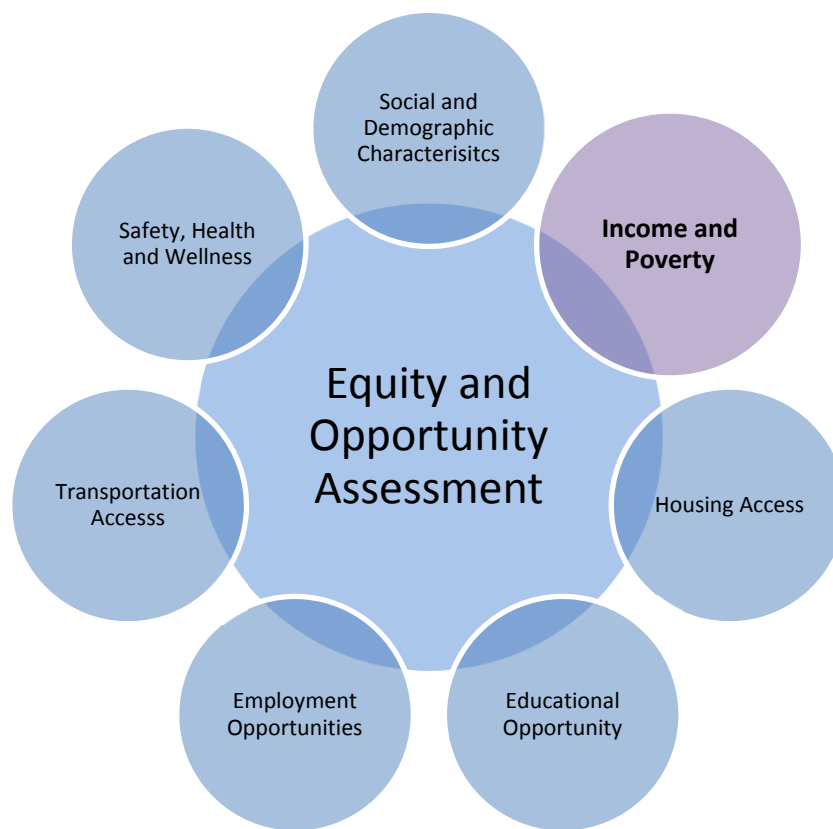


6.0 Income and Poverty

This chapter provides an overview and discussion of the Income and Poverty component of the Assessment. Income is a major influence in the structure and stability of a community and low or even moderately low incomes in an area can have substantial impacts on the livelihood of both families and individuals. When residents have lower incomes or are in poverty, they can experience disadvantages, but when an area itself has more people in poverty or with lower incomes, this impact is amplified.⁵⁹ Income is important in evaluating access to opportunity for residents because of its influence on access to transportation, healthy food, decent housing, good schools, and healthy, positive environments.⁶⁰

This indicator impacts not only a person's physical well-being, but mental health and happiness and seeks to identify areas in the community where people may have less or more economic vulnerability.⁶¹



⁵⁹ US Department of Housing and Urban Development, Evidence Matters, Understanding Neighborhood Effects of Concentrated Poverty, Winter 2011, <http://www.huduser.org/portal/periodicals/em/winter11/highlight2.html>

⁶⁰ State of Oregon, Oregon Housing and Community Services, Report on Poverty 2006

⁶¹ US Department of Housing and Urban Development, Understanding Neighborhood Effects of Concentrated Poverty

6.1. Poverty

Poverty is a key indicator for determining the financial health of a population and community. Looking at poverty, in combination with other income indicators, can help show the true picture of how an area and its residents are faring financially. The following section examines overall poverty, impact of college students on poverty rates, incidence of poverty by social and demographic groups, and incidence of poverty by census tract.

**19% of the
Population is
in Poverty**

According to *The 2008 Job Gap*, a study focused on economic inequality in the Northwest, the federal poverty thresholds established more than 40 years ago were based simply on food expenditures and are outdated and do not fully reflect the true cost of living. Since the 1960's, the cost of housing, gasoline, utilities, health care and child care expenses have increased much faster than the cost of food, resulting in federal poverty measures that substantially underestimate the basic needs of Oregonians and other Northwest families. This study further indicates that many families with incomes above the federal poverty threshold still lack sufficient resources to meet their basic needs.⁶²

The US Census Bureau establishes income limits annually to determine which households are living in poverty. These limits are based on the Consumer Price Index to reflect cost of living, and are adjusted by family size, number of children, and age of householder.⁶³ For 2013, the poverty threshold for an individual under age 65 was \$12,119; for a one person household with two children \$18,769; and for a two person household with two children \$23,624.⁶⁴ In Lane County, 17.4% of residents live in poverty. The Assessment area poverty rate is 19%.

Over the past 40 years, poverty rates have increased for Eugene from 12.7% (1969) to 21.5% (2005-07) and in Springfield from 9.9% (1969) to 19.9% (2007-11). The poverty rate in both cities has increased since 2000, Eugene's by 4.4% and Springfield's by 2%. Coburg has seen a decrease of 11.1% in their poverty rate from 18.4% (1989) to 7.3% (2007-11).

Table 6.1. Poverty Rates, 1969 to 2007-2011

	Eugene	Springfield	Coburg	Lane County
1969	12.7	9.9	na	10.9
1979	14.7	15.2	9.5	12.8
1989	17	16.5	18.4	14.5
1999	17.1	17.9	7.7	14.4
2007-11	21.5	19.9	7.3	17.4

Source: HUD SOCDS, U.S. Census Bureau ACS 2007-11

Census tracts with more than 20% of people in poverty are considered "areas of poverty" while tracts with more than 40% of people in poverty as "areas of extreme poverty."⁶⁵ Areas of poverty can undermine an individual's or family's efforts to improve living conditions through location (geographical constraint), or circumstances (exposure to crime, or access to education, or mental and physical health impacts).

⁶² Northwest Federation of Community Organization, *The 2008 Job Gap, Tough Times for Northwest Families*, Julie Chinitz, ChienHao Fu, and Gerald Smith, s, December 2008

⁶³ U.S. Census Bureau, American Community Survey Briefs, *Poverty: 2010 and 2011*, Bishaw, Alemayehu, September 2012

⁶⁴ U.S. Census Bureau, Poverty Thresholds, 2012, <http://www.census.gov/hhes/www/poverty/data/threshld/index.html>

⁶⁵ US Census Bureau, American Community Survey Briefs, *Areas with Concentrated Poverty: 2006-2010*, December 2011

The University of Oregon is the largest university in the area with a Fall 2013 enrollment of around 24,500 students.⁶⁶ About 81% of students live off campus, 1% lived at home, and 2% lived in family housing.⁶⁷ Lane Community College (LCC), the regional community college, had a Fall 2012 enrollment of 12,942 for credit classes.⁶⁸ Lane Community College has satellite campuses across the county, with the main campus situated in a region south of the Cities of Eugene and Springfield along Interstate 5. LCC opened its first student housing center for 265 students in downtown Eugene in September 2012.⁶⁹ Students may be enrolled at both institutions.

A U.S. Census Bureau special report *Examining the Effect of Off-Campus College Students on Poverty Rates* studies the effects of large college student populations on poverty estimates.⁷⁰ The inclusion of college students in poverty calculations is believed to inflate the rates much higher due lack of reported incomes among students.⁷¹ This report found that in Eugene, the poverty rate dropped from 23.5% to 16.6% in 2009-11 when college students not living with relatives were excluded.⁷³ This report also found that in Springfield, the poverty rate went from 22.4 to 21.3%.⁷⁴

Table 6.2. Census Bureau Special Poverty Rate Excluding College Students, 2009-2011

	All People	No College Students	Change
Eugene	23.5	16.6	-6.9
Springfield	22.4	21.3	-1.1

This Census Bureau special report on poverty recommends a specific data table from the American Community Survey to create estimates of poverty rates excluding college students. When college students in poverty are excluded, the overall percentage of the Assessment area population in poverty changes from 19% to 14%.⁷⁵

For the Assessment area tracts, poverty rates excluding college students found that areas of poverty (20% or more of population in poverty) are located along West 11th Avenue, Roosevelt Boulevard, Highway 99, downtown Eugene, and around University of Oregon. In Springfield, these areas are located along Gateway Street, Pioneer Parkway, and Main Street. Significantly, the tract of Eugene located to the east of Highway 99 is the only one that meets the definition of extreme poverty after excluding college students.

