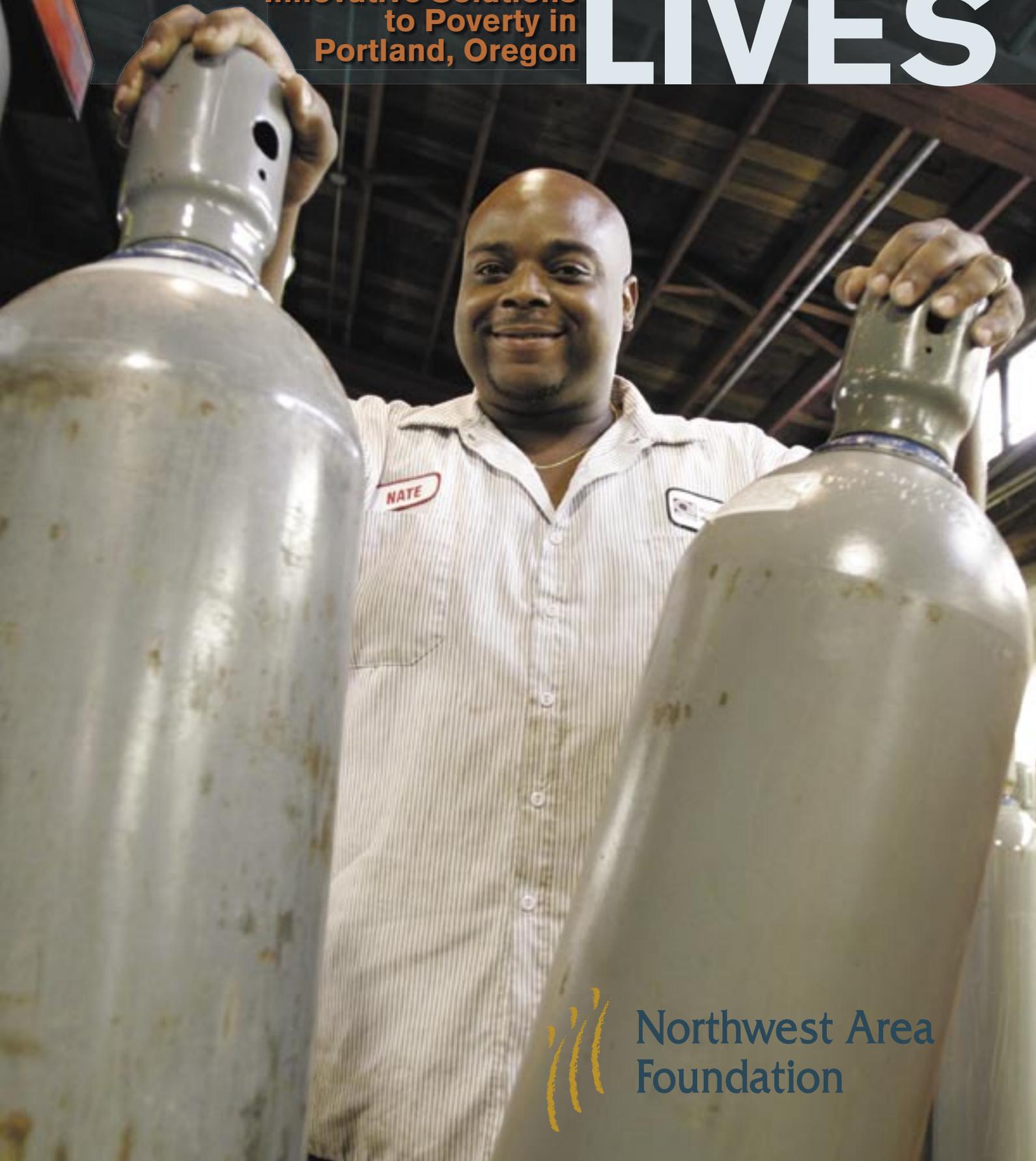


# CHANGING LIVES

Innovative Solutions  
to Poverty in  
Portland, Oregon



Northwest Area  
Foundation

# The Portland Economic Opportunity Initiative

## Earning income, building assets, changing lives

**In 2004**, Portland's Bureau of Housing and Community Development (BHCD) stopped doing business as usual. After years of funding community-based organizations to help a lot of people a little bit, BHCD felt it could be more effective by pursuing a focused strategy founded on best practices. BHCD envisioned the Economic Opportunity Initiative as a large-scale campaign to support a range of projects implementing key elements of these best practices. Now BHCD invests in a coordinated portfolio of more than 30 projects. These projects work intensively and holistically with small groups of very low-income people. Each group is united by some common characteristic, such as ethnicity, race, gender, industry, entrepreneurial ambition, language, geography, history, and/or culture.

Initiative projects are designed and tailored to each group, equipping them with the tools they need to move towards economic and personal stability. For example, a project for immigrant Eastern European metal workers builds on the technical experience of the participants, and trains them to use American equipment and techniques. Project graduates provide a steady source of trained work-

ers to the metal industry, encouraging companies to join the Initiative as employment partners. Another project, the Child Care Improvement Project, networks home-based childcare providers, building their entrepreneurial skills and improving the quality of childcare. Economies of scale give providers access to training, bulk purchasing, and joint marketing not otherwise available to individual providers.

All Initiative projects share a common goal: to raise individual participant incomes and assets by a minimum of 25 percent within three years. Standard components of all projects include peer support; help with a range of everyday items from transportation to time management; and individual coaching. Workforce projects qualify adult





participants for career-track, living-wage jobs; youth are trained, placed, and supported in jobs that will allow them to pursue higher education or a career path. Entrepreneurship projects assist participants to start or expand their small businesses.

Best practice research indicates that real change takes time. The Initiative allows all agencies to work closely with their clients on both career development and life challenges over a longer period of time. “We can take a more in-depth, personal approach,” says Andrew Reed, personal advocate for the Workforce Housing Alliance, a project funded by the Initiative. “We can make the program work for them.”

