

# Poverty In America, 2014 and a Catholic Response

Tom Mulloy, Policy Advisor

*Office of Domestic Social Development*

Carmen Herrera-Mansir, Executive Director

*El Pájaro Community Development Corporation*



FAITH | WORSHIP | WITNESS  
JOURNEY WITH CHRIST

FE | CULTO | TESTIMONIO  
CAMINAR CON CRISTO

USCCB

# Pope Francis



*The fight against poverty and hunger must be fought constantly and on many fronts, especially in its causes.*

[-Address to Congress,  
September 24, 2015](#)



# Pope Francis

## *Laudato Si'*

the common good is:

- ... respect for the human person
- ... the overall welfare of society
- ... calls for social peace

Society as a whole, and the state in particular, are obliged to defend and promote the common good.  
(No. 157)



# Poverty in America, 2014

Family Size	Annual Income
Single, Working-age Adult	\$12,300
with One Child	\$16,300
Adult Couple	\$15,900
with one child	\$19,000
with two children	\$24,000
with three children	\$28,200

[U.S. Census Bureau. \*Income, Poverty and Health Insurance Coverage in the United States: 2014\* \(p. 43\)](#)



# Poverty in America, 2014

Family Size	Annual Income	Basic Economic Security
Single, Working-age Adult	\$12,300	\$24,600
with One Child	\$16,300	\$32,600
Adult Couple	\$15,900	\$31,800
with one child	\$19,000	\$38,000
with two children	\$24,000	\$48,000
with three children	\$28,200	\$56,400

[U.S. Census Bureau. \*Income, Poverty and Health Insurance Coverage in the United States: 2014\* \(p. 43\)](#)



# Poverty in America, 2014

- ▶ Poverty rate **14.9%** ... **47 million** people; slight increase from last year
- ▶ **16 million** children... **1 in 5**; slight increase from last year
- ▶ **11.6%** of families in poverty... **9.5 million**...

[U.S. Census Bureau. \*Income, Poverty and Health Insurance Coverage in the United States: 2014\*](#)



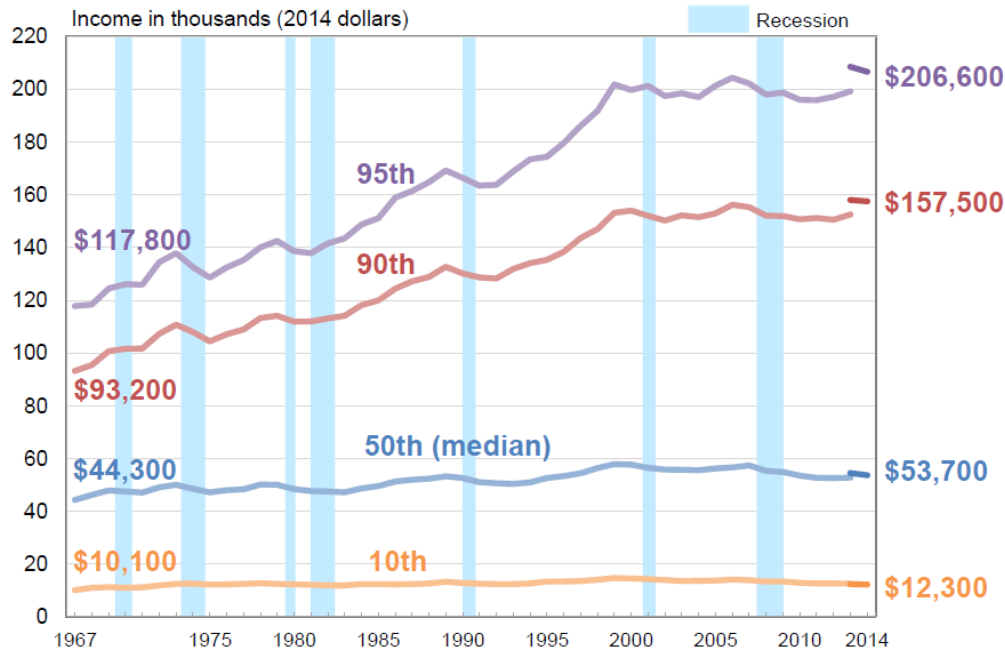
# Poverty in America, 2014

- ▶ 44% lived in deep poverty... **21 million** people
- ▶ On average, a family in poverty needs **\$10,000** to get out
- ▶ Since welfare reform in 1996--**130% increase** in the number of households with children living on \$2 a day/person



# Income and Inequality, 2014

## Real Household Income at Selected Percentiles: 1967 to 2014



United States  
**Census**  
Bureau

U.S. Department of Commerce  
Economics and Statistics Administration  
U.S. CENSUS BUREAU  
census.gov

Note: The 2013 data reflect the implementation of the redesigned income questions. See Appendix D of the P60 report, "Income and Poverty in the United States: 2014," for more information. Income rounded to nearest \$100.  
Source: U.S. Census Bureau, Current Population Survey, 1968 to 2015 Annual Social and Economic Supplements.

