

Investing in assets to build economic security for kids of color

Communities can best make the call on how to invest their resources

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About the *State of Washington's Kids 2020* series

The State of Washington's Kids 2020 economic security brief looks at how direct investments in communities of color have the power to transform the lives of kids and families furthest from opportunity in our state. KIDS COUNT in Washington seeks to address the fact that too many kids have never been well-served by old structures that disproportionately channel opportunity, education, and prosperity along lines of race. The 2019 economic security brief advances the idea that Washington state lawmakers can make new, better investments that shift power and resources to communities who have been excluded from prosperity.

For this brief, we asked leaders in communities of color: What are the greatest strengths of children, families, and communities in Washington state? What are the barriers that get in the way of all children living up to their full potential? What is the role of state policymakers in removing barriers to ensure that every child, family, and community in Washington state has the freedom to fully use their gifts and strengths and has access the resources they need to thrive? Their responses have informed the analysis and solutions we offer in this brief to fuel our common future.

Children can thrive when their communities are strong. Just as the well-being of children is tightly linked with the well-being of their parents and families, the health of children's broader racial, ethnic, cultural, and geographic communities also profoundly shapes their development.¹ When communities are equipped with strong foundations (like quality affordable housing, good schools, and decent jobs) and equitable opportunities, they function as nurturing environments in which children can grow, learn, and play, and families can prosper. Policies that strengthen these building blocks – and invest in the many unique, valuable assets communities already have – are a key strategy to reducing poverty and improving economic well-being among children across Washington state.

Communities of color across Washington state have innumerable assets – including cultural institutions, community organizations, entrepreneurs, and many more – whose benefits diffuse broadly across our state's population and enrich our collective quality of life. By facilitating connections to history and identity, fostering strong social connections, and driving economic activity, these assets play a particularly important role in the lives of kids and families of color – rooting them in networks of community support and setting the stage for a strong start in life. Yet, a history of racist policies and ongoing decision-making that reinforces racial inequity has undermined these assets and other important building blocks in communities of color across our state. State and federal policies (like segregation and redlining) and other factors (like inequitable school funding and employment discrimination) have devalued predominantly Black and brown neighborhoods and institutions, and continue to mount barriers to people of color's ability to build capital and lead innovation in their communities.

In order for state lawmakers to move the needle on economic well-being for every child in Washington, they must remove the barriers that stand in the way of communities' ability to build and sustain the foundations that kids and families need to thrive. Washington state policymakers can take steps to ensure that children of color can grow up in strong communities by investing in **the Communities of Concern Commission** – an initiative that aims to grow financial capital assets in communities of color across the state to build affordable housing, improve cultural centers, develop community infrastructure (like broadband access in rural communities), and more. The

Communities of Concern Commission promotes the right and ability of communities of color to identify their needs and advance their own solutions – recognizing that our state can only address the underlying causes of poverty and economic inequity when we shift resources and decision-making power to communities that have historically been excluded.

Economic disparities rooted in racism persist for kids and families of color

Deep economic inequities persist for many kids of color in Washington state. Black, American Indian and Alaska Native, Latinx, and Pacific Islander children live in households with less than two-thirds the median income of their white counterparts, and are approximately three times more likely to live in poverty.² The systemic racism that drives these and other disproportionate outcomes has particularly burdensome consequences for Black and American Indian and Alaska Native children, who often face the steepest barriers to economic well-being. In 2018, nearly one in three Black and American Indian and Alaska Native children in Washington state lived with incomes below the federal poverty level (\$20,780 for a family of three) – a larger proportion than all other racial and ethnic groups.

In Washington state – as across the nation overall – access to income and wealth-building opportunities for Black and American Indian communities is shaped by a history of public and private racial discrimination, including:

- » Confiscation of indigenous land and resources, forced assimilation, and displacement, including by U.S. government officials in Washington³;
- » Treaty violations which infringe upon the livelihoods of indigenous communities and undermine tribal sovereignty, including repeated, ongoing attempts by Washington state to restrict treaty-protected tribal fishing rights in the Pacific Northwest⁴;
- » Enslavement of Black people, segregation and restriction of Black labor and wages, and exclusion from worker protections, including the endorsement of enslavement by Washington’s territorial government⁵;
- » Exclusion of many Black people and other people of color from wage and labor protections and Social Security, through federal New Deal legislation that did not extend benefits to domestic and agricultural workers^{6,7};
- » Discriminatory housing policies including redlining, racially restrictive covenants in property deeds, and the GI Bill – all of which excluded Black people and other people of color from loans, barred them