All of the projects in the Initiative portfolio benefit from quarterly events offered by BHCD to nurture collaboration, provide training, solve common problems, and coordinate advocacy. BHCD is also developing a system of supports



for all project participants, ranging from health care coverage, matched savings accounts, legal and information technology services.

Independent evaluators track project outcomes for all projects through a joint Web-based management information system. This real-time system gives projects the data they need to continuously improve their services, and allows them to share data as a tool for serving shared clients.

**“We can take a more in-depth, personal approach. We can make the program work for them.”**

– Andrew Reed, personal advocate, Workforce Housing Alliance

The Economic Opportunity Initiative ignites the kind of change that can extend beyond the lives of the individual participants. Participants’ success contributes to the City’s economic vibrancy. Families and communities are strengthened when Initiative graduates bring home living-wage paychecks or open local businesses. Their accomplishments expand the realm of possibility for their friends and family, and for the community.

This publication describes the Economic Opportunity Initiative in action by telling the story of how the Initiative gave five agencies the means to empower their clients, and how five of those clients used their new skills to rise out of poverty.



Some of the participants from the many innovative programs funded by the Portland Economic Opportunity Initiative. Clockwise from left: Christie Haynes (p. 14), Maria Castillo with the children she cares for (p. 4), Alexey Dorofeyev with Sulamif Rozenfeld, language specialist at Gunderson Inc. (p. 10), Jennie Greene (p. 8), and Nathan Powell (p. 6).



**Maria Castillo** increased her income and self-esteem thanks to the support and training provided by the Child Care Improvement Project.

# “I’m really proud of them. They now consider themselves business women.”

– ROSIE GOMEZ, GROUP COORDINATOR FOR THE CHILDCARE IMPROVEMENT PROJECT

**Maria** When her husband’s income could no longer support their family, Maria Castillo turned to the only work she could do with limited English and two young children: babysitting her neighbors’ children. Even though she worked full time, she barely made any money. Parents wouldn’t pay much, and when she asked for more, they threatened to take their children elsewhere. Sometimes parents didn’t pay at all.

