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Memorandum

To: Mayor Hutchinson and City Council Members

From: Economic Advisory Commission

CC: Darin Atteberry, City Manager
Mike Freeman, Chief Financial Officer

Date: October 29, 2009

Subject: Poverty and Economic Health in Fort Collins

EAC Recommendation to Council

In order to introduce a systemic approach to address poverty in the City of Fort Collins the EAC recommends the following:

1. City Council should review (and encourage City staff to do the same) policy recommendations that come before it with a view to reducing poverty and improving the economic conditions and opportunities for people in the lower-income segment of the City economy.
2. City Council should make a proactive effort to include agenda items and discussions that address the needs and solutions for people in poverty.
3. In considering membership for the Economic Advisory Commission, Council should seek and consider among the qualified applicants members of the community who have experience in the economics of poverty, are advocates for low-income members of the community, or have direct experience with poverty issues.
4. The mission of the EAC should be amended to include consideration of poverty issues as appropriate.
5. The City should explore ways in which to amend current tax policies that disproportionately burden the lowest income members of the community.

Background

The EAC has had on-going discussions regarding the issue of poverty in Fort Collins, the need for a healthy economy that can help mitigate the circumstances surrounding poverty, and steps that can be taken to promote the health for the lowest income segment of the local economy.

In writing a recommendation to Council regarding the issue of poverty, the EAC agrees and presumes that the Fort Collins economy encompasses all members of the community. Furthermore, a sustainable and healthy Fort Collins economy is understood cover all income brackets.

As part of the discussion, the EAC heard a presentation from Mary Atchison from the United Way Pathways Past Poverty commission. The quotes that follow regarding the issue of poverty in Fort Collins are taken from the Pathways Past Poverty History website (<http://www.uwaylc.org/PathwaysPastPoverty/History.html>) Sept. 28, 2009. The EAC feels it offers a call to action for Fort Collins City Council to include a systemic approach when addressing the alarming increase in poverty in the community.

“Pathways Past Poverty began in response to the October 2006 release of alarming Census Bureau statistics that showed a growing percentage of our Larimer County population living in poverty. Looking at this critical data, it became imperative to begin a community dialogue about **what we need to do to be proactive and begin to turn this trend around** (EAC emphasis) before it became too large to effectively address.”

“Since poverty is such a complex issue it is important to explore solutions from a variety of perspectives. Experts agree that the causes of poverty involve:

- Personal responsibility
- Social climate
- **Economic and business climate**
- **Public policies (EAC emphasis)**

There is clearly no single solution that can address all of these causes. Often, communities make the mistake of only addressing one or two of these causes. The Pathways Past Poverty initiative is attempting to develop solutions from all four perspectives.”

In addition, we now know from the available research that poverty and income inequities undermine general community and economic health. In an article for *Harvard Magazine*, “Unequal America Causes and consequences of the wide—and growing—gap between rich and poor,” Elizabeth Gudrais writes: “Research indicates that **high inequality reverberates through societies on multiple levels**, correlating with, if not causing, more crime, less happiness, poorer mental and physical health, less racial harmony, and less civic and political participation. Tax policy and social-welfare programs, then, take on importance far beyond determining how much income people hold onto. The level of inequality we allow represents our answer to “a very important question,” says Nancy

Krieger, professor of society, human development, and health at HSPH: "What kind of society do we want to live in?" (<http://harvardmagazine.com/2008/07/unequal-america.html>).

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