



**2008 Washington County
Issues of Poverty**



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OUR PROGRAMS:

- Child Care Resource & Referral of Washington County
- Energy & Emergency Services
- Head Start/Early Head Start
- Housing and Homeless Services
- Information & Referral
- Opening Doors
- Weatherization

OUR PROMISE:

Community Action changes people's lives, embodies the spirit of hope, improves communities and makes America a better place to live. We care about the entire community and are dedicated to helping individuals help themselves and each other.



January 2008

Dear Colleagues,

In partnership with the community, Community Action helps low-income people achieve self-determination and greater economic security. Since 1965, we have been addressing the causes and conditions of poverty in Washington County through a wide range of services and strategies. Our staff have extensive contact with local residents who are struggling to make ends meet. From this contact and the services that we provide, we have learned a great deal about the issues of poverty affecting our community.

A few years ago we decided to take a different approach to compiling a community needs assessment. A small group of staff and board members came together to discuss what we were learning and to identify some basic premises that we believed to be true about poverty in Washington County. This resulted in the establishment of the following seven premises of poverty:

1. The low-income population has increased and diversified.
2. An increasing number of working families are economically insecure.
3. Even those living above poverty for their household size are unable to meet their *basic needs*.
4. *Public Assistance*, or "welfare", is not an adequate safety net because it does not provide for a family's basic needs.
5. Earning Potential is limited by a lack of *living wage jobs* and barriers to obtaining quality education.
6. Lack of affordable and adequate housing and health care has reached a crisis.
7. Children are disproportionately affected by poverty in Washington County, and the lack of sufficient support limits their potential to break out of poverty

We followed up with research to determine if there was data that supported these premises and refined our work along the way. This information has provided us with a useful educational tool and has helped to guide our organization as we plan our service strategies and program priorities to carry out our mission in Washington County. We want to share what we have learned in this updated version and hope that you will find it to be useful as well. You can also access this information from our web site www.communityaction4u.org. Should you have questions or feedback for us, please contact Katherine Galian at kgalian@caowash.org. We hope to hear from you.

Sincerely,
Jerralynn Ness, Executive Director

Glossary of Terms

Premise 1

☞ Federal Poverty Level: Established by the Social Security Administration in 1964. The poverty level is based on USDA estimates of food costs and the 1955 Food Consumption Survey that showed that families spent roughly one-third of their income on food. It is calculated by multiplying estimated food costs by three with adjustments for family size and is used as a statistical tool to calculate the number of people in poverty. The poverty level is revised annually by the Census Bureau to allow for changes in the cost of living as reflected in the Consumer Price Index (CPI-U). The poverty level is the same for all parts of the country (except Alaska and Hawaii); it is not adjusted for regional, state or local variations in the cost of living. For a family of three, the 2006 Federal Poverty Level was \$16,600 per year. The 2008 Poverty Level for a family of 3 is \$17,600.

☞ Low-Income: For the purposes of this document, low-income refers to families who have income that is equal to or less than 200% of the Federal Poverty Level for their family size.

Premise 2

☞ Minimum Wage: the current Minimum wage for the State of Oregon is \$7.95.

☞ Child Care: Care for a child under 12 either in the child's own home by a paid caregiver, in the home of a paid caregiver or in a child care center. Costs of child care vary depending on the age of the child and the setting in which the care is provided.

☞ Basic Family Budget: Researched by the Economic Policy Institute, the Basic Family Budget is a realistic measure of the income required to have a safe and decent, though basic, standard of living. It comprises only the amounts a family needs to spend on food, shelter, clothing, transportation and other necessary costs. It does not include savings, restaurant meals, insurance or funds for emergencies. The Basic Family budget used in this document is based on a family of three with one adult and two preschool-aged children and assumes that the family is receiving no public assistance.

Premise 3

☞ Basic Needs: Items that are essential to the health and safety of the family. These items include food, shelter, heat, utilities, health care, clothing, transportation and child care.

☞ Basic Family Budget: See Premise 2 definition

☞ Fair Market Rent (FMR): Rent guidelines determined by HUD to be the cost of modest, non-luxury rental units in a specific market area for various size units (1 bedroom, 2 bedroom, etc.). With certain exceptions, it is the highest rent chargeable for that market under the Section 8 program. FMR's are revised annually and are different for each community.

