

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Sitting/Acting as (if applicable) Study Session Worksheet

Presentation Date: September 24, 2014 **Approx Start Time:** 9:30 **Approx Length:** 90 minutes

Presentation Title: 2014 Poverty and Senior Citizens Planning

Department: Health, Housing and Human Services

Presenters: Cindy Becker, Brenda Durbin

Other Invitees: Bob Vroman

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD? The Department of Health Housing and Human Services requests the Board of County Commissioners review information on poverty in the county. This information is being presented in response to the Board's request for information regarding poverty demographics within the county.

EXECUTIVE SUMMARY: Poverty is an exacerbating factor in Clackamas residents' vulnerability, and in the situations which would cause them to be unsafe or unhealthy. There are three key measures of poverty in the county: Federal Poverty Level; Area Median Income, and the more recently developed measure of Self-Sufficiency Income.

Federal Poverty Level: Defined by the federal government based upon the cost of food. Approximately 9.7% of Clackamas residents earn less than the poverty level.

Area Median Income: Area Median Income is the income level earned by a given household where half of the households in the area earn more and half earn less. The Area Median Household Income for Clackamas County is \$69,400. Approximately 21% of Clackamas households have an income which is less than half of the Median Income. Approximately 13% have an income less than thirty percent of the Median Income.

Self-Sufficiency Income: The Self-Sufficiency Standard was developed to define the income required for a family to cover the costs of basic services and needs without assistance. The Self-Sufficiency income in Clackamas for a family of two adults and preschool age child is \$68,144 per year.

FINANCIAL IMPLICATIONS (current year and ongoing): None currently.

LEGAL/POLICY REQUIREMENTS: None

PUBLIC/GOVERNMENTAL PARTICIPATION: The Divisions of Clackamas County Health Housing and Human Services, and the Department of Assessment & Taxation contributed data to this session.

RECOMMENDATION:

Health, Housing and Human Services recommends review of the measurements of poverty available to the county. We recommend the Board of County Commissioners review new information as it becomes available: including new Census Poverty information which will be released in the coming weeks.

ATTACHMENTS

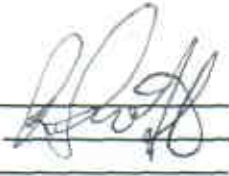
Attachment 1 : Clackamas County Report on Poverty 2014.

SUBMITTED BY:

Division Director/Head Approval _____

Department Director/Head Approval _____

County Administrator Approval _____



For information on this issue or copies of attachments, please contact Brenda Durbin @ 503-655-8641

Poverty in Clackamas County, 2014

The Clackamas County Strategic Plan of 2011-2016 emphasizes keeping vulnerable residents safe and healthy as a key principle of the County. Poverty is an exacerbating factor in residents' vulnerability, and in the situations which would cause them to be unsafe or unhealthy.

This report will outline the conditions of poverty which impact nearly 40,000 people in Clackamas County and the economic insecurity which threatens as many as 100,000 more.

Definitions

Poverty

The Federal Poverty Level (FPL) was established in 1964 as a way to measure if a family's income was adequate to cover basic needs.

- FPL assumes that a family of three will spend one third of its income on food. This is no longer correct, but has not been revised.
- The Federal Poverty Level does not take into account costs of living such as housing, transportation, taxes, or medical care.
- Federal Poverty Levels are not adjusted for differences in cost of living by area of the country (with the exception of Alaska and Hawaii)

2014 Federal Poverty Levels	
People in the Home	100% FPL
1	\$11,670
2	\$15,730
3	\$19,790
4	\$23,850

The FPL for Clackamas County is the same as that for New York City, and Detroit.

In order to adjust for costs of living which the Federal Poverty Level does not take into account, many programs use a multiplier of FPL to determine eligibility.

- Supplemental Nutrition Assistance Program (formerly food stamps) uses 130% FPL
- The Oregon Health Plan uses 138% of FPL

Area Median Income

Area Median income (AMI) is defined as the income level earned by a given household where half of the households in the area earn more and half earn less.

- Housing and Urban Development (HUD) and some others use AMI to determine eligibility.
- AMI is much more locally focused than the Poverty Level.
- AMI does not take need into account, only income compared to others in the area.
- AMI is based on the total income of all people living within the household – not individual income.

The Area Median Household Income for Clackamas County is \$69,400.

Self-Sufficiency Income

The Self-Sufficiency Standard was developed at the University of Washington to address the shortcomings of FPL and AMI by establishing incomes based on the cost of basic services and needs in a given area.