This Assessment uses poverty data that includes the entire population (that poverty status can be determined for), which includes college and university students living off campus. As can be seen in Figure 6.3 there are areas to the west of University of Oregon that exceed poverty rates of 20%, even when college students are

⁶⁶ University of Oregon Admissions, UO Facts, <http://admissions.uoregon.edu/profile.html> , Fall term 2013

⁶⁷ University of Oregon, The Economic Impact of the University of Oregon, FY 2011-12 Update, January 2013

⁶⁸ Lane Community College Annual Enrollment, <http://www.lanecc.edu/research/ir/lane-enrollment-and-headcount>

⁶⁹ Lane Community College (LCC) Downtown Campus, City of Eugene, <http://www.eugene-or.gov/index.aspx?NID=805>

⁷⁰ US Census Bureau, *Examining the Effect of Off-Campus College Students on Poverty Rates*, Bishaw, Alemayehu, 5/1/2013 <http://www.census.gov/hhes/www/poverty/publications/bishaw.pdf?eml=gd>

⁷¹ Missouri Census Data Center, Measures of Income in the Census, http://mcdc.missouri.edu/allabout/measures_of_income

⁷² OregonLive.com College Students living off campus inflate poverty rates in Eugene, Corvallis, Portland; http://www.oregonlive.com/education/index.ssf/2013/07/college_students_living_off_ca.html

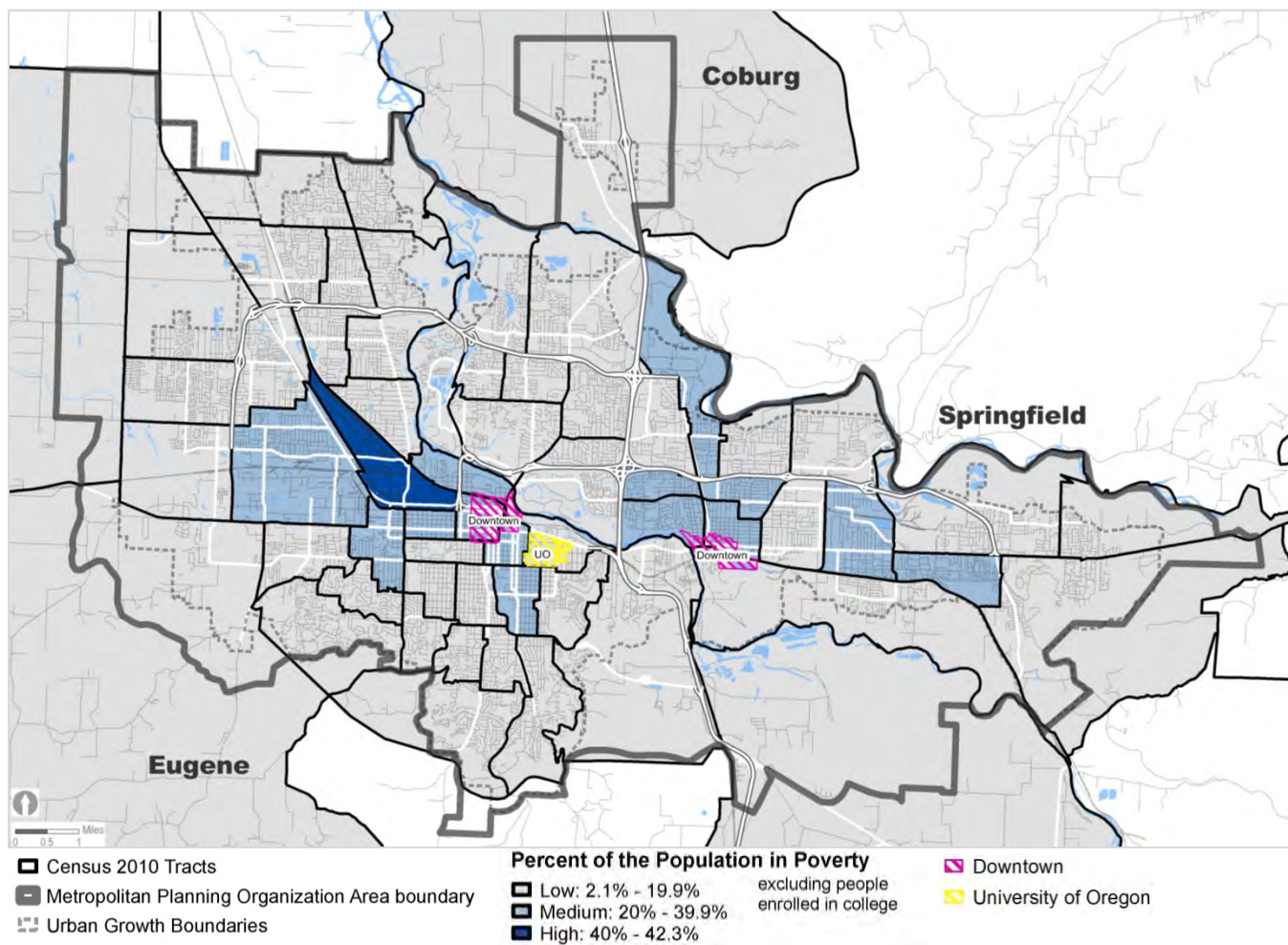
⁷³ US Census Bureau, *Examining the Effect of Off-Campus College Students on Poverty Rates*

⁷⁴ US Census Bureau, *Examining the Effect of Off-Campus College Students on Poverty Rates*

⁷⁵ This table however does not exclude college students not living with relatives, but only by school enrollment.

excluded. Without detailed information about student financials there are too many assumptions to make for excluding college students, such as if they do have personal income or are they supported by family.

Figure 6.1. Poverty (Excluding College Students) Map, 2007-2011

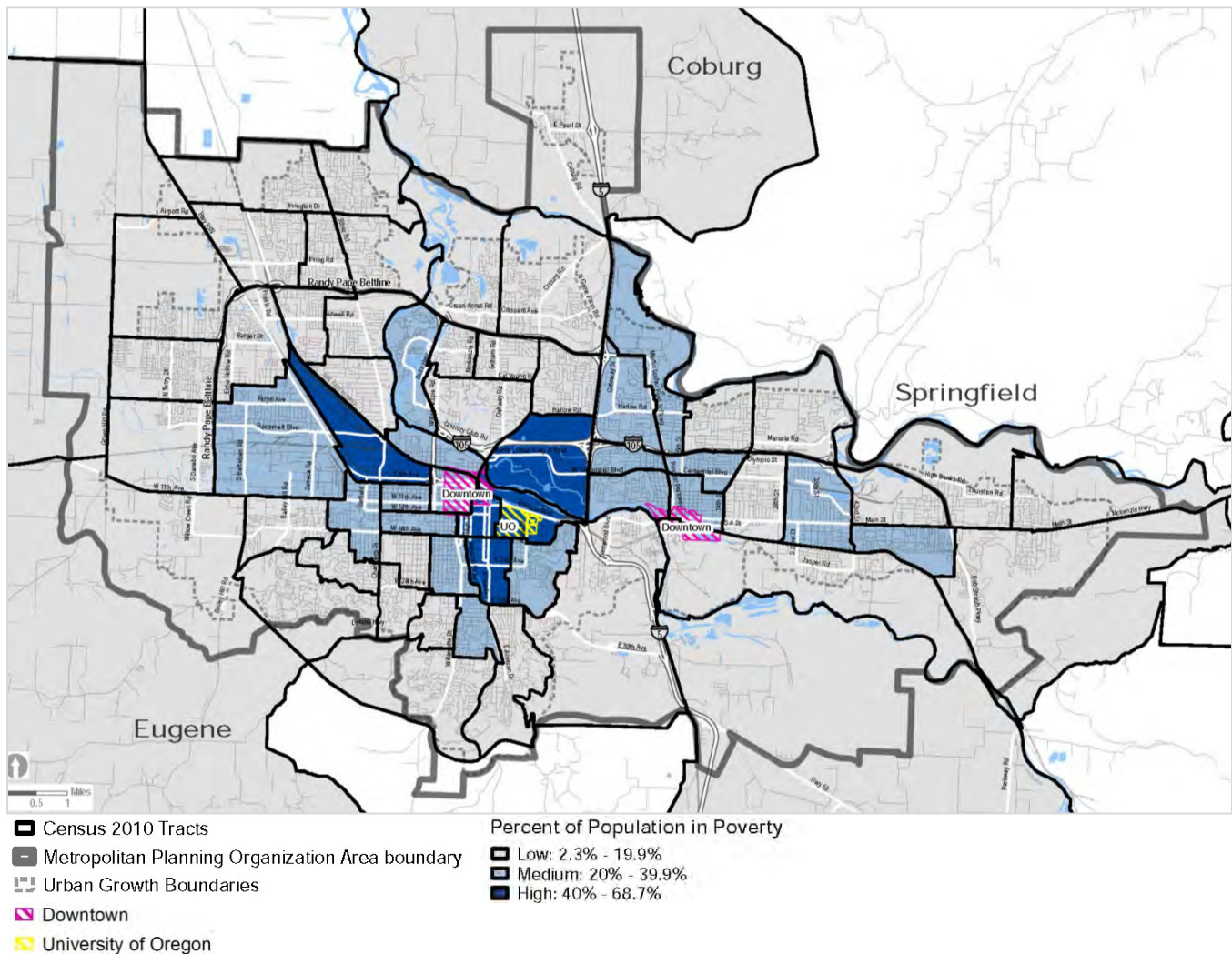


Incidence of Poverty by Geographic Area

About 19% of the population in the Assessment area is in poverty and 25% of that population lives in tracts with extreme poverty (tracts with 40% or more of population in poverty). These areas of extreme poverty are centrally located in Eugene, in particular around the University areas, and the west Eugene Hwy 99 area. Significantly, the west Eugene Hwy 99 tract shows extreme levels of poverty. In central and west Eugene and mid-Springfield there are areas of poverty with 20% or more of the population in poverty.

