

Cape Girardeau
Social Contribution Testimony
9-20-10

Molly Strickland Social Contribution Testimony

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1 that. We'll see how it goes when all of our regional
2 meetings are finished.

3 (Co-Chair Stogel joined the meeting.)

4 Again this is Steve Stogel, our co-chair.

5 What am I forgetting? Well, if I remember
6 something else, I'll bring it up.

7 Yeah, written testimony. Love to see that.

8 And by the way, all the Commission members will get copies
9 of the minutes of the meeting as well as the transcribed
10 notes from today. They'll all get that, plus if you have
11 any written testimony, we'll make copies and give it out to
12 everybody as well.

13 I have a sign-up sheet here, and as folks
14 come in, they'll continue to do that, and we'll just go
15 through these lists back and forth.

16 And, Mr. Chairman, unless you have something
17 else you'd like to add, we'll get started.

18 CO-CHAIR STOGEL: Welcome.

19 CO-CHAIR GROSS: Our first contestant
20 is Molly Strickland. Molly, welcome. You have ten
21 minutes.

22 MS. STRICKLAND: Ten minutes, thank
23 you. You may have to go like this, you know, when I get to
24 nine and a half because I'm very passionate about --
25 passionate about what I do, and it may be hard to keep to

1 ten minutes.

2 I appreciate being here today, and present
3 on behalf of Lutheran Family Children Services of Missouri.
4 We're a statewide agency. Our home office is in St. Louis,
5 be we've been in Cape Girardeau for almost 40 years, and in
6 Columbia and in the Springfield area.

7 I've been in contact off and on with Jason
8 Crowell as he talked about tax credits and the reform of
9 tax credits, and so we knew what was coming down the track.
10 Lutheran Family has received community assistance tax
11 credits. I guess you said there was 61 areas of them.

12 We have received these tax credits. Overall
13 tax credits we know expenditures have increased over the
14 past ten years, or whatever, about 85 percent in the last
15 decade, some \$265 million increase.

16 The community assistance tax credits are
17 less than 5 percent of that. So the social service tax
18 credits is basically what they are is a very small amount.
19 We got hurt drastically just last Friday with notice that
20 our submission for \$500,000 -- that's a drop in the bucket
21 to that 265 million -- was declined for services.

22 CO-CHAIR GROSS: Was that for NAP
23 credits?

24 MS. STRICKLAND: NAPs yes.

25 CO-CHAIR GROSS: Okay. Thank you.

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1 MS. STRICKLAND: And so we're concerned
2 about that. It hit our budget. Locally that means about
3 \$80,000 to my local office budget. The services that we
4 provide are to young women with unplanned pregnancies and
5 their children, and when we look at what we do for these
6 young women, it's to get them back in school, to get them
7 employed, or going on to continuing education.

8 We stabilize their housing so that they are
9 self-reliant and able to take care of their children, but
10 also to save costs, a huge cost, by looking at the medical
11 care that they get when they're pregnant.

12 Our average cost is about \$3,500 per client.
13 We serve about 90 clients here in Southeast Missouri.

14 Costs to a baby that's born that needs
15 extended, a few days, care starts at about \$2,500, and can
16 go all the way up to 23,000. Last year we were fortunate
17 that children that were born to the clients we worked with
18 did not need that extended care. So far this year in
19 Southeast Missouri, one mother gave birth to twins at a low
20 birth rate. They're still in St. Louis Hospital, and so
21 the dollars are mounting up for those -- that cost, but
22 that's one of the main things that we look at, is a healthy
23 mother, healthy delivery to that baby to cut down on the
24 economic cost to the community.

25 The other tax credits that we have -- the

1 NAP tax credits actually work with our WINGS program of
2 those pregnant women. Some of them do make adoption plans.
3 That's a positive, and our agency is all about getting
4 information out about the positives of adoption, and we
5 truly wish that was more of a consideration in our society,
6 but it is not today.

7 Forty percent of all children born in the
8 United States today, statistics say, are born to women that
9 are not married. That puts them at higher risk, but it
10 puts them at extremely high risk when they are single
11 parents in an unstable relationship and that father is not
12 around. We know that many young couples are living
13 together today, and children are born to those couples. If
14 they stay together, the success for them is much greater
15 than it will be for those born generally at a lower
16 economic level, and those are the ones that come to
17 Lutheran Family and Children Services.