Self-sufficiency Income takes into account:

- The makeup of the family (age ranges of children)
- Housing costs
- Child Care costs
- Food
- Transportation
- Health Care
- Taxes and
- Tax credits (as a reduction in needed income)

Self Sufficiency for Clackamas County 2011					
Monthly Costs	Adult	Adult + Infant	Adult + School-age	2 Adults+ infant	2 Adults + School-age
Housing	\$816	\$943	\$943	\$943	\$943
Child Care	\$0	\$1,799	\$1,354	\$1,799	\$1,354
Food	\$260	\$518	\$592	\$744	\$814
Transportation	\$256	\$264	\$264	\$504	\$504
Health Care	\$110	\$325	\$330	\$381	\$386
Miscellaneous	\$144	\$385	\$348	\$437	\$400
Taxes	\$366	\$1,074	\$913	\$1,137	\$974
OR Working Family Child Care Credit (-)	\$0	\$0	\$0	\$0	\$0
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$100)	(\$100)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$167)	(\$167)	(\$167)	(\$167)
Self Sufficiency Income					
Hourly	\$11	\$29	\$25	\$16	\$15
Monthly	\$1,953	\$5,043	\$4,479	\$5,679	\$5,109
Annual	\$23,441	\$60,516	\$53,742	\$68,144	\$61,305

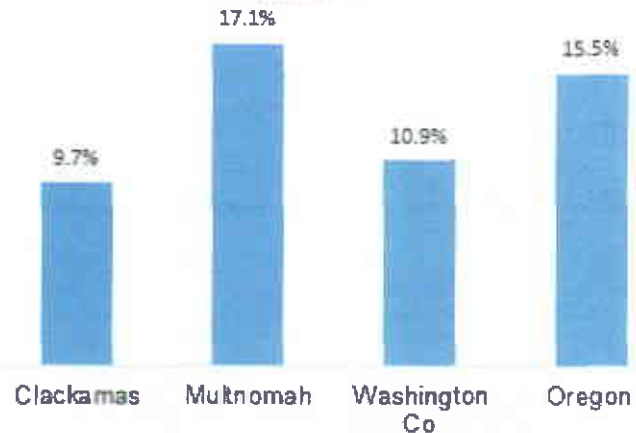
Economically Insecure Individuals in Clackamas County and the Region

Approximately 9.7% of Clackamas County residents earn less than the Federal Poverty Level. This equates to 37,662 people living in poverty in the county.

Approximately 56% of those in poverty in Clackamas County are classified as in the labor force, meaning they are working or looking for work.

40% of those in poverty are actively employed.

Percent of people with income below FPL
2008-2012



Children in Clackamas County are impacted by poverty at a greater rate than other age groups. Approximately 12.7% of Clackamas children are in households which earn less than the Federal Poverty Limit.

About half of the people in poverty in Clackamas County are considered to be in extreme poverty – meaning they earn less than 50% of the Federal Poverty Limit.

17,240 Clackamas residents live in extreme poverty. 5,700 are children under 18 years old.

HUD defines moderately low income as 50% of AMI and low income as 30% of AMI.

Approximately 21% of Clackamas households (30,740) are moderately low income (\$34,700 or less). 13% (18,415) are HUD defined low income (\$20,820 or less).