The University area shows high poverty, however the inclusion of college students in the poverty calculations is debatable and believed to skew actual poverty measures.

Figure 6.2. Poverty Map, 2007-2011

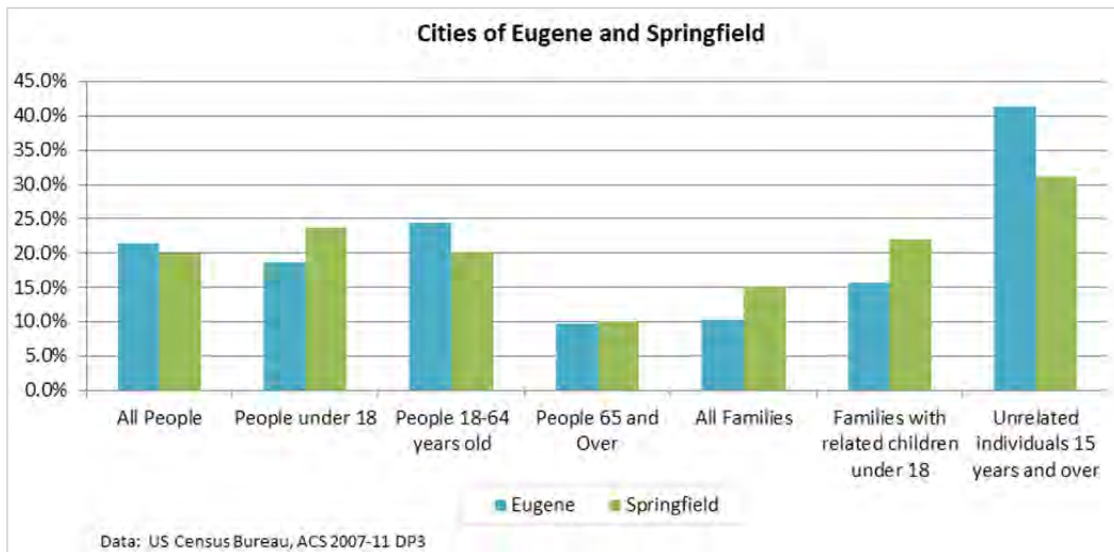


Incidence of Poverty by Family and Age

In the Assessment area, the poverty rate is 19%, however, when we look at the populations in poverty by household type and age, we get a clearer picture of which household types have greater rates of poverty. Unrelated individuals account for the largest percentages of the population in poverty. Families with children under 18 have higher poverty rates than families overall. Families include people living with relatives. The population over age 65 has a lower poverty rate.

In Springfield, families and people under 18 have poverty rates that exceed the regional level of 19%. In Eugene, the People 18-64 tend to have a higher poverty rate as well as unrelated individuals. This is likely due to the large number of college students living off campus. Data for Coburg is not included in the chart because of the high margins of error associated with this data.

Chart 6.1. Poverty Rate by Family Type Age, 2007-2011



Poverty by Race and Ethnicity

Poverty rates by race and ethnicity shows some clear differences among various populations but it is not possible to adjust for the impact of college students. In the three Cities of Eugene, Springfield, and Coburg, the lowest poverty rates were 17% for the native Hawaiian/other Pacific Islander populations and Other races. The Asian population has the highest poverty rate of 35%. Overall, most non-white races had higher poverty rates than the metropolitan region overall (19%) and the White population.⁷⁶

The information below tells us about poverty by age and race or Latino ethnicity. Overall, the population 18-64, has the highest poverty rates. There are more youth in poverty for non-White and Latino populations. The Asian population age 18-64 is the largest age group in poverty (33%).

Chart 6.2. Poverty by Race and Latino Ethnicity for the Cities of Eugene, Springfield and Coburg 2007-2011

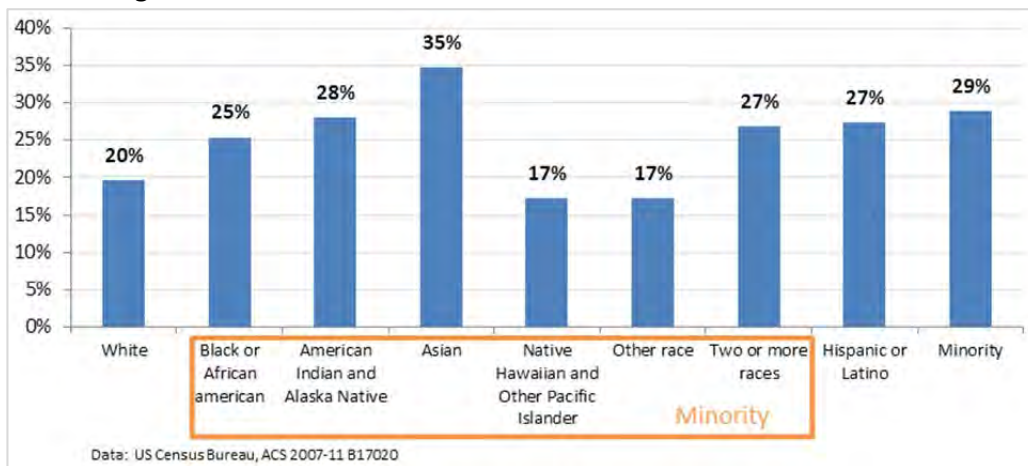
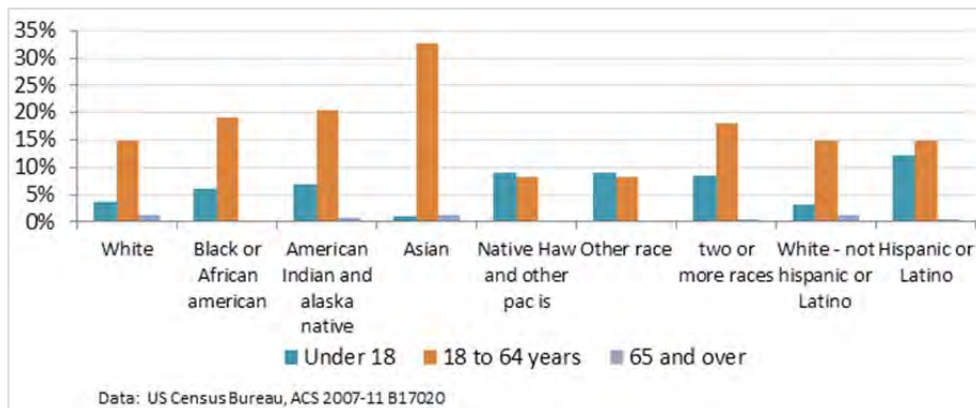


Chart 6.3. Poverty by Age by Race and Latino Ethnicity for the Cities of Eugene, Springfield, and Coburg, 2007-2011



⁷⁶ Poverty by race and ethnicity data was extracted for the Cities of Eugene, Springfield, and Coburg only and not at the tract level.

HUD has provided a poverty index for this Assessment that identifies the likelihood of poverty among different household types and by race and ethnicity. A number higher than 50 indicates less likelihood of poverty and a number lower than 50 indicates greater likelihood of poverty.

Overall, the Latino population has an index of 42 which is lower than all other populations. Asian family households exceed white family households with an index of 59, which indicates that Asian families experience less poverty than white families. The population that experiences the greatest poverty in our community is children. The poverty indices for children shows the index for all children is 51, for the Latino and Native American children the index is lower and Asian children have the highest index of 60.