[Data](#) (p. 8-9); [Chart](#)





# Supplemental Poverty Measure

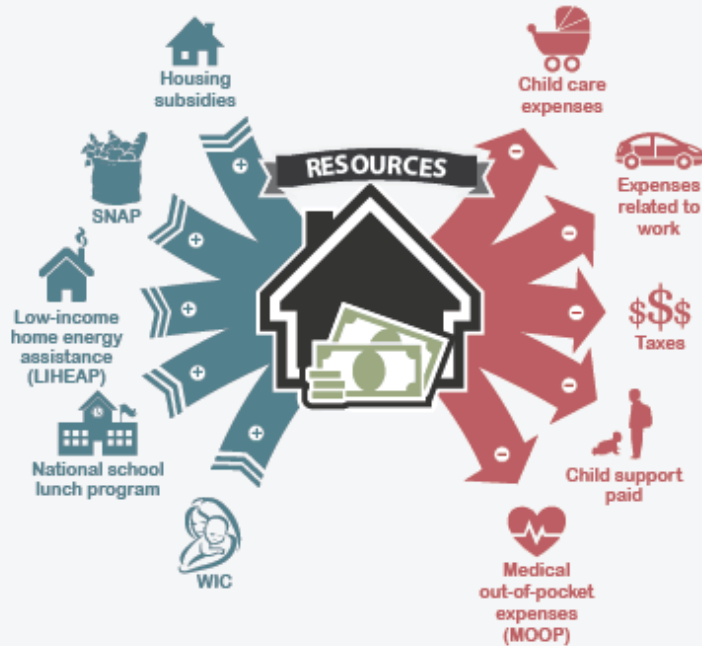
The SPM starts with cash income, then...

## ADDING BENEFITS

The SPM adds benefits from the government that are not cash but help families meet their basic needs.

## SUBTRACTING EXPENSES

The SPM subtracts necessary expenses like taxes, health care, commuting costs for all workers, and child care expenses while parents work.

