

POVERTY BEYOND INCOME

2017 COMPETITIVE CITY UPDATE



Greater Louisville Project
ADVANCING A COMPETITIVE CITY

POVERTY PERSISTS THROUGH GENERATIONS

In the 2015 Competitive City Update, *Louisville: A Focus on Poverty*, we examined the impact of multidimensional poverty on our community. In this report, we look at barriers that keep families and children in the cycle of poverty.

Louisville households in poverty with children...

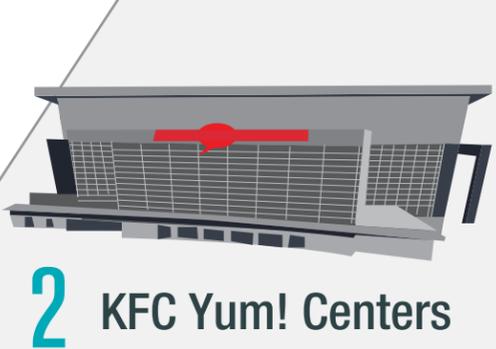
have a median household income of **\$11,000**

AND 67%

have at least one person working but still do not earn enough to escape poverty.

MORE THAN 1 IN 5 CHILDREN
IN LOUISVILLE LIVE IN POVERTY

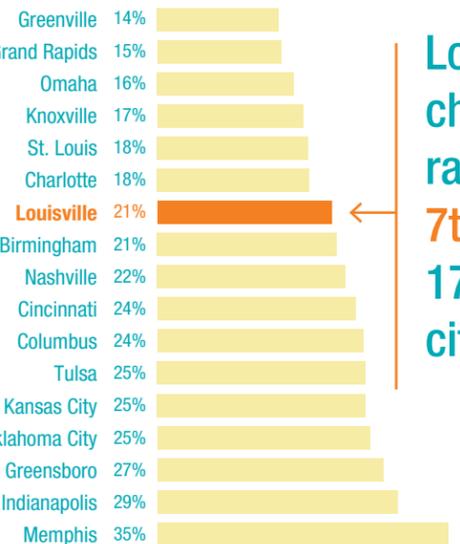
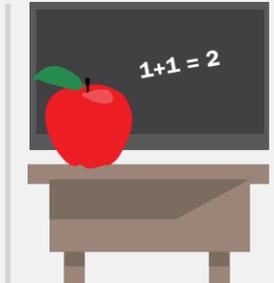
These 38,000 children would fill...



Poverty is about more than just income.

Multidimensional poverty is a broader concept that includes financial and non-financial, interconnected deprivations. Reducing the impact of multidimensional poverty on children requires addressing the many different obstacles their families face.

Families in poverty often struggle with:



Louisville's child poverty rate ranks **7th** out of 17 peer cities.

Source: Greater Louisville Project Data from American Community Survey Table B17001, 2016

Alleviating the impacts of childhood poverty would increase a child's income by an average of **\$9,300 annually** throughout adulthood.
That's an extra **\$178.85/week**

This additional income for the current generation of children growing up in poverty would unlock to more than \$200 million in economic activity in our community each year.

POVERTY IS EXPERIENCED IN MULTIPLE FORMS

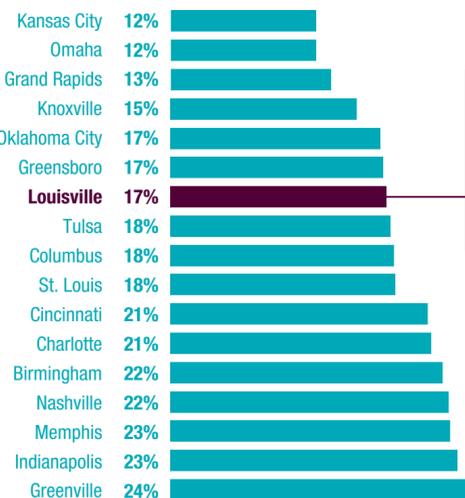
A household in poverty is under the constant stress of a multitude of barriers, each one compounding on the others, making poverty difficult to escape. Eliminating a single barrier does not address the challenges that remain in other aspects of life.

Coordinated interventions are necessary across the Deep Drivers of Change to combat systemic poverty.

Unemployment and underemployment are detrimental to mental health, social inclusion, and household stability.

For most families in poverty, a job is not enough. Louisville ranks 14th out of our 17 peer cities in median household income among families in poverty.

In Louisville, 17.4% of households in poverty with children have someone actively looking for work.



