

***For the Prosperity Partnership's "Regional Economic Strategy for
the Central Puget Sound Region***

Social Capital and Quality of Life Initiative: Secure broad-based prosperity in all parts of the region through a strong civic and nonprofit community

The prosperity of the Puget Sound depends on our ability to provide a high quality of life for this region's businesses, workforce and families. Residents of our community need access to the skills and opportunities to participate fully in the economy and share in its prosperity. And the well-educated, highly talented employees from around the world that businesses need in order to be competitive will only live here if the region is an attractive, humane and creative place to live, work and raise a family. By delivering job training, affordable housing, childcare and arts – and by providing significant opportunities for civic involvement - the region's 5000-plus nonprofit organizations play a critical role in providing such quality of life.

The foundation of our quality of life is something called social capital – the glue that binds us all together. As described by Harvard political scientist Robert Putnam, social capital grows from networks, norms and social trust and results in coordination and cooperation for our mutual benefit. High scores on social capital measures correlate with workable, livable communities, while communities with low scores tend to be less able to address social and economic problems, and generally have a lower quality of life.

By their very structure, nonprofit organizations build social capital that benefits the community broadly. Non-profit governing boards and committees are formed by volunteers from every sector of our community and tens of thousands more contribute their time and talent to provide service through non-profit organizations. Hundreds of thousands voluntarily share their financial resources with nonprofits. As Alexis de Tocqueville noted in 1831 "In America...as soon as individuals with a cause have found one another out...they combine....and from that moment, they are no longer isolated people, but a power". Nonprofit organizations provide the unique opportunity for community members to act on their values. They are the place where everyone, regardless of their stature, ethnicity, income, or age, can come together to pursue the common good. Non-profits promote trust, understanding, civic leadership and respect....the foundation for quality of life.

A. The Nonprofit Role in Strengthening Social Capital and Quality of Life

The Prosperity Partnership cluster working groups identified issues that cut across all or most of the industry clusters. All five cluster working groups and three of the other four foundation groups mentioned education and workforce as important issues. The services provided by nonprofits are integral to addressing these issues. The Clean Technology cluster specifically references quality of life as necessary to compete for their share of their growing industry. The Aerospace, Clean Technology, Information Technology, and Life Sciences clusters have a vision to attract and retain leading firms and individuals to the community. Businesses will locate where there is a high quality of life, good schools, efficient transportation, affordable housing and supportive government policies. Robust nonprofits, working alongside governmental and for profit organizations, are essential to meeting the workforce and community needs to ensure broad-based prosperity

Quality Workforce

Training

The nonprofit sector has a decades-long track record of providing basic education, job readiness training, tuition assistance for technical training, support services, placement and job retention services for residents of the Puget Sound region. This is an important component of the region's workforce system. When carefully coordinated, the nonprofit sector can develop further services matching needs of various clusters. Such coordination brings the obvious benefits of providing a trained workforce to key businesses and helping the nonprofit sector serve their clients more effectively.

Affordable Housing

With the staggering increase in home prices in the Puget Sound region, many workers find themselves having to commute farther and farther just to afford a home. Nonprofits have extensive experience planning, building and managing housing for individuals and families. Involving nonprofits that specialize in the provision of affordable housing for lower wage earners in the early stages of planning for job expansion will make the housing of new workers easier and less expensive, easing traffic congestion and strain on families.

Childcare and Family Support

Without dependable childcare, workers are unable to work. Nonprofits provide safe, caring and affordable child care and youth programs for children from birth through high school. Nonprofits also help families overcome obstacles that interfere with their employment or job retention and can bring experience and perspective to policy changes and initiatives around children, families and work.

Quality Community

Volunteer and staff leadership of nonprofit organizations bring skills and experience in solving complex social problems and creating broad-based prosperity in our region. It is the unique role and attributes of nonprofits that allows them to contribute toward quality communities:

- Focused on mission.
- Ability to respond nimbly to emerging markets and issues
- Community planning skills and skills to develop and implement solutions to complex and costly social problems.
- Representation of diverse cultures and perspectives
- Connections to the larger community through their concentric circles of stakeholder involvement and investment

It is this connection, through board, staff, clients, volunteers and funders that secures them the trust of the community. People engaged as leaders, patrons or volunteers in the nonprofit sector are people who are generally engaged in many other elements of civic life. Top corporate and public sector leaders serve as members of nonprofit boards.