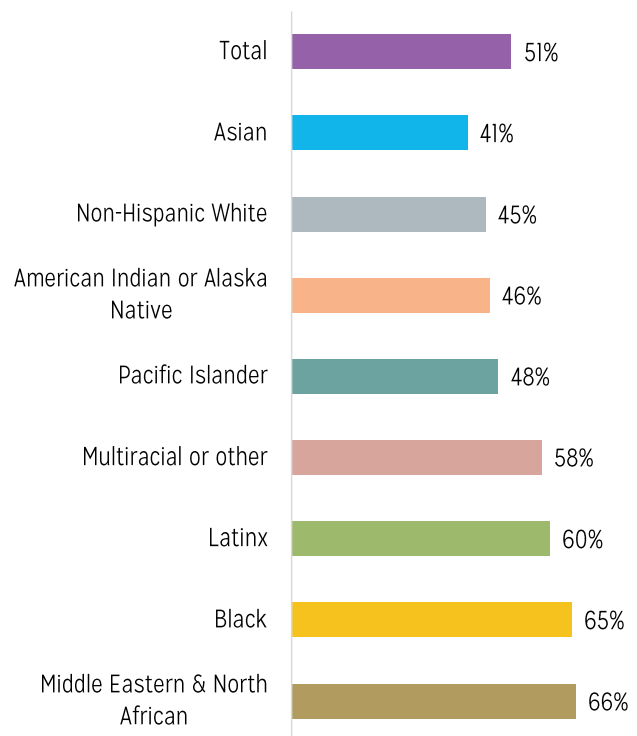
from purchasing property in certain areas, and devalued Black and brown neighborhoods – and more recently, exclusionary zoning, predatory lending, and gentrification (especially pronounced in the Seattle region).^{8,9}

While many of the above policies and practices were formally ended decades ago, their cumulative impacts continue to shape economic outcomes across our state. And ongoing discrimination – including in hiring, pay, and housing – compounds their legacy to further entrench racial inequities and limit opportunity for Black, American Indian and Alaska Native, and other Washingtonians of color.

Kids of color are more likely to live in households that face housing cost burden (paying 30% of their income or more on housing). Fully 65% of Black children in King, Pierce, and Snohomish counties live in families where rent consumes one third or more of household income. This means that these families have fewer resources left over to meet other basic needs – for food, diapers, clothing, heat, and other utilities. This increases hardship and stress for families, and is associated with worse health and educational outcomes for children.¹⁰

Chart 1. Too many families of color in Western Washington face housing cost burden

Share of renters in King, Pierce, and Snohomish counties paying more than 30% of their income in rent by race and ethnicity, 2017



Source: Budget & Policy Center analysis of 2017 5-year American Community Survey Data.

Children of color are also disproportionately likely to live in families and communities affected by employment instability. Nearly half of American Indian and Alaska Native kids in Washington state do not have at least one parent with full-time, year-round employment – their families held back by workplace discrimination, reduced access to higher education, a lack of affordable child care and transportation, and more. When their parents have to piece together part-time jobs or seasonal work, children face challenges like disruptions in care or learning environments and their families are more likely to fall into poverty.

Communities of color know best what kids and families in their communities need to thrive