Households in poverty with children where someone is unemployed

Source: Greater Louisville Project Data from the Federal Reserve via GeoFRED, 2015

Quality of Place

Families in poverty spend a significant percentage of their income on basic needs, making it difficult to cover other expenses and maintain household stability.

Education

Children in poverty enter school behind their peers and struggle to catch up.

Health

Poverty contributes to chronic stress, illness, and lack of access to treatment.

Jobs

Lack of employment in a household creates more than just financial problems.



62% of poor children in Louisville live in families that spent over 50% of their income on housing costs.

26% of children in poverty have moved homes in the past year compared with only 13% of non-poor children.

A family in poverty pays about 6% more for household goods than a family out of poverty.

Many factors make it impossible to buy in bulk and stock up during sales.

Educational disparities have multidimensional ramifications, affecting parents' earning potential, job stability, and ability to support their children's education.



Workers in poverty are 4X as likely to rely on public transportation, creating additional barriers to when and where they can live, work, and shop.

Jobs

Health

Education

Quality of Place



Children who are eligible for free and reduced-price lunch
Children who are not eligible for free and reduced-price lunch

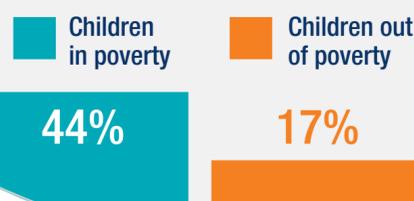


One of the best predictors of economic and educational success for children is **THE EDUCATION LEVEL OF THEIR PARENTS.**

18% of children in poverty do not have anyone at home who has completed high school.

Children in poverty are 2X as likely to live in a home without someone who holds an associate degree or higher.

Children in households that experience food insecurity

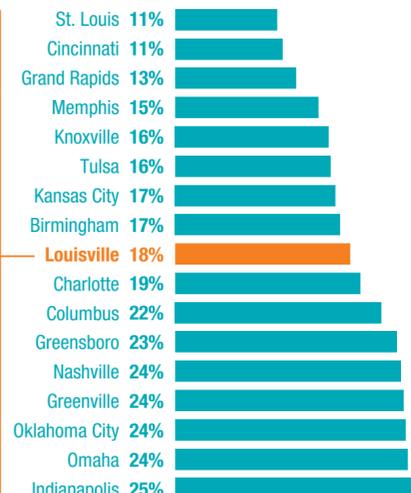


Families in poverty are more likely to live in areas with poor air quality, leading to heightened rates of asthma and missed school days for students.



35% of Louisville residents in the bottom income quartile smoke, the highest rate out of any of our 17 peer cities. Children growing up in these households are more likely to be exposed to secondhand smoke and the health conditions that come with it.

Children in poverty in households where no one has a high school degree or equivalent



Source: Greater Louisville Project Analysis of American Community Survey Microdata Data via IPUMS, 2015

POVERTY IS HOLDING US BACK

Advancing a competitive city requires including all residents in our progress.

The data show that Louisville has made great strides to reduce child poverty since our child poverty rate peaked at 28% in 2011. Now is the time to build on that progress. By changing the life trajectory of young people growing up in poverty, Louisville is poised to move into the top tier of our peer cities for generations to come. Understanding that the barriers keeping households in poverty do not exist in isolation, our hope is the data in this report provide a basis for coordinated interventions to address and alleviate the daily stresses that impoverished families experience.

Ending generational poverty in Louisville will require approaches that extend across traditional silos to address the negative impacts that can affect households across the Deep Drivers of Change: Education, Jobs, Health, and Quality of Place. Instead of paying the price to deal with the ramifications of poverty tomorrow, Louisville has the opportunity to invest today in brighter futures for our families and a more competitive city.

Visit www.GreaterLouisvilleProject.org to download a digital version of this report and to access an appendix containing a detailed list of source data.

The Greater Louisville Project's purpose is to provide research and data that catalyze civic action. We focus on four Deep Drivers and track our progress against our peer cities over time. By using that data to engage community leaders in conversations and planning, we hope to create a more competitive city that benefits our community.

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Data provided by the American Community Survey via IPUMS, the Current Population Survey via IPUMS, Jefferson County Public Schools, Kentucky Department of Education, Louisville Center for Health Equity 2014 Report, Health Inequality Project by Raj Chetty, Federal Reserve via GeoFRED, "The Economic Costs of Childhood Poverty in the United States" by Holzer et al., and "Why the Poor Pay More for Toilet Paper - and Just About Everything Else" by Badger. To view a detailed list of citations, visit greaterlouisvilleproject.org.