Premise 4

☞ Public Assistance – Welfare: Temporary Aid to Needy Families, or TANF, was created by the Welfare Reform Law of 1996. TANF became effective July 1, 1997, and replaced what was then commonly known as welfare: *Aid to Families with Dependent Children (AFDC)* and the *Job Opportunities and Basic Skills Training (JOBS)* programs. The Temporary Assistance for Needy Families (TANF) program provides cash assistance to low-income families with children while they strive to become self-sufficient. The goal of the program is to reduce the number of families living in poverty, through employment and community resources. To qualify for TANF, families must have very few assets and little or no income. The current maximum monthly benefit for a family of three is \$503. Many families in the TANF program must participate in the JOBS employment and training program, which helps them prepare for and find work. They may also receive help with problems around housing, child care, alcohol or drug abuse, domestic-violence and other factors that affect family stability.

Premise 5

☞ Living Wage Jobs: Jobs that offer compensation that is sufficient to provide a safe and stable lifestyle for a household based on household size and composition. The items that comprise the budget supported by the living wage are food, housing, transportation, health care, child care, personal items, insurance, savings and taxes.

☞ Unmet financial need: The cost of higher education beyond what is provided for by financial aid, i.e. the "out of pocket" cost for higher education.

Premise 6

☞ Affordable Housing: Total cost of rent and utilities is not more than 30% of the household's gross income.

Premise 7

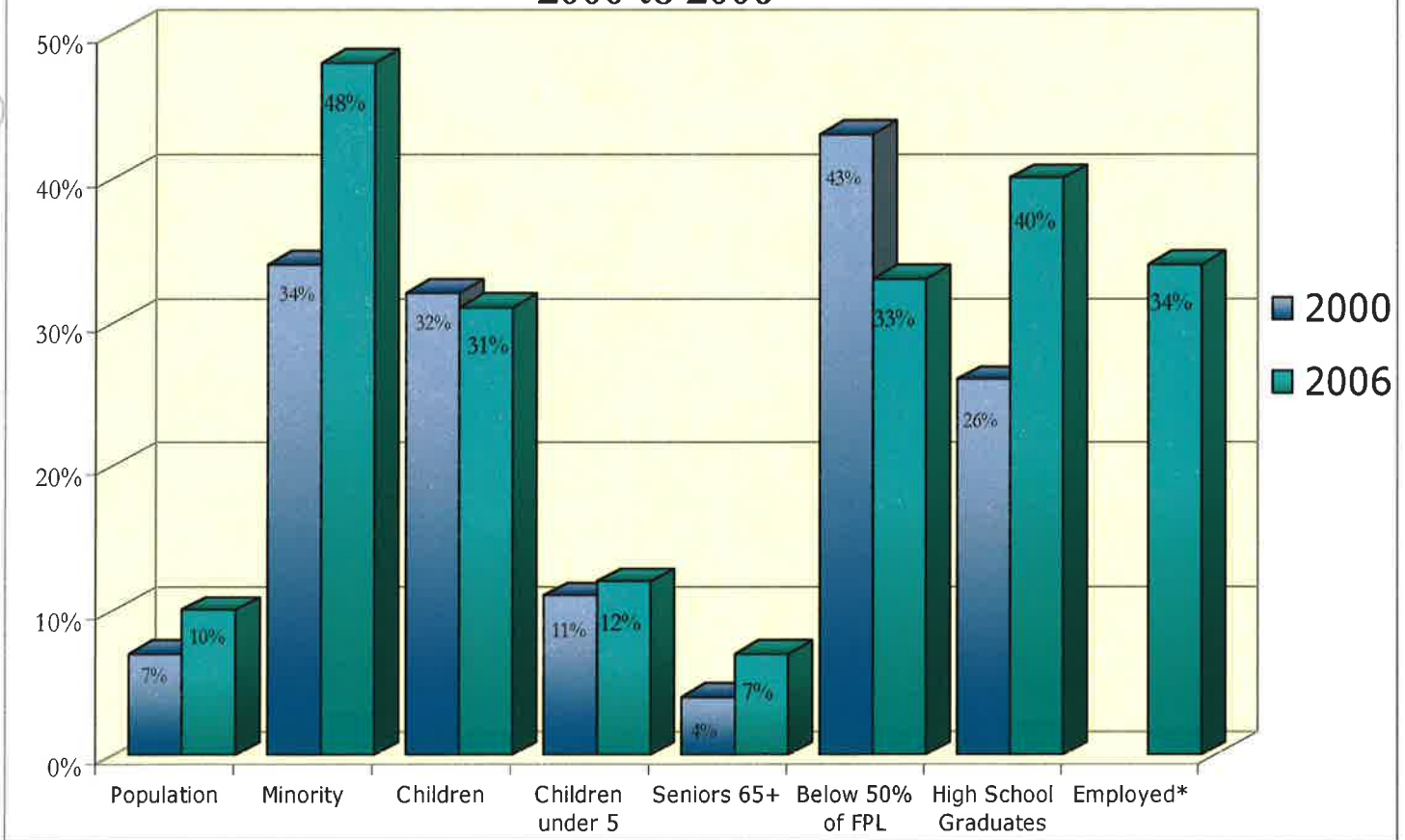
☞ Head Start: Head Start is a national program that promotes school readiness by enhancing the social and cognitive development of children through the provision of educational, health, nutritional, social and other services to low-income children and families.