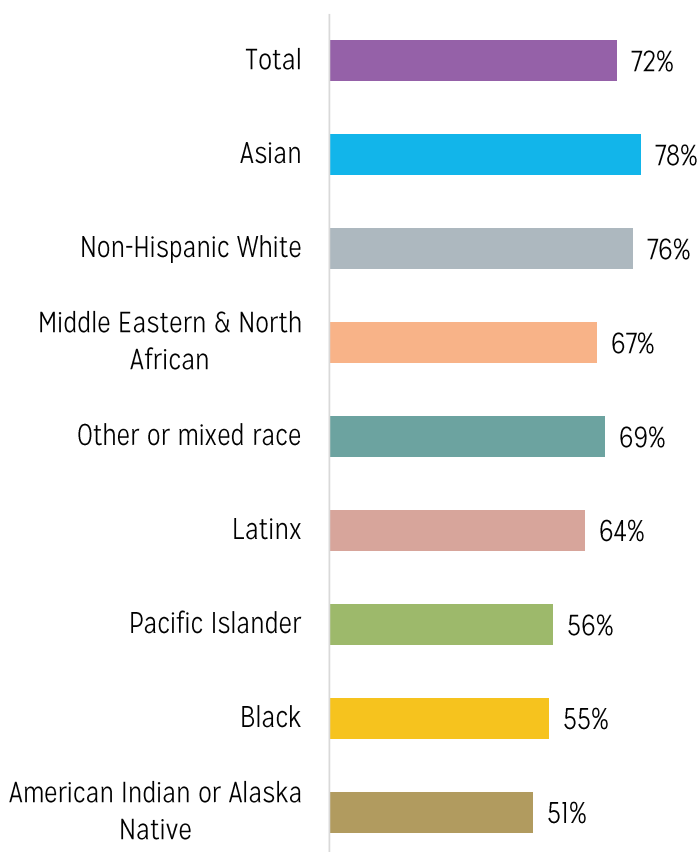
While Black, American Indian and Alaska Native, and other children and families of color across Washington state face steep barriers to economic well-being, their communities have long histories of organizing against the structural racism at the root of those barriers. When government has turned its back, communities of color have leveraged their strengths and expertise to develop community institutions and

build assets that help safeguard the well-being of children and families. People of color in Washington state continue to resist economic inequity by caring for one another in the face of inadequate government investment – developing formal and informal modes of mutual aid and support.

Today, the Communities of Concern Commission in Washington state powerfully extends this tradition, working to support the well-being of under-resourced kids, families, and communities of color through the growth of self-determined, community-controlled capital financial assets. Their work supports communities to develop their own affordable housing, build and expand child care centers, schools, health care clinics, and community and cultural centers, and otherwise grow and improve the building blocks that children and families of color need to thrive. This development not only strengthens community institutions, but also creates jobs and opportunities for work training and apprenticeship, and generates new economic activity. The commission came together in response to decades of inequitable state and local government funding processes that made it difficult for smaller, culturally specific organizations to access the capital they needed to direct effective, sustainable community economic development projects in their communities. Their goal is not only to increase

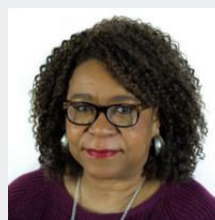
Chart 2. Kids of color are less likely to live in families that have access to stable employment

Share of children that had at least one full-time employed parent last year by race and ethnicity, Washington state, 2017



Source: Budget & Policy Center analysis of 2017 5-year American Community Survey Data.

Community Leader Perspective



Evelyn Allen

Director, Village Spirit Center; Convener, Black Community Impact Alliance; President & Executive Director, Equity Alliance of Washington

A leader in the Seattle region for more than 30 years, Evelyn Allen is the founding director of the Village Spirit Center – a housing, basic services, and community economic development program of Catholic Community Services focused on the Black community in Western Washington (where the largest portion of Black people in Washington state live). She also leads an initiative to develop affordable housing for the Black community, and convenes community leaders to advocate within state and local policy processes to advance the well-being of Black Washingtonians and promote racial justice broadly.

Across her work, Evelyn maintains a commitment to “creating a different economic reality” for Black

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Washingtonians – both recognizing the specific history and enduring nature of anti-Black racism, and celebrating the contributions of the Black community across our state. Her community-driven, culturally specific approach not only targets kids and families who often face the steepest barriers to economic well-being, but also leverages and reflects the strengths of Black culture and customs – building them into the service model so that Black families can feel truly welcomed and respected. This supports better outcomes for Black people, who too often face harm (in the form of ongoing bias, discrimination, and generational trauma) when they seek support in the mainstream social service system.