18 We also provide some parenting classes, and
19 I find this interesting. With our cuts, if we keep getting
20 cuts or all -- all of our tax credits are cut, which are
21 about a million dollars total for Lutheran Family, we right
22 now provide parenting classes for court-referred cases, for
23 cases referred by the Children's Division, and we recently
24 went to the Family Counseling Center. There were 35 women
25 who came who in alcohol/drug abuse rehab, and these are

1 some of the comments that they made.

2 One of them said she was interested in the
3 session on adolescents because she's now raising three of
4 them. So that information is vital to her. We won't be
5 able to let our social workers go out of our office to give
6 parenting programs to anybody. They're going to have to do
7 other services to meet other contract maybe income that we
8 have to maintain their employment.

9 One lady said she was dealing with marital
10 problems because I learned to talk it out and listen -- and
11 to listen to and make a compromise. I found this
12 interesting that two have made the comment because I was
13 never -- I had never really set boundaries with my kids
14 before. She was learning that. "But," she said, "my
15 mother never set boundaries with me."

16 So they're not taught what they need to be
17 taught, so these classes are vital to give them an
18 opportunity. One of them said, "Because I never really had
19 a childhood, this session was important because I want my
20 kids to have one."

21 The other one said, "My mother didn't talk
22 to me, and I don't want" -- "didn't want to talk to her,
23 but I didn't want the same thing happening with my
24 children. So asking my daughter about her views, her
25 feelings, and just talking more about values with her."

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1 So these are the comments that these young
2 women are making in a rehab center that make a difference.
3 NAP tax -- or our tax credits -- and I do have this handout
4 I will leave with you. It's prepared by our advocacy
5 worker, Ann Sealy in our St. Louis office. The WINGS
6 clients that we work with, about 80 to 90 here in Southeast
7 Missouri, total 357 statewide. So what will happen to the
8 women that need those services?

9 About a month ago, I received a call from a
10 nurse in the Health Department in Pembiscott County.
11 Southeast Missouri is the farthest south we go, the more
12 the economic level of income is greatly decreased.
13 Pembiscott County is the poorest county in the state of
14 Missouri.

15 She was saying, "We have so many teen
16 pregnancies," she says:

17 "I can't believe the number
18 of young moms that are giving
19 births to twins, and these kids
20 are dropping out of school. We
21 need help down here. Can you help
22 us?"

23 Can we help her? You know, I don't know.
24 It's a problem. It's a big problem. Hilltop Development
25 -- Child Development Center in St. Louis has received tax

1 credits to help, again, low-income families, high-risk
2 families in North St. Louis so that moms can go to work.
3 Without the tax credits, if we lose those for Hilltop,
4 we're going to have moms that are discouraged. They won't
5 be able to pay the childcare cost. They won't go to work.

6 Yes?

7 CO-CHAIR STOGEL: Molly, what we heard
8 at St. Joseph may be applicable here. You have a million
9 dollars a year total tax credits?

10 MS. STRICKLAND: Uh-huh.

11 CO-CHAIR STOGEL: That would be NAP,
12 maybe YOP.

13 MS. STRICKLAND: YOP. YOP and the
14 pregnancy tax credits.

15 CO-CHAIR STOGEL: The pregnancy
16 credits?

17 MS. STRICKLAND: Yes, 77,000 of those.

18 CO-CHAIR STOGEL: Excuse me?

19 MS. STRICKLAND: Seventy-seven thousand
20 of those.

21 CO-CHAIR STOGEL: So pregnancy, Youth
22 Opportunity, Affordable Housing and Neighborhood
23 Assistance?

24 MS. STRICKLAND: Not Affordable
25 Housing.

1 CO-CHAIR STOGEL: Oh, just YOP and NAP?

2 MS. STRICKLAND: Right.

3 CO-CHAIR STOGEL: So three programs?

4 MS. STRICKLAND: Right.

5 CO-CHAIR STOGEL: A million dollars in
6 credits. That would raise two million for your operating
7 needs?

8 MS. STRICKLAND: Right.

9 CO-CHAIR STOGEL: What's your total
10 operating budget, if I may ask?

11 MS. STRICKLAND: St. Louis' total
12 operating budget -- statewide I think is over \$2 million.

13 CO-CHAIR STOGEL: No, the million
14 dollars would raise \$2 million, but what's Lutheran's total
15 scope budget? What I'm trying to do is -- is it a million
16 dollars --

17 MS. STRICKLAND: Okay. Let me give you
18 ours in Cape Girardeau. I know that.

19 CO-CHAIR STOGEL: Okay.

20 MS. STRICKLAND: It's \$404,000.

21 CO-CHAIR STOGEL: I'm sorry?

22 MS. STRICKLAND: Four hundred and four
23 thousand dollars.

24 CO-CHAIR STOGEL: Is the --

25 MS. STRICKLAND: We have six full-time

1 employees and two contract workers. That's our budget, and
2 we will reduced by \$80,000 with those NAPs tax credits.