Premise # 1: The low-income population has increased and diversified.

Supporting Data:

- One in 10, or 50,493, Washington County residents are living below the *Federal Poverty Level (FPL)*.¹
- While the County's population grew 15% between 2000 and 2006, the poverty population grew nearly 5 times faster (55%).¹
- 128,912 Washington County residents are *Low-Income*.¹
- The minority population in Washington County has increased from 18% of the general population in 2000 to 27% in 2006.¹
- While minorities constitute 27% of the general population, they are 48% of total poverty population.¹

Changing Characteristics of the Poverty Population 2000 to 2006



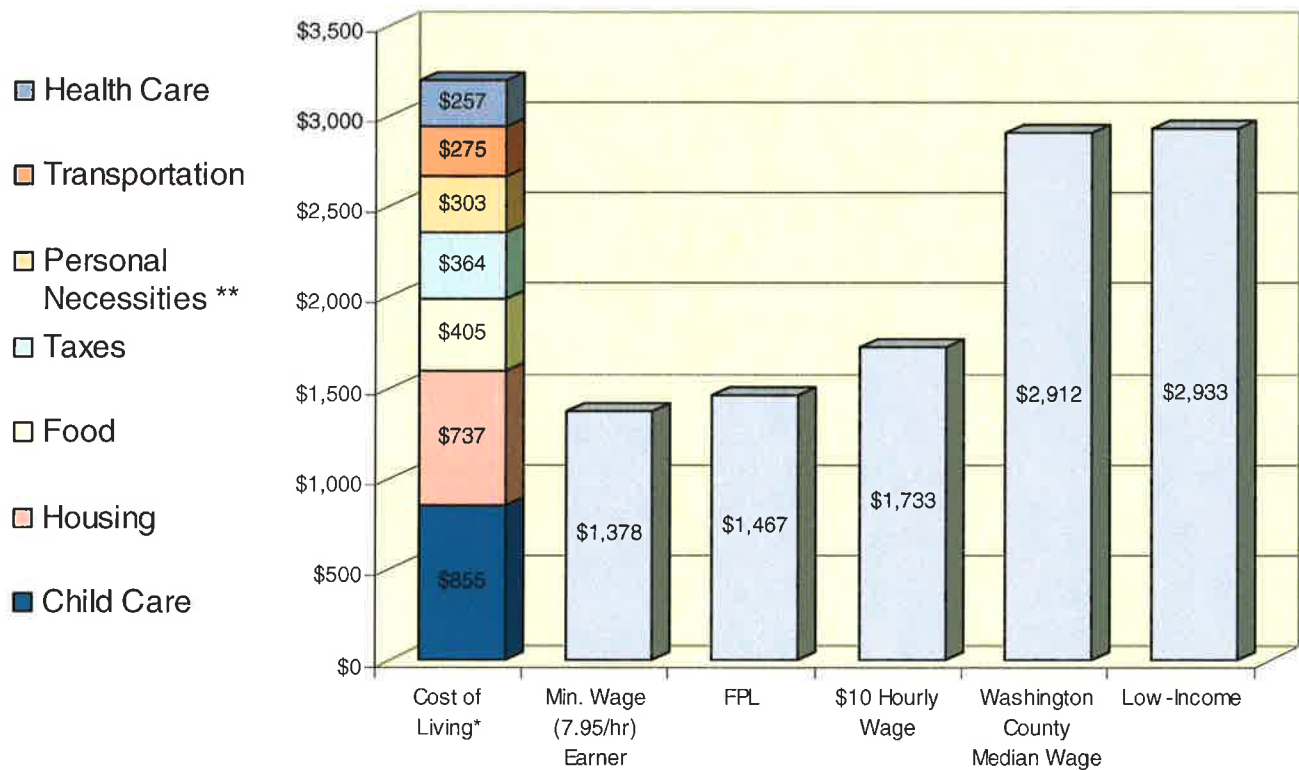
* No data available for the number of Washington County residents living below FPL and employed for 2000. In 2004, 26% of Washington County's poverty population was employed.

Premise # 2: An increasing number of working families are economically insecure.