In response to skyrocketing housing costs and the growing crisis of gentrification and displacement – which has radically reshaped historically Black neighborhoods in King, Pierce, and Snohomish counties, like Seattle’s Central District – the Village Spirit Center developed its own affordable housing. This strategy is critical to safeguarding the well-being of Black kids and families, whose housing needs have not been well-served (and sometimes excluded outright) by efforts shaped more broad, generalized approaches. Projects that primarily develop studio and one-bedroom units, for example, fail to serve the family structures of many Black Washingtonians, whose families often include multiple generations and extended kin. Other projects that fail to include wrap-around services¹¹ (like those offered by the Village Spirit Center) are more likely to serve only those families with the fewest barriers. This is because people who face challenges like mental illness, substance use disorder, or criminal justice involvement are more likely to be evicted without adequate support to remain in the unit and build a stable home.

Evelyn notes that widely published data about Black children and families have not been used to fund Black community organizations. Indeed, without funding from the Communities of Concern Commission, the Equity Alliance of Washington would not have the resources needed to pursue its project to develop new low-income units to mitigate displacement of Black and other families of color in Seattle’s Rainier Beach neighborhood. The Black community has the knowledge and capacity needed to care for itself; Evelyn asks policymakers to recognize and believe in this expertise, and to invest directly in her community to move the needle on racial and economic justice for kids and families in our state.

the amount of resources dedicated to economic development in communities of color across Washington state, but also to transform the ways in which those resources are allocated and managed.

This is a transformative strategy for kids and families of color: When communities of color have both adequate material resources and decision-making power to determine how those resources should be leveraged, they are positioned to better meet community members’ particular needs and draw upon their unique strengths.

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Community Leader Perspective



Jody Olney

Director, Seattle Indian Services Commission

A longtime advocate for American Indian and Alaska Native families and other people of color struggling to make ends meet, Jody Olney is the Director of the Seattle Indian Services Commission – a public development corporation chartered by the City of Seattle to improve the lives of American Indian and Alaska Native people living in Seattle/King County through the provision of comprehensive housing and workforce development services. Currently, Jody is

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leading the Commission's work to develop a large affordable workforce housing complex with an onsite early learning center and versatile community space for urban Native people and families in Seattle. With a grant from the Communities of Concern Commission supporting pre-development work, this transit-oriented affordable housing project will support urban Native families to be able to live and work in the same place, reducing familial stress and eliminating some of the barriers that contribute to parental employment insecurity.

Jody's work is a critical response to the deep harms facing American Indian and Alaska Native children and families in Washington state: Native people are overrepresented among those experiencing homelessness¹², and, as with the parental employment data featured in Chart 2 (see page 3), Jody notes that Native people often appear "at the top of other troublesome lists" that measure economic hardship. Yet, Jody underscores that there's a deeper story that these numbers, on their own, fail to capture. Native people in Washington state are surviving generational trauma: the impacts of colonial violence, forced assimilation, and displacement that characterize our state's history have been transmitted across generations of Native people and families. For urban Native people especially, the history of relocation – during which the U.S. government terminated the recognition of many tribal nations and encouraged American Indian and Alaska Native people to move away from traditional lands¹³ – reverberates in the present in pervasive housing instability, economic hardship, and an enduring sense of cultural loss and isolation. Jody notes that even the data policymakers use to identify Native people and understand their lived experiences reinforce cultural erasure and generational trauma, as many data systems don't accurately reflect multiracial Native identities and/or don't match how Native people describe themselves.

American Indian and Alaska Native-led organizations are best positioned to provide the holistic care that urban Native children and families need to thrive. But without funds from the Communities of Concern Commission, Jody's current affordable housing work would remain on hold. Jody states that it is not enough for policymakers to choose one community-of-color-based economic development project to fund. Instead, she challenges lawmakers to move beyond tokenism and to recognize that every community of color across Washington state deserves ongoing, sustained investment to address their diverse needs as they grapple with the legacy of racism.

The Communities of Concern Commission's work invests directly in communities themselves – giving communities of color the power to identify what they need and to decide how to get there. This recognizes that racial inequities have persisted (at least in part) because of our state's failure to address the ways in which institutionalized power – government leadership, public resources – has remained concentrated among white Washingtonians, even as sanctioned forms of discrimination against people of color have been outlawed.