3 CO-CHAIR STOGEL: I understand.

4 MS. STRICKLAND: Okay.

5 CO-CHAIR STOGEL: I heard that. I'm
6 trying to see if I can give you an illustration.

7 MS. STRICKLAND: Uh-huh.

8 CO-CHAIR STOGEL: One of the folks who
9 testified up in St. Joe was if you take the amount of
10 credit, double it for the contributions, --

11 MS. STRICKLAND: Uh-huh.

12 CO-CHAIR STOGEL: -- it was still less
13 than a third of the total operating budget.

14 MS. STRICKLAND: Right.

15 CO-CHAIR STOGEL: So I'm trying to
16 understand because you get referrals from the courts --

17 MS. STRICKLAND: Right.

18 CO-CHAIR STOGEL: -- both the children
19 and women.

20 MS. STRICKLAND: Right.

21 CO-CHAIR STOGEL: So the State is
22 sending you case work, I guess is the right phrase.

23 MS. STRICKLAND: Somewhat, yes.

24 CO-CHAIR STOGEL: And --

25 MS. STRICKLAND: We're required to have

1 the parenting classes, yes.

2 CO-CHAIR STOGEL: And asking you to
3 provide certain services. The State will provide you with
4 certain credits so you can raise private venture dollars.
5 What I'm trying to understand is a numerator, what's the
6 total match.

7 Two million dollars, a million times two, as
8 a numerator over your -- the total Lutheran support
9 services statewide, is your total budget 6 million, 8
10 million, and if you don't know, would you --

11 MS. STRICKLAND: And I don't know. but
12 you will know tomorrow because Alan Erdman, our CEO, is
13 going to speak there tomorrow.

14 CO-CHAIR STOGEL: Well, perfect. So
15 the pitch --

16 MS. STRICKLAND: Yeah, I'm sorry.

17 CO-CHAIR STOGEL: No, that's great.
18 The pitch somebody made in St. Joe, which was very
19 powerful, I thought it was, the State's sending you to our
20 organization to provide services for the State.

21 MS. STRICKLAND: Right.

22 CO-CHAIR STOGEL: And if you take the
23 total State contributions for credits times two, it was 15
24 percent, I think, of the total operating budget. So in
25 this illustration, a million dollars becomes two million

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1 dollars. So if the total budget's \$20 million, that's ten
2 cents.

3 MS. STRICKLAND: Yes.

4 CO-CHAIR STOGEL: If it's ten million
5 it's 20 percent. I'm trying to understand what the total
6 scope is and how credits -- I'll explain why in a second --
7 how credits plus the matching private contributions to the
8 total budget.

9 One of the great questions the Commission
10 has been asked to look at --

11 MS. STRICKLAND: Uh-huh.

12 CO-CHAIR STOGEL: -- is how do you
13 measure the impact of social services.

14 MS. STRICKLAND: Okay.

15 CO-CHAIR STOGEL: And there are
16 economic models for job creations. There's one called
17 Remedy, and there's one called Implant. But one of the
18 charges to the Commission is how do you devise the formula
19 for measuring social services. The Lutherans may be a
20 wonderful case in point to say a million dollars in credits
21 become so much in contribution as a percentage of the total
22 budget.

23 MS. STRICKLAND: Uh-huh.

24 CO-CHAIR STOGEL: The second part of
25 equation might be how many State cases are you actually

1 doing, and what's the payback to the State measured against
2 those cases, and there may be some sort of a matrix we can
3 work out to measure it.