Supporting Data:

- 17,407 adults in households living below the Federal Poverty Level in 2006 were working, a 54% increase from 2004.¹
- Poverty level for a family of three is \$17,600² annually, yet a single parent working full time earning *minimum wage* has an annual income of \$16,536.
- 47% of households who accessed emergency food boxes in 2006 had at least one employed member.³
- To maintain employment families need reliable *child care*. The market rate for child care ranges from \$433 to \$863 per month, per child depending on the age of the child and type of care.⁴ For a family with two children, the most affordable care absorbs 64% of a minimum wage salary.

**Basic Family Budget vs. Monthly Income
Family of Three**



* Cost of living based on Basic Family Budget developed for the Portland/Vancouver Metro Area⁵

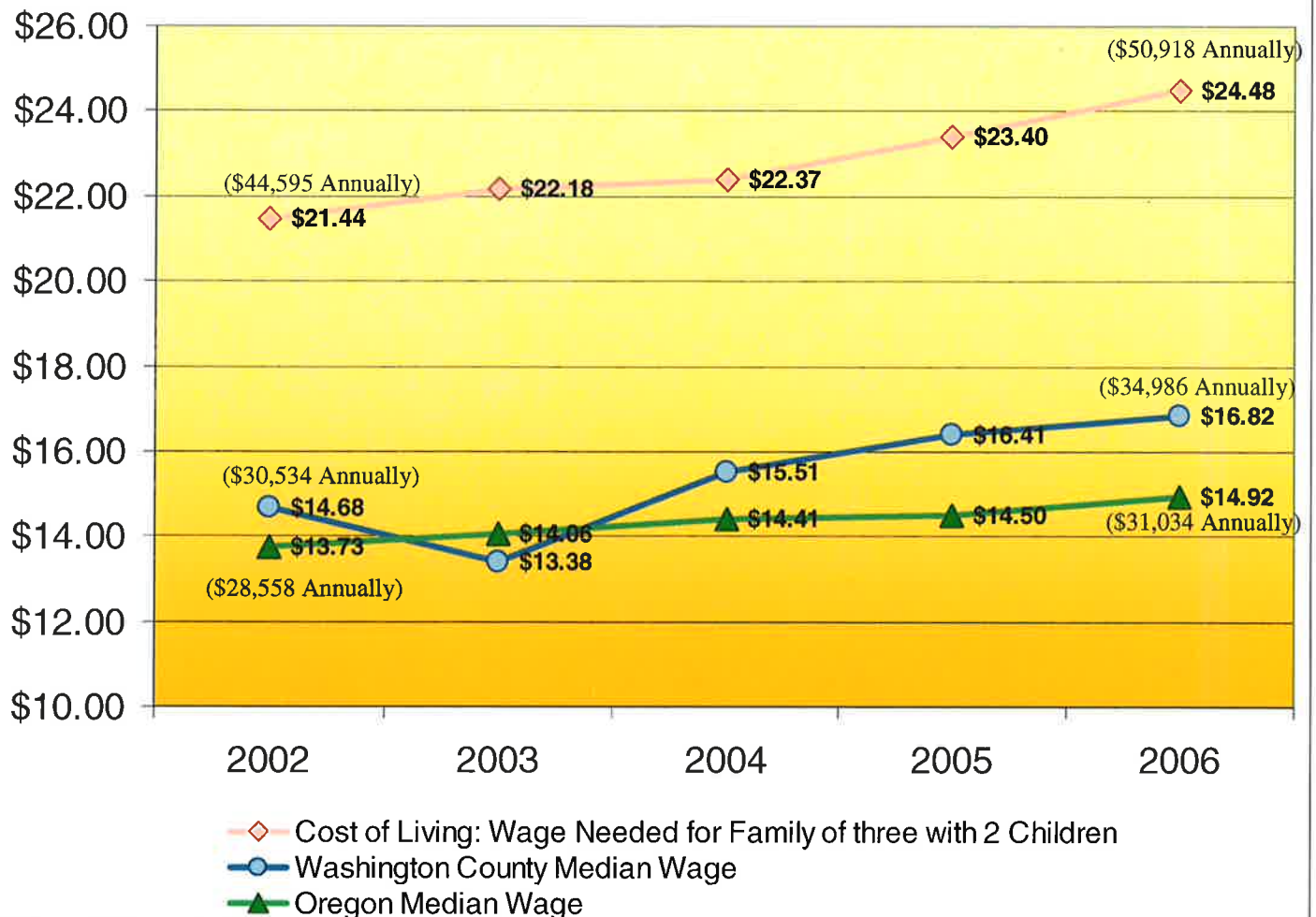
** Necessities include: clothing, personal care expenses, household supplies, reading materials, school supplies, and other miscellaneous items of necessity from the Consumer Expenditure Survey.