Table 6.3. HUD Opportunity Dimension: Poverty Index

	All	White	Black/African American	Latino	Asian	Native American	Pacific Islander
All Persons (All Households)	50	51	46	42	49	46	47
Persons in Poverty	36	37	0	32	33	0	0
All Family Households	50	54	51	42	59	47	45
Family Households in Poverty	36	37	0	32	33	0	0
Children	51	53	51	41	60	47	0
Children in Poverty	37	37	0	34	0	0	0

The above index suggests that Asian households are less likely to experience poverty. This is opposite of what we find with the Census table for poverty by race and ethnicity. This can be due to several reasons including different data sources and that the HUD index used a different calculation method. The HUD index is calculated by looking at family poverty rates and households receiving public assistance. Overall, the take-away message from both of these sources is that the populations who identify with non-White races and/or Latino ethnicity have higher rates of poverty overall.

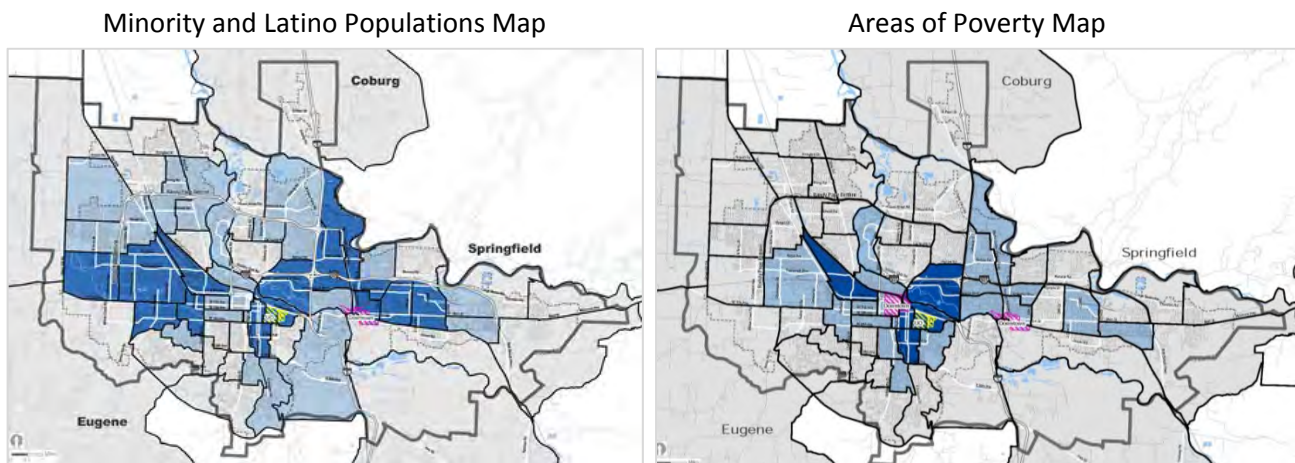
Latino / Minority Populations and Areas of Poverty

As part of the Equity and Opportunity Assessment, HUD has provided data that determines if there are any Racially or Ethnically Concentrated Areas of Poverty in the region (RCAP/ECAP). These areas are defined as a census tract with 50% or more of the population a non-white race and the tract has a poverty rate of 40% or more.⁷⁷ There are no tracts in the MPO that meet this definition, although there are tracts with extreme poverty. In comparison to other tracts, these areas have higher percentages of racial and ethnic minorities but the highest racial concentration reaches only 26%.

The two maps below show the Minority and Latino population distribution in the community and areas of poverty. The tracts with the highest percentage (20%-26.1%) of non-White populations (Minority and Latino), are shown in dark blue. Areas of poverty are shown in light and dark blue while the tracts with extreme poverty (40%-68.7%) are shown in a darker blue. There are two main areas in the region that have both a high percentage of Minority and Latino populations and extreme poverty. The first is located along West 11th Avenue, Roosevelt Boulevard, and Highway 99 (dark blue). The second area is around the University of Oregon.⁷⁸

In the MPO, there are 23 tracts that have over 20% of the population living in poverty (dark and light blue on map). Over half of these tracts are also areas with higher percentages of Minority and Latino populations.

Figure 6.3. Minority and Latino Populations and Areas of Poverty Maps

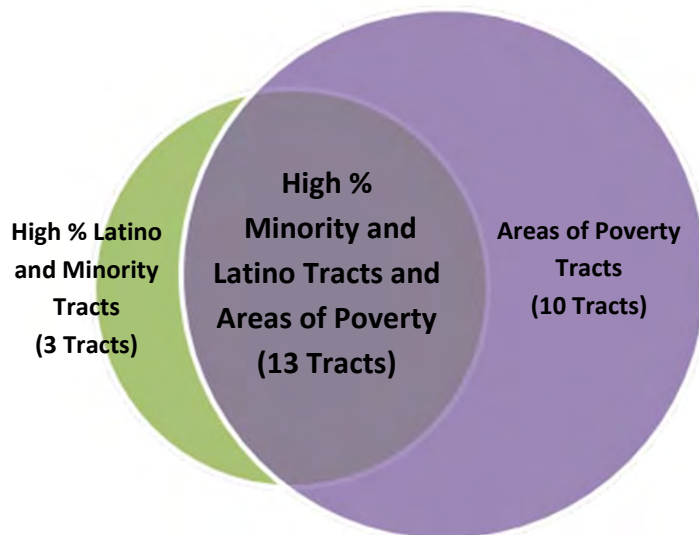


⁷⁷ HUD FHEA Data Documentation, Draft, August 2012

⁷⁸ See College Students in Poverty section on the effects of college students in poverty calculations.

There are 16 tracts in the MPO with higher percentages of Minority and Latino populations, 13 of these are also areas of poverty (20% or more of the population in poverty). Four of these 16 tracts are in the University area. These tracts have more college students living off campus which may influence poverty rates in those areas.

Chart 6.4. Minority and Latino Tracts and Areas of Poverty



The smaller green circle represents the 16 tracts with high percentages of Minority and Latino Populations, the larger purple circle represents the 23 tracts that are Areas of Poverty. These two areas overlap where the tracts have both high percentages of Minority and Latino Populations and poverty is over 20%.

Interestingly, over half of the tracts with lower poverty also have less Minority and Latino residents, compared to tracts that are areas of poverty, where half of the tracts have high percentages of Minority and Latino populations. This indicates that more Minority and Latino populations live in areas of poverty.

Chart 6.5. Minority and Latino Tracts and Areas of Low Poverty

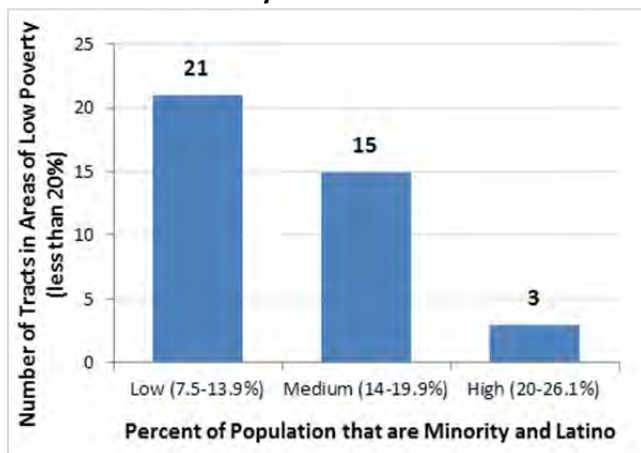
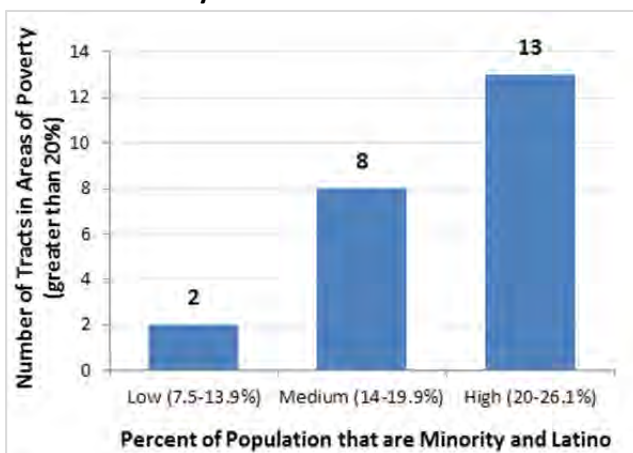