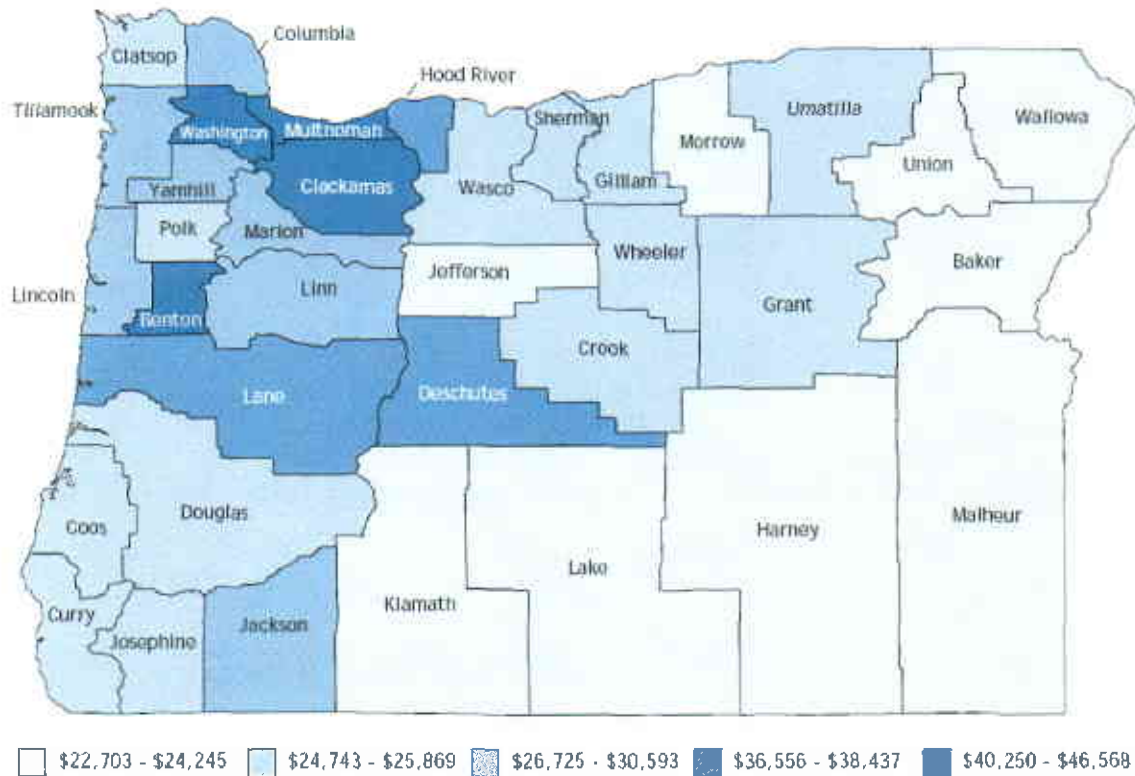
The areas of the County with the highest rates of moderately low income and low income individuals:

- Johnson City – 63% low to moderately low income.
- Molalla – 49.6%
- Barlow – 48.3%
- Estacada – 46.7%
- Oregon City – 45.2%
- Gladstone – 45.1%
- Milwaukie – 44.9%
- Canby – 43.4%

The costs of living related to a person's ability to be self-sufficient in Clackamas are among the highest in the state: \$60,516 annually for a household of one adult and one infant.

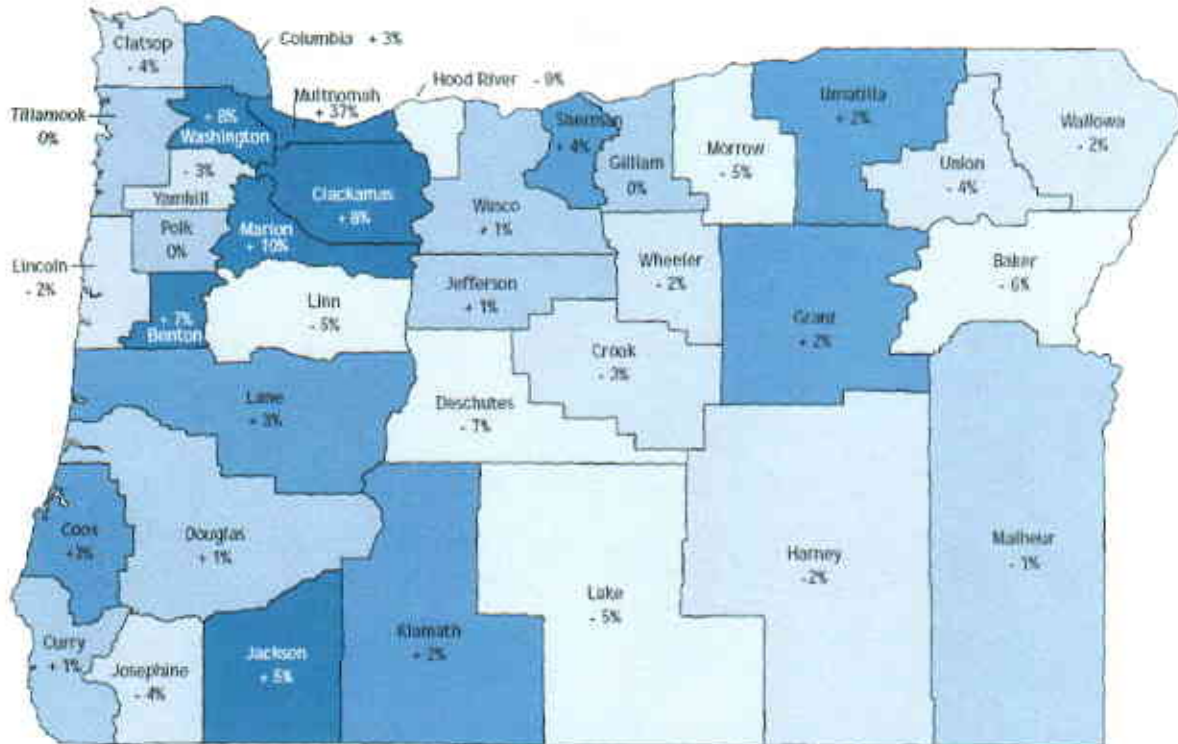
Self-Sufficiency Income in Clackamas County equates to 301% of the Federal Poverty Level.