Premise # 3: Even those living above poverty for their household size are unable to meet their *basic needs*.

Supporting Data:

- For a family of three to afford the *Basic Family Budget*, they must have an annual income of \$38,112, which is 217% of the Federal Poverty Level.
- For a family of three to afford a 2 bedroom apartment in Washington County at the *Fair Market Rate*, a household must have an annual income of \$29,474, which is 167% of the Federal Poverty Level.⁶
- Nearly a quarter of the families accessing emergency food had income above the poverty line.⁷

Rising Cost of Living Outpaces Wage Growth



Premise # 4: *Public Assistance*, or “welfare”, is not an adequate safety net because it does not provide for a family’s basic needs.

Supporting Data:

- A family of three eligible for public assistance receives \$503/mo,⁸ which would total \$6,036/year, \$11,134 below the federal poverty level.
- In 2006, there were 3,128 families living below the Poverty Level who did not receive any public assistance or food stamps.⁹
- More than half of the households that accessed emergency food services in 2006 found that food stamps were not enough to keep their families fed. 64% of those households reported that their food stamps were expended within the first two weeks of the month.¹⁰



Premise # 5: Earning Potential is limited by a lack of *living wage jobs* and barriers to obtaining quality education.

Supporting Data:

Living Wage Jobs

- The living wage in Washington County for a family of three with two children is \$25.78 per hour or \$53,622 per year.¹¹
- For each job opening in Oregon that pays the living wage or higher for a single adult with two children, there are 16 job seekers, on average.¹²

Education

- The average cost of tuition and fees at Oregon’s Public Colleges and Universities increased 77% for Community Colleges and 65% for 4 year schools from 2000-2001 to 2007-2008 making higher education less accessible for middle and low-income students.¹³
- The *unmet financial need* for families with income below \$34,000 annually grew 80% between 1990 and 2004 at four year institutions compared to 7% for families with income above \$94,000.¹⁴