4 That's why we find your testimony very
5 interesting.

6 MS. STRICKLAND: Thank you, yes.

7 CO-CHAIR STOGEL: And in addition to
8 the -- all the work you're doing.

9 MS. STRICKLAND: And we're there to
10 give --

11 CO-CHAIR STOGEL: We're trying to put
12 this in context to the bigger issue.

13 MS. STRICKLAND: It is, and it's always
14 difficult to put that -- to get that equation complete.

15 CO-CHAIR STOGEL: It's been very hard
16 to the intangible when we're talking about human
17 counseling.

18 MS. STRICKLAND: Well, and furthermore,
19 you know, we help them through like first year after their
20 -- the pregnancy, when the child's a year old. After they
21 leave, we don't know the stability. You know, you can't --
22 you can only at that time period or time frame, and that's
23 -- that makes it more difficult.

24 CO-CHAIR STOGEL: Well, we understand
25 the work that your group does and others around the state.

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1 We're trying to learn from you what a measurement standard
2 might be.

3 MS. STRICKLAND: Okay.

4 CO-CHAIR STOGEL: So that we can report
5 to the Governor and the Legislature how these might be
6 assessed.

7 MS. STRICKLAND: And I think our St.
8 Louis office would be very pleased to help work on this.

9 CO-CHAIR STOGEL: Well, we'll continue
10 that dialogue.

11 MS. STRICKLAND: Absolutely.
12 Absolutely. Alan Erdman, he should be there.

13 CO-CHAIR STOGEL: Okay.

14 CO-CHAIR GROSS: Do you have anything
15 else?

16 MS. STRICKLAND: No. That's basically
17 it. We have -- we receive some of those Community Tax
18 Credits for CHOICES Programs and a mentoring program in St.
19 Louis as well, but Alan will address that more tomorrow.
20 I'm really concerned about what that means to Southeast
21 Missouri, to Cape Girardeau and the surrounding four or
22 five counties, and then the poverty that lies south of us
23 that was asking for help.

24 CO-CHAIR STOGEL: Thank you.

25 CO-CHAIR GROSS: Thank you for being

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1 MS. MULLIX: You did. Very good.

2 Yes, I'm Jennifer Mullix, and I'm the executive director at
3 the Children's Museum here in Cape Girardeau called
4 Discovery Playhouse.

5 We actually received NAP Credits over the
6 course of three years that were an essential fundraising
7 tool for us. We are located in downtown Cape Girardeau on
8 Broadway, and one of the first steps in the Dream
9 Initiative here in Cape.

10 We are remodeling, and I say we are because
11 we're not done yet, a building that was built in 1916. And
12 it has been a furniture store and all sorts of things, but
13 we could have as an organization and as a board gone into a
14 move-in ready building, but it was important for us to be
15 downtown and be a part of this bigger Dream Initiative.

16 What we've done is with essential
17 fundraising tool we've served over 13,000 children and
18 their adults since we opened our doors in our building in
19 mid April of this year. Yeah. And we are open to about
20 7,500 square feet of this 20,000-square-foot building.

21 One of the things that's stopping us from
22 going up to the second floor right now is that we're not
23 accessible. We don't have a passenger elevator, and we
24 don't necessarily want to keep improving upon the building
25 until we have that secured. Because if we're

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1 non-accessible to children that have special needs or their
2 care-givers that have special needs, there's no sense in us
3 making this great museum that's no accessible to everyone.

4 Since we started this and with the tax
5 credits, we've put money back into the local economy
6 through contract labor, full-time and part-time positions
7 that help us run our museum, construction permits,
8 printing, everything that we can do possibly going here.

9 The bad thing for us is that we want to
10 provide services for the families and children of the local
11 communities that don't have to travel all the way to St.
12 Louis to be able to experience the same sort of thing like
13 in a children's museum. The thing I hear constant is oh,
14 thank God, you're here because now we have something to do
15 with our family and our kids here in Cape Girardeau.

16 I got an e-mail from a teacher in Dexter,
17 Missouri who wants to bring 220 first-graders to us, and
18 wants to see if they can all come together in our building.
19 Right now I have to try to work with her to see if we can
20 split it up on two different days, or if the kids can come
21 a morning and an afternoon. But we want to be able to
22 serve those kids and not let them go all the way up to St.
23 Louis. We want to provide that resource right here.

24 I do have a couple of pictures of before and
25 after that I'd love to show you of our facility, and these

1 tax credits that we've applied for as another round would
2 really be essential for us to be able to finish.