Oregon Counties by level of Annual Self-Sufficiency Wage (1 adult and 1 Preschooler, 2011)



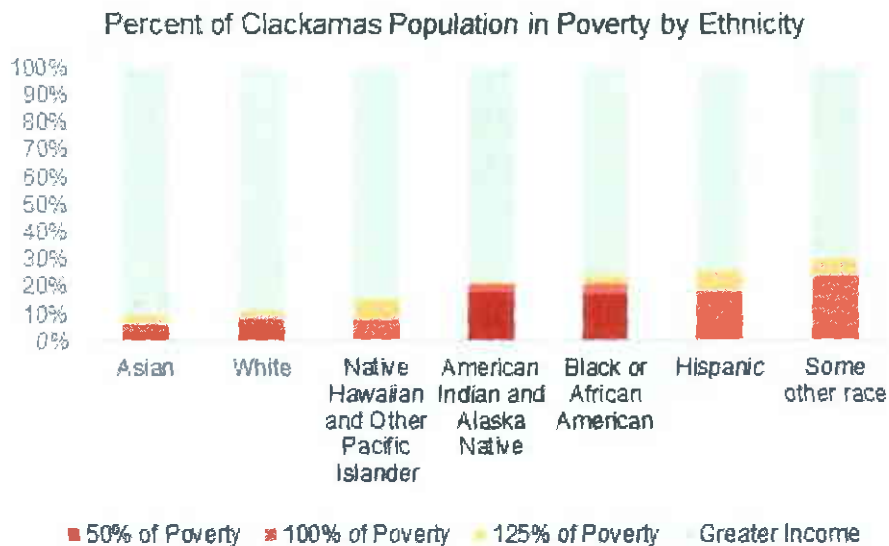
Between 2008 and 2011 (the most recent data available) these costs increased by 8%. This increase is second only to Marion County, which saw an increase of 10% and Multnomah County which increased the most of any county in Oregon at 37%.

Percent of change in Self-Sufficiency Income for Oregon Counties 2008-2011

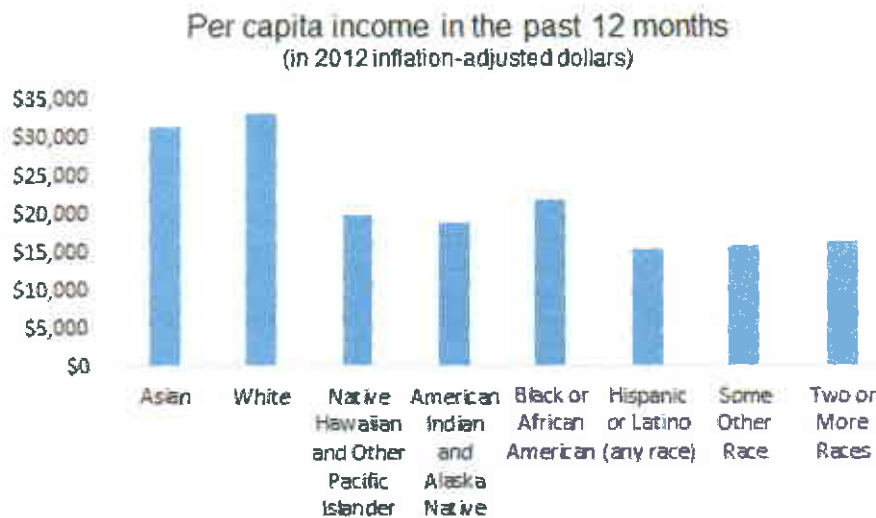


Ethnicity and Poverty

Poverty affects Clackamas County residents disproportionately based on their race and ethnicity. Clackamas County residents who are Native American, Black, or Hispanic are far more likely to have income levels in the poverty or extreme poverty ranges than are residents of Caucasian or Asian descent.