In Washington County, The More You Learn The More You Earn

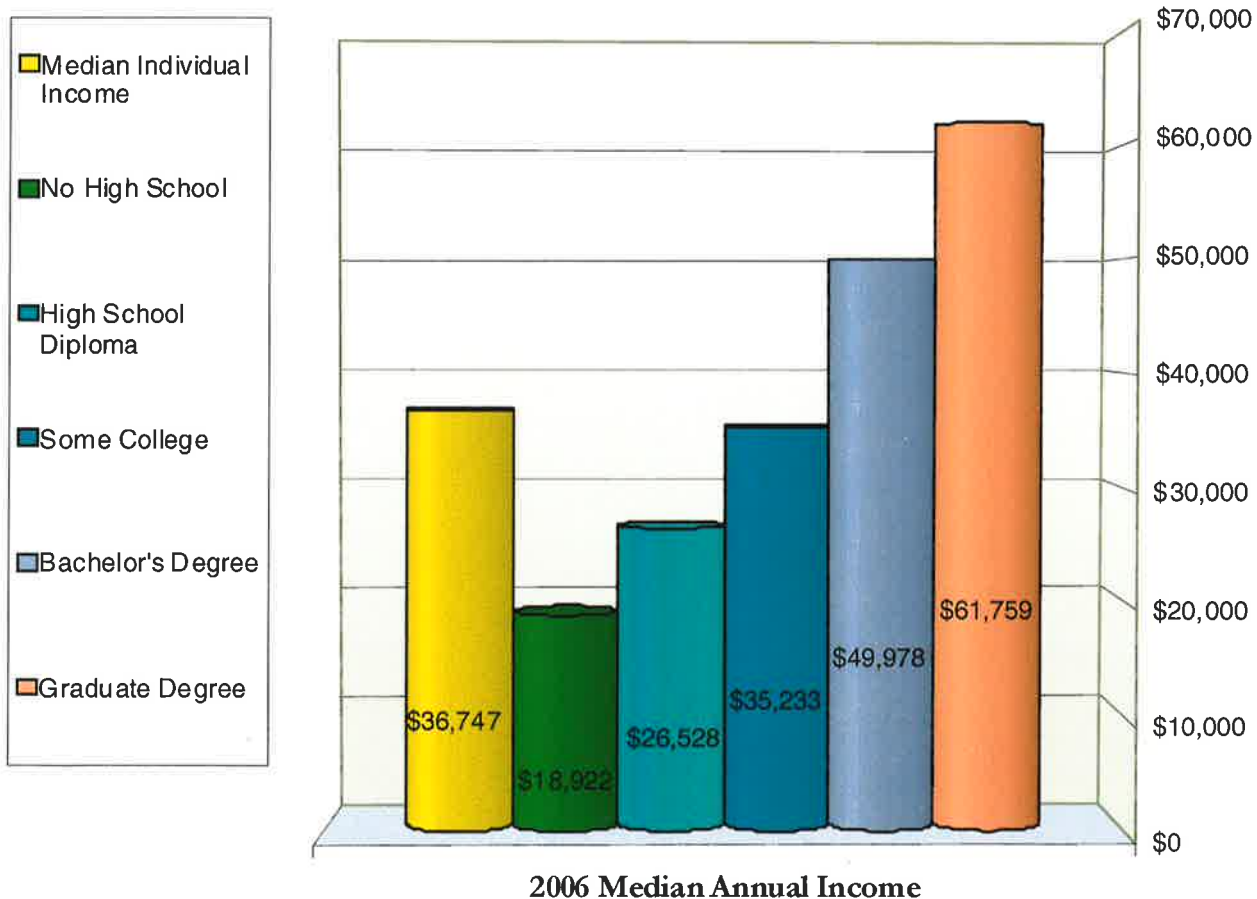


Chart Data from U.S Census Bureau 2006 ACS, B15004

Premise # 6: Lack of affordable and adequate housing and health care has reached a crisis.

Supporting Data:

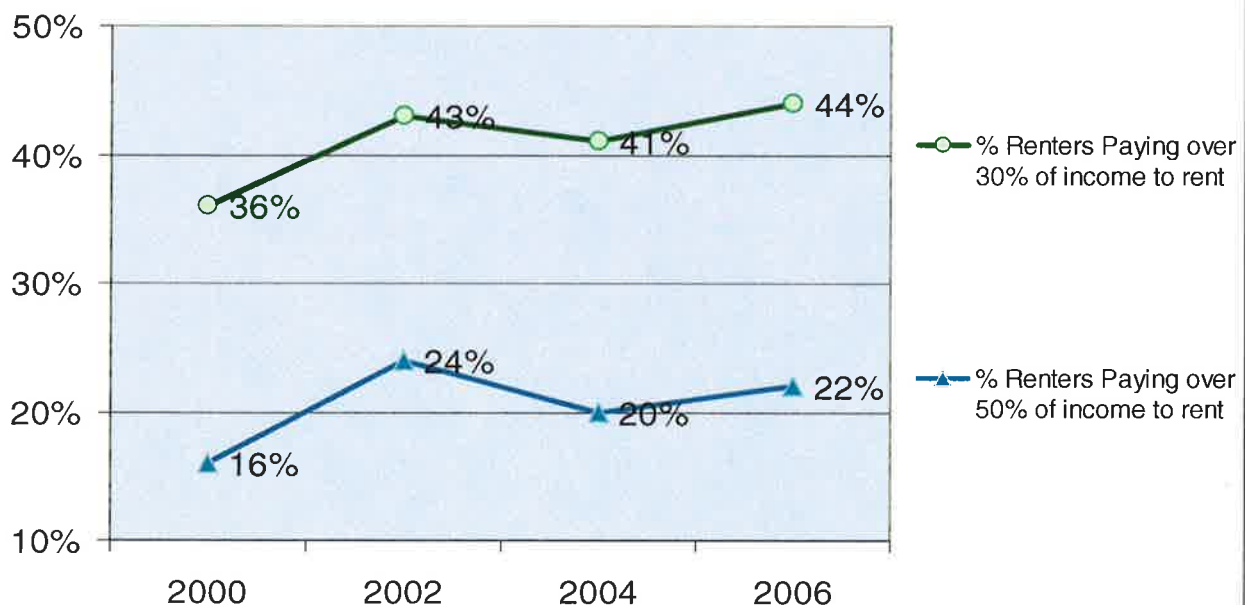
Housing:

- 44% of Washington County renters at all income levels live in housing that is unaffordable.¹⁵
- A full time worker must earn \$14.17 per hour to afford a two-bedroom unit; market rent for a 2-bedroom apartment is \$737 per month.¹⁶
- There is a 3 year waiting list for subsidized housing vouchers, with over 6,000 households waiting.¹⁷
- In 2007, 4,222 households were evicted from their homes in Washington County.¹⁸