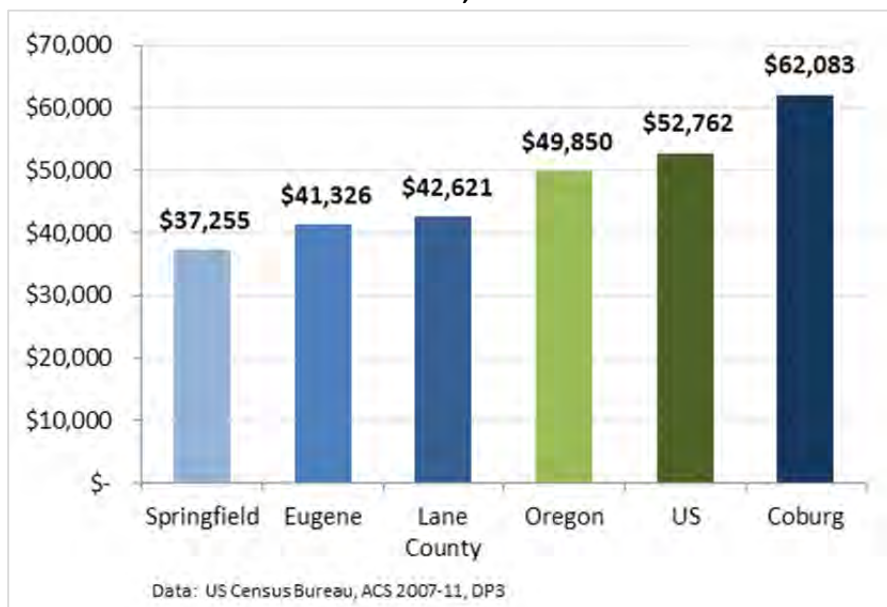
Chart 6.6. Minority and Latino Tracts and Areas of Poverty



6.2. Median Household Income

Median household income measures the income of the householder and all household members 15 years or older regardless of relationship to householder, and is the middle of all incomes in the tract. The median household income for Lane County is \$42,621, which is lower than the US (\$52,762) and state (\$49,850), but higher than Eugene (\$41,326) and Springfield (\$37,255). Coburg's median household income is \$62,083.

Chart 6.7. Median Household Income, 2007-2011

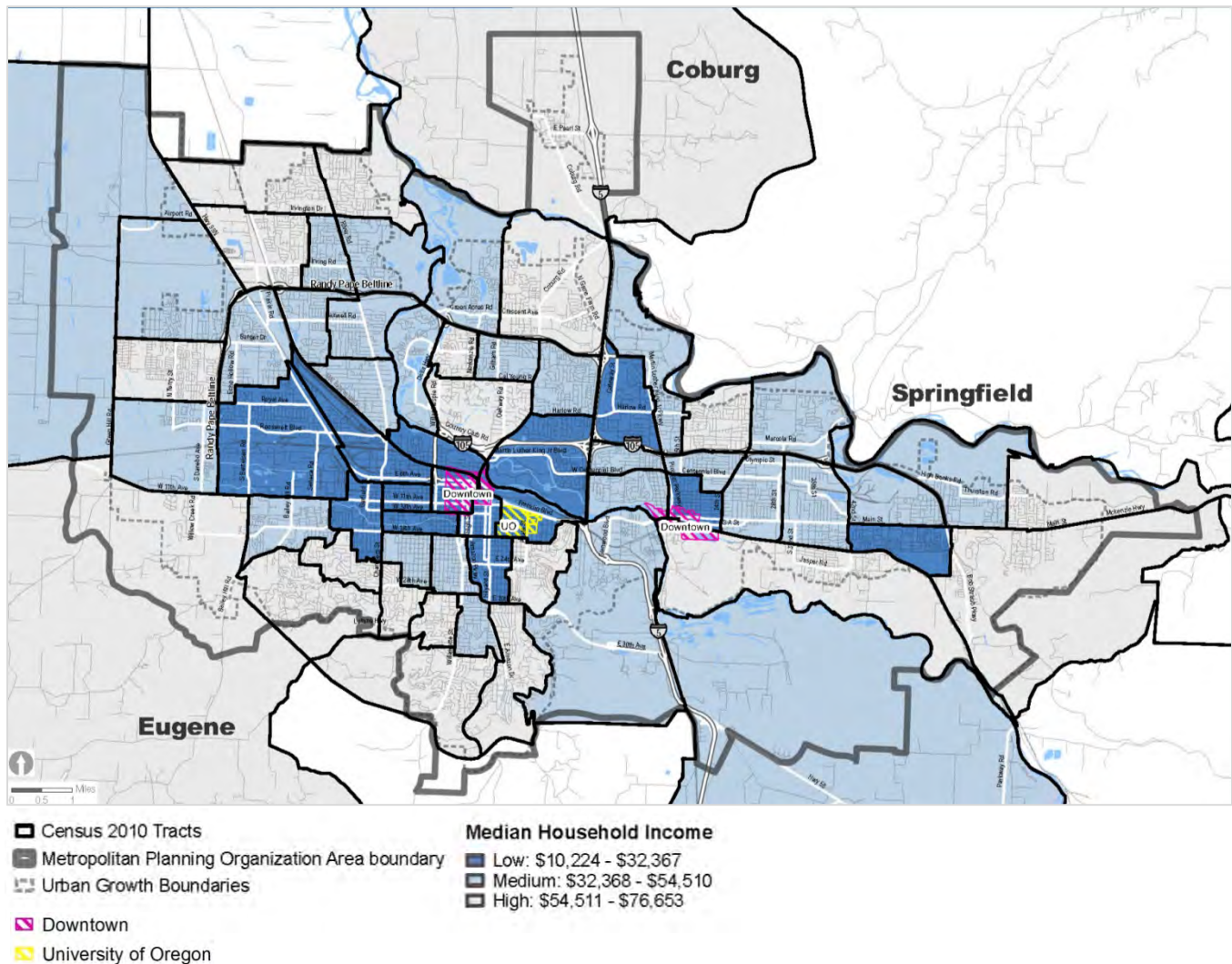


Similar to median household income, the Area Median Income (AMI) is the median income adjusted for family size and location and is the same as Median Family Income (MFI). The AMI is commonly used for program qualifications and has income thresholds determined by HUD, which are referred to as income limits. These limits are set at very low income (30% AMI), low-moderate income (50% AMI), and moderate income (80% AMI). The Lane County MFI in 2014 was \$55,200.⁷⁹

⁷⁹ HUD FY 14 Median Income <http://www.huduser.org/portal/datasets/il.html>

In the Metropolitan area, lower median household incomes are found primarily in the central regions of Eugene and in three areas of Springfield. In Eugene, the areas with lower incomes extend from the University area, Downtown to the West Eugene Hwy 99 and West 11th Corridors. In Springfield, the Gateway area shows lower median incomes along with two other areas in Downtown and in south-central Springfield. Areas with higher incomes are shown in east Springfield, north Eugene, and south – southwest Eugene.

Figure 6.4. Median Household Income Map, 2007-2011



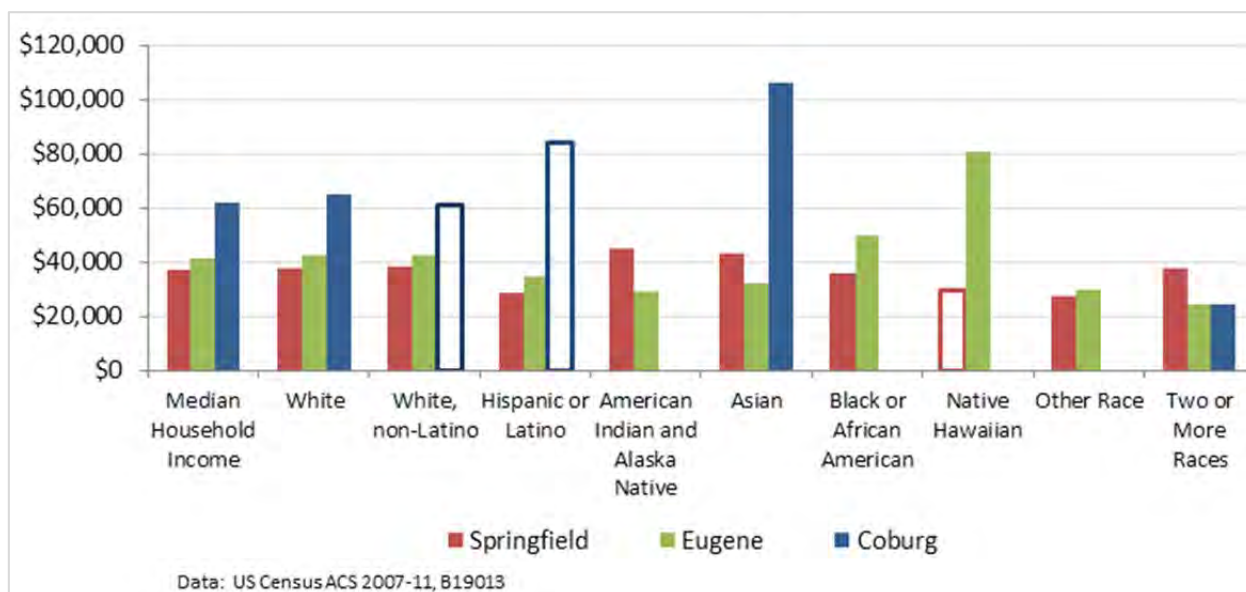
Median Income by Race and Ethnicity

The median income of residents by race and Latino ethnicity is different by jurisdiction.⁸⁰ The median household incomes are \$37,255 in Springfield, \$41,326 in Eugene, and \$62,083 for Coburg. The median incomes of Eugene and Springfield are below the county, state, and national levels.

