Next Steps: Neighborhood partnerships will complete the standardization of financial education standards.

Increase accessibility of financial education, tools, and resources.

Entry points into financial education may be hard to come by if a resident is not already engaged with a financial education provider, mentor, or coach, as there is no centralized way to learn of financial education resources available in the community. Although organizations strive to make financial education accessible time and location wise, more can be done in this area. In addition, to be truly accessible and relevant, curriculum should be designed by and tailored to specific community needs and taught by a member of the community. Recommendations to achieve this include:

1. Hire community curriculum designers and facilitators. While we seek to standardize financial education curriculum in Portland, we also want to leave room to adapt curriculum to be responsive to different community interests, experiences, knowledge, and beliefs. This can only be done in partnership with the communities themselves. We will specifically work with Black communities and communities of color that have been traditionally excluded from wealth building opportunities to create, design, and offer financial education. This will require funding that can be used to expand the capacity of existing organizations to do this work for the cost of:
 - Staff time for human centered design curriculum adaptations
 - Stipends for community members participating in the design process
 - Translation of materials in different languages
 - Hiring new staff or paying current staff to facilitate classes during nontraditional hours that fit within participant's schedules
2. Create a centralized financial education website/calendar. As the Portland Financial Empowerment Initiative evolves, there will be a need to centralize all tenants of the work and have an online presence. This could include a resident facing website of financial education resources, and an up-to-date listing of classes.
3. Employ culturally specific mentors to help clients navigate financial empowerment services. Peer support could be delivered through a process where former participants become coaches and mentors for new clients and are compensated for their time. Mentorship would go beyond teaching financial concepts and skills, expanding to help clients navigate community resources, and provide mentorship to help clients become successful in the programs they access.

Finally, these goals would be achieved through targeted recruitment of financial coach/mentors who come from the communities they serve to ensure services are culturally specific and culturally responsive. This community liaison model is already being used in some Neighborhood Prosper Initiative (NPI) areas where a high percentage of residents speak a language other than English at home. In IBRN, cultural community business navigators are employed by culturally specific organizations to help their community members navigate the multiple small business services in Portland.

Another example is the Family Independence Initiative, which provides peer role modeling and peer affinity groups to help former TANF participants stabilize economically.

Next Steps: Compile a list of culturally specific navigators who could be trained on the list of resources. Identify community gaps and consider funding for navigators in communities that need and/or lack those services.

Integrate referrals to wealth building tools and resources.

Knowledge sharing and mentoring is not enough to eliminate the racial wealth gap. These strategies should be closely integrated with other financial products, resources, and asset building opportunities that participants can leverage to attain their goals.

Along with the standardization of curriculum, we will seek to standardize the general base of resources that financial education participants are connected to after completing a class or series of classes. Most programs have a set of referrals, but this could be standardized to ensure that all Portland residents have access to foundation of resources (this could also be included on the website mentioned above).

This could include (but aren't limited to): referrals to an IDA program, homeownership counseling/assistance, Bank On bank accounts, and safe and affordable credit building products (secured credit card, credit builder loan), etc. There is an opportunity to collaborate with 211 to ensure widespread access to these referrals.

Next Steps: Assemble list of resources (including Bank On accounts) and explore ways to do training for 211 to understand and best refer to the resources.

4. Barriers to Practitioner Organizational Efficiency, Creativity, and Innovation

Background

There are multiple funding streams from multiple funding sources, each with specific conditions for allowable services to be delivered to whom and data & outcomes collected and reporting requirements. This presents barriers for financial empowerment practitioners to most efficiently respond to current community identified needs and to engage in creating innovative new approaches in anticipation of future community identified needs

Furthermore, funding for financial empowerment services is insufficient and episodic. Practitioners are not currently funded adequately for the services they are expected to deliver, let alone the administrative costs associated with that service delivery and grant requirements. In addition, funding doesn't support the capacity for resources to be devoted to exploring innovation and co-creation with the community through a cycle of testing, experimentation, failure, and learning.