Health Care

- Approximately 60,000 people in Washington County have no health insurance.¹⁹
- In 2006, there were 253 babies born in Washington County to mothers who did not receive adequate prenatal care, putting them at greater risk for preterm birth and low birth weight.²⁰
- 69.4% of uninsured Oregonians have income above the Poverty Level.²¹
- The percent of employees working for establishments that offer health insurance declined from 62% in 1996 to 53% in 2004.²²
- Nationally, the average out-of-pocket costs for deductibles, co-payments and co-insurance rose 115% between 2000 and 2004.²³

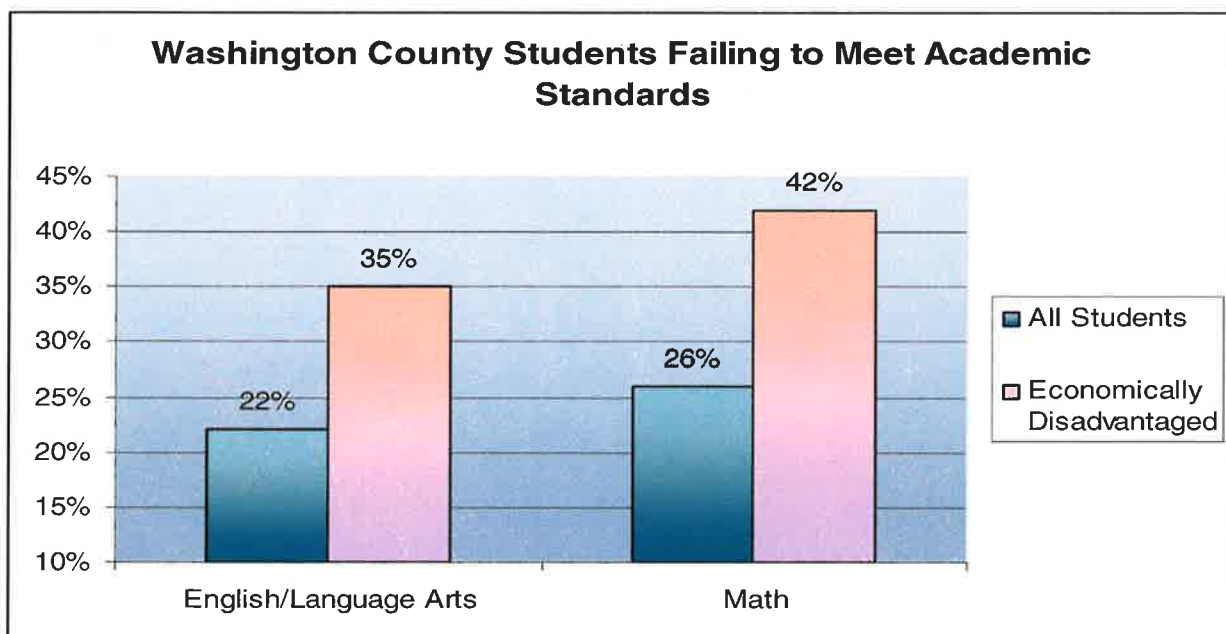
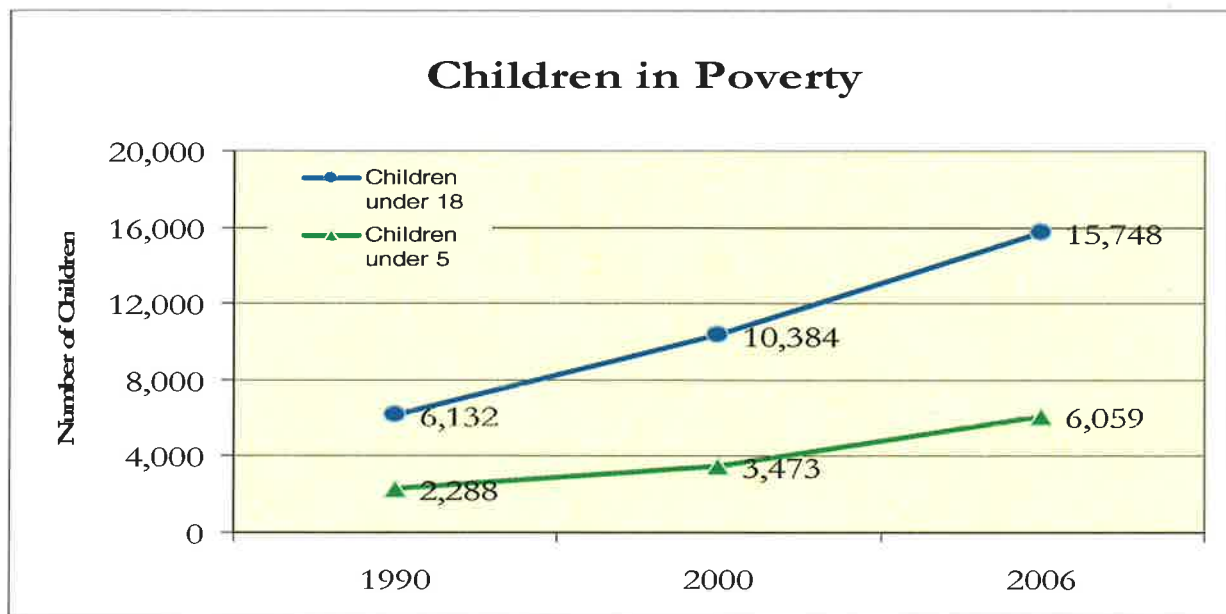
Increasing Housing Cost Burden