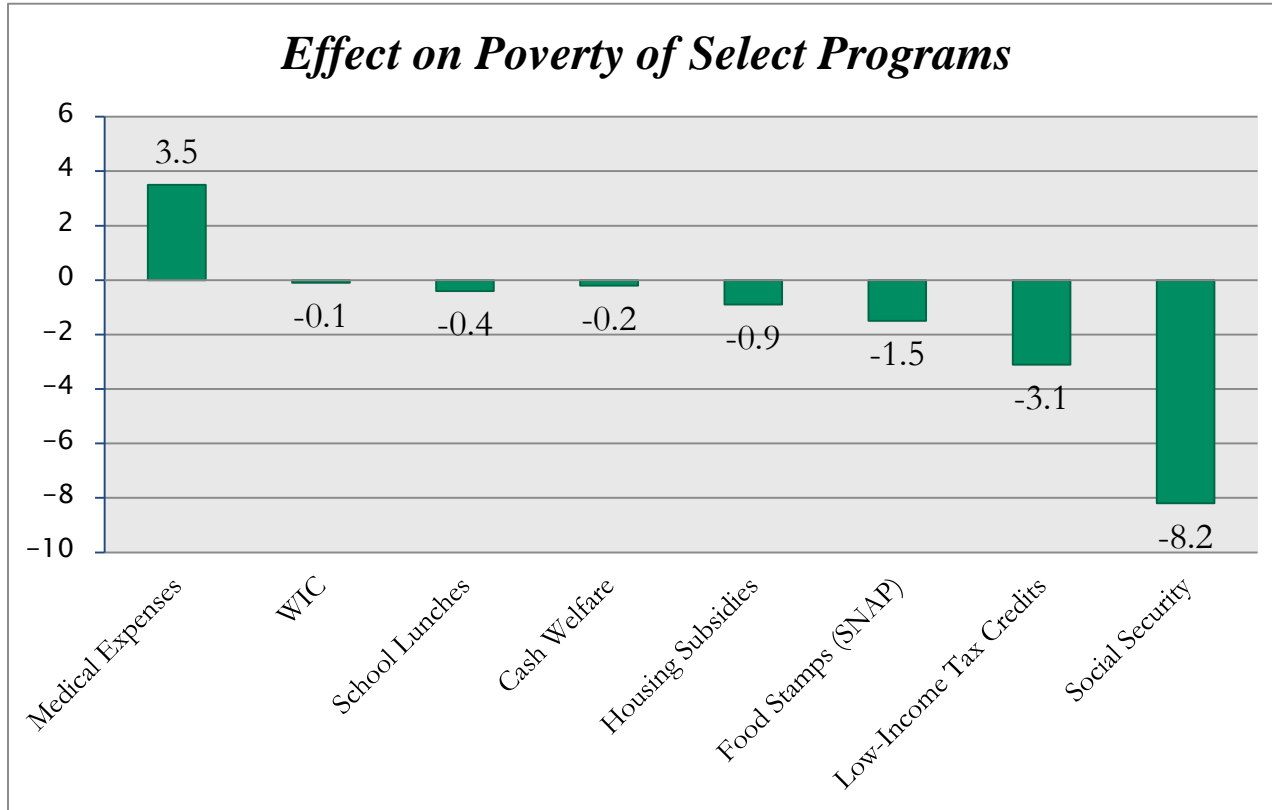


[Report](#); [Chart](#)

- ▶ Poverty increases ...  
15.3% (from 14.9%)
- ▶ Child Poverty falls...  
16.7% (from 21.5%)
- ▶ Foreign-born poverty  
increases 28%



# Federal Antipoverty Programs



[U.S. Census Bureau. \*The Supplemental Poverty Measure: 2014\*](#)



# Supplemental Poverty Measure

*“We waged a War on Poverty, and Poverty won.”*

**Government programs cut poverty by 45 percent.**

**Virtually ALL poverty reduction over the past 30 years is attributable to government programs. ([Report](#))**

**About 3 out of every 4 recipients of government assistance (73 percent) come from working families. ([Report](#))**



# Supplemental Poverty Measure

Remember that Basic Economic Security threshold? ...

- ▶ 47 percent of all Americans
- ▶ 57 percent of all American Children

*Almost HALF of all American households cannot handle an unexpected expense of \$400.*

[Federal Reserve](#)



# State and Local Poverty

## [Povertyusa.org](http://Povertyusa.org)

Home > The State of Poverty > Poverty Map

### Poverty Map

This map can help bring to life the statistics and scope of Poverty USA. Use the **National Overview** to compare poverty levels of states. Use the **County Level View** for detailed info at a local level. The County Level View also shows places of hope where people are making a difference with the help of CCHD grants.

**National Overview**
**County Level View**

**PRINT THE MAP**

**CLICK ON A STATE FOR:**

- State's poverty ranking
- Senior poverty rate
- Overall poverty rate
- Deep poverty rate
- Child poverty rate
- Young Adult poverty rate
- Disabled poverty rate
- Poverty by gender

Map data source: Current Population Survey (CPS), 2011 Annual Social and Economic Supplement (ASEC).

**POVERTY RATE**

Below 11%
11-13%
13-15%
15-17%
Above 17%

Switch views to see: Poverty rate info by county throughout the US.

Info on CCHD-funded organizations that are helping to fight domestic poverty.





*Promoting equal access to economic opportunity*



*Transforming people's lives through entrepreneurship*

23 East Beach Street Ste 209 Watsonville, CA [www.elpajarcdc.org](http://www.elpajarcdc.org)

**Since 1979**  
**providing assistance to**  
**local entrepreneurs**

# What We Offer:



- ◇ Start-Up Assistance
- ◇ Business Coaching
- ◇ Specialized Business Consultation
- ◇ Low-Cost Trainings
- ◇ Commercial and Agricultural Loan packaging
- ◇ Marketing Assistance
- ◇ Strategic Planning and Expansion
- ◇ Business Incubation

**Taqueria Lidia**

**Watsonville Farmer's Market and the Watsonville Metrocenter**







# Programs

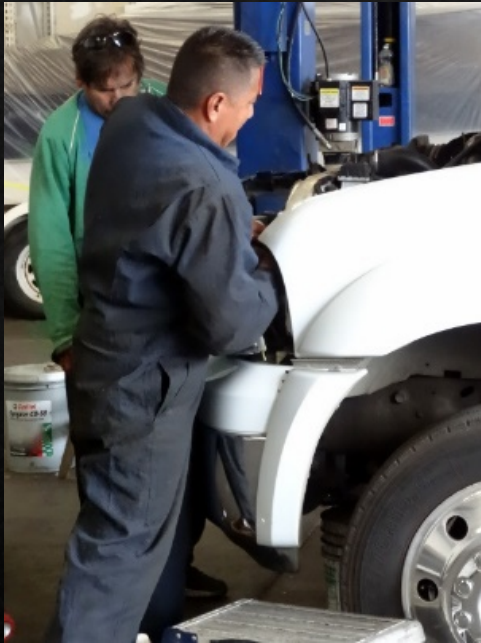
- Business Education & Loan Program
- Family Child Care Development
- Plaza Vigil Retail Incubator
- Commercial Kitchen Incubator
- Micro-Lending Collaboration w/SCCCU
- Kiva Zip Loan Program