In 2020, Washington state lawmakers should invest in communities of color by funding the Communities of Concern Commission

Communities of color know best what kids and families in their communities need to thrive. And while communities already have the skills and expertise required to design effective solutions, they need investment to implement, sustain, and bring them to scale. In order to move the needle on racial equity and promote broadly shared economic well-being for kids and families across Washington state, lawmakers should invest directly in communities of color. By supporting communities of color to establish and grow critical assets – develop affordable housing, improve cultural centers, and build health care clinics and child care facilities (all while creating new jobs) – state lawmakers can ensure that kids who are furthest from opportunity can grow up surrounded by robust networks of support, within reach of the resources they need to learn, play, and grow up healthy.

This legislative session, state lawmakers should invest in Washington's kids by:

- » **Providing statewide Public Development Authority¹⁴ status to the Communities of Concern Commission** to facilitate ongoing state investment to a dedicated fund to accelerate the creation of affordable housing and other essential facilities in communities of color across Washington state.
- » **Fully funding the Communities of Concern Commission by investing \$1 million in the state operating budget and \$1 million in the capital budget** so that the Commission can fund community-based organizations with the resources they need to complete vital community economic development projects.
- » **Securing an ongoing source of revenue for the Communities of Concern Commission** to build needed infrastructure and capital assets not subject to annual budget allocation. ■

Notes

¹ Goldfeld et al., “The Kids in Communities Study,” 2015. <https://bernardvanleer.org/ecm-article/2017/kids-communities-study-live-makes-difference-childrens-development/>

² U.S. Census Bureau, 2018 5-year American Community Survey, Tables B17020B-I. Note about the data: The ACS does disaggregate Asian by ethnic groups. The Asian population is extremely diverse and there is significant variation in outcomes and experiences for different Asian subgroups. The aggregate poverty and income data for this group often masks worse outcomes and barriers for Southeast Asian children and families, for example.

³ Kelli Smith and Andy Nicholas, “Washington’s tax code is an untapped resource to advance racial justice,” Washington State Budget & Policy Center, 2019. <https://budgetandpolicy.org/resources-tools/2019/10/2019-Brief-WA-Tax-Code-is-untapped-resource-for-racial-justice.pdf>

⁴ Ibid.

⁵ Washington Territorial Laws, 1857-1858, at 72, available at: <http://leg.wa.gov/CodeReviser/documents/sessionlaw/1857pam1.pdf>

⁶ Kilolo Kijakazi et al., “African American Economic Security and the Role of Social Security”. Urban Institute, 2019. https://www.urban.org/sites/default/files/publication/100697/african_american_economic_security_and_the_role_of_social_security.pdf

⁷ Danyelle Solomon, et al., “Systemic Inequality, Displacement, Exclusion, and Segregation,” Center for American Progress, 2019. <https://www.americanprogress.org/issues/race/reports/2019/08/07/472617/systemic-inequality-displacement-exclusion-segregation/>

⁸ Ibid.

⁹ Sarah Rothschild, “An exploratory statistical analysis of gentrification and neighborhood change in Seattle,” 2019. <https://www.whitman.edu/Documents/Academics/Mathematics/2019/Rothschild-Ptukhina.pdf>

¹⁰ Yumiko Aritani et al., “Rent Burden, Housing Subsidies and the Well-Being of Children and Youth,” National Center for Children in Poverty, 2011. <https://www.aecf.org/m/resourcedoc/aecf-rentburdenhousingsubsidiesandchildren-2011.pdf#page=6>

¹¹ Wraparound services are a system of care management to incorporate comprehensive support systems such as family members, extended family, caregivers, teachers, medical providers, and more. 2013. <https://www.nea.org/assets/docs/Wraparound-Services-05142013.pdf>

¹² Vianna Davila, “Native Americans, Seattle’s original residents, are homeless at highest rate,” The Seattle Times, 2018. <https://www.seattletimes.com/seattle-news/homeless/native-americans-are-this-regions-original-residents-and-they-are-its-most-likely-to-be-homeless/>

¹³ National Congress of American Indians, “Tribal Nations and the United States: An Introduction,” 2015. http://www.ncai.org/resources/ncai_publications/tribal-nations-and-the-united-states-an-introduction

¹⁴ Public Development Authorities (PDAs) are public corporations created by a city, county, or state to perform a particular public function and administer government grants or programs. Examples of public functions PDAs perform include the development of public arts and culture museums, housing, and small business and retail districts.

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