When consciously wearing their nonprofit hat, volunteer and staff leadership of nonprofit organizations bring skills and experience in solving complex social problems, pointing out where the nonprofit sector is in the position to provide the necessary insight and expertise. With a voice in decision making, nonprofit organizations can also enlist the broad-based support of their constituencies to advocate on issues important to the sector and the welfare of the broader community.

Robust Nonprofit Sector

The nonprofit sector must be robust to produce the necessary services and social capital that guarantee broad-based prosperity. Yet, despite its ability to do great work in the community, nonprofits in our region face many challenges to their ability to fulfill their essential roles in sustaining a vibrant, creative and attractive community, including:

- Exclusion of the “quality of life”, social capital and nonprofit sector perspective from many major public planning and policy-making groups and processes
- Inadequate and unstable resources to address current and emerging community needs
- Burdensome regulatory, public contracting, and tax requirements

Addressing these obstacles will improve the quality of life in our communities and support the development of broad-based economic prosperity.

B. Long-Term Goals and Actions the Prosperity Partnership Will Take To Strengthen Social Capital and Quality of Life

The goals recommended below, when incorporated into the Prosperity Partnership’s strategy, will strengthen the nonprofit sector and in turn strengthen the economic health of the region.

GOAL -- Quality Workforce: a flexible and available workforce trained for emerging needs

- 1. Identify sustainable resources to support and expand nonprofit community workforce training and employment programs to meet the workforce needs of the cluster groups.**
- 2. Pursue the resources and regulatory changes necessary to provide adequate, affordable housing close to jobs for workers at all wage levels**
- 3. Identify sustainable resources for and support the policy changes needed to provide quality, dependable childcare and family support services for employees.**

GOAL -- Quality Community: a community that invests in the greater good and the individual

- 1. Promote a community culture that values multiculturalism, volunteerism and philanthropy, and encourages corporate and individual engagement in the nonprofit sector.**
 - a. Develop standards and practices that promote civic engagement. Provide consultation to help new and mature businesses enhance their organizational civic and nonprofit involvement.
 - b. Develop a strategy to celebrate and promote arts and culture, a healthy, green environment and social capital as an economic advantage for our region
- 2. Identify public policy boards, commissions, committees to which nonprofit leaders can bring their perspective and understanding of complex social issues and innovative solutions**

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- a. Identify nonprofit resources and services that can directly contribute to solving regional public policy issues and link them with the agencies tasked with focusing on these issues.
- 3. Support comprehensive statewide tax reform with the goal of sustaining the economic and social systems required for a strong economy and a health community**
- 4. Preserve and enhance the environment for current and future generations.**
 - a. Support efforts by local nonprofits and programs to preserve land and protect species and ecosystems,
 - b. Support governments, businesses and programs that improve their resource productivity by using cleaner technologies, reducing waste and reuse/recycle products and materials
 - c. Support municipal programs and investments that improve the region's environment
- 5. Identify and facilitate upstream solutions to costly social problems, with a focus on quality workforce needs.**

GOAL -- Robust Nonprofit Sector: nonprofit organizations providing the goods and services essential to broad-based economic prosperity

- 1. Fund the actual cost of providing products and services.**
 - Identify the places where nonprofits subsidize the costs of products and services
 - Educate tax payers and elected officials on the importance of adequately funding the actual cost of providing products and services.
 - Modify government contracting and funding systems to reimburse non-profits for contracted expenses on a timely basis
- 2. Encourage government outsourcing opportunities where nonprofits can demonstrate efficient and effective delivery of a service or product.**
- 3. Identify and remove regulatory barriers to effective functioning and growth of nonprofit organizations**
 - Expand the role of nonprofit industry associations to support nonprofit capacity building efforts
 - Provide tax relief to non-profit organizations similar to those provided by other states, e.g. remove sales tax on construction projects that provide affordable housing, etc.
- 4. Increase the capacity of nonprofit organizations through innovative partnerships with small and medium –sized IT companies.**