Overall, in the Cities of Eugene and Springfield, Minority and Latino households have lower median incomes compared to White households. In particular, the Latino household median income is noticeably lower in both Cities, and this is significant because the Latino population is the largest ethnic minority representing 12% of the population in Springfield, and 8% in Eugene.⁸¹

Some estimates have excessive margins of error and these are all identified with hollow bars on the chart. Median incomes for some races were not available for Coburg.

Chart 6.8. Median Income by Race and Ethnicity, 2007-2011



⁸⁰ Median income by race and ethnicity data was extracted for the Cities of Eugene, Springfield, and Coburg only and not at the tract level.

⁸¹ The Latino population in Coburg represents 7.4% of the population (77 people) but the median household income has a margin of error that exceeds the estimate.

6.3. Food Assistance Programs and Economic Vulnerability

There are multiple forms of food assistance that not only help to identify populations impacted by food insecurity, but also help to create a more complete understanding of issues of income and poverty. This section reviews data gathered through the Free and Reduced Lunch program for school age children, the Supplemental Nutrition Assistance Program (SNAP), and local food box assistance.

Food for Lane County is the region's food bank that provides emergency food services to urban and rural residents across the county. Every two years, Food for Lane County conducts a Hunger Factors Assessment survey of food box recipients. The information presented here is from the survey.⁸²

According to this survey, 39% of people in Lane County that received food boxes are qualified for a form of food assistance. About 62% of households in the survey also receive SNAP benefits; however 94% reported that the SNAP assistance lasts only three weeks. Around 36% of households that receive food boxes have children.⁸³

A large percentage of adult recipients (22%) are looking for work, 24% have a disability, 14% are retired, 10% work full time and 10% part time, and 5% care for a family member. About 22% of retired recipients reported their incomes were low enough that they needed food assistance. Other residents (55%) reported the need for food box help was due to high food costs, 42% cited the high cost of gas, 38% reported they ran out of food stamps (SNAP), 37% cited high heating costs, and 31% reported long-term unemployment. Recipients also reported that they needed food box assistance due to unusual expenses (30%), high rent/mortgage (27%), high medical costs (26%), and low wages (19%). Survey recipients were asked to check all responses that applied for

Chart 6.9. Lane County Households that Receive Food Assistance and Employment

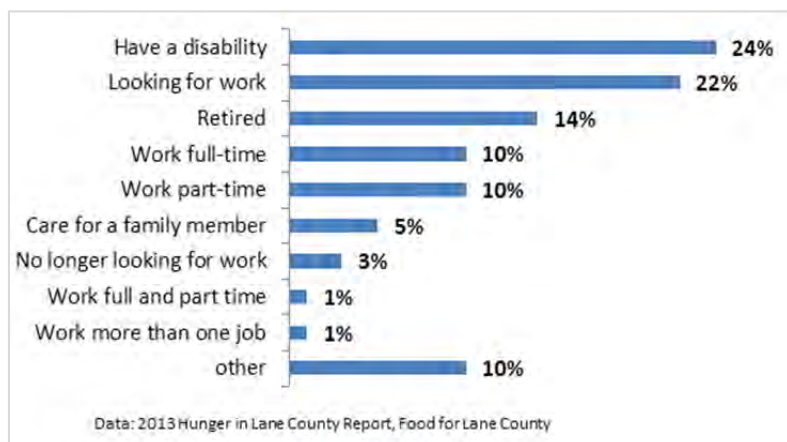
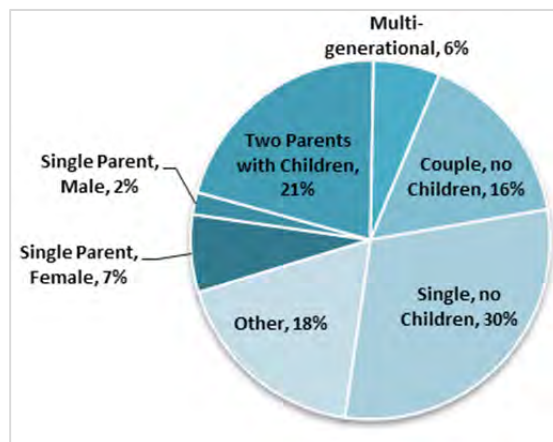


Chart 6.10. Lane County Households that Receive Food Assistance



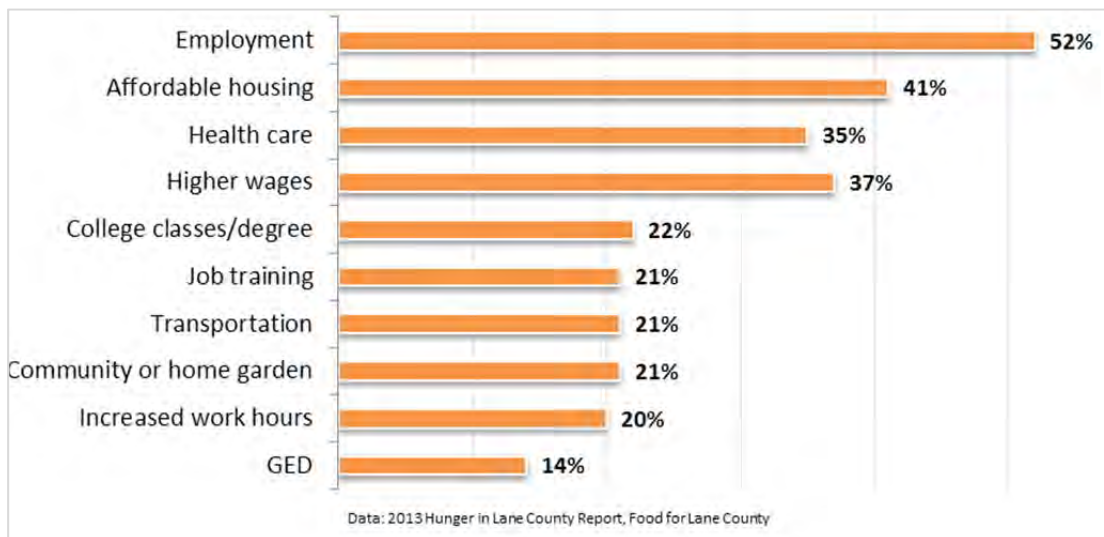
⁸² Food for Lane County, 2013 Hunger in Lane County, http://www.foodforlanecounty.org/en/about_hunger/additional_resources/lane_county/ 663 completed surveys were received.

⁸³ Food for Lane County 2013 Hunger in Lane County

information on “What happened that made it necessary for you to be here today?”

In the survey, food box recipients were asked “What would make emergency food assistance less necessary for your family?” and people were asked to choose all responses that applied to their situations. The highest responses included employment (52%), affordable housing (41%), health care (35%), and higher wages (37%). Education was indicated as well as job training, GED, and transportation.⁸⁴

Chart 6.11. Food Box Recipient Responses When Asked What Would Help Them Not Need Food Assistance as Much