Premise #7: Children are disproportionately affected by poverty in Washington County, and the lack of sufficient support limits their potential to break out of poverty.

Supporting Data

- During the 2006-07 school year, 1,640 Washington County students were homeless. ²⁴
- 13,845 Washington County Children do not have health insurance. ²⁵
- In Washington County Schools, economically disadvantaged students were less likely to meet academic standards for Language Arts and Math. ²⁶



Footnotes

1. US Census Data from 2000 Decennial Census and 2006 American Community Survey. Total Washington County population in 2000: 441,331 and 2006: 514,269; Population below FPL in 2000: 32,575 and 2006: 50,493; Total Minority population in 2000: 79,162 and 2006: 138,855; Minority population in Poverty in 2000: 11,185 and 2006: 24,221; employed with income below poverty in 2004: 11,269 and 2006: 17407.
2. Federal Register; January 23, 2008 (volume 73, Number 15)
3. Oregon Food Bank, *Profiles of Poverty and Hunger in Oregon 2006*, pg 5
4. 2006 Oregon Child Care Market Rate Study, Table 10/pg 22
5. Basic Family Budget developed by the Economic Policy Institute based on cost estimates for a family of three with one working adult and two preschool-aged children.
www.epi.org/content.cfm/datazone_fambud_budget
6. National Low-Income Housing Coalition, Oregon Out of Reach, 2006
www.nlihc.org/oor/oor2006/
7. Oregon Food Bank, *Profiles of Poverty and Hunger in Oregon 2006*, pg 11
8. Oregon Department of Human Services,
www.oregon.gov/DHS/assistance/cash/tanf.shtml
9. US Census Data from 2006 American Community Survey, B22003
10. Oregon Food Bank, *Profiles of Poverty and Hunger in Oregon 2006*, pg 5
11. Northwest Federation of Community Organizations, *2007 Oregon Job Gap Study: Living in the Red*. Pg 28
12. Northwest Federation of Community Organizations, *2007 Oregon Job Gap Study: Living in the Red*. Pg10, Table 5
13. Oregon University System, *Annual Tuition and Fee Rates for Full-Time Students 1978-79 through 2007-08* www.ous.edu/dept/budget/files/tuihist.pdf
14. U.S. Department of Education, *A Test of Leadership: Charting the Future of U.S. Higher Education*, Pre-publication copy, 2006. Pg 9
15. U.S Census Bureau, 2006 ACS, B25070
16. National Low-Income Housing Coalition, Oregon Out of Reach, 2006
www.nlihc.org/oor/oor2006/
17. Washington County Department of Housing Services, as of January 2, 2008
18. 2007 Washington County Court records compiled by the Department of Housing Services
19. Washington County Department of Health and Human Services, *Everyone Everyday*, pg .1
20. Oregon Vital Statistics, www.dhs.state.or.us/dhs/ph/chs/data/cntydata/cdb2006/tbl08_06.pdf
21. Oregon Office for Health Policy and Research, February 1, 2007 Press Release
22. Office for Health Policy and Research, *Trends in Oregon's Healthcare Market and the Oregon Health Plan*, Executive Summary, pg. v
23. Northwest Federation of Community Organizations, *2007 Oregon Job Gap Study: Living in the Red* p19
24. Oregon Department of Education Homeless Program, Data released September 12, 2007
25. Children First for Oregon, 2007 County Data Book
26. Compiled by Community Action with data from 2006-2007 District Report Cards
www.ode.state.or.us/data/reportcard/reports.aspx

2008 *Washington County Issues of Poverty* is a publication of

Community Action

1001 SW Baseline Street, Hillsboro, OR 97123

Community Action is a private, non-profit corporation.
In partnership with the community, Community Action
assists low-income people to achieve self-determination.

For further information, contact Resource Development
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www.communityaction4u.org

Executive Director

Jerralynn Ness

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