Alterations by Soco & Acosta Apiaries  
Salinas, CA

# Alfredo Garcia Watsonville Diesel

130 Lee Road, Watsonville




Winner of California Association For Micro Enterprise Opportunity  
Faces of Entrepreneurship 2014



# EPCDC Commercial Kitchen Incubator

**LEGEND**

-  FLOOR DRAIN
-  FLOOR SINK

**NOTES**

DISTING. INSTALLED WATER HEATING IS PROVIDED THROUGH A HOT EXCHANGER FROM A 6 MILLION BTU STEAM BOILER, AS THIS MAY PROVE TO BE TOO EXPENSIVE TO HAVE IN CONTINUOUS OPERATION, A LOCAL 500,000 BTU WATER HEATER WILL BE PROVIDED (SEE ATTACHED, BRANDFORD-WHITE D-1005-250-594).



**CITY OF WATSONVILLE  
REDEVELOPMENT AND  
HOUSING DEPARTMENT  
250 MAIN STREET  
WATSONVILLE, CA 95076  
TEL. 831-765-8000**

**FLOOR PLAN  
COMMERCIAL KITCHEN INCUBATOR FACILITY  
412 RIVERSIDE DRIVE, WATSONVILLE, CA 95076**

No.	Description
01	DE WASH ST. FURNISHING

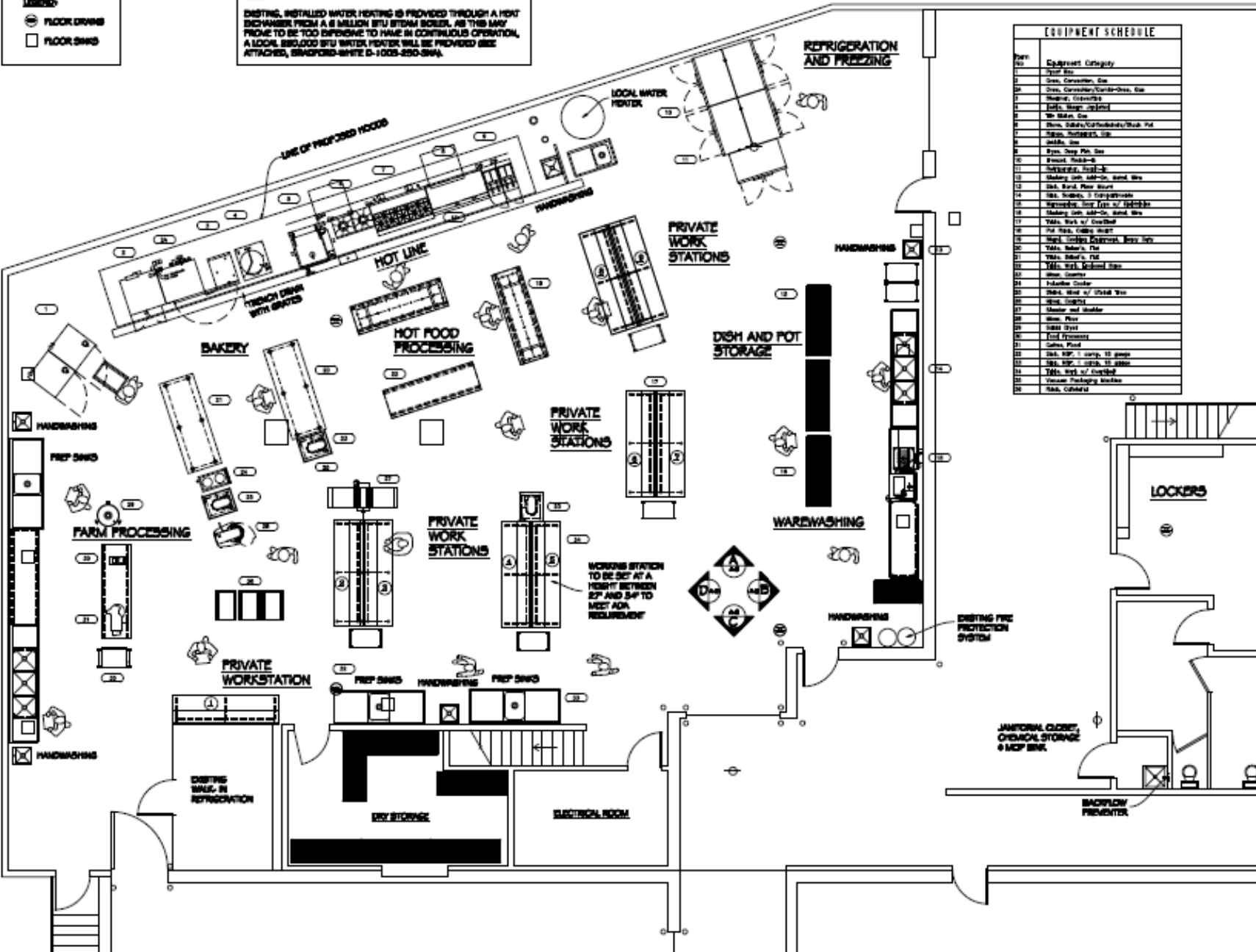
**CITY OF WATSONVILLE  
REDEVELOPMENT AND HOUSING DEPARTMENT  
250 MAIN STREET  
WATSONVILLE, CA 95076  
TEL. 831-765-8000**