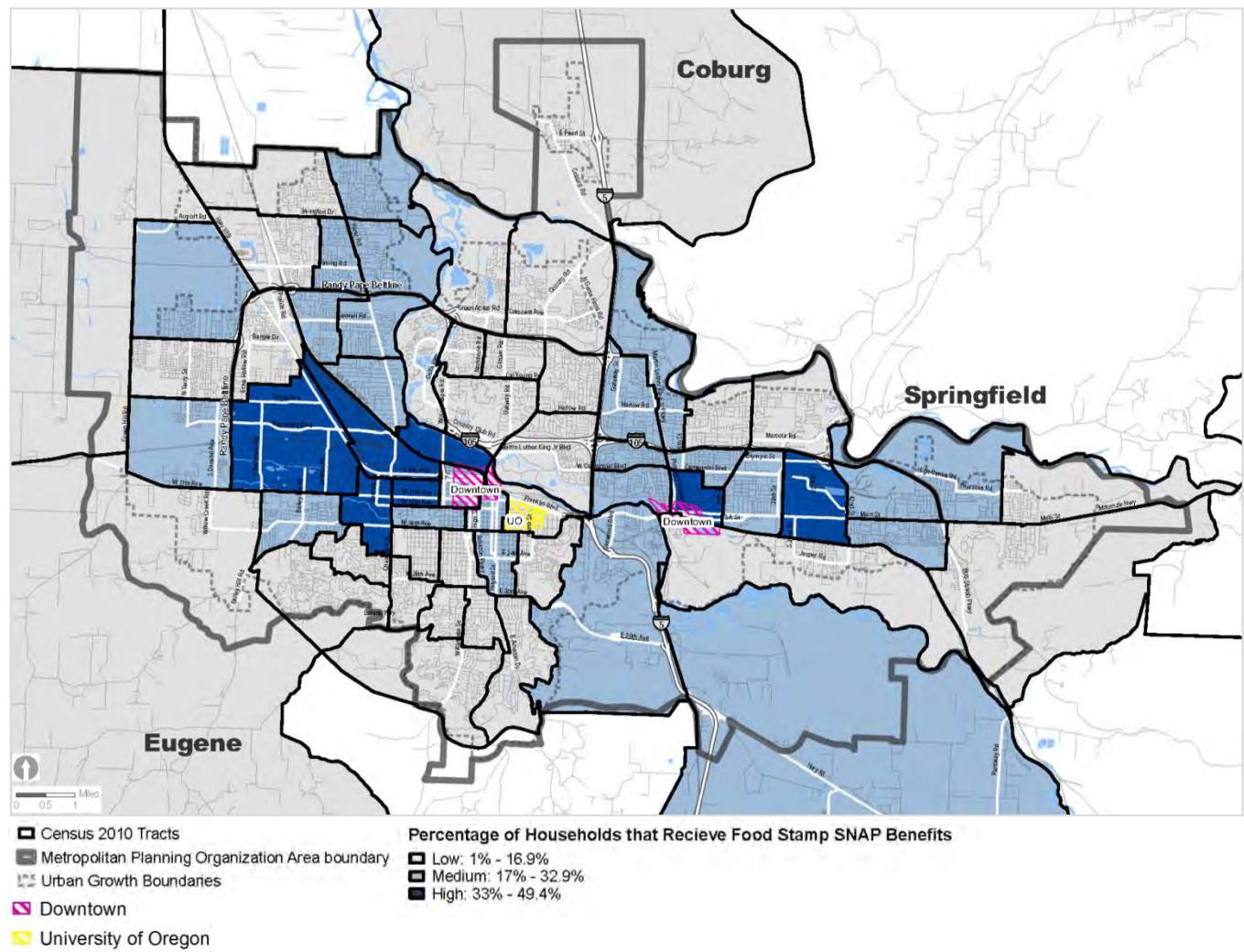


⁸⁴ Food for Lane County 2013 Hunger in Lane County

Supplemental Nutrition Assistance Program

The Supplemental Nutrition Assistance Program (SNAP), also called food stamps, provides money for food to income-eligible residents and serves as another measure of economic hardship.⁸⁵ Full-time college students are ineligible to receive SNAP. In Oregon, a household will receive an average SNAP benefit of \$235 per month and about one in five people receive SNAP benefits.^{86 87} Approximately 19% of households receive food assistance through the food stamp/SNAP program in the Assessment area. The tracts with the highest percentages (33%-49.4%) of households that receive SNAP benefits are in the west Eugene and Trainsong areas, and along Main Street in Springfield. Significantly, about 25% of all households that receive assistance reside in the seven tracts with the highest percentages of recipients

Figure 6.5. Food Stamp/SNAP Recipients Map, 2007-2011



⁸⁵ The 2008 Job Gap

⁸⁶ The Oregonian, OregonLive.com *A million emergency food boxes distributed in a year for the first time ever in Oregon, southwest Washington*; Read, Richard; September 30, 2011 http://www.oregonlive.com/pacific-northwest-news/index.ssf/2011/09/a_million_emergency_food_boxes.html

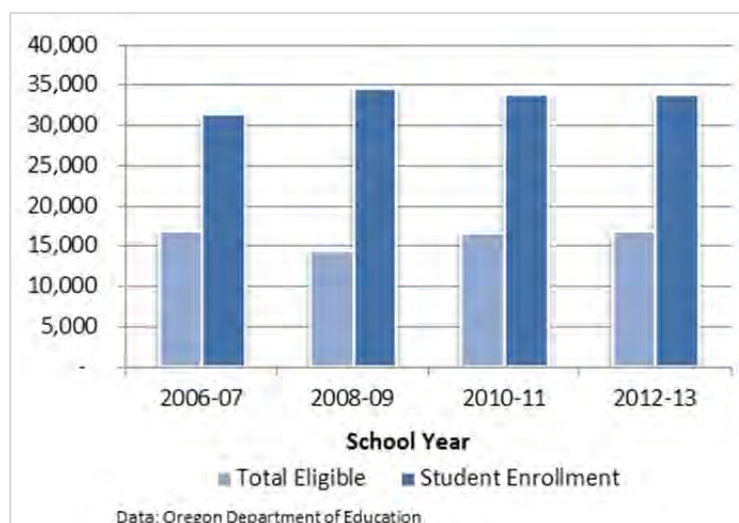
⁸⁷ Food for Lane County, *Hunger in Lane County 2013* http://www.foodforlanecounty.org/en/about_hunger/additional_resources/lane_county/

Free and Reduced Lunch Eligibility

Looking at the number of students eligible for the school free and reduced lunch program is another way to gauge the depth of poverty for an area and financial stability of residents. The free and reduced price meal program for schools through the USDA provides additional information about families with children in poverty. Eligibility is based on family income, family size and the federal poverty guidelines.⁸⁸ These federal poverty guidelines are different than poverty thresholds used by the Census Bureau for determining poverty level populations.⁸⁹ Families who receive other forms of food assistance, such as food stamps automatically qualify.

For the school year 2012-13, about 50% of students were eligible for free or reduced lunches. This is for all elementary, middle and high school students in the three main school districts: Bethel SD 52, Eugene SD 4J, and Springfield SD 19. The percentage of students eligible overall has remained the same since 2006. This information is not directly comparable to the data used in the Assessment area because the geographic coverage is not the same.

Chart 6.12. Students Eligible for School Lunch Programs in the Three Main School Districts, 2006/07 - 2012/13