Things began to change for Maria when she saw a notice about a support group for childcare providers. She found a circle of women like her – Latinas who were trying to make money babysitting in their homes. The support group was a part of the Child Care Improvement Project (CCIP), an existing network of at-home childcare providers.

Maria joined the group, and the women gathered once a month. Over a multi-course meal prepared by the group coordinator, Rosie Gomez, the women received instruction in licensing, tax preparation, and other business skills. Maria learned to create policies and have parents sign contracts agreeing to pay certain fees. She talked with her group about practical issues: what to do with children on a rainy day, how to turn a corner into a cozy reading area without spending a lot of money. Maria appreciated the information, but especially the support of the women in the network.

Today, Maria no longer regards herself as a babysitter. She sees herself as a business owner. Her income has risen. She has gained the confidence to stick up for herself. Not only do her clients pay her on time, but she ended abuse in her marriage. Although the family’s budget is tight without her husband’s income she doesn’t mind. “I pay the rent. I buy food. It’s nice and peaceful without him.” She hopes that her daughters will take over the childcare business someday. But her daughters may be interested in other fields. Maria’s confidence has encouraged 19-year-old Blanca to aspire to more. “I want to be a lawyer,” she says.



## CHILD CARE IMPROVEMENT PROJECT

In apartments, duplexes, and small houses, a quiet revolution is taking place. Women who have typically regarded themselves as babysitters, accepting minimal pay and respect, are asking for and getting more. Thanks to the Child Care Improvement Project, funded by the Economic Opportunity Initiative and sponsored by Neighborhood House, home childcare providers are learning business skills, getting childcare training and generally learning how to turn babysitting into a childcare business.

The approach is simple: Bring providers together in small groups to exchange information, receive training and provide each other support. There are now nine peer-run networks with paid coordinators to identify resources and provide training.

The program is so successful that networks maintain waiting lists. Participants’ incomes have risen substantially. Their confidence and self-esteem have increased. The benefits of the project have touched their families, the parents and children who are their customers, and their communities. “I love seeing their growth,” says group coordinator Rosie. “I am so proud.”



**Nathan Powell** calls the Workforce Housing Alliance Program a blessing. The program's one-on-one coaching helped him to get a satisfying, well-paid job at a welding supplies company.

# “A lot of people have never had someone give them good advice.”

– ANDREW REED, PERSONAL ADVOCATE FOR THE WORKFORCE HOUSING ALLIANCE PROGRAM

## Nathan

Nathan Powell needed a job. After being laid off, then unemployed for two years, his confidence and motivation were at an all-time low. His wife's wages were not enough to support their family of six. He knew he needed help but he didn't know where or how to begin.

He was initially skeptical about the new Workforce Housing Alliance job program at SE Works. He remembers thinking, “Here goes one of those programs. I'll get so far and then nothing will happen.” But something did happen. The program assigned personal advocate Andrew Reed to work with him. Together, they identified Nathan's skills and how he could build on them to get a good job. Nathan learned to identify job opportunities, how to write a resumé employers would notice, and how to behave in a job interview. Andrew encouraged him. He helped Nathan with childcare resources when he had an interview. He provided bus money when Nathan had none. “Andrew was like a blessing,” says Nathan. “He told me I could do it.”

With Andrew's help, Nathan went to work for an industrial temporary services agency. He got a position at Quimby Corp., a welding supply company, filling in for a worker on temporary leave. When the regular employee returned, the company told Nathan he was too good to lose and hired him full-time.

Today, he manages the company's inventory of compressed gases used in welding. He is doing so well that in eight months he is already making more than he did after four years at his previous job. Now that he's bringing in a solid income, his wife plans to leave her job as a medical technician and enroll in nursing school. Once she finishes, Nathan wants to pursue another ambition of his own: a commercial truck driving career. It is something he has wanted to do for a long time. Now he has the confidence to do it.