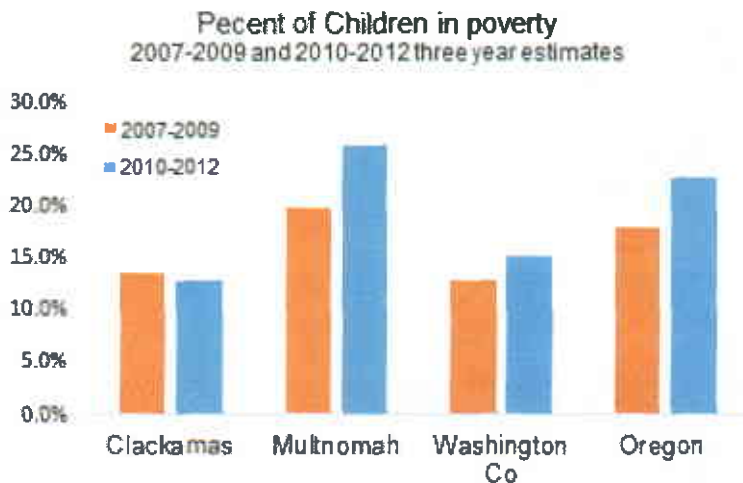
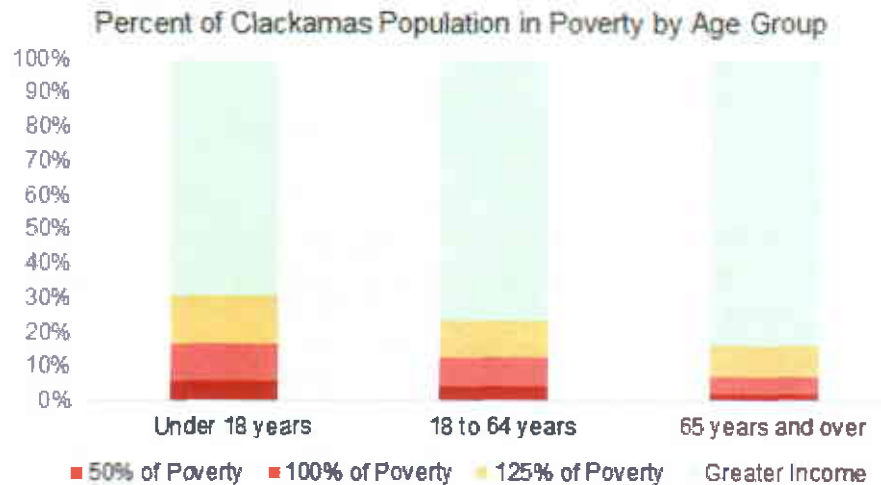


The per capita income of county residents also follows this trend.



Age and Poverty

Children under the age of 18 are affected by economic insecurity in greater numbers than other age groups in Clackamas.



However, fewer children in Clackamas County are in poverty than those in neighboring regions.

Poverty of Seniors

Residents over age 65 are the least likely age group in Clackamas County to be in poverty (5.8%). However, as noted, poverty does not necessarily relate to the cost of living. In particular, seniors are disproportionately impacted by the costs of health care.

In order to adjust for this, in 2011 the US Census Bureau developed a supplemental measure of poverty which takes costs of housing and medical expenses more into account.

By this standard the percent of Clackamas seniors over age 65 who live in poverty increases to 10.2%, or approximately 6,178 individuals.

Property Tax burden on Clackamas Seniors

Clackamas County property taxes are on average 0.85% of the home's market value. This equates to approximately 3.5% of home owner income. This is the 3rd highest rate in the state, after Multnomah and Polk counties.

The State of Oregon offers a program for seniors and the disabled to defer their property tax. Under the program the Oregon Department of Revenue pays a homeowner's property tax. This creates a lien on their property which must be repaid at an interest rate of 6% per year when the property changes ownership.

Approximately 670 individuals in Clackamas County have their property taxes paid in this way.