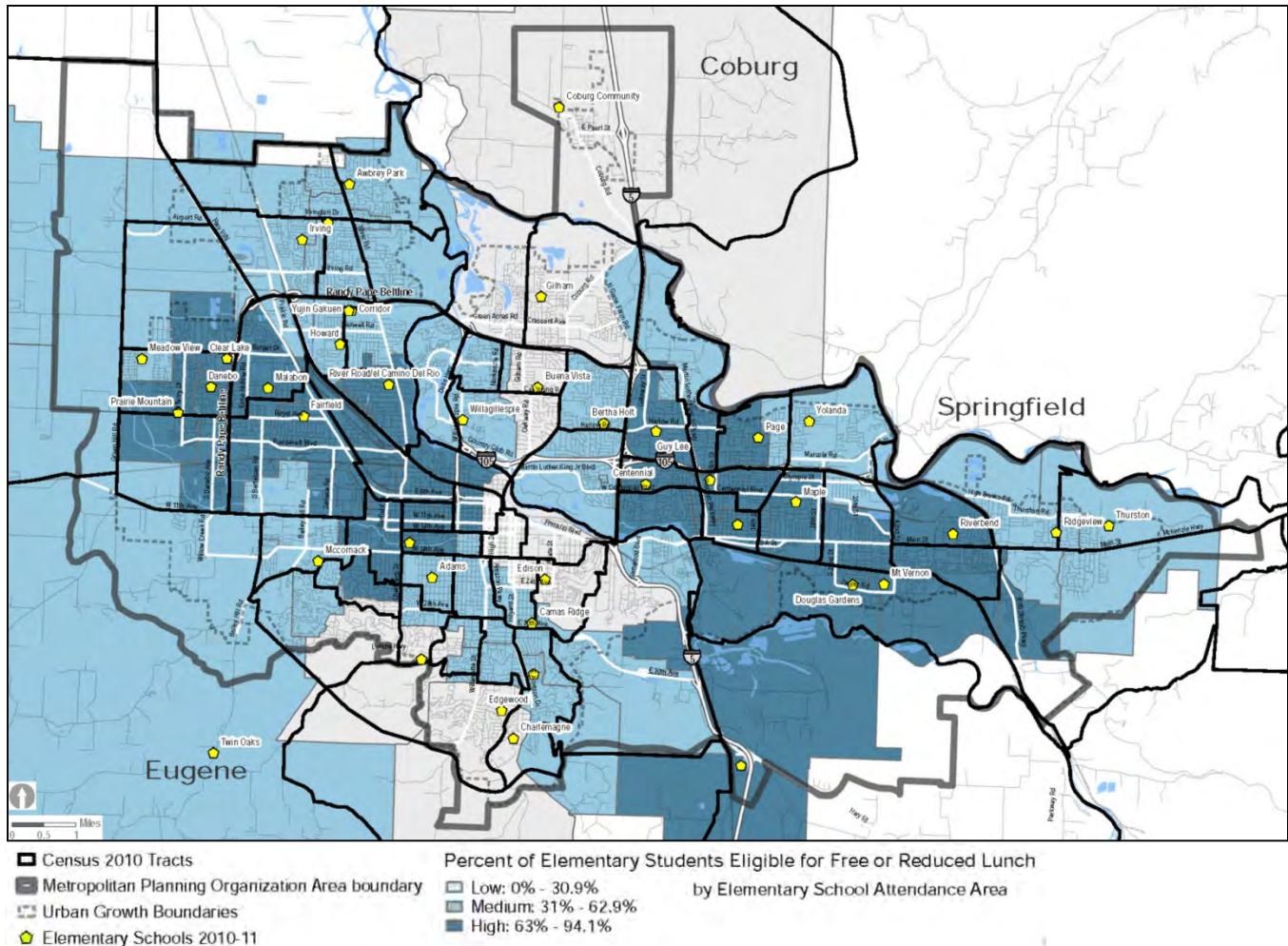


⁸⁸ US Census Bureau, Small Area Estimates Branch, *Estimating School District Poverty with Free and Reduced-Price Lunch Data*, Craig Cruse and David Powers

⁸⁹ US Census Bureau, Small Area Estimates Branch, *Estimating School District Poverty with Free and Reduced-Price Lunch Data*

In the Assessment Area, about 55% of elementary school students were eligible for free or reduced lunches in the school year 2010-11. Areas that show higher percentages (63%-94.1%) of eligibility are in mid-west Eugene, and west-central and south Springfield. This data is presented at the elementary school attendance area in the map below.

Figure 6.6. Elementary Students Eligible for Free or Reduced Lunch Programs Map, 2010/11



Conclusions

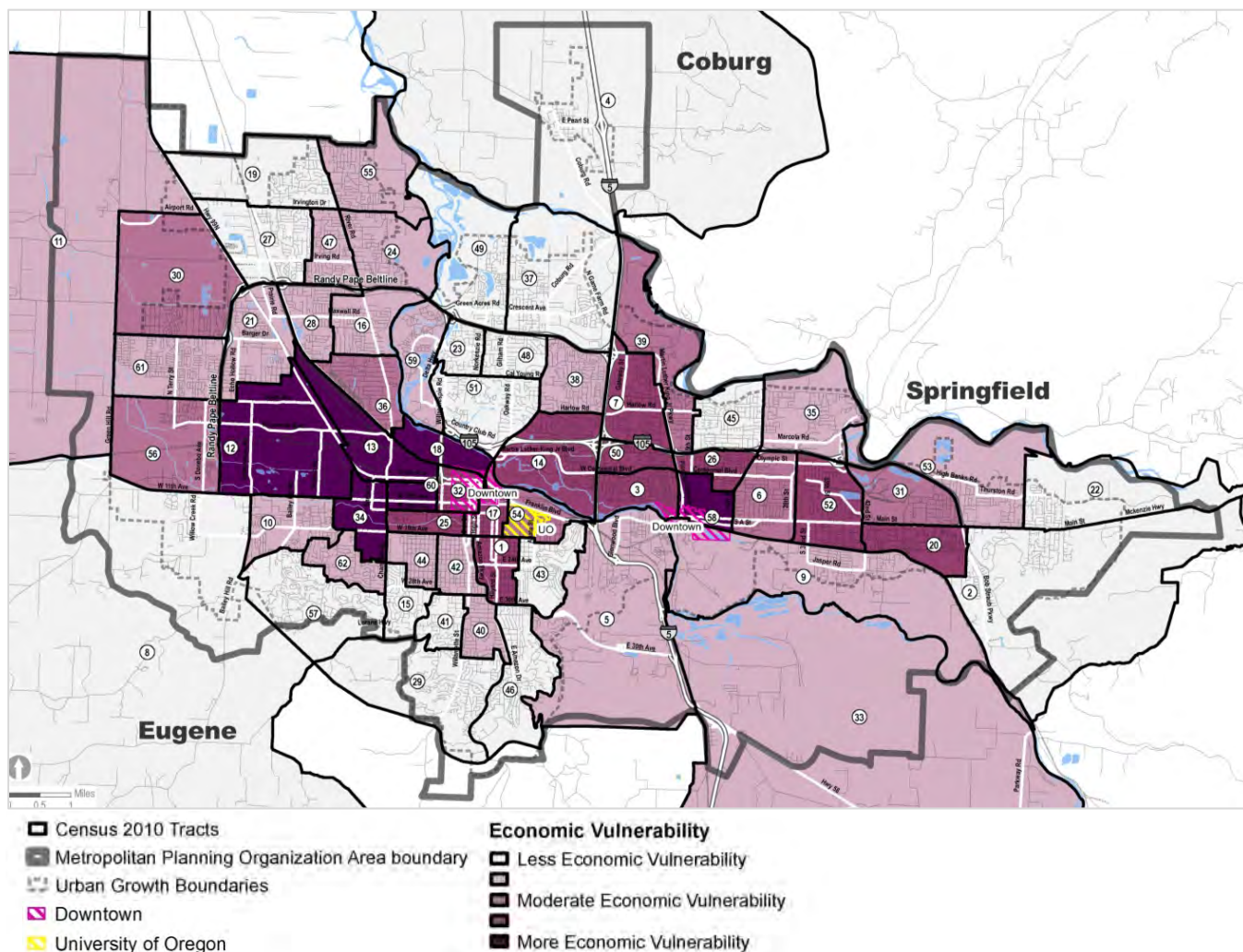
While there are many efforts underway to improve the economic well-being of area residents, the data described in this chapter identify a number of continuing challenges. A summary of key findings is provided below.

- 19% of the population is in poverty. The inclusion of college students in the poverty calculations has the potential to alter the overall poverty rate since the dynamics of college student finances can be much different than the general population.
- About 25% of the population in poverty lives in the five tracts with the highest percentages (40% to 68.7%). These are also areas of extreme poverty. These tracts are located around the University area and in the West Eugene Hwy 99 area. When off-campus college students are excluded from the poverty calculations there is one tract in the area with extreme poverty, found in the West Eugene Hwy 99 area.
- The median household incomes of the Assessment area's two main cities of Eugene and Springfield are below the county, state, and national income levels.
- The degree and extent of children in poverty is more difficult to measure. Information on lunch eligibility and the HUD poverty index show that poverty for children is greater. Around half of elementary students qualify for the free or reduced lunch program at school and areas with high percentages for elementary school students who qualify for the school meal program show 63% to 94.1% of students eligible.
- About 19% of households receive SNAP benefits. In the seven tracts with the highest percentages 33%-49.4% of households receive SNAP benefits and 25% of households that receive benefits live in these tracts. These tracts are located around West-central Eugene, and include the Hwy 99 and Roosevelt Boulevard tracts and along Main Street in Springfield.
- More vulnerable populations tend to live in areas with economic vulnerability.
- Areas with greater economic vulnerability tend to have higher percentages of Latino populations, youth, older populations age 60 to 79, more populations with disabilities, and single headed households.

Areas in the community that are more economically secure or vulnerable are visible in the Income and Poverty Composite. This composite looks at a combination of economic characteristics that can help identify areas with less or more economic vulnerability. The financial stability of a community and its residents can have a large impact on the health and livelihood in that community. By looking at where in the community there may be more economic vulnerability, we can start to hopefully address barriers residents may experience.

This composite is an overall snapshot, and does not indicate that other tracts are low or high income areas in particular, but seeks to identify areas where residents may experience more or less economic opportunity or vulnerability.

Figure 6.7. Income and Poverty Composite Map



The most economically vulnerable populations and households are in the mid-west Eugene areas, and in mid-Springfield. One of these tracts has a poverty rate of over 40%, this is the west Eugene Hwy 99 tract. Even though a tract may be a poverty area with 20%-39.9% of the population in poverty, the most economically vulnerable tracts show other indicators of economic distress such as lower median incomes, higher percentages of elementary students eligible for free/reduced lunches, and higher percentages of households receiving SNAP benefits.