There is an opportunity to align local jurisdictional funding with regional and national funding to create standard and consistent expectations for financial empowerment practitioners related to allowable activity, data collection, outcome, and reporting requirements. However there is no incentive for diverse funders to collaborate, and no common table at which this could be explored.

It's important that funders acknowledge this challenge and be willing to engage with other funders and practitioners to address the challenge. It's also crucial that funders value co-creation with the community as partners, not solely receivers of service, and of innovation as a necessary component of direct service delivery

Finally, funding often restricts the ability to implement direct cash transfer programs to clients. Echoing the recommendation in the Policy & Advocacy section of this Blueprint, ensuring funders also understand the important of various cash transfer programs (IDAs, down payment assistance, direct cash) will be crucial.

Recommendations

Collaborate with Oregon Asset Builders's Coalition to host an Oregon Financial Empowerment Funders Summit.

At this convening the following solutions should be explored:

- Systemic funding for financial empowerment services and supports.
- The creation of shared set of data collection, outcome, and reporting requirements related to any funding of financial empowerment services.
- Creating allocations for innovation and experimentation linked to every service delivery dollar.

- Developing systems to standardize training and technical assistance, and quality service delivery content as a basis to begin to identify a shared set of data collection, outcome, and reporting requirements.
- Success of direct cash transfer models.

Next Steps: Pitch idea to Oregon Asset Builders Coalition and key funders to gauge interest.

Centralize data on outcomes and outputs.

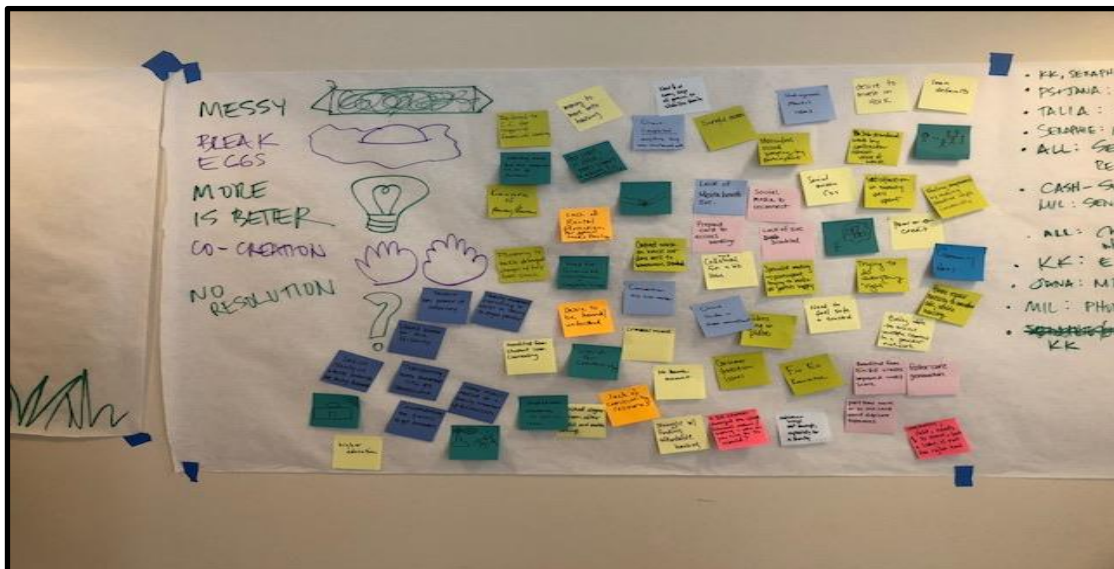
Most programs collect their own data, but none are sharing at a broader level. Through this initiative we want to be able to harness data that shows our collective impact at a metro-area level through a centralized database or tracking mechanism. We also want to create a centralized place to find information about all the financial empowerment services offered in the city. We believe this will increase awareness about existing programs, and provide a basis for better collaboration and coordination among programs. It will also allow us to better understand service gaps and to capture the “supervitamin” effect of financial empowerment.