## SE WORKS

The staff at SE Works believe that frank talk, focused training and lots of encouragement are the stuff that changes lives. They wanted to create a job training program specifically for low-income people with multiple impediments (such as mental health issues or criminal history) to getting and keeping decent jobs.

With a grant from the Economic Opportunity Initiative, SE Works opened the Workforce Housing Alliance program to carry out this vision. Since it opened, the program has reached out to low-income people. Many participants were homeless, or, like Nathan, were referred by housing programs. They may have little work experience and few skills. “This program fills a gap,” says Andrew. “It allows people who wouldn't make it through the system any other way to get good jobs.”

Staff advocates work one-on-one with their clients. They discuss what is possible and what's not. For example, a criminal record with felonies, or history of drug and alcohol abuse, will rule out a job in the healthcare field. Advocates help clients to identify career choices that fit their realities and their dreams. If clients need long-term training and education, SE Works advocates help them find financial aid. Staff also coordinate support services, ranging from mental health counseling to childcare.

Andrew believes the personal attention that participants receive from the advocates is key. “A lot of people have never had someone give them good advice,” says Andrew. “It makes a huge difference.”



**Jennie Greene** converted a shipping container into a floral design shop with a loan from Mercy Corps Northwest's Mercy Enterprise Corporation Loan Fund.

# “I’m building this creative community around me.”

– JENNIE GREENE

**Jennie** When exposure to toxic chemicals robbed artist Jennie Greene of her livelihood as a sculptor, Jennie switched to floral design. She wanted to start her own business, but she had no money to set up shop. As an artist, she had never been financially secure, and her medical bills sent her into bankruptcy. She had no income, no assets, and no traditional lender would even consider her loan application.

The microenterprise program at Mercy Corps Northwest specializes in helping low-income entrepreneurs thrive. After seeing her business plan, the Mercy Corps lent Jennie \$7,000 for startup costs, and provided business expertise. Another Initiative project, the Oregon Association of Minority Entrepreneurs’ SEED project, worked intensely with Jennie early on and referred her to Mercy Corps for additional help. Mercy Corps’ loan officer, Dan McGraw, helped her negotiate the lease for her space, a parking spot on Northwest 23rd in the heart of one of the city’s busiest shopping districts.

Working together, Jennie and Dan developed a marketing strategy that emphasized her art and design background. She learned to presell all of her arrangements and began teaching classes in flower arranging to attract customers. Jennie used her loan to buy a shipping container from the *Nickel Ads*. She cut into the asphalt parking space and set the shipping container securely in place, then converted it into a small but surprisingly light and airy shop.

Although things aren’t always easy, Jennie is supporting herself and paying back her loan. Financial independence is not the only reason that Jennie hopes her business will succeed. She wants her shop to become a place people go to exchange artistic ideas. “I am building this creative community around me,” she says.



## MERCY CORPS NORTHWEST

A bakery opens on one block. A gift shop next door advertises Himalayan goods. All across Portland, in tree-lined neighborhoods, and on busy commercial strips, low-income entrepreneurs are starting up shoe shops, auto repair garages, dry wall firms and landscape design ventures. With the help of Mercy Corps Northwest’s microenterprise program and Portland’s Economic Opportunity Initiative, Portlanders with no assets and little income are turning to small business to improve their lives.

Mercy Corps Northwest’s program equips low-income entrepreneurs with core business training and an array of small business development tools. Mercy Corps evaluates each business or business plan, and tailors its assistance accordingly. Participants may qualify for a loan, or they may be encouraged to open matched savings accounts (Individual Development Accounts) to buy equipment or to use as seed money.

Business ownership creates new opportunities. Small businesses can create new jobs. The economic activity invigorates low-income communities. Families gain self-esteem. “That’s why we do it,” says John Haines, executive director of Mercy Corps Northwest.



**“I worked all my life as a welder.** It is what I am, what I have chosen.” The PACE program helped Alexey Dorofeyev, a refugee with 16 years welding experience in his native Kazakhstan, overcome technical and cultural barriers to getting a job in Portland.