3 CO-CHAIR STOGEL: Are you doing NAP
4 Credits?

5 MS. MULLIX: NAP Credits, yes.

6 CO-CHAIR STOGEL: What was your first
7 round award?

8 MS. MULLIX: Two hundred and fifty
9 thousand, so it allowed us to raise approximately 450,000.

10 CO-CHAIR STOGEL: We'd like to look
11 that up. In one of my prior lives, I was a builder really
12 kind of a Low-Income Tax Credit developer, and I did the
13 Old Post Office in St. Louis.

14 MS. MULLIX: Oh, there you go.

15 CO-CHAIR STOGEL: So I know something
16 about historic restoration.

17 MS. MULLIX: Yeah, yeah. When I came
18 on board, it was astonishing to see the before and after
19 credits. I came into the first floor having fully restored
20 hardwood floors and exposed bricks and just could say how
21 beautiful it was, but then I saw the first photos. And
22 where they have just stickers and things in the building
23 trying to pull down things.

24 One of the main things they had to do was
25 get it up to code. I mean, we are a place that we have

1 lots of ideas to creating fun and educational experiences
2 for families, but all times to be safe. So, you know, it's
3 -- it's all new electrical, it's -- it's all new sprinkler
4 systems and in preparing for the worst so that we can have
5 the best time. So I'd love to show you some pictures.

6 CO-CHAIR STOGEL: Maybe later.

7 MS. MULLIX: Okay.

8 CO-CHAIR GROSS: Tell me again the name
9 of your organization?

10 MS. MULLIX: Discovery Playhouse.

11 CO-CHAIR GROSS: Thank you.

12 CO-CHAIR STOGEL: Is it like a city
13 museum more than --

14 MS. MULLIX: More like the Magic House.

15 CO-CHAIR STOGEL: The Magic House?

16 MS. MULLIX: Uh-huh.

17 CO-CHAIR STOGEL: That is a very
18 good --

19 MS. MULLIX: It's very good, yes.

20 CO-CHAIR STOGEL: Excellent.

21 CO-CHAIR GROSS: And if you want to
22 e-mail those to --

23 MS. MULLIX: Okay.

24 CO-CHAIR GROSS: -- to go to the
25 website and you'll see the e-mail addresses for --

1 MS. MULLIX: Okay.

2 CO-CHAIR GROSS: -- for all of us.

3 That way all -- everybody can see them.

4 MS. MULLIX: That was before, and
5 another before.

6 CO-CHAIR STOGEL: Nice crowds.

7 MS. MULLIX: Yeah, so nice crowds, and
8 it's just completely open, but we have a second floor.

9 CO-CHAIR GROSS: You might just --

10 MS. MULLIX: I will.

11 CO-CHAIR GROSS: -- go on the website
12 and see the e-mail addresses.

13 MS. MULLIX: Okay. Any other questions
14 for me?

15 CO-CHAIR STOGEL: Thanks, Jennifer.

16 What's your total development cost?

17 CO-CHAIR GROSS: Jennifer?

18 CO-CHAIR STOGEL: What was your total
19 development cost?

20 MS. MULLIX: Our total development cost
21 of the construction?

22 CO-CHAIR STOGEL: Phase I.

23 MS. MULLIX: Phase I was the 450,000.

24 CO-CHAIR STOGEL: This was all financed
25 by NAP?

1 MS. MULLIX: Yeah.

2 CO-CHAIR STOGEL: Okay.

3 MS. MULLIX: Yeah, so a lot of
4 volunteer labor that we -- we couldn't do, but we don't
5 want to take three years to do the second half, because
6 that's how long it took us to be able to get it, was three
7 years because of the volunteer.

8 CO-CHAIR STOGEL: Thanks very much.

9 CO-CHAIR GROSS: Next on the list is
10 Scott House. Welcome, sir. Go ahead and state your name
11 and spell it. I forgot to add that to the last person's
12 request, and then proceed.

13 MR. HOUSE: Sure. My name is Scott
14 House. H-O-U-S-E.

15 And I'm chairman of the Historic
16 Preservation Commission of the City of Cape Girardeau. So
17 that pro- -- and with me is Richard Withers, another member
18 of the Commission.

19 Being that we're from the Historic
20 Preservation Commission, we do have a written statement,
21 which we'll be happy to give to you, and it kind of
22 reiterates. You can probably imagine why we'll up here,
23 that we're in favor of continuing the Historic Tax Credits
24 Program. It's been an important one for Cape Girardeau.
25 We think in the future it's going to become even more