Next Steps: Explore opportunities as part of Funders Summit.

Longer term, explore an ongoing Community of Practice model with multiple funders and practitioners.

As a next step from the Funder’s Summit, there is an opportunity to convene funders and practitioners more regularly to build capacity and tackle big issues regarding financial empowerment as a community. There is an opportunity to use, and learn from, the Joint Office on Homeless Services (JOHS) work to accomplish similar goals within the homeless services sector, and Prosper Portland’s Inclusive Business Resources Network, as examples of how to approach this within the financial empowerment sector.

Next Steps: Explore opportunities as part of Funders Summit.



Conclusions and Next Steps

“If average Black family wealth continues to grow at the same pace it has over the past three decades, it would take Black families 228 years to amass the same amount of wealth White families have today.” - Institute for Policy Studies and CFED, 2016.

To our knowledge, this Blueprint is a first time in Portland’s history that a series of specific recommendations for Portland & Multnomah County financial empowerment policy & programs centering racial justice and the lived experience of those most impacted has been developed.

This Blueprint combines general recommendations, ways to build on existing efforts and specific ideas to weave together work that is already happening with a greater vision of human centered design and economic racial justice. Given the significant wealth inequities in our community and our nation for communities of color, it’s imperative that we shepherd our resources to communities that have been systematically under-resourced and exploited historically.

We see this effort unfolding in stages.

First, Design Team members will present these findings to key stakeholders, elected officials, decision making bodies and other potential implementation partners. This Blueprint is a living document for the 2019/2020 fiscal year and will likely be referenced when considering budget decisions for the 2020/2021 fiscal year and beyond.

Second, it is our hope that some version of this Design Team continues to convene to monitor the success of this Blueprint. Without a clear organizational home for City and County financial empowerment policy and programs, there’s an opportunity to create a collaborative space for multiple public sector partners, non-profit partners, philanthropy, and community to continue to create and iterate financial empowerment solutions together. We hope this report sets the framework for that shared space to be develop and deepen over time.

Finally, we hope that the result of keeping these financial empowerment stakeholders at the table could result in longer term systematic changes that can result in a systems design for financial empowerment services that is user centered and culturally responsive.

Recommendation Summary

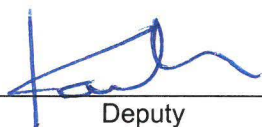
| Recommendation | Status/ Priority Level | Lead/Potential Lead | Notes |
|--|--|--|--|
| Overall | | | |
| Continue a joint County/City Financial Empowerment Team, jointly staffed by the City and County, to oversee implementation of the Blueprint. | High Priority | TBD | Funding needed |
| Policy | | | |
| Educate big business on importance of, and tools to recruit and retain people of color in their organizations. | Medium priority, In progress | Council of Economic Advisors/Prosper Portland | |
| Use a holistic and culturally specific and responsive approach to expungement services | Medium priority, Services exist but opportunity to explore culturally specific & responsive strategy | Portland Housing Bureau; City Cannabis program | Already funded from cannabis tax but likely greater demand than what is being funded |
| Complete the “Color of Wealth in Multnomah County” Study. | High priority, In progress | The MIL | Final fundraising occurring |
| Communicate effectiveness of cash transfer strategies in financial empowerment & advocate for policy solutions | Medium priority, Ongoing communication strategy | TBD | |