Unemployment in Clackamas County and the Region

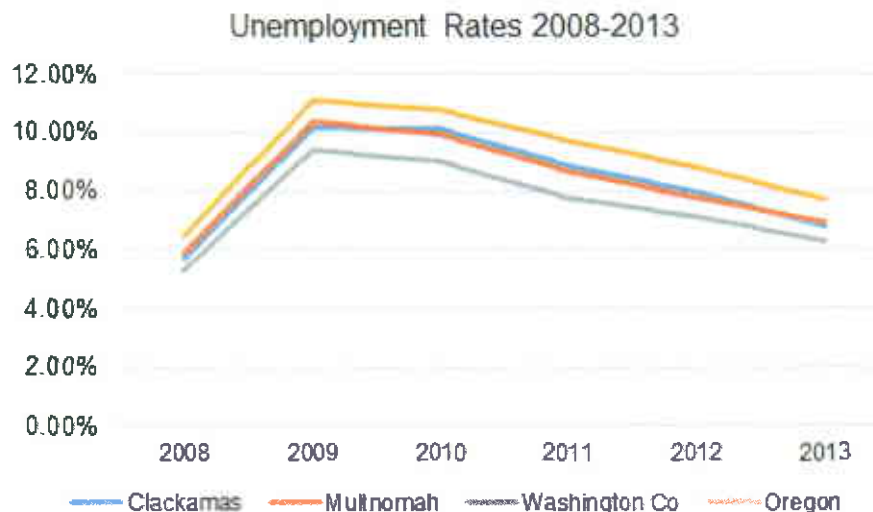
The current unemployment rate in Clackamas County is 6.1%.

This compares to:

Oregon - 7.0%

Multnomah County - 6.4%

Washington County - 6.0%



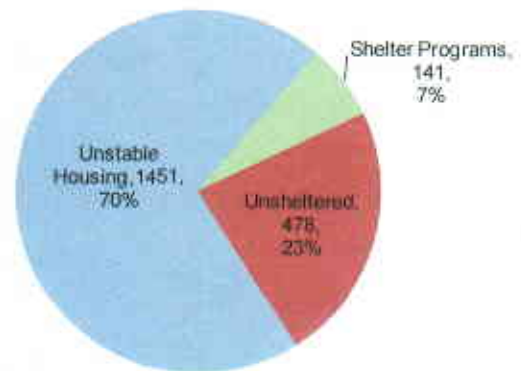
Homelessness in Clackamas County

An extreme form of economic insecurity is homelessness. Every two years Clackamas County conducts a point-in-time count of homeless individuals. The most recent count took place on the night of January 30th 2013.

2070 homeless people were counted in Clackamas County

- 141 people were counted within emergency shelter and transitional housing programs
- 478 people were counted among the unsheltered
- 1451 people were counted as living in doubled-up or unstable housing due to economic hardship
- 191 people counted this year were chronically homeless or in chronically homeless families*

*Chronically homeless refers to those who have a disabling condition and have been homeless for a year or more or 4 or more times in the past 3 years.



The next point-in-time count of homeless individuals will take place in January of 2015.

Sources

Agency	Document	Date
American Community Survey	DP04: Selected Housing Characteristics	2008-2012
American Community Survey	S1703: Selected characteristics of people at specified levels of poverty in the past 12 months	2008-2012
American Community Survey	S1901: Income in the past 12 months (in 2012 inflation-adjusted dollars)	2008-2012
American Community Survey	S2001: Earnings in the past 12 months (in 2012 inflation-adjusted dollars)	2008-2012
American Community Survey	S2301: Employment status	2008-2012
American Community Survey	S2401: Occupation by sex and median earnings in the past 12 months (in 2012 inflation-adjusted dollars) for the civilian employed population 16 years and over	2008-2012
American Community Survey	S2501: Occupancy characteristics	2008-2012
American Community Survey	S2503: Financial characteristics	2008-2012
Clackamas County H3S	Point-in-time Homelessness Report	2013
Institute of Portland Metropolitan Studies, PSU	Where the Ends Don't Meet: Measuring Poverty and Self-Sufficiency Among Oregon's Families	2010
Multnomah County	Poverty in Multnomah County	2014
OHA- Office of Health Analytics	OHP Eligible	2014
Oregon Housing and Community Services	Report on Poverty	2011
State of Oregon Employment Department	Labor Force and Unemployment by Area	2014
The Henry J. Kaiser Family Foundation	A State-by-State Snapshot of Poverty Among Seniors	2013
US Census	n/a	2010
Worksource Oregon	Wages and Income by Area	2014
WorkSystems Inc.	The Self-Sufficiency Standard for Oregon	2011