**J. FLANDERSON  
412 RIVERSIDE DRIVE  
WATSONVILLE, CA 95076**

**BY THE ARCHITECT  
CHERRY FLEMING  
1-1007**

**EQUIPMENT SCHEDULE**

Item No.	Equipment Category
01	2" Hot Pot
02	2" Oven, Convection, Gas
03	2" Oven, Convection/Conrad-Oven, Gas
04	Waffle, Convection
05	2" Dish, Wash, Industrial
06	2" W. Main, Gas
07	2" Oven, Bakery/Convection/Hot Pot
08	2" Oven, Convection, Gas
09	2" Dish, Wash, Industrial
10	2" Dish, Wash, Industrial
11	2" Dish, Wash, Industrial
12	2" Dish, Wash, Industrial
13	2" Dish, Wash, Industrial
14	2" Dish, Wash, Industrial
15	2" Dish, Wash, Industrial
16	2" Dish, Wash, Industrial
17	2" Dish, Wash, Industrial
18	2" Dish, Wash, Industrial
19	2" Dish, Wash, Industrial
20	2" Dish, Wash, Industrial
21	2" Dish, Wash, Industrial
22	2" Dish, Wash, Industrial
23	2" Dish, Wash, Industrial
24	2" Dish, Wash, Industrial
25	2" Dish, Wash, Industrial
26	2" Dish, Wash, Industrial
27	2" Dish, Wash, Industrial
28	2" Dish, Wash, Industrial
29	2" Dish, Wash, Industrial
30	2" Dish, Wash, Industrial
31	2" Dish, Wash, Industrial
32	2" Dish, Wash, Industrial
33	2" Dish, Wash, Industrial
34	2" Dish, Wash, Industrial
35	2" Dish, Wash, Industrial
36	2" Dish, Wash, Industrial
37	2" Dish, Wash, Industrial
38	2" Dish, Wash, Industrial
39	2" Dish, Wash, Industrial
40	2" Dish, Wash, Industrial
41	2" Dish, Wash, Industrial
42	2" Dish, Wash, Industrial
43	2" Dish, Wash, Industrial
44	2" Dish, Wash, Industrial
45	2" Dish, Wash, Industrial
46	2" Dish, Wash, Industrial
47	2" Dish, Wash, Industrial
48	2" Dish, Wash, Industrial
49	2" Dish, Wash, Industrial
50	2" Dish, Wash, Industrial



# Applying to CKI Program

New Food Business Idea

Business Plan

Business Plan Training

No

Yes

Market Readiness Assessment

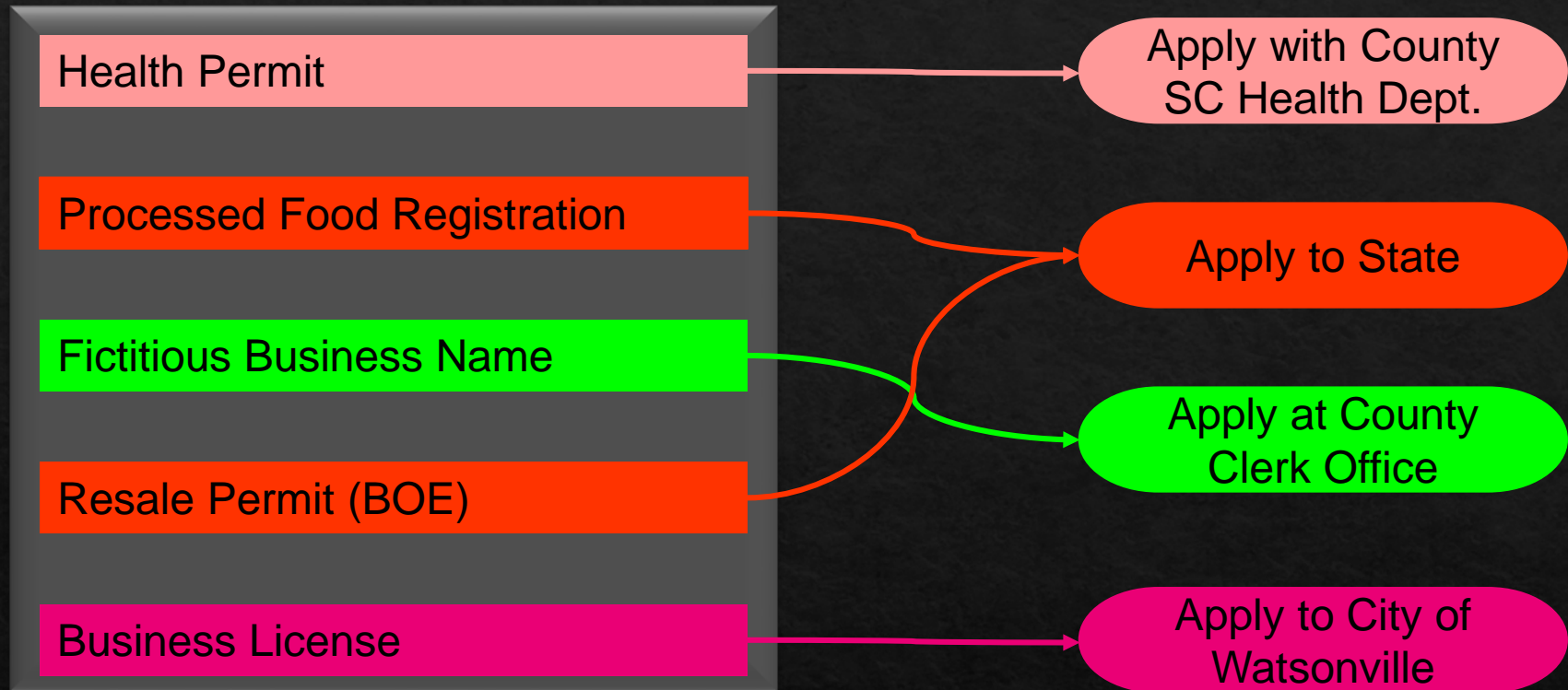
Yes

ServSafe Training

No

Food Safety Manager Certification





Sign Use Agreement



**General Plant and Safety  
Training  
Workstation Training  
Fire Safety Training**



Use Kitchen



# Kitchen Events



Specialty Foods Conference



Día de los Muertos



PV Chamber Mixer



Farmer's Mixer



Promoting equal access to economic opportunity



Transforming people's lives through entrepreneurship

23 East Beach Street Ste 209 Watsonville, CA [www.elpajarocdc.org](http://www.elpajarocdc.org)

Carmen Herrera Mansir

El Pájaro Community Development Corp.

23 E. Beach St. Watsonville

[cherrera@elpajarocdc.org](mailto:cherrera@elpajarocdc.org)

[info@elpajarocdc.org](mailto:info@elpajarocdc.org)

[www.elpajarocdc.org](http://www.elpajarocdc.org)

831-722-1224



join us on  
facebook

# What We Can Do...

- ▶ [Protect Federal Programs](#) that Meet Human Needs and Promote the Common Good
- ▶ Support Permanent Extension of the EITC and CTC to encourage work, family stability, and poverty reduction
- ▶ [Get involved with CCHD](#) in your diocese



# Stay Active and Stay Tuned!

*“The more we strive to secure a common good corresponding to the real needs of our neighbours, the more effectively we love them. Every Christian is called to practise this charity, in a manner corresponding to his vocation. . . .”*

-Pope Benedict XVI, [Caritas in Veritate](#)

Sign up for [Notes for Neighbors](#) for action alerts, more resources, and to stay informed.

Thanks!

Tom Mulloy [tmulloy@usccb.org](mailto:tmulloy@usccb.org)



# El Pajaro Community Development Corporation (EPCDC)

## 2014 FACT SHEET ABOUT PROGRAM RESULTS IN 2012 & 2013

### Celebrating 35 Years of Transforming Lives through Entrepreneurship in Santa Cruz, San Benito, and Monterey Counties, CA Since 1979

**Our Mission** is to promote equal access to economic opportunity by transforming lives through entrepreneurship and business development. EPCDC provides low- and moderate income entrepreneurs with business incubation, technical assistance, training, loan packaging, marketing, management, business technology development services, and with affordable housing and office space.

#### Achievements in the past years

- 883 entrepreneurs served since 2004
- EPCDC attracted investments of \$3,381,639 million in grants for entrepreneurship in the El Pajaro valley from fiscal years 2005 to 2013.

#### EPCDC Clients Satisfied in 2013<sup>1</sup>

- 91% of respondents said the services they received met their expectations—higher than the EPCDC 84% in 2011 and 85% among peer groups nationwide in 2012 (n=47)

#### 2013 & 2012 Economic Opportunity Results

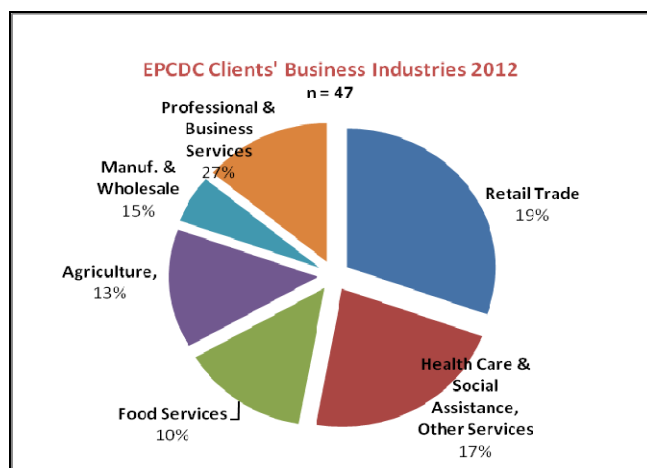
- In 2013 EPCDC provided 297 entrepreneurs with business development training and technical assistance; 71 of these client entrepreneurs received intensive services<sup>2</sup>
- In 2012 EPCDC provided 420 entrepreneurs with services; 112 of these entrepreneurs received intensive services.
- In 2013, 90 businesses were assisted—of these, 10% were start-ups and 90% ongoing businesses. In 2012, 111 businesses were assisted. Entrepreneurs' businesses at entry in 2012 were 66% pre-venture, 14% start ups, and 20% ongoing.

Who We Served: Snapshot of Clients At Entry	In 2012 (n=112)	In 2013 (n=71)	National Peer Groups <sup>3</sup> (130 clients median)
% Women Served	54%	57%	58%
% Minorities Served (86% Latino)	91%	88%	36%
% Low Income (HUD 80% LMI)	79%	82%	71%
% Pre-Business Clients	66%	72%	57%
% Clients with Start-up Businesses	14%	9%	14%
% Clients with On-going Businesses	19%	19%	19%
% Clients from Santa Cruz County	80%	63%	NA
% Clients from San Benito County	0%	3%	NA
% Clients from Monterey County	19%	33%	NA

How We Were Funded	2012 (Total expenses: \$761,494)	2013 (Total expenses: \$808,402)
Private Funding	11%	15%
Federal Funding	41%	38%
State Funding	4%	3%
Local Funding	0%	0%
Other Income (includes incubator)	40%	44%

#### 2012 Economic Development Achievements<sup>4</sup>

- 74% of clients surveyed had started, expanded, and sustained their businesses within 1 year—of these, 71% were full time businesses, 14% part time, and 14% seasonal businesses. This was down from 87% of respondents in business at survey in 2011 but close to the national benchmark of 79% in business and higher than the 59% full time businesses served and surveyed nationwide.
- 52% of business owners surveyed say business income improved or maintained household circumstances during the economic downturn
- Survey respondents started 20 new businesses in calendar year 2012.
- Of the client entrepreneurs who came to EPCDC with no business, 69% of started businesses within 1 year, higher than the 60% national start rate. 53% of businesses started by EPCDC clients were full time.
- 83% of owners who came to EPCDC with an existing business were still in business more than a year after receiving services—average years in business is 4 years, median is 3 years (n=15 businesses)
- Business owners surveyed supported 106 jobs for others and 141 jobs for themselves and other community members. Employees earned an average of \$11.30/hour (\$8 minimum and \$30 maximum). Businesses had an average of 6.2 positions per business with employees (n=35). Jobs for others (mT survey n=17): 25% jobs full time, 8% jobs part time and 52% FTE unknown).
- 26 businesses surveyed (23% of the 111 business assisted) generated \$4,813,587 total annual sales revenue in 2012 to strengthen the local economy.
- For every \$1 invested in EPCDC in 2012, \$21 was generated in sales revenue that rippled back into the local economy through owners' and employees' purchase of goods and services as well as tax contributions.



<sup>1</sup> Fiscal year: July 1, 2012-June 30, 2013

<sup>2</sup> An EPCDC client is an incubator tenant and/or receives 7 hours or more of technical assistance and/or training with at least one technical assistance session & who did not withdraw from the Business Education and Loan Program (BELP) in the first 4 sessions.

<sup>3</sup> -39 microTracker subscribers that are rural, mature (>11 years), training-led business development programs

<sup>4</sup> In 2013 EPCDC surveyed 93 FY11 clients about their changes in 2012 using the Aspen Institute microTracker tools and protocols. 51% responded (n= 47 clients). microTracker reviewed and analyzed this data as well. Full reports available upon request.

## Celebrating Success!



*El Nopalito, Vicente Quintana, Owner*

When Vicente Quintana first came to El Pájaro Community Development Corporation's Business Education and Loan Program in 2009, he was looking to write a business plan to formalize an informal business. On his time off from field work he was gleaning cactus paddles from local gardens, cleaning, cutting and packaging and selling the bagged nopales. At that time he was processing about 600 lbs of cactus per week. Vicente had hopes to formalize and grow his business, his dream was to increase output by nine hundred per cent about 500,000 lbs. per year. He attended our 13-week training, completed his business plan and for the last five years has been a steady client, returning for help with barcoding and aspects of formalizing his business. He has been working in various kitchen spaces, growing his client base and waiting for the Commercial Kitchen Incubator Program to begin.

With the opening of the Kitchen in the autumn of 2013, Vicente has embarked on a new chapter of his business. He is currently processing more than 2,000 lbs. of nopales a week and delivering them to various markets throughout the Central Coast and lower Santa Clara County area. His simple, traditional and healthy product is well known in Latino communities and the market for his product remains Hispanic groceries, but he is hoping to expand into mainstream markets with a line of ready-made salads. Vicente's sample station at Commercial Kitchen events is always popular with the uninitiated, trying cactus salad. He hopes to capitalize on the health benefits and novelty of the product to expand his cactus empire into Whole Foods, other health-focused grocers and food service outlets. His confidence in his product and sheepish grin have earned him the nickname don Nopal in our offices and though he has a ways to go on his initial goal we hope to see him achieve the title 'King Cactus'.

## Celebrating Success!

Hortensia Andrade, owner of Amigitos Daycare worked for 15 years with the school district under the Title 7, of the Elementary and Secondary Education Act assisting families and children. When the state funding for her position was cut in she was offered a transfer to a different department where she would not be working with children. It was then that she decided to leave her job. She had always had it in mind to start a childcare business. "In the first place, I really like children, that is my principal reason (for starting my business)." She began the licensing process with assistance from the Child Development

Resource Center (CDRC) a partner with El Pájaro CDC in the Child Care Ventures

collaboration. By way of the collaboration with CDRC, Ms. Andrade received a flyer announcing El Pájaro CDC's business classes for family child care providers. She received her license for seven children and had one child enrolled when she



attended a business accounting training. During the class she learned about the services offered by El Pájaro CDC. In April 2011 Hortensia contacted El Pájaro CDC's Childcare specialist, Lupita Quintero. Lupita visited Ms. Andrade's home for a safe and secure home analysis. In the walkthrough she offered recommendations for not only improving the safety of her business but ways to make her home more marketable to families. With the help of El Pájaro CDC Ms. Andrade has created a parent handbook, parent contracts, implemented a marketing plan and has done extensive facilities improvements. "... (El Pájaro CDC) helped me a lot, you could say they gave me wings!"

She is currently at the full capacity of her childcare license and turning a consistent profit but has no immediate plans to expand. Access to capital is a challenge for Amigitos Childcare, and personal savings were used to make the improvements thus far. She would like to improve her patio and be able to offer more educational activities. Her personal goals are in line with her business, she wishes to continue her Early Childhood Education. "I wasn't able to participate in many of the (ECE) classes at Cabrillo Community College because I was focusing on learning English." She also would like to participate in a mentoring group for new family child care providers, "...just to provide support not to criticize, just support and share ideas."