



CONTACTS: John Fairbanks, 202-797-6087, jfairbanks@brookings.edu
Rachel Harvey, 202-797-6073, rharvey@brookings.edu

For the new report, go to:

http://www.brookings.edu/papers/2011/0721_philanthropy_reckhow_weir.aspx.

As Suburban Poverty Grows, Regional Philanthropies Need to Help Hold the Social Safety Net Together

New Brookings report recommends philanthropies shift focus and expand their regional support

WASHINGTON, D.C. — Rising poverty in America’s suburbs is challenging regional philanthropies to re-focus their activities to support growing needs outside cities, according to a new report from the Brookings Institution Metropolitan Policy Program.

The report, *Building a Regional Stronger Safety Net: Philanthropy’s Role*, provides the first in-depth analysis of the distribution of philanthropic grants in several metro areas, particularly in their suburbs. Through case studies in Atlanta, Chicago, Denver, and Detroit, the report evaluates the growth of suburban poverty and the resources available to philanthropies, examines foundation grant distributions, and recommends opportunities for philanthropic investment to expand suburban capacity.

“As the rate of suburban poverty increases, the need to support this population through an adequate nonprofit infrastructure in the suburbs becomes increasingly urgent,” said Sarah Reckhow, Assistant Professor at Michigan State University and co-author of the Brookings report.

Among the report’s findings:

- **Suburban community foundations in the four regions studied are newer and smaller than those in core cities, despite faster growth of suburban poor populations.** In the regions studied, most suburban community foundations began operating in the 1990s, and have not accumulated significant asset bases. Some larger city-based foundations have taken a regional approach, but face restrictions on the extent to which they can address growing need in poor suburban communities.
- **The share of foundation dollars targeted to organizations serving low-income residents varies widely across regions, but relatively few of those dollars are devoted to building organizational capacity in the suburbs.** Chicago saw the largest share of foundation grant dollars go to organizations serving low-income people (60 percent), while Atlanta posted the lowest share (19 percent). Detroit was the only region where

total grants to suburban-based human service providers were relatively comparable to their city-based counterparts.

- **Suburbs with high rates of poverty have substantially fewer grantees and grant dollars per poor person than either central cities or lower-poverty suburbs.** Though metropolitan Atlanta has the highest rate of suburban poverty among the regions studied, it has the lowest rate of suburban grant-making per poor person. Denver’s results are a mirror image of Atlanta’s, with the lowest poverty rate and highest suburban grant-making per poor person.
- **Four types of strategies to build and strengthen the capacity of the suburban safety net are showing promise in these regions.** Each region is engaging in four types of capacity building strategies: supporting existing regional organizations, creating new regional organizations, supporting regional networks and establishing new suburban community foundations.

“Strong public leadership must partner with regional philanthropies to build a robust support system, especially as demographic changes have shifted geographic needs,” said Margaret Weir, Professor at the University of California, Berkeley and co-author of the Brookings report. “Innovation alone does not ensure a strong regional safety net.”

Foundations that have long focused primarily on urban centers must now work toward identifying gaps in the regional safety net and promoting new initiatives to close those gaps. Federal, state, and local policymakers can support these efforts by strengthening the role of regional intermediaries, including human services as a component of regional planning, and building permanent regional networks of social service providers connected to state bureaucracies.

This report is part of Brookings’ Metropolitan Opportunity Series, which documents the changing geography of poverty and opportunity in metropolitan America, analyzes its drivers and implications, and offers policy recommendations to enhance the well-being of lower-income families and communities in both cities and suburbs. For more research in this series, you may visit: <http://www.brookings.edu/metro/Metropolitan-Opportunity.aspx>.

The Metropolitan Policy Program at Brookings—*Created in 1996, the Metropolitan Policy Program (MPP) provides decision-makers with cutting-edge research and policy ideas for improving the health and prosperity of metropolitan areas including their component cities, suburbs, and rural areas. To learn more visit: www.brookings.edu/metro.*

###