| Fines, Fees & Debt | | | |
|--|---|---|---|
| Expand Legal Services Day and use as a foundation to assess and develop solutions for a wide array of municipal fines and fees. | High Priority | Rosewood Initiative, Multnomah County Court | |
| Multnomah County and the City of Portland conduct an analysis of all fines and fees where they have jurisdictional authority and a budget analysis of income generated and cost to administer. | Medium priority Longer term project | Multnomah County and the City of Portland | There is interest from some City Commissioner offices |
| End the practice of suspending driver's licenses for inability to pay, and reinstate those affected by the current policy. | Medium priority | Legislative advocacy issue | Use San Francisco efforts as an example |
| Knowledge Sharing & Financial Inclusion | | | |
| Reform state financial education standards | Medium priority, Longer term project | State of Oregon; Neighborhood Partnerships | |
| Integrate financial education into existing youth programming | In progress | Metropolitan Family Service OR Asset Builders Alliance | |
| Adapt Neighborhood Partnership's financial education standards | In progress | Neighborhood Partnerships | |
| Create a community of practice for financial educators, coaches, and mentors. | High priority, some foundational work in progress | Neighborhood Partnerships | |
| Hire community curriculum designers and facilitators | Longer term project, work in progress, requires funding | Multiple organizations, lead: TBD | |

| | | | |
|--|---|--|--|
| Create a centralized financial education website/calendar | Requires funding | TBD | |
| Employ culturally specific mentors to help clients navigate financial empowerment services | Longer term project, work in progress, requires funding | Multiple organizations | Opportunity to collaborate with Portland Children's Levy |
| Create and maintain a list of standardized referrals | Medium Priority | 211 (potential) | |
| Barriers to Practitioner Organizational Efficiency, Creativity, and Innovation | | | |
| Collaborate with Oregon Asset Builders's Coalition to host an Oregon Financial Empowerment Funders Summit. | High Priority, short-term | Neighborhood Partnerships (Potential)/OR Asset Builders Alliance | Perhaps align session with re: Conference in September |
| Explore an ongoing Community of Practice model with multiple funders and practitioners | Medium priority, Longer term project | Neighborhood Partnerships/OR Asset Builders Alliance | Perhaps align session with re: Conference in September |
| Centralize data on outcomes and outputs | High Priority, Longer term project | TBD | |

Agenda No.
REPORT
Title

Building Economic Justice in Portland: Presentation of the Cities for Financial Empowerment Blueprint for the City of Portland and Multnomah County (Report)

| | |
|--|---|
| <p>INTRODUCED BY Commissioner/Auditor: Mayor Ted Wheeler</p> | <p>CLERK USE: DATE FILED <u>NOV 05 2019</u></p> |
| <p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance & Administration - Wheeler <i>W</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Hardesty</p> <p>Position 4/Safety - Eudaly</p> | <p>Mary Hull Caballero Auditor of the City of Portland</p> <p>By:  Deputy</p> |
| <p>BUREAU APPROVAL</p> <p>Bureau: Mayor's Office Bureau Head: Mayor Ted Wheeler</p> | <p>ACTION TAKEN:</p> <p>NOV 13 2019 ACCEPTED</p> |
| <p>Prepared by: Zachary Kearn Date Prepared: 11/5/2019</p> | |
| <p>Impact Statement</p> <p>Completed <input type="checkbox"/> Amends Budget <input type="checkbox"/></p> | |
| <p>City Auditor Office Approval: required for Code Ordinances</p> | |
| <p>City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan</p> | |
| <p>Council Meeting Date 11/13/2019</p> | |

AGENDA

TIME CERTAIN
Start time: **10:15am**

Total amount of time needed: 30
(for presentation, testimony and discussion)

CONSENT

REGULAR
Total amount of time needed: _____
(for presentation, testimony and discussion)

| FOUR-FIFTHS AGENDA | COMMISSIONERS VOTED AS FOLLOWS: | | |
|--------------------|---------------------------------|------|------|
| | | YEAS | NAYS |
| 1. Fritz | 1. Fritz | ✓ | |
| 2. Fish | 2. Fish | ✓ | |
| 3. Hardesty | 3. Hardesty | ✓ | |
| 4. Eudaly | 4. Eudaly | ✓ | |
| Wheeler | Wheeler | ✓ | |