# “You can’t be self-sufficient on the wages of a housekeeper or dishwasher.”

– VITORIA LIBOV, IRCO EMPLOYMENT AND TRAINING SERVICES MANAGER

## Alexey

Alexey Dorofeyev had supported his family for 16 years as a welder in his native Kazakhstan, but when he and his family immigrated to the United States he couldn't get a job. He was unfamiliar with American welding equipment and techniques. These problems were compounded by his weak English-speaking skills. How could he walk into a metal company and convince them he could do the job when he couldn't speak the language? He might as well have been in Kazakhstan, for all the success he was having applying for a welding job in Portland.

Alexey's life changed when he enrolled in PACE, a new program at Portland's Immigrant and Refugee Community Organization (IRCO). PACE connects immigrants and refugees with careers in the metal industry. It provided a career coach, Larisa Felty, who worked with Alexey one-on-one. Larisa, Russian herself, became his passionate advocate. “I really felt like if he had 16 years experience, even if something was a little bit different, I could get him a job.”

Larisa talked to prospective employers. Gunderson Inc. was interested but hesitant about the risk so Larisa found a creative solution for Gunderson. She secured training funds to subsidize a percentage of Alexey's initial wages and reduce the company's risk. Gunderson agreed. Within three weeks, Gunderson was so pleased with Alexey's work that the company cut the training program short and offered him a full-pay, full-time position.

Today, Alexey is happily employed at Gunderson, with his family settled, his children in school. Next he wants to obtain his welding certificate to document his qualifications. If his job disappears or changes, he will be prepared to get another one.



## IMMIGRANT AND REFUGEE COMMUNITY ORGANIZATION

PACE marries two economic forces: the metal industry's need for trained workers and the considerable number of experienced metal workers who have immigrated to Portland from Eastern Europe. IRCO, with funding from the Economic Opportunity Initiative, is able to satisfy the needs of both the companies and the immigrant workers. IRCO tailors training programs to the employers' specifications, using culturally appropriate curriculum.

PACE accepts immigrants who are experienced or just interested in the metals industry. Participants receive training in 'soft' skills: writing a resumé, searching for jobs, and presenting oneself in interviews. A career coach determines what training and skills each participant needs and creates individual action plans. The Initiative's flexible funds provide money for everyday expenses, from car repairs to haircuts.

With support from the Initiative, IRCO has placed several immigrants at local metal companies. The IRCO staff are thrilled to be able to offer a comprehensive program that enables people like Alexey to build successful careers in Portland. “We can do much more for them now,” says Vitoria Libov, manager of IRCO employment and training services. “And that makes me feel good.”



**Christie Haynes can finally save money for her education.**

The Corporate Connections program placed Christie in an internship that led to a good job at a large Portland law firm.

**“There is a high respect level here. People ask your opinion. I feel like I matter.”** - CHRISTIE HAYNES

**Christie** Christie Haynes was working as hard as she could but still losing ground. Although she had overcome personal challenges, and enrolled in Open Meadows Alternative High School, she was practically homeless. The low wages she earned working at call centers and food service companies weren't enough to pay for rent. She shifted from home to home, staying with a friend one month, a boyfriend the next. She increased her hours just to survive, and pretty soon, she found it impossible to make it to class.

Then her counselor from Open Meadows called her about Corporate Connections, a program that moves 17- to 24-year-olds into higher incomes jobs with long-term prospects. Corporate Connections prepared Christie by helping her to develop basic office skills, and placed her in an internship at Preston Gates & Ellis, a Portland law firm, where she could gain professional experience.

“When I started at Preston Gates I made a commitment to myself,” Christie says. “I would go every day every week. I showed up early. I did the best I could. I did more than they asked me.” After her 10-week internship ended, the law firm offered her a position as a receptionist.

Before becoming involved in the program, Christie would never have considered applying at a law firm. “I would never have thought I could work there, that they'd want me,” she says. Now, she feels like a contributing member of the team. “There is a high respect level here. People ask your opinion. I feel like I matter.”

Today, Christie's life is stable. She can afford to pay rent and buy groceries. She has health insurance. She is able to save money so she can pursue her education. She thinks she might study to become a paralegal or a legal secretary. She hasn't decided. For the moment, it is nice to know such possibilities are finally within her reach.



### CORPORATE CONNECTIONS

Through the Economic Opportunity Initiative, Open Meadows Alternative School has expanded the career horizon of its graduates beyond the fast food industry. Its Corporate Connections program opens the door to a world of opportunities low-income kids rarely glimpse. At large, brand-name corporations, such as Comcast or Standard Insurance, jobs come with decent wages, good benefits and the chance to advance.

Corporate Connections takes a motivated group of low-income young people who have basic literacy and computer skills, and trains them for eight weeks, 10 hours a day. The training covers everything from how to write a resumé and how to talk to an executive to how to manage personal finances. Then, when program manager Nick Knudsen thinks they're ready, they intern at one of the participating corporations for 10 weeks, working 20 hours a week. “We give them an opportunity; it's up to them to make something of it,” says Nick.

With the support of the Economic Opportunity Initiative, Open Meadows can introduce its graduates to a new realm of possibilities through Corporate Connections. “They have a whole different outlook on what they can do,” Nick says. Graduates feel like participants in the business world, not outsiders. That changes everything: their expectations, their goals, and their futures.

# “Portland ventured into the poverty reduction arena with focus and conviction.”

– NORTHWEST AREA FOUNDATION

## The Northwest Area Foundation

is committed to helping communities reduce poverty. Rather than supporting individual institutions, we are forming partnerships with communities working to develop long-term solutions to poverty. We work with communities in Minnesota, Iowa, North Dakota, South Dakota, Montana, Idaho, Washington, and Oregon providing knowledge, financial resources, products and services.

The Northwest Area Foundation formed a partnership with the City of Portland's Bureau of Housing and Community Development (BHCD) in the summer of 2004. The Bureau has taken a bold step to reduce poverty in the urban neighborhoods of Portland: focusing community development block grant (CDBG) funds on increasing the income of low-income individuals and families.

Through the creation of a pool of federal, regional, and local funds, including matching grants from the United Way of the Columbia Willamette, BHCD has provided financial resources to organizations seeking to expand successful models or to adopt successful projects that reduce poverty. More than 30 projects have received financial support from BHCD. The successful expansion and replication of these project models will result in more than 2,500 people in the Portland area increasing their income by at least 25 percent over a three-year period.

Communities are more likely to reduce poverty long-term if they are making progress in these areas:

- Building community capacity – community capacity is about communities using their skills to design, lead and implement lasting change.

- Increasing assets – using local resources and community strengths, communities can identify and develop assets.
- Increasing economic opportunities – identifying and developing high-quality jobs and entrepreneurship programs prompts a community to focus on improving the quality and skills of its workforce. Increased economic opportunities also create a climate that fosters innovation.
- Making decisions more inclusively on critical community issues – inclusive-decision making is a key indicator for community integration and shared vision.

The opportunity to invest in workable models based on best practices is the essence of the Foundation's goals: to identify, share, and advocate for approaches that build a community's ability to reduce poverty long-term. This Initiative also offers a learning opportunity for both NWAFF and the City of Portland as we seek ways to help communities get out and stay out of poverty.

Portland ventured into the poverty reduction arena with focus and conviction. Covering just one year from idea to launch of the initiative, the City moved swiftly to change the way scarce financial resources were invested in the people of Portland. In its second year of operation, the work is on track to achieve its goals.

Transformation of individual lives works best when a community sees that it, too, needs to change. As the City of Portland continues to transform the way it does business, there are many cities nationwide that can learn from their experiences. Please consider contacting the Bureau of Housing and Community Development to learn more about “what's working” in Portland's neighborhoods.





**It's about possibility.**  
**It's about changing lives.**

# The Portland Economic Opportunity Initiative: Five case studies of projects that are reducing local poverty